





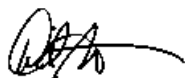
IT HAS BEEN SEVEN YEARS SINCE AKAMAI PUBLISHED THE FIRST *STATE OF THE INTERNET Report*, and over that time the report has both evolved and improved in significant ways. The first issue, weighing in at a svelte 17 pages, did not include any connection speed data, instead highlighting high broadband adoption (defined as >5 Mbps), broadband adoption (>2 Mbps), and narrowband adoption (<256 kbps) at a global level, in addition to the top originating countries and ports for observed attack traffic. Over time various data has come and gone from the report, including: city-level data, per-capita penetration, DNS/domain name growth, de-peering events and routing issues, and major new connectivity announcements. We've also added (and kept) insight into other important metrics, including IPv6 adoption, mobile connectivity, network outages, and last, but not least, average and average peak connection speeds. In addition, to accompany and complement the report, we've also developed a dedicated Web site, mobile applications for iOS and Android platforms, and data visualizations that allow users to generate, save, and share custom maps and graphs for key *State of the Internet* metrics. This last year has also seen a radical redesign of the report's look and feel, reflecting its growing importance as a reference document for those concerned about the progress of broadband deployment as well as Internet security.

That final point is important, as it is an area that will see some changes going forward. With Akamai's 2014 acquisition of Prolexic, their quarterly *Global DDoS Attack Report* has joined the *State of the Internet* family, and is now being published as the *State of the Internet / Security Report*. To that end, this quarter's report is the last time the *State of the Internet Report* will include a Security section covering attack traffic, reported DDoS attacks, and other security observations. Starting with the 1st Quarter, 2015 issue, all insight into these topics will be published exclusively in the *State of the Internet / Security Report*.

Growth of Internet connection speeds around the world has also driven changes within the report over time. As noted above, references to broadband and high broadband originally used baselines of 2 Mbps and 5 Mbps respectively. However, as a result of the United States Federal Communications Commission (FCC) 2010 redefinition of broadband at 4 Mbps downstream, we chose to align with that definition — evolving the broadband threshold to 4 Mbps and the high broadband threshold to 10 Mbps. Last year we added a 4K readiness metric that uses a 15 Mbps threshold. However, in January of 2015, the FCC updated the broadband threshold to 25 Mbps (<http://www.fcc.gov/document/fcc-finds-us-broadband-deployment-not-keeping-pace>), leapfrogging the thresholds currently used for the key metrics being tracked within this report. Although the United States is just one country of many around the world working to improve Internet connectivity, in light of this update we will be reviewing how we define the metrics included in the report, as well how we present the data in future issues. In order to address some confusion about the above-mentioned metrics, we recently published an updated blog entry (<http://akamai.me/sotimetrics>) to clarify how the report's key metrics are calculated.

In addition to continuing to enhance the stand-alone security-focused report, we plan to add a media-focused report to the *State of the Internet* portfolio in 2015. We are also working on adding an IPv6 perspective to the connection speed metrics, as well as enhancing the Real User Monitoring (RUM) data included in the report.

As always, if you have comments, questions, or suggestions regarding the *State of the Internet Report*, the Web site, or the mobile applications, connect with us via e-mail at [stateoftheinternet@akamai.com](mailto:stateoftheinternet@akamai.com) or on Twitter at [@akamai\\_soti](https://twitter.com/akamai_soti). You can also interact with us in the *State of the Internet* subspace on the Akamai Community at <https://community.akamai.com>.



David Belson

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Akamai's globally distributed Intelligent Platform™ allows us to gather massive amounts of data on many metrics, including connection speeds, attack traffic, network connectivity/availability issues, and IPv6 adoption progress, as well as traffic patterns across the leading Web properties and digital media providers. Each quarter, Akamai publishes the *State of the Internet Report*.

This quarter's report includes data gathered from across the Akamai Intelligent Platform during the fourth quarter of 2014, covering attack traffic, Internet connection speeds, and broadband adoption across both fixed and mobile networks, as well as trends seen in this data over time. In addition, this quarter's report includes insight into several high-profile security vulnerabilities, attacks, and toolkits; the state of IPv4 exhaustion and IPv6 adoption; Internet disruptions that occurred during the quarter; and observations from Akamai partner Ericsson regarding data and voice traffic growth on mobile networks.

**SECURITY** / During the fourth quarter of 2014, Akamai observed attack traffic originating from source IP addresses in 199 unique countries/regions. Note that our methodology captures the source IP address of an observed attack, and cannot determine attribution of an attacker. China once again remained the top attack source, though its percentage declined to 41% in the fourth quarter from 49% in the previous quarter. Second place United States also saw a decline to 13% of total observed attack traffic. Likewise, the overall concentration of observed attack traffic decreased, with the top 10 countries/regions originating 75% of observed attacks in the fourth quarter. For the third consecutive quarter, Port 23 was the most targeted port for attacks, and the percentage of attack traffic targeting Port 23 saw a large jump to 32% — more than 2.5x previous levels. During the fourth quarter, Akamai customers reported being targeted by 327 DDoS attacks, or 57 more than in the third quarter. Slightly more than half of the attacks were reported by customers in the Americas region, while nearly twice as many were reported by customers in the Asia Pacific region than those in EMEA. With the exception of the Enterprise segment, all industries saw increases in the number of attacks as compared with the third quarter, with Public Sector targets seeing the greatest growth. In addition to the increased frequency of DDoS attacks, a number of notable attack methods came to the forefront in the fourth quarter, including Poodle, which targets a severe SSLv3 vulnerability; Yummba Webinject tools, aimed at committing banking fraud; and DDoS amplification methods using Universal Plug and Play (UPnP) devices and DNS flooders mechanisms.

**INTERNET AND BROADBAND ADOPTION** / In the fourth quarter, Akamai observed a 1.5% quarterly increase in the number of unique IPv4 addresses connecting to the Akamai Intelligent Platform, growing to nearly 803 million — about 12 million more than were seen in the third quarter of 2014. Belgium remained the global leader in IPv6 adoption, with 32% of its connections to Akamai in the fourth quarter occurring over IPv6. Looking at connection speeds, the global average connection speed remained at 4.5 Mbps, virtually unchanged from the third quarter, while the global average

peak connection speed grew 8.4% to 26.9 Mbps. At a country/region level, South Korea continued to have the highest average connection speed, despite a 12% decline from the third quarter to 22.2 Mbps, and Hong Kong again had the highest average peak connection speed, growing slightly to 87.7 Mbps. Globally, high broadband (>10 Mbps) adoption grew by 2.9% quarterly to 24%, and South Korea remained the country with the highest level of high broadband adoption at 79%. In the fourth quarter, global broadband (>4 Mbps) adoption declined very slightly quarter over quarter to 59%, with Bulgaria overtaking South Korea as the country with the highest broadband adoption rate at 96%. "4K-ready" (>15 Mbps) connections grew minimally to 12% on a global basis, and South Korea, with a 61% readiness rate, was once again the global leader.

**MOBILE CONNECTIVITY** / Average mobile connection speeds (aggregated at a country/region level) ranged from a high of 16.0 Mbps in the United Kingdom to a low of 1.0 Mbps in New Caledonia in the fourth quarter of 2014. Average peak mobile connection speeds were up significantly from the third quarter, ranging from 157.3 Mbps in Singapore to 7.5 Mbps in Argentina. Four countries — Venezuela, Denmark, Saudi Arabia, and Sweden — had 97% of unique IP addresses from mobile providers connect to Akamai at speeds above the 4 Mbps "broadband" threshold, while two countries — New Caledonia and Bolivia — had 1% or fewer at those speeds. Based on traffic data collected by Ericsson, the volume of mobile data traffic grew by 11% between the third and fourth quarters of 2014, similar to the growth pattern seen between the previous two quarters.

Analysis of Akamai IO data collected during the fourth quarter from a sample of requests to the Akamai Intelligent Platform indicates that for traffic from mobile devices on cellular networks, Apple Mobile Safari accounted for nearly 36% of requests in the fourth quarter, while Android Webkit and Chrome for mobile (the two primary Android browser bases) accounted for 25% and 13%, respectively. For traffic from mobile devices across all networks, Apple Mobile Safari was responsible for close to 48% of requests, down from 50% last quarter, while Android Webkit and Chrome Mobile made up just over 27% and 12% of requests, respectively.







# [SECTION]<sup>1</sup> SECURITY

Akamai maintains a distributed set of agents deployed across the Internet that monitor attack traffic. Based on data collected by these agents, Akamai is able to identify the top countries from which attack traffic originates, as well as the top ports targeted by these attacks. Note that the originating country as identified by the source IP address is not attribution — for example, a criminal in Russia may be launching attacks from compromised systems in China. This section provides insight into port-level attack traffic, as observed and measured by Akamai, during the fourth quarter of 2014.

It also includes insights into DDoS attacks that targeted Akamai customers during the fourth quarter of 2014, as well as information about Poodle, UPnP and DNS flooders, amplification techniques for DDoS attacks, and Yummba Webinject tools. Within this report, all representations denote our view of the best and most consistent ways of attributing attacks we have seen — based not only on published claims, but on analysis of the tools, tactics, and methods that tend to provide a consistent signature for different adversaries.

**1.1 ATTACK TRAFFIC, TOP ORIGINATING COUNTRIES /** During the fourth quarter of 2014, Akamai observed attack traffic originating from 199 unique countries/regions, in line with the 201 seen in the third quarter. As shown in Figure 1, China once again remained well ahead of the other countries/regions in the top 10, originating more than 3x the observed attack traffic from the United States, which saw an approximately 20% quarter-over-quarter decline, back down to second-quarter levels. China and the United States were again the only two countries to originate more than 10% of observed attack traffic during the fourth quarter – the remaining countries/regions were all below 5%. Germany and Hong Kong joined the top 10 this quarter, pushing out Indonesia and Venezuela, while India was the only remaining top 10 country to see observed attack traffic percentages decline, dropping slightly from 2.9% in the third quarter to 2.4%. The overall concentration of observed attack traffic decreased in the fourth quarter, with the top 10 countries/regions originating 75% of observed attacks, down from 84% and 82% in the second and third quarters, respectively.

In the fourth quarter, 59% of all observed attack traffic originated from the Asia Pacific region, down from 64% in the third quarter and marking its second straight quarter of decline. Europe had the next-highest concentration of observed attack traffic at 19%, up significantly from 11% the previous quarter, pushing North America into third place with 15% of observed attacks (comprised mostly of attacks originating in the United States), down from 19% in the previous quarter. South America and Africa both originated less than 10% of observed attacks, responsible for 5% and 1% respectively, just as in the previous quarter.

**1.2 ATTACK TRAFFIC, TOP PORTS /** As shown in Figure 2, the percentage of observed attack traffic targeting Port 23 (Telnet) increased significantly in the fourth quarter to more than 2.5x previous levels. This may indicate a growth in attacks relying on brute-force login attempts or those that exploit default usernames and passwords to gain access to vulnerable systems. These attacks

can be perpetrated by bots that scan for systems with Port 23 open then try to login when finding such a port. Interestingly, all other ports in the top 10 increased their percentages as well, with significant increases for Ports 445 (Microsoft-DS), 8080 (HTTP Alternate), 3389 (Microsoft Terminal Services), and 22 (SSH), among others. In total, attack traffic to the top 10 ports made up 79% of all observed attack traffic in the fourth quarter, a substantial increase from 38% in the previous quarter.

Port 23 remained the most popular target of attacks observed to originate in China, accounting for almost half of all attacks originating there—nearly 6x the volume of Port 1433, the second-most attacked port from China. Port 23 was also again the most-targeted port for attacks from Turkey, South Korea, India and Hong Kong, while Taiwan, Russia, and Brazil had the most attacks targeting Port 445, with Port 23 not far behind in each case. Ports 80, 445, and 3389 each comprised roughly 10% of the attacks originating from the United States.

**1.3 OBSERVATIONS ON DDoS ATTACKS /** Akamai customers reported 327 DDoS attacks in the fourth quarter, up over 20% from the previous quarter, as shown in Figure 3. The total number of reported DDoS attacks in 2014 showed little change from the previous year, with 1,150 attacks reported to Akamai in 2014, compared with 1,153 in 2013, representing a decline of approximately a quarter of a percent year over year. The most significant change from 2013 to 2014 has been the distribution of who is being attacked, with High Tech and Public Sector targets showing notable growth, while the Enterprise segment actually saw fewer attacks in 2014. However, in the last quarter of 2014 the Commerce and Enterprise segments experienced the majority of attacks.

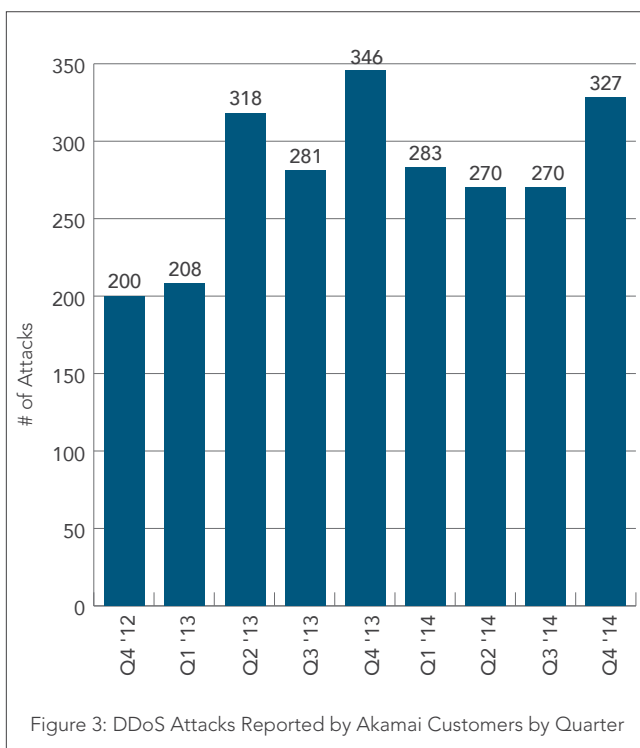
Figure 4 illustrates the number of attacks reported in the fourth quarter broken out by sector. With the exception of the Enterprise segment, all industries saw an increase in the number of attacks over the third quarter. Public Sector targets saw the greatest growth

	Country/Region	Q4 '14 Traffic %	Q3 '14 %
1	China	41%	49%
2	United States	13%	17%
3	Taiwan	4.4%	3.8%
4	Russia	3.2%	2.1%
5	Turkey	2.9%	1.3%
6	South Korea	2.8%	1.4%
7	India	2.4%	2.9%
8	Brazil	2.3%	1.9%
9	Germany	1.8%	0.6%
10	Hong Kong	1.3%	0.8%
–	Other	25%	18%

Figure 1: Attack Traffic, Top Originating Countries/Regions (by source IP address, not attribution)

Port	Port Use	Q4 '14 Traffic %	Q3 '14 %
23	Telnet	32%	12%
445	Microsoft-DS	15%	8.1%
8080	HTTP Alternate	6.6%	2.5%
80	HTTP (WWW)	6.4%	4.6%
3389	Microsoft Terminal Services	5.9%	2.6%
22	SSH	4.7%	1.8%
1433	Microsoft SQL Server	4.2%	2.9%
3306	MySQL	1.8%	1.1%
443	HTTPS (SSL)	1.7%	1.3%
9064	(Unassigned)	1.6%	0.1%
Various	Other	21%	–

Figure 2: Attack Traffic, Top Ports

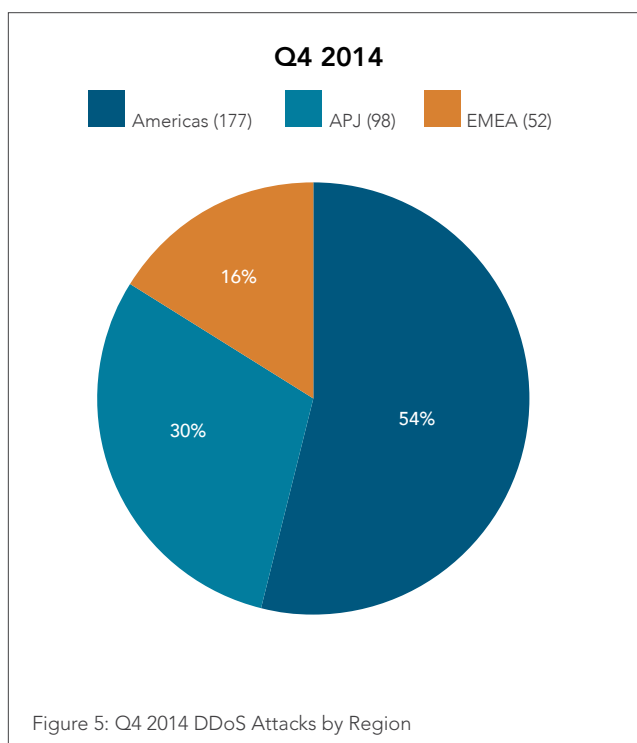
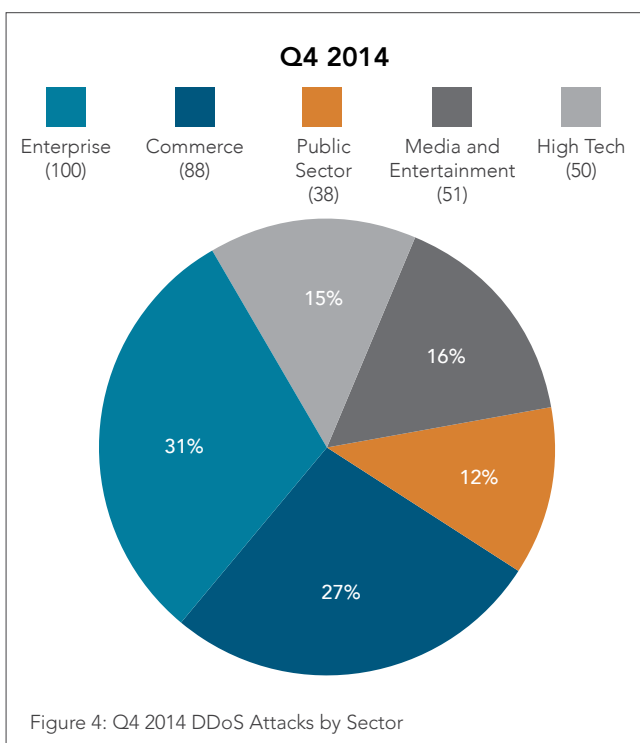


in attacks at 73%, increasing from 22 reported attacks to 38. The High Tech segment also saw a significant surge, with 47% more attacks reported in the fourth quarter than in the third. In contrast to these two segments, Enterprise attacks decreased 5% from the previous quarter, down from 106 reported attacks to 100.

Attacks against Public Sector targets reported throughout 2014 appear to be primarily motivated by political unrest, while the targeting of the High Tech industry does not appear to be driven by any single event or motivation.

As shown in Figure 5, the final quarter of the year saw increased attacks in all regions, with the Americas experiencing the majority of the growth with 35% more reported attacks than the previous quarter. The Asia Pacific region saw a 17% quarterly increase in the number of attacks, while the Europe, Middle East, and Africa (EMEA) region experienced marginally greater growth at 18%. While no one industry showed a marked difference for the increase in attacks, the holiday season and attacks on companies who rely on an Internet presence continued to fuel attacks in the final quarter of the year.

Akamai has been analyzing Distributed Denial of Service (DDoS) attacks aimed at our customers for the *State of the Internet Report* since the end of 2012. The Akamai platform is a massively distributed network of systems designed to serve Internet traffic from systems as close to the end user as possible. Part of the value of the Akamai platform is its ability to enable customers to deal with sudden spikes in Web site requests, such as during holiday sales or flash mobs created by news events. Malicious traffic frequently attempts to overload sites by mimicking this type of event, and the



difference is often only distinguishable through human analysis and intervention. Akamai combats these attacks by serving the traffic for the customer while the analysis is being performed and creating specific Web Application Firewall rules or implementing other protections such as blocking specific regions or IP addresses as necessary.

An additional aspect of the Akamai platform is that some of the most common methodologies used in DDoS attacks are simply ignored. Attacks that target the lower levels of the TCP/IP stack, such as UDP floods and SYN floods, hit the edge of the Akamai platform and are dropped. Specifically, Layer 1–4 traffic does not contain the information needed by Akamai to route it to a specific customer and is automatically assumed to be either malicious or malformed traffic.

The vast majority of attacks that Akamai is reporting on are based on traffic in layers 5–7 of the TCP stack, such as volumetric attacks—like HTTP GET floods and repeated file downloads—or application and logical layer attacks—which require much less traffic to be effective. These statistics are based on the higher level attacks reported by our customers.

**1.4 ADDITIONAL SECURITY OBSERVATIONS** / The final quarter of 2014 began with Poodle (“Padding Oracle On Downgraded Legacy Encryption”), a severe vulnerability affecting SSLv3. As the quarter progressed, attackers used Universal Plug and Play (UPnP) devices and DNS flooder tools to amplify their DDoS activity and Yummba Webinject tools to commit banking fraud.

**POODLE** / The Poodle vulnerability was the latest in a string of severe vulnerabilities in 2014, including Shellshock and Heartbleed. At Poodle’s core was a vulnerability in Secure Socket Layer version 3 (SSLv3) that attackers could exploit to calculate the plaintext (cleartext) in secure connections, effectively defeating ssl protection

The SSL protocol was designed to protect communications on the Internet by wrapping them with encryption to preserve the confidentiality and integrity of communications. It is often used for banking transactions, shopping, secure messaging, instant messaging, and email. The vulnerability affected SSLv3 and did not affect newer encryption protocols such as Transport Layer Security (TLS).

In an advisory, Akamai offered actions that organizations could take to mitigate the impact of Poodle. Recommendations included:

- Disabling SSLv3 wherever possible.
- Applying patches and updates from vendors, especially in cases where SSLv3 cannot be disabled.
- Accelerating deprecation of SSLv3 as well as earlier versions.

To help protect customers, Akamai deployed support for TLS Signaling Cipher Suite Value (scsv). scsv prevents downgrading or fallback attacks to SSLv3 or earlier versions in case of a man-in-the-middle attack.

**UPNP ATTACKS** / In October 2014, researchers discovered attackers using Universal Plug and Play (UPnP) devices to launch massive DDoS assaults.<sup>1</sup> Akamai PLXsert found 4.1 million Internet-facing UPnP devices that were potentially vulnerable to being employed in reflection DDoS attacks—approximately 38% of the 11 million UPnP devices found.

This kind of attack deliberately misuses communications protocols that come enabled on millions of home and office devices—including routers, media servers, Webcams, smart TVs, and printers. The protocols allow devices to discover each other on a network, establish communication, and coordinate activities. Attackers have been abusing the protocols on such devices to generate floods of traffic and cause Web site and network outages.

Akamai replicated the technique in a lab environment and described it this way in an advisory:

*“In the first step of the attack process, a SOAP request (M-SEARCH) is sent to a UPnP-enabled device. The M-SEARCH packet identifies vulnerable devices, and the device responds to the request with the HTTP location of its device description file—an XML file. After gathering a list of vulnerable devices, the attacker will send malicious requests to cause a reflected and amplified response to the attacker’s target. The size of the response and amplification factor may vary depending on the contents of the device description file, such as response header, banner, operating system, and UUID. While replicating this attack vector in a LAN laboratory environment, PLXsert measured an amplification factor of approximately 33 percent.”*

The advisory outlined actions to blunt the threat, including a recommendation to block source port 1900 traffic to the host in order to prevent bandwidth loads to services that do not use UPnP services, such as Web hosting or possible exploitation attacks.

**DNS FLOODERS** / DNS amplification attacks generate large response packets with relatively small requests. Attackers create large DNS TXT(text) records to increase amplification, magnifying the impact of a DDoS attack. Several campaigns observed after October 4, 2014, contained fragments of text taken from press releases issued by the White House. PLXsert suspected that DNS flooder tools were used.

“By crafting their own TXT records, attackers can amplify responses as desired and direct this traffic to targeted sites, including—but not limited to—DNS servers,” Akamai said in an advisory<sup>2</sup> at the time. “The amplified traffic response could eventually overwhelm the targeted site and render it unable to respond to any requests.”

This was not the first time attackers used large TXT records in reflection attacks. Previous victims of this technique included *isc.org* and many .gov sites. The new twist was that attackers were crafting the TXT records to provide the largest response size possible, thereby amplifying the impact. The TXT records in the October



2014 attacks came from the *guessinfosys.com* domain. The main targets of the attacks were the entertainment, education, and high-tech consulting sectors, and the attacks reached a peak bandwidth of 4.3 Gbps.

Akamai noted that DNS reflection attacks can be blunted at the network edge. An access control list (ACL) would suffice, but only in cases where available bandwidth exceeds attack size. Some DNS servers will attempt to retry the response using TCP, but when the request is sent to the target host no transfer will occur and the attempt will fail. DDoS cloud-based protection services, such as the ones provided by Akamai, were recommended.

**YUMMBA WEBINJECT** / In November, Akamai researchers observed attackers using Yummba Webinject tools to target banks and other enterprises. Zeus crimeware has a history of being used to build botnets, steal banking credentials, and launch DDoS attacks—targeting platform-as-a-service (PaaS) and software-as-a-service (SaaS) infrastructures. The added capabilities of Yummba custom webinjects made the malware even more dangerous.

Webinject attacks available for sale in the wild vary in sophistication—from simple attacks that report account information and credential theft to highly advanced webinjects that utilize ATSEngine for automated fund transfers to attacker-controlled accounts. Portions of these attacks might also be used in cross-site scripting (xss), phishing, and drive-by download attacks.

Open source intelligence sources, including whois information for the domain associated with the toolkit's Jabber ID, supported the belief that the creator of the Yummba Webinjects tool was located in Russia, as previously identified by other researchers. The author, known as “Yummba,” appeared to specialize in writing webinjects that target financial entities. Yummba was, and still is, fairly active in the carding community—sometimes giving advice to other developers, but most often identifying stolen and leaked versions of his products and blacklisting the parties responsible.

Some advanced webinjects, such as those that support the ATSEngine, automate the process of wiring a victim's funds to a third-party account. The victim's active, authenticated session is hijacked to perform these unwanted actions.

The custom Yummba Webinjects were meant to be used with the ATSEngine, an add-on component for popular crimeware and botnet software that allows malicious actors to inject dynamic content into a Web site and then automatically transfer funds from the victim's compromised online banking accounts. The engine allows malicious actors to update their configurations easily, without having to recompile or reinfect their victims. The JavaScript code is packed using a common obfuscator.

To mitigate the threat, Akamai suggested the following actions:

- **User awareness:** Because end users are the target of these attacks, training and education are needed to help them identify suspected phishing attacks. Red flags are generic salutations, grammatical errors in URLs, unexpected attachments, and attachments sent from unknown entities. In general, clicking unfamiliar links in e-mail messages should be discouraged. Users should not respond to e-mail requests with sensitive information and should contact their financial institutions with questions about suspicious banking emails. It's a good idea to browse directly to a financial institution instead of clicking a link.
- **System hardening:** Group Policy Objects (GPOs), Software Restriction Policies (SRPs), and commercial endpoint security products can help mitigate this type of threat. In addition, using antivirus software and other signature-based measures can help, although there may be very low levels of detection for some threats.
- **Deep packet inspection:** Monitoring via deep packet inspection can help mitigate these threats with a recognizable traffic signature. Some illegitimate URLs served during these attacks can be spotted and blocked for outbound traffic.
- **Community cleanup:** Projects such as Shadowserver, MalwareMustDie, and ZeuS Tracker help the commercial sector and law enforcement verify and take down malicious hosts serving attacks. Remediation and takedown is needed to stop further infestation and damage.







## [SECTION]<sup>2</sup> INTERNET PENETRATION

**T**hrough its globally-deployed Intelligent Platform, and by virtue of the approximately two trillion requests for Web content that it serves on a daily basis, Akamai has unique visibility into levels of Internet penetration around the world. In the fourth quarter of 2014, nearly 803 million unique IPv4 addresses, from 239 unique countries/regions, connected to the Akamai Intelligent Platform—1.5% more than in the third quarter of 2014, and 2.5% more than in the fourth quarter of 2013. Although we saw over 800 million unique IPv4 addresses, Akamai believes that this count represents well over 1 billion Web users. In some cases, multiple individuals may be represented by a single IPv4 address (or a small number of IPv4 addresses) because they access the Web through a firewall or proxy server; in other cases, individual users may have multiple IPv4 addresses associated with them, due to their use of multiple connected devices. Unless otherwise specified, the use of “IP address” within Section 2.1 refers to IPv4 addresses.

**2.1 UNIQUE IPV4 ADDRESSES** / As seen in Figure 6, the number of unique IPv4 addresses seen globally by Akamai grew by about 12 million quarter over quarter, more than recovering the loss of 7 million two quarters prior. As noted in last quarter's report, we expect that the global number of unique IPv4 addresses seen by Akamai may decline again in the future, and/or see smaller quarterly increases, as more carriers implement carrier-grade network address translation (CGN) solutions in an effort to conserve limited IPv4 address space or preferably increase support for and availability of native IPv6 connectivity for subscribers. Among the top 10 countries in the fourth quarter, the unique IP count in the United States was the only one to decline—showing a 3.4% loss compared with the previous quarter. The United Kingdom and South Korea showed the largest gains, at 8.1% and 6.6%, respectively, while Japan, Brazil, and Germany all saw increases of approximately 4%.

Globally, IP address growth was stronger than in the third quarter. Two-thirds of the countries saw a quarter-over-quarter increase in unique IPv4 address counts, with 54 countries/regions growing 10% or more. Of the countries that saw unique IPv4 address counts decline, 23 lost 10% or more as compared with the previous quarter.

Looking at year-over-year changes, Brazil was once again the only country among the top 10 to see a double-digit percentage increase. At 28%, it was significantly larger than the other countries within the top 10. Seven other countries on the list also saw yearly increases, with South Korea's 8.4% the largest. The United States and Italy saw year-over-year declines of 8.2% and 5.2%, respectively. The losses seen in these countries are not indicative of long-term declines in Internet usage within these geographies but, as noted previously, may more likely be related to changes in IP address management/conservation practices, increased IPv6 adoption, and/or updates to the underlying database used by Akamai for IP address geolocation.

	Country/Region	Q4 '14 Unique IPv4 Addresses	QoQ Change	YoY Change
–	Global	802,818,414	1.5%	2.5%
1	United States	151,386,342	-3.4%	-8.2%
2	China	125,400,588	2.7%	4.0%
3	Brazil	47,254,335	3.9%	28%
4	Japan	42,348,735	4.2%	4.9%
5	Germany	38,184,416	3.8%	2.7%
6	United Kingdom	28,910,888	8.1%	0.8%
7	France	28,813,162	1.9%	3.7%
8	South Korea	22,085,941	6.6%	8.4%
9	Russia	19,277,054	3.5%	4.9%
10	Italy	18,783,459	0.9%	-5.2%

Figure 6: Unique IPv4 Addresses Seen by Akamai

On a global basis, 70% of countries/regions around the world had higher unique IPv4 address counts year over year. Yearly growth rates of 100% or more were seen in seven countries/regions; four of them had fewer than 2,000 unique IPv4 addresses, showing small changes can result in large percentage shifts. In all, 27 countries saw yearly growth rates above 50%, while three countries saw IPv4 address counts decline more than 50%.

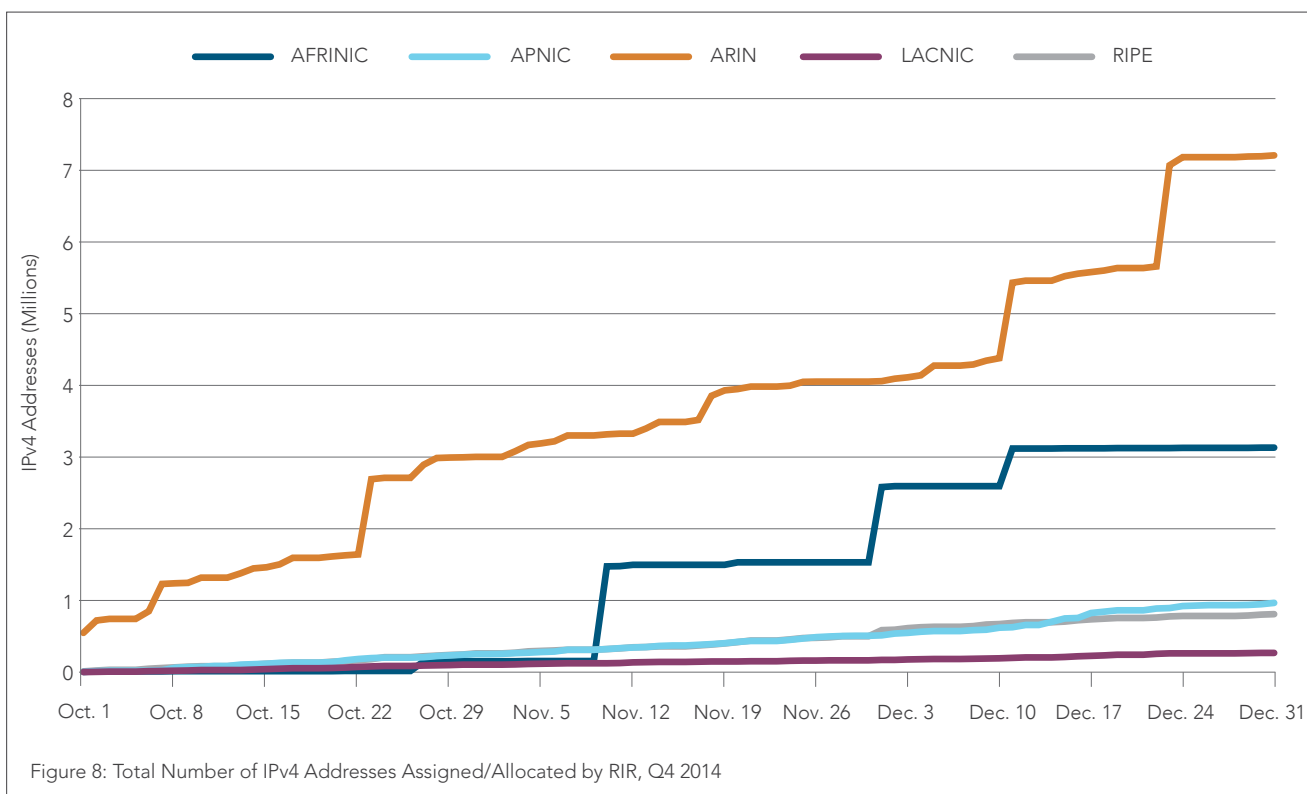
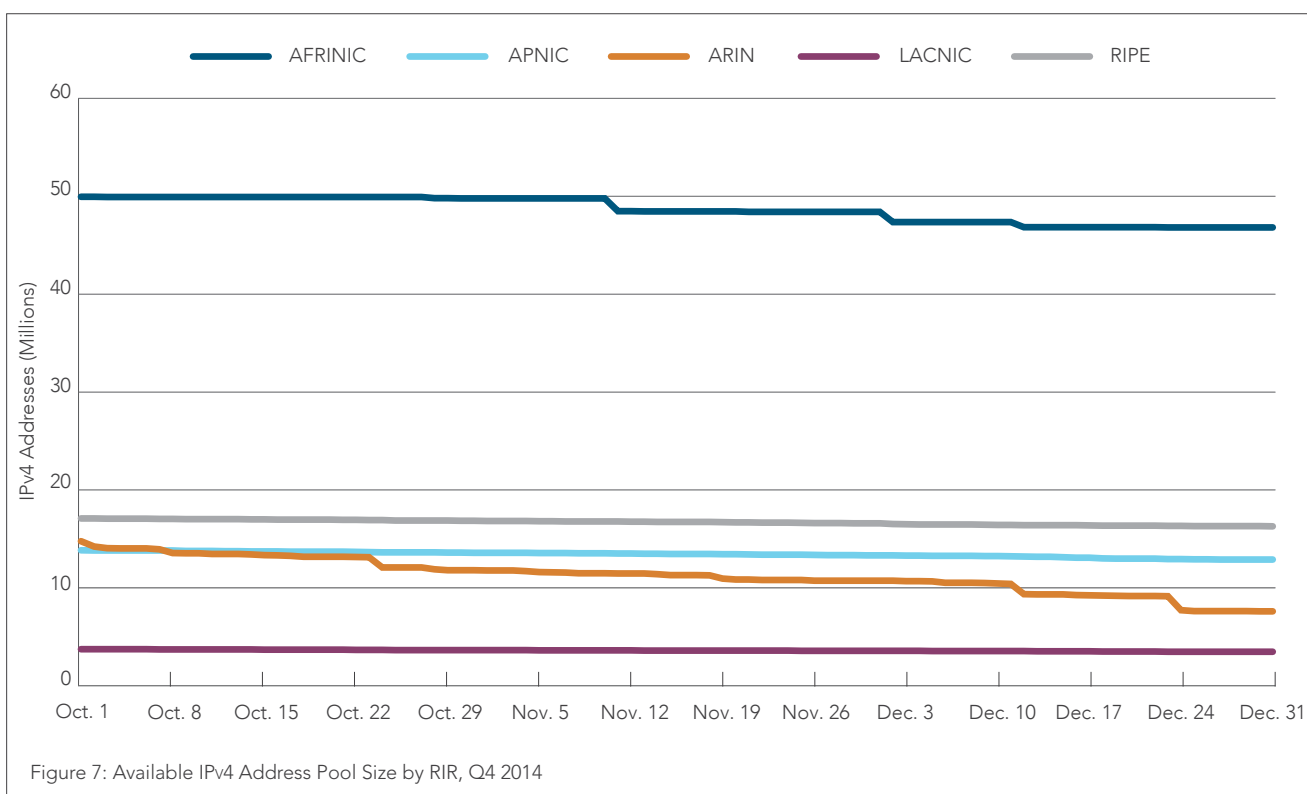
**2.2 IPV4 EXHAUSTION** / The fourth quarter saw continued depletion of available IPv4 address space as Regional Internet Registries (RIRs) assigned/allocated blocks of IPv4 address space to organizations within their respective territories. A reference table translating the /nn notations used below to unique IP address counts can be found at <https://www.arin.net/knowledge/cidr.pdf>.

Leveraging data<sup>3</sup> collected by Geoff Huston, Chief Scientist at APNIC,<sup>4</sup> the *State of the Internet Report* provides a perspective on the size of the available IPv4 address pool at each RIR, and how the sizes of the available pools are shrinking over time. In addition, the report uses data published by the individual RIRs to highlight IPv4 address space delegation activity within each region over the course of the quarter.

Figure 7 illustrates the data made available by Mr. Huston, showing how the size of available IPv4 address pools at each RIR changed during the fourth quarter of 2014. ARIN showed an extremely aggressive rate of depletion, delegating nearly 7.2 million IPv4 addresses—or nearly 49% of its available IPv4 space. LACNIC, APNIC, and AFRINIC were more reserved, with LACNIC and APNIC handing out just 266,000 and 946,000 IPv4 addresses, respectively—or roughly 7% of each of their available pools—while AFRINIC delegated 3.1 million addresses—or 6% of its IPv4 address pool. Although AFRINIC is the only remaining RIR with a substantial pool of IPv4 addresses remaining, as of December 7 it has less than 40% of its total pool left to delegate.<sup>5</sup>

As available IPv4 address space becomes increasingly scarce, it is interesting to see data emerging on IPv4 market transfer prices—that is, the effective cost per IPv4 address in the private transfer market. According to a limited set of data shared by a single address broker,<sup>6</sup> fourth-quarter transfers of IPv4 address space within the ARIN region went for anywhere between \$8.00 USD to \$13.57 USD per address, with listed address block sizes ranging from a /24 to a /20. This range of prices is slightly smaller than the range seen during the third quarter, but with few data points it is difficult to make generalizations about pricing trends. Analysis of available historical data does suggest<sup>7,8</sup> that larger address blocks are somewhat less expensive on a per-address basis.

Figure 8 illustrates the IPv4 allocation/assignment activity across each of the RIRs during the fourth quarter of 2014. Overall, there was slightly more activity during the fourth quarter than was seen in the third quarter. APNIC, RIPE, and LACNIC all saw slow, consistent delegation activity, with no specific days during the quarter where it appeared that significant assignments/allocations were made. At AFRINIC, three dates stand out for large allocations



during the fourth quarter. On November 10, Maroc Telecom,<sup>9, 10</sup> the largest telecommunications provider in Morocco, was allocated a /12 and a /14. On December 1, a /12 was allocated to Cloud Innovation Limited,<sup>11</sup> a Seychelles corporation associated with the Netherlands-based ISP Outside Heaven. Finally, on December 11, a /13 was allocated to Mobinil,<sup>12</sup> one of the three mobile-phone operators in Egypt. At ARIN, the three largest allocations in the fourth quarter were made on October 23, when a /12 was allocated to Amazon Technologies;<sup>13</sup> December 11, when a /12 was allocated to AT&T Internet Services;<sup>14</sup> and December 23, when a /12 and /14 were allocated to Charter Communications,<sup>15, 16</sup> a cable and Internet service provider in the United States.

**2.3 IPV6 ADOPTION** / Starting with the *Third Quarter, 2013 State of the Internet Report*, Akamai began including insight into IPv6 adoption across a number of vectors based on data gathered across the Akamai Intelligent Platform. The traffic percentages cited in Figure 9 and Figure 10 are calculated by dividing the number of content requests made to Akamai over IPv6 by the total number of requests made to Akamai (over both IPv4 and IPv6) for customer Web properties that have enabled Akamai edge delivery via IPv6—in other words, for dual-stacked hostnames. As previously discussed, this reporting methodology provides something of a lower bound for IPv6 adoption, as some dual-stacked clients—such as Safari on Mac OS X Lion and Mountain Lion—will only use IPv6 for a portion of possible requests. While not all of Akamai's customers have chosen to implement IPv6 delivery yet, the data set used for this section includes traffic from a number of leading Web properties and software providers, so we believe that it is sufficiently representative. Note that in compiling the data for the figures in this section, a minimum of 90 million total requests to Akamai during the fourth quarter of 2014 was required to qualify for inclusion.

A regularly updated view into the metrics discussed below can be found in the “IPv6 Adoption Trends by Country and Network” visualization on the *State of the Internet* Web site at <http://www.stateoftheinternet.com/ipv6>.

Figure 9 highlights the 10 countries/regions with the largest percentage of content requests made to Akamai over IPv6 in the fourth quarter. European countries continued to be heavily dominant, taking 8 of the 10 spots. Newcomer Norway, with an 88% quarter-over-quarter jump in IPv6 traffic, pushed France out of the top 10. Belgium again maintained its clear lead, with 32% of content requests made over IPv6—more than double the percentage of second-place Germany. The only two non-European countries among the top 10 were the United States and Peru, both of which saw robust quarterly improvements, ending the quarter with 12% and 11% adoption rates, respectively. Only one country in the top 10, Romania, saw a quarterly decline—dropping 5.5%. Gains ranged from 4.6% in Switzerland to 88% in Norway, with the next largest increase seen in Greece at 38%.

Figure 10 lists the top 20 network providers by the number of IPv6 requests made to Akamai during the fourth quarter. Cable and wireless/mobile providers continued to drive the largest volumes of

IPv6 requests, many of which are leading the way for IPv6 adoption in their respective countries. Among this group of providers, both Verizon Wireless and Brutele again saw more than half of their requests to Akamai made over IPv6, with Telenet close behind at 49%. All three saw their percentages go up compared with the third quarter. German carriers Kabel Deutschland, Kabel BW, and Unitymedia once again had more than a quarter of their requests to Akamai over IPv6, joined this quarter by U.S. providers T-Mobile and Comcast, both of which saw sizable increases in IPv6 traffic in the fourth quarter. Only Telekom Malaysia and Greek provider Hellas On Line had IPv6 request volumes below 10%, though with the growth rates regularly seen, these providers are likely to cross this threshold soon.

Though not represented in the top 10, carriers in other parts of the world are turning on IPv6 as well, as highlighted in the World IPv6 Launch blog (<http://www.worldipv6launch.org/blog/>). Several such carriers were noted in our third-quarter report and are joined by SK Telecom, one of the largest South Korean mobile carriers, in the fourth quarter.<sup>17</sup>

	Country/Region	Q4 '14 IPv6 Traffic %	QoQ Change
1	Belgium	32%	18%
2	Germany	14%	32%
3	United States	12%	29%
4	Luxembourg	12%	32%
5	Peru	11%	25%
6	Switzerland	9.5%	4.6%
7	Norway	8.2%	88%
8	Czech Republic	7.0%	21%
9	Romania	6.7%	-5.5%
10	Greece	6.4%	38%

Figure 9: IPv6 Traffic Percentage, Top Countries/Regions

Country/Region	Network Provider	Q4 '14 IPv6 Traffic %
United States	Comcast Cable	29%
United States	AT&T	20%
United States	Verizon Wireless	62%
United States	Time Warner Cable	12%
Germany	Deutsche Telekom	20%
United States	T-Mobile	33%
Belgium	Telenet	49%
France	Proxad/Free	20%
Peru	Telefonica Del Peru	14%
Japan	KDDI Corporation	22%
Germany	Kabel Deutschland	35%
Malaysia	Telekom Malaysia	9.1%
Romania	RCS & RDS	16%
Germany	Unitymedia NRW GmbH	28%
Belgium	Brutele (Voo)	62%
Belgium	Belgacom	17%
Switzerland	Swisscom	19%
Germany	KabelBW	30%
Portugal	Sapo	12%
Greece	Hellas On Line SA	7.3%

Figure 10: IPv6 Traffic Percentage, Top Network Providers by IPv6 Request Volume







A person with long brown hair, seen from behind, is holding a smartphone up to take a photo of a city street at night. The street is illuminated with warm yellow and orange lights, and there are cars and buildings visible in the background. The image is overlaid with a semi-transparent blue geometric shape that contains the text.

# [SECTION]<sup>3</sup> GEOGRAPHY *GLOBAL*

The data presented within this section was collected during the fourth quarter of 2014 through Akamai's globally deployed Intelligent Platform, and includes all countries/regions that had more than 25,000 unique IPv4 addresses request content from Akamai during the quarter. For the purposes of classification within this report, the "high broadband" data included below is for connections to Akamai at speeds greater than 10 Mbps, and "broadband" is for connections of 4 Mbps or greater.

In addition to providing insight into high broadband and broadband adoption levels, the report also includes data on average and average peak connection speeds—the latter provides insight into the peak speeds that users can likely expect from their Internet connections. (See the blog post at <https://blogs.akamai.com/2013/04/clarifying-state-of-the-internet-report-metrics.html> for more information on how these metrics are calculated.)

Traffic from known mobile networks is analyzed and reviewed in a separate section of the report. Therefore, mobile network data has been removed from the data set used to calculate the metrics in the present section as well as subsequent regional “Geography” sections.

**3.1 GLOBAL AVERAGE CONNECTION SPEEDS** / The global average connection speed was virtually unchanged in the fourth quarter of 2014, increasing a scant 0.7% to 4.5 Mbps and remaining above 4 Mbps for the third consecutive quarter. As Figure 11 shows, quarterly changes were mixed across the top 10 countries/regions, with six seeing increases, three seeing decreases, and Switzerland remaining unchanged. Among those seeing average connection speeds grow quarter over quarter, the largest increase was seen in Sweden, with a modest 3.5% gain — while the lowest was in the Czech Republic, with a negligible 0.1% gain from the third quarter. Among the countries/regions seeing declines, South Korea led the pack with a 12% drop from the third quarter. Ireland also saw a sizable 8.9% drop, while Latvia saw a more modest 2.6% decline.

The average connection speeds among the top 10 all remained well above the 10 Mbps “high broadband” threshold, with South Korea, Hong Kong, and Japan again all falling above the 15 Mbps “4K readiness” threshold as well. Globally, a total of 98 qualifying countries/regions saw average connection speeds increase in the fourth quarter, with growth rates ranging from 78% in Nepal (to 2.5 Mbps) to a meager 0.1% in the Czech Republic (to 12.3 Mbps). Quarter-over-quarter losses were seen in 44 qualifying countries/regions, with declines in connection speeds ranging from 0.2% in Albania (to 4.6 Mbps) to 73% in Sudan (to 1.0 Mbps).

Year-over-year changes were consistently positive in the top 10, with eight countries/regions boasting double-digit gains. Finland, Sweden, and Hong Kong all posted increases of more than 30% compared with the fourth quarter of 2013. South Korea and the Czech Republic were the only countries in the top 10 to see yearly growth below 10%, posting increases of 1.6% and 8.4%, respectively.

	Country/Region	Q4 '14 Avg. Mbps	QoQ Change	YoY Change
–	Global	4.5	0.7%	20%
1	South Korea	22.2	-12%	1.6%
2	Hong Kong	16.8	3.4%	37%
3	Japan	15.2	1.0%	16%
4	Sweden	14.6	3.5%	34%
5	Switzerland	14.5	0%	21%
6	Netherlands	14.2	1.7%	15%
7	Latvia	13.0	-2.6%	25%
8	Ireland	12.7	-8.9%	24%
9	Czech Republic	12.3	0.1%	8.4%
10	Finland	12.1	2.8%	33%

Figure 11: Average Connection Speed by Country/Region

On a global basis, the average connection speed increased 20% year over year. Increases were seen in 132 qualifying countries, with growth rates ranging from 0.3% in Morocco (to 2.4 Mbps) to 146% in Congo (to 1.3 Mbps). In addition to Congo; Qatar, Madagascar, Jersey (one of the Channel Islands located off the coast of France), and Bangladesh all saw average connection speeds more than double from the previous year. Yearly declines were seen in just 10 countries/regions, with losses ranging from 1.7% in Paraguay (to 1.4 Mbps) to 47% in Sudan (to 1.0 Mbps).

In the fourth quarter, four qualifying countries had average connection speeds below 1.0 Mbps, up from three in the third quarter. Sudan, Botswana, and Yemen had average connection speeds of 0.96 Mbps, 0.96 Mbps, and 0.94 Mbps, respectively, while Libya again had the slowest speed at 0.7 Mbps.

**3.2 GLOBAL AVERAGE PEAK CONNECTION SPEEDS** / In the fourth quarter, the global average peak connection speed saw an increase of 8.4% to 26.9 Mbps. As shown in Figure 12, only one country among the top 10 saw average peak speeds decline quarter over quarter, with Israel losing 2.1% to 60.5 Mbps. Among the remaining countries/regions in the top 10, quarterly growth rates ranged from just 1.2% in Singapore to an impressive 50% in Qatar. We believe Qatar’s large quarterly advance in average peak connection speeds (as well as its high broadband adoption rates) may be related to a move by Ooredoo Qatar, the country’s primary telecommunications provider, to provide a major speed upgrade for free to its residential broadband customers. As of October, Ooredoo customers in the 1 Mbps tier were upgraded to 10 Mbps, while customers in the 10 Mbps tier were bumped to 25 Mbps.<sup>18</sup> This may have played a significant role in vaulting Qatar into eighth place globally for average peak connection speeds in the fourth quarter, up substantially from twenty-ninth place in the third quarter, pushing Luxembourg out of the top 10. Hong Kong again had the highest average peak connection speed at 87.7 Mbps, but all of the top 10 saw average peak speeds greater than 60 Mbps.

	Country/Region	Q4 '14 Peak Mbps	QoQ Change	YoY Change
–	Global	26.9	8.4%	16%
1	Hong Kong	87.7	3.7%	29%
2	Singapore	84.0	1.2%	42%
3	South Korea	75.4	1.6%	17%
4	Japan	69.0	6.0%	30%
5	Romania	67.0	14%	32%
6	Taiwan	64.2	17%	25%
7	Uruguay	63.3	8.1%	73%
8	Qatar	62.8	50%	72%
9	Israel	60.5	-2.1%	11%
10	Latvia	60.2	3.7%	23%

Figure 12: Average Peak Connection Speed by Country/Region



On a global basis, a total of 114 of the 142 qualifying countries/regions saw average peak connection speeds increase from the third quarter, with growth ranging from a negligible 0.1% in Slovenia (to 39.3 Mbps) to a sizable 90% in Congo (to 10 Mbps). Qatar and the United Arab Emirates both saw quarterly increases of over 50%. Only 28 qualifying countries/regions saw lower average peak connection speeds in the fourth quarter, as compared to 77 in the third quarter, with losses ranging from 0.5% in Georgia (to 23.3 Mbps) to 51% in Sudan (to 7.0 Mbps).

Looking at year-over-year numbers, all of the top 10 countries/regions saw double-digit increases in average peak connection speeds. Uruguay led the group again, with an increase of 73% over the fourth quarter of 2013, with Qatar close behind showing a 72% increase. Israel had the lowest yearly increase among the top 10, with an 11% gain. Looking across all of the qualifying countries/regions, a total of 106 saw average peak connection speeds increase from the fourth quarter of 2013. Yearly growth ranged from 0.6% in Costa Rica (to 13.2 Mbps) to a 125% increase in Syria (to 19.7 Mbps). Four additional countries/regions — Mozambique, Jersey, Iran, and Luxembourg — joined Syria in seeing average peak connection speeds more than double year over year. Thirty-six countries/regions saw a yearly decline in average peak speeds, with Zambia and Libya experiencing the largest drops — at 38% (to 6.0 Mbps) and 46% (to 8.4 Mbps) respectively.

In the fourth quarter, Kenya was the country/region with the lowest average peak connection speed, dropping 27% to 5.8 Mbps. Zambia, which held the last-place position the two previous quarters, saw an average peak speed of 6.0 Mbps, a 3.4% drop from the third quarter. In addition to Kenya and Zambia, six other countries, all in Africa, saw average peak connection speeds below 10 Mbps in the fourth quarter. Though Internet access is very slow, limited, and expensive in many parts of Africa, there were some indicators of progress in the fourth quarter, as a group of investors set up a well-connected Djibouti data center with the goal of providing faster connectivity at lower costs to countries in east Africa.<sup>19</sup> This data center is the first

one in the region with fast connectivity to the main Internet cables between Europe and Asia, and is hopefully a harbinger of increased Internet connectivity throughout the region.

**3.3 GLOBAL HIGH BROADBAND CONNECTIVITY** / In line with the quarterly increase seen in the peak connection speed metrics, the global high broadband adoption rate increased 2.9% in the fourth quarter, after seeing a slight decline in the third quarter. Except for South Korea, which saw a 3% decline in observed high broadband adoption, all other countries/regions in the top 10 saw quarterly increases, ranging from just 1.8% in Latvia to Denmark's 15% — which pulled it into the top 10 this quarter. However, South Korea's 79% high broadband adoption rate remains far ahead of second-place Hong Kong's 60% adoption rate.

Among the 65 qualifying countries/regions for this metric, 42 saw quarter-over-quarter increases, ranging from Norway's slight 1% bump to 35% high broadband adoption to Qatar's significant 282% jump to 20% adoption (again likely due to Ooredoo Qatar's free speed upgrades for its broadband customers). The United Arab Emirates was the only other qualifying country to see adoption percentages more than double, enjoying a 164% increase to 9.2% adoption. Quarterly losses were seen in 23 qualifying countries/regions, with declines ranging from a negligible 0.3% drop in the United States (to 39% adoption) to a 31% decline in Georgia (to 5.7% adoption).

Looking at year-over-year changes, the global high broadband adoption rate was up 25% — slightly higher than the 22% increase in the third quarter, though lower than the 65% increases seen in both the first and second quarters of 2014. All of the top 10 countries/regions saw double-digit increases, ranging from South Korea's 11% increase to Romania's 258% jump. Bulgaria also saw adoption more than double, with a 180% year-over-year increase.

When looking at all of the qualifying countries/regions, only China saw year-over-year declines in high broadband adoption — dropping a surprisingly high 37% (to a 1.1% adoption rate). Across the other 63 geographies, yearly increases ranged from 8% in Austria to a massive 2000% in Qatar (to 20% adoption). Besides Qatar, an additional 27 qualifying countries saw adoption rates more than double year over year, ranging from a 100% increase in South Africa (to 2.6% adoption) to Bosnia and Herzegovina's 660% increase (to 6.3% adoption).

Due to a 21% quarterly drop, China had the lowest high broadband adoption rate in the fourth quarter at 1.1%, just edging out India, which held the last position in the third quarter. India also had a 1.1% rate in the fourth quarter, representing a small 0.7% drop from the previous quarter.

**3.4 GLOBAL BROADBAND CONNECTIVITY** / Figure 14 shows that the global broadband adoption rate decreased very slightly in the fourth quarter, dropping 0.7% to a 59% adoption rate. Among the top 10 countries/regions, Denmark saw the biggest gain at 3.5% with Hong Kong the next highest, showing a 2.5% increase in broadband

	Country/Region	% Above 10 Mbps	QoQ Change	YoY Change
–	Global	24%	2.9%	25%
1	South Korea	79%	-3.0%	11%
2	Hong Kong	60%	8.5%	60%
3	Switzerland	56%	3.6%	34%
4	Japan	56%	2.7%	14%
5	Netherlands	56%	5.0%	24%
6	Romania	55%	11%	258%
7	Sweden	47%	7.1%	44%
8	Latvia	46%	1.8%	44%
9	Bulgaria	45%	5.7%	180%
10	Denmark	44%	15%	35%

Figure 13: High Broadband (>10 Mbps) Connectivity

	Country/Region	% Above 4 Mbps	QoQ Change	YoY Change
–	Global	59%	-0.7%	7.8%
1	Bulgaria	96%	0.4%	17%
2	South Korea	95%	-0.1%	2.0%
3	Switzerland	93%	0.2%	2.5%
4	Denmark	92%	3.5%	11%
5	Israel	92%	0.9%	12%
6	Netherlands	91%	0.9%	4.7%
7	Hong Kong	91%	2.5%	13%
8	Romania	89%	0.6%	16%
9	Isle Of Man	89%	-1.2%	2.0%
10	Japan	88%	1.1%	4.8%

Figure 14: Broadband (&gt;4 Mbps) Connectivity

adoption rates. Bulgaria had the highest level of broadband adoption in the fourth quarter at 96%, just edging out the third quarter's leader, South Korea, which saw a 0.1% fourth-quarter decline in its adoption rate. Two of the top 10 saw lower broadband adoption rates as compared with the third quarter—with Isle of Man losing 1.2% and South Korea losing 0.1%. Seven of the top 10 countries/regions had at least 90% of unique IP addresses connecting to Akamai at average speeds above 4 Mbps, up from 6 of the top 10 in the previous quarter.

Globally, a total of 104 countries/regions qualified for inclusion for this metric, and 76 of them saw quarterly growth in broadband adoption rates. Quarter-over-quarter increases ranged from just 0.2% in Switzerland to 186% in Nepal (to 17% adoption). In addition to Nepal, Nigeria and Sri Lanka saw broadband adoption rates more than double in the fourth quarter, with increases of 135% (to 22% adoption) and 119% (to 45% adoption), respectively. Quarter-over-quarter declines were seen across the remaining 28 qualifying countries/regions, ranging from 0.1% declines for Malta (to 87% adoption) and South Korea to a sizable 87% decline for Indonesia (to 4.6% broadband adoption).

The global broadband adoption rate increased 7.8% from the fourth quarter of 2013, a slower yearly growth rate than the 12% seen in the previous quarter, continuing the downward trend of yearly growth rates that has been observed over the last several quarters. Broadband adoption rates were up year over year across all of the top 10 countries/regions, with increases ranging from just 2% in South Korea and Isle of Man to 17% in Bulgaria. In addition to Bulgaria, four other countries/regions in our top 10 saw yearly increases greater than 10%.

Looking across all of the qualifying countries/regions, all but three saw broadband adoption levels increase over the past year. Yearly growth rates ranged from 0.2% in the Czech Republic (to 84% adoption) to 1,000% in Algeria (to 2.2% adoption). Vietnam and Peru also saw impressive yearly growth, increasing 590% (to 19%

adoption) and 553% (to 39% adoption), respectively. In total, 26 of the 104 qualifying countries/regions saw yearly growth of 100% or more. Of the three countries/regions that saw broadband adoption rates fall year over year, losses were minimal for China, with a 2.3% decline (to 27% adoption), but were more significant for Morocco and Kenya, posting declines of 36% and 43%, respectively (resulting in broadband adoption rates of 5.7% and 2.4%).

In the fourth quarter, Egypt remained the country with the lowest level of broadband adoption at 1.4%, despite a 32% quarterly increase and a 136% yearly increase. Venezuela, which held the last-place position earlier in the year, remained just ahead of Egypt with a broadband adoption rate of 1.7%, down 33% quarter over quarter.

It is interesting to note that while broadband adoption and broadband speeds are generally steadily increasing across the world, there is still a significant portion of the world population without Internet connectivity. A recent McKinsey & Company study finds that 4.4 billion people around the world do not go online, including over a billion people in India and over 700 million in China.<sup>20</sup> Even in the United States, 50 million people—or roughly 16% of the population—are not connected to the Internet. The countries with the highest offline percentages are Myanmar, Ethiopia, and Tanzania, with 99.5%, 97.8%, and 95.4% of their respective populations unconnected.<sup>21</sup>

**3.5 GLOBAL 4K READINESS** / Given the growing interest in the streaming delivery of 4K<sup>22</sup> (“Ultra HD”) video, we thought it would be interesting to begin tracking a “4K readiness” metric in the *State of the Internet Report*. With 4K adaptive bitrate streams generally requiring between 10–20 Mbps of bandwidth, the rankings presented within this section identify candidate geographies most likely to be able to sustain such streams within this range. (Note that this bandwidth estimate currently applies to AVC encoded content, and the 15 Mbps threshold may change once alternate codecs, such as HEVC or VP9, are deployed.)<sup>23, 24</sup> The rankings presented here are not intended to specify who can/cannot view 4K content but rather which countries/regions have higher concentrations of 4K “capable” connectivity, resulting in a larger complement of subscribers being able to enjoy a quality experience when streaming 4K content. The notion of “readiness” presented here also does not consider the availability of 4K-encoded content within a given geography or the availability/affordability/uptake of 4K-capable televisions and media players.

As Figure 15 shows, in the fourth quarter 12% of unique IP addresses connecting to Akamai globally had average connection speeds of 15 Mbps or above, up just 0.6% from the third quarter. South Korea remained the country with the highest level of 4K readiness, despite a 7.7% decline to a 61% readiness rate. The remaining countries/regions in the top 10 all saw quarterly increases, with Lithuania showing the largest jump at 50%. The other increases were more modest, ranging from Latvia's 1.4% to Romania's 12%.

	Country/Region	% Above 15 Mbps	QoQ Change	YoY Change
–	Global	12%	0.6%	37%
1	South Korea	61%	-7.7%	16%
2	Hong Kong	41%	11%	84%
3	Japan	34%	2.5%	24%
4	Sweden	31%	9.2%	61%
5	Switzerland	30%	2.6%	50%
6	Netherlands	30%	1.9%	35%
7	Latvia	29%	1.4%	63%
8	Lithuania	26%	50%	209%
9	Romania	23%	12%	320%
10	Norway	22%	2.9%	50%

Figure 15: 4K Ready (>15 Mbps) Connectivity

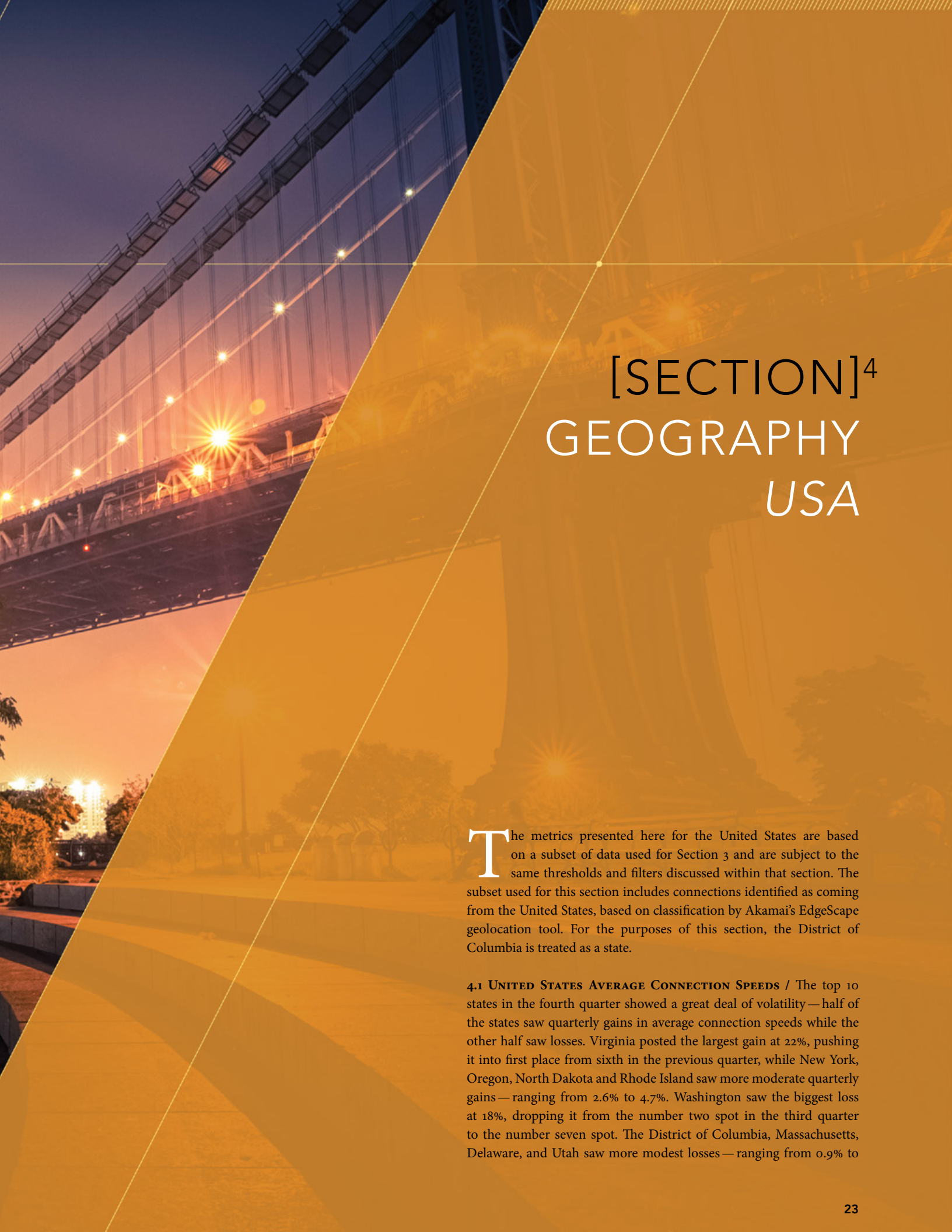
Across the 55 qualifying countries/regions, China again had the lowest rate of 4K readiness at 0.2%, down 13% from the third quarter. Overall, quarterly gains were seen in 35 of the 55 countries/regions. The United Arab Emirates showed the biggest quarter-over-quarter increase at 123% (to 2.1% readiness), while the smallest rate of growth was found in Portugal, at 0.9% (to 9.6% readiness). The remaining 20 countries/regions saw 4K readiness rates drop quarter over quarter, with losses ranging from Poland's 2.5% decline (to 11% readiness) to Moldova's 23% drop (to 12% readiness).

Year over year, the global 4K readiness rate climbed 37%. Yearly growth rates were also strong among the top 10, with Romania and Lithuania posting especially strong gains of 320% and 209%, respectively, while South Korea saw the smallest yearly gain at 16%. China was the only one of the 55 qualifying countries to see a yearly decrease, posting a 29% decline (to 0.2% readiness). Among the countries/regions that saw growth, the smallest yearly increase was seen by Austria, with a 15% gain (to 13% readiness). A total of 18 countries/regions saw 4K readiness more than double from the previous year, with Turkey seeing the largest increase — an incredible 621% jump (to 77% readiness). The continued strong yearly gains are an encouraging long-term trend and point to ongoing improvements in broadband connectivity around the world.









# [SECTION]<sup>4</sup> GEOGRAPHY *USA*

The metrics presented here for the United States are based on a subset of data used for Section 3 and are subject to the same thresholds and filters discussed within that section. The subset used for this section includes connections identified as coming from the United States, based on classification by Akamai's EdgeScape geolocation tool. For the purposes of this section, the District of Columbia is treated as a state.

**4.1 UNITED STATES AVERAGE CONNECTION SPEEDS** / The top 10 states in the fourth quarter showed a great deal of volatility—half of the states saw quarterly gains in average connection speeds while the other half saw losses. Virginia posted the largest gain at 22%, pushing it into first place from sixth in the previous quarter, while New York, Oregon, North Dakota and Rhode Island saw more moderate quarterly gains—ranging from 2.6% to 4.7%. Washington saw the biggest loss at 18%, dropping it from the number two spot in the third quarter to the number seven spot. The District of Columbia, Massachusetts, Delaware, and Utah saw more modest losses—ranging from 0.9% to

5.8%. Only Virginia and Delaware had average connection speeds above the 15 Mbps “4K readiness” level, but all of the top 10—as well as an additional 24 states across the country—saw average connection speeds above the 10 Mbps “high broadband” threshold. Overall, 32 states saw positive quarter-over-quarter changes, ranging from Idaho’s 0.1% increase (to 11.1 Mbps) to Virginia’s 22% jump. For the 19 states that saw average connection speeds decline compared with the third quarter, losses ranged from a negligible 0.3% in New Hampshire (to 12.5 Mbps) to sizable 18% drops for both Connecticut (also to 12.5 Mbps) and Washington. Connecticut’s large drop in average connection speed (along with its related drops in several other metrics in subsequent sections) is not necessarily indicative of overall trends for the state, but instead appears to be related to the shift of a large block of IP addresses into the state that have an average connection speed significantly lower than the other major network providers there.

On a year-over-year basis, all 51 states saw increases in average connection speeds compared with the fourth quarter of 2013, and all of the states in the top 10 saw double-digit gains. Massachusetts’s 11% yearly increase was the smallest of the top 10, while Delaware’s 33% jump was the largest. Across the entire country, Missouri saw the largest yearly gain at 37% (to 9.8 Mbps), while New Hampshire and New Mexico saw the smallest increases at 5.4% (to 12.5 Mbps and 7.9 Mbps, respectively). Maryland was the only other state in the country to see a yearly growth rate below 10%, although it came close at 9.9% (to 12.0 Mbps).

Despite a 2.6% quarterly increase to 7.4 Mbps, Alaska remained the state with the lowest average connection speed in the fourth quarter. Kentucky, New Mexico, and Arkansas round out the bottom four, each with average connections speeds just below 8 Mbps.

**4.2 UNITED STATES AVERAGE PEAK CONNECTION SPEEDS** / In the fourth quarter of 2014, 8 of the top 10 states showed quarter-over-quarter increases in average peak connection speeds, as seen in Figure 17. The smallest increase occurred in New Jersey—with a 0.3% gain—while Virginia saw a 19% jump, similar to its large

quarterly increase in average connection speeds. The next highest increase was seen in Rhode Island with a 9.7% gain. On the losing side, Delaware saw a slight 0.5% quarterly loss but still maintained its position as the state with the highest average peak connection speed in the country at 75.4 Mbps. Connecticut, however, lost a sizable 18%, dropping its position from second place in the third quarter to tenth place in the fourth quarter due to the IP address block shift referenced previously.

Looking across the entire country, all but seven states had higher average peak connection speeds as compared with the previous quarter. Observed gains ranged from North Carolina’s slight 0.2% increase (to 44.5 Mbps) to Virginia’s 19% surge. Only three states grew by 10% or more, as compared with 15 states in the previous quarter. Five of the seven states where average peak connection speeds fell saw modest losses of 3.1% or less, but Washington lost 7.8% (to 57.8 Mbps) and Connecticut lost 18% in the fourth quarter.

Year-over-year changes were consistently positive within the top 10 states, with increases in average peak connection speeds ranging from Connecticut’s meager 1.8% to Delaware and North Dakota’s 43% and 44% growth rates. Seven of the top 10 states showed double-digit gains when compared with the fourth quarter of 2013. In the third quarter, all states across the country saw double-digit yearly gains. However, in the fourth quarter of 2014, five states saw declines as compared with the fourth quarter of 2013. These losses ranged from 1.4% in Hawaii (to 42.7 Mbps) to 6.3% in New Hampshire (to 53.1 Mbps). Among the 46 states showing year-over-year increases, the smallest was seen in Washington, with a mere 0.6% bump (to 57.8 Mbps). Just as it led the pack in yearly gains in average connection speed, Missouri also saw the biggest yearly gains in average peak connection speed, with a 47% jump (to 49.1 Mbps).

After holding the spot for two consecutive quarters, Arkansas moved out of last place in the country for average peak connection speed, with its 6.2% quarterly increase (to 35.1 Mbps) allowing it to just beat out Kentucky—which moved into last place despite a 3.0% increase (to 34.0 Mbps).

	State	Q4 '14 Avg. Mbps	QoQ Change	YoY Change
1	Virginia	17.7	22%	23%
2	Delaware	16.4	-5.6%	33%
3	District Of Columbia	14.4	-0.9%	18%
4	Massachusetts	14.2	-1.4%	11%
5	Rhode Island	14.1	4.7%	20%
6	Utah	13.9	-5.8%	22%
7	Washington	13.3	-18%	16%
8	Oregon	12.9	3.6%	16%
9	North Dakota	12.7	4.6%	24%
10	New York	12.6	2.6%	14%

Figure 16: Average Connection Speed by State

	State	Q4 '14 Peak Mbps	QoQ Change	YoY Change
1	Delaware	75.4	-0.5%	43%
2	Virginia	73.5	19%	25%
3	District Of Columbia	65.9	4.4%	25%
4	Massachusetts	65.5	2.8%	9.1%
5	Rhode Island	64.6	9.7%	23%
6	North Dakota	61.9	6.8%	44%
7	Utah	60.2	1.0%	27%
8	New York	59.8	7.5%	15%
9	New Jersey	59.4	0.3%	5.5%
10	Connecticut	57.9	-18%	1.8%

Figure 17: Average Peak Connection Speed by State

Following the trend of the past few quarters, announcements made during the fourth quarter continued to point towards a strong likelihood of positive growth in average peak connection speeds going forward. Many of the efforts to increase connection speeds are being taken at a local/municipal level and may not have an immediate state-wide impact upon completion, but are part of ongoing initiatives that are becoming more widespread across the country. For example, in the fourth quarter there were numerous announcements of gigabit-speed Internet rolling out to various communities, including Jackson, Mississippi (in partnership with C Spire);<sup>25</sup> Baldwin City, Kansas (through a partnership between the Reflective Group, a local cloud technology startup, and regional utility construction company K&W Underground);<sup>26</sup> and several New Hampshire communities (via TDS Telecom).<sup>27</sup> In December, Calix rolled out gigabit-speed service to Sandy, Oregon and Sebewaing, Michigan, both being the first communities in their respective states to enjoy gigabit services.<sup>28</sup> Finally, after announcing earlier in the year that it would be bringing gigabit Internet to homes in all of its markets by the end of 2016, Cox Communications began rolling out its ultrafast service in the fourth quarter to residents of Irvine, California and Phoenix, Arizona.<sup>29, 30</sup>

There have been a number of statewide and multi-state high speed broadband initiatives as well, such as the founding of Next Century Cities—a group of 50 cities across the U.S. whose mayors have committed to promoting the spread of high-speed Internet in their communities and positioning broadband as being as critical to city infrastructure as roads and electricity.<sup>31</sup> Other initiatives include Kentucky’s partnership with Macquarie Capital to build a \$250 to \$350 million fiber backbone<sup>32</sup> aimed at making high-speed Internet service available throughout the state, as well as the CTgig Project<sup>33</sup> in Connecticut—a public/private initiative comprised of 46 cities, serving roughly half of Connecticut’s population and committed to the goal of bringing gigabit-speed, fiber-optic Internet to homes in their communities.

Finally, in some areas, the speed envelope is getting pushed even further. Minneapolis residents, who already have access to 1 Gbps service for \$65/month through US Internet, are now being given the opportunity to access 10 Gbps service for \$400/mo.<sup>34</sup> The fact that FCC Chairman Tom Wheeler has pushed to change the definition of “broadband” to 25 Mbps from 4 Mbps is also indicative of the continued march towards faster connectivity in more and more places.<sup>35</sup>

**4.3 UNITED STATES HIGH BROADBAND CONNECTIVITY** / As shown in Figure 18, despite a 1.2% quarter-over-quarter drop, Delaware once again held the top spot in the country for high broadband adoption rates, with nearly 7 of every 10 unique IP addresses from the state connecting to Akamai with average connection speeds of 10 Mbps or above. Quarter-over-quarter changes among the top 10 states were a mixed bag, with three states seeing declines and seven seeing increases. Connecticut’s 18% drop was the largest, as it lost all of its gains from the previous quarter. (See the discussion in Section 4.1 about the likely reason for the large quarterly declines seen in Connecticut.) Among

	State	% Above 10 Mbps	QoQ Change	YoY Change
1	Delaware	68%	-1.2%	43%
2	Rhode Island	61%	5.5%	16%
3	Massachusetts	58%	3.8%	10%
4	New Hampshire	54%	8.2%	10%
5	New Jersey	53%	-5.0%	6.8%
6	Virginia	52%	6.3%	16%
7	Connecticut	52%	-18%	21%
8	North Dakota	52%	18%	52%
9	Washington	50%	0.7%	22%
10	New York	50%	6.3%	15%

Figure 18: High Broadband (>10 Mbps) Connectivity by State

the other decliners, New Jersey lost 5.0% and Delaware saw only a 1.2% decline. Increases among the other seven states ranged from Washington’s meager 0.7% to North Dakota’s robust 18%. North Dakota was the only state to see a double-digit quarterly growth rate. All 10 states had at least 50% of unique IP addresses with average connection speeds above high broadband rates (up from seven last quarter). North Dakota’s 18% increase was also the largest in looking across the whole country, but 46 states in all enjoyed quarter-over-quarter gains—with eight states (including North Dakota) showing double-digit jumps. Among the five states that saw high broadband adoption rates fall from the previous quarter, losses ranged from just 0.7% in South Carolina (to 38% adoption) to Connecticut’s 18% drop.

Similar to the third quarter, yearly changes in high broadband adoption among the top 10 states were all positive, and fairly strong, in the fourth quarter. Year-over-year changes in these states ranged from a low of 6.8% in New Jersey to a high of 52% in North Dakota, with Delaware also seeing a strong 43% increase. Across the country, Montana saw the largest yearly growth rate, at 91% (to 33% adoption), while New Jersey saw the smallest. Besides New Jersey and Maryland (which saw a 9.3% growth rate, to 47% adoption), all states enjoyed double-digit yearly growth in high broadband adoption rates.

Consistent with the past two quarters, Arkansas remained the state with the lowest level of high broadband adoption in the fourth quarter with a 22% adoption rate—despite a 9% quarterly increase and a 49% yearly increase. Idaho again remained just ahead of Arkansas with a 23% adoption rate.

**4.4 UNITED STATES BROADBAND CONNECTIVITY** / Delaware once again continued its slow but steady march toward complete broadband adoption in the fourth quarter, edging up just 0.1% to 96% adoption, as shown in Figure 19. The only other state with at least 9 of every 10 unique IP addresses connecting to Akamai at average connection speeds above 4 Mbps during the fourth quarter was Rhode Island, though Hawaii was not far behind with an 89%



	State	% Above 4 Mbps	QoQ Change	YoY Change
1	Delaware	96%	0.1%	1.1%
2	Rhode Island	92%	0.8%	0.2%
3	Hawaii	89%	1.2%	2.5%
4	North Dakota	86%	4.6%	10%
5	Massachusetts	86%	1.9%	3.9%
6	South Dakota	86%	3.4%	4.6%
7	Connecticut	85%	-10%	0.4%
8	New York	85%	5.0%	3.3%
9	New Hampshire	85%	1.9%	0.2%
10	Florida	84%	3.6%	3.1%

Figure 19: Broadband (&gt;4 Mbps) Connectivity by State

adoption rate. Connecticut was the only state among the top 10 to see its broadband adoption rate fall quarter over quarter, with a sizable drop of 10%. The other nine states saw modest positive quarterly changes, with New York's 5.0% gain being the largest. Nationwide, all but four states saw broadband adoption rates rise. Illinois's 7.0% quarterly increase (to 68% adoption) was the largest, while Delaware's 0.1% was the smallest. Connecticut had the largest loss at 10%, while Wyoming, New Jersey, and Washington saw more modest declines of 4.9%, 3.4% and 1.1% (to adoption rates of 68%, 82% and 81%, respectively).

Yearly changes across the top 10 states were all positive but fairly muted—ranging from a mere 0.2% in Rhode Island and New Hampshire to 10% in North Dakota. Across the entire country, only one state, Louisiana, saw a year-over-year drop in broadband adoption, though the decline was negligible at 0.3% (to 70% adoption). Iowa and New Jersey were virtually unchanged (at 64% and 82% adoption, respectively), while yearly increases ranged from New Hampshire's 0.2% to Montana's 16% (to 70% adoption). Six states in total saw yearly increases of at least 10%.

For the fifth consecutive quarter, West Virginia remained the state with the lowest broadband adoption rate, with 58% of its connections to Akamai at average connection speeds above 4 Mbps—up 2.3% from the previous quarter and up 4.6% from the fourth quarter of last year.

**4.5 UNITED STATES 4K READINESS** / As described in Section 3, given the growing interest in the streaming delivery of 4K ("Ultra HD") video, we thought it would be interesting to begin tracking a "4K readiness" metric in the *State of the Internet Report*. With 4K adaptive bitrate streams generally requiring between 10–20 Mbps of bandwidth, the rankings presented within this section provide insight into the states most likely to be able to sustain such streams within this range. Note that the rankings presented here are not intended to specify who can/cannot view 4K content but rather which states have higher concentrations of 4K "capable" connectivity, resulting in a larger complement of subscribers being able to enjoy a quality experience when streaming 4K content. The notion of "readiness"

	State	% Above 15 Mbps	QoQ Change	YoY Change
1	Delaware	38%	-4.0%	80%
2	Rhode Island	30%	18%	71%
3	Massachusetts	30%	1.9%	17%
4	Virginia	28%	16%	39%
5	District Of Columbia	27%	3.6%	33%
6	Washington	27%	-2.4%	45%
7	Oregon	25%	10%	59%
8	New Hampshire	25%	7.0%	16%
9	North Dakota	25%	19%	80%
10	New Jersey	24%	-8.3%	22%

Figure 20: 4K Ready (&gt;15 Mbps) Connectivity by State

presented here also does not consider the availability of 4K-encoded content within a given state or the availability/affordability/uptake of 4K-capable televisions and media players.

Looking at the top 10 states shown in Figure 20, 4K readiness rates saw significant volatility in the fourth quarter, similar to the previous quarter. Three states saw declines, ranging from Washington's 2.4% decrease to New Jersey's 8.3% drop. Among those seeing gains, four states saw double-digit increases—North Dakota led the pack with a 19% jump. Massachusetts saw the smallest change with a 1.9% gain. Expanding our perspective to the full country, 40 states posted quarterly gains, ranging from West Virginia's slight 0.2% increase (to 12% readiness) to Wyoming and Maine's 27% gains (to 16% and 12% adoption, respectively). In total, 15 states showed increases of 10% or more compared with the previous quarter. Across the 11 states where 4K readiness rates declined quarter over quarter, losses ranged from a drop of 2.2% in Oklahoma (to 16% readiness) to a decline of 25% in Connecticut (to 24% readiness). New Mexico was the only state (in addition to Connecticut) to see quarterly losses greater than 10%—its readiness rate dropped 11% (to 7.8%).

Year over year, all of the top 10 states saw significant increases in 4K readiness rates in the fourth quarter, with Delaware and North Dakota leading the group with 80% growth. The lowest yearly increase among the group was seen in New Hampshire, which added a still solid 16% over the previous year. Montana, which led the country in yearly growth rates for broadband and high broadband adoption, also led the nation here—posting a 132% gain (to 13% 4K readiness) as compared with the fourth quarter of 2013. Wyoming, Nevada, and Alabama all more than doubled their 4K readiness rates compared with the previous year, while a total of 29 states grew by more than 50%. New Mexico had the smallest yearly growth rate at 9.3%.

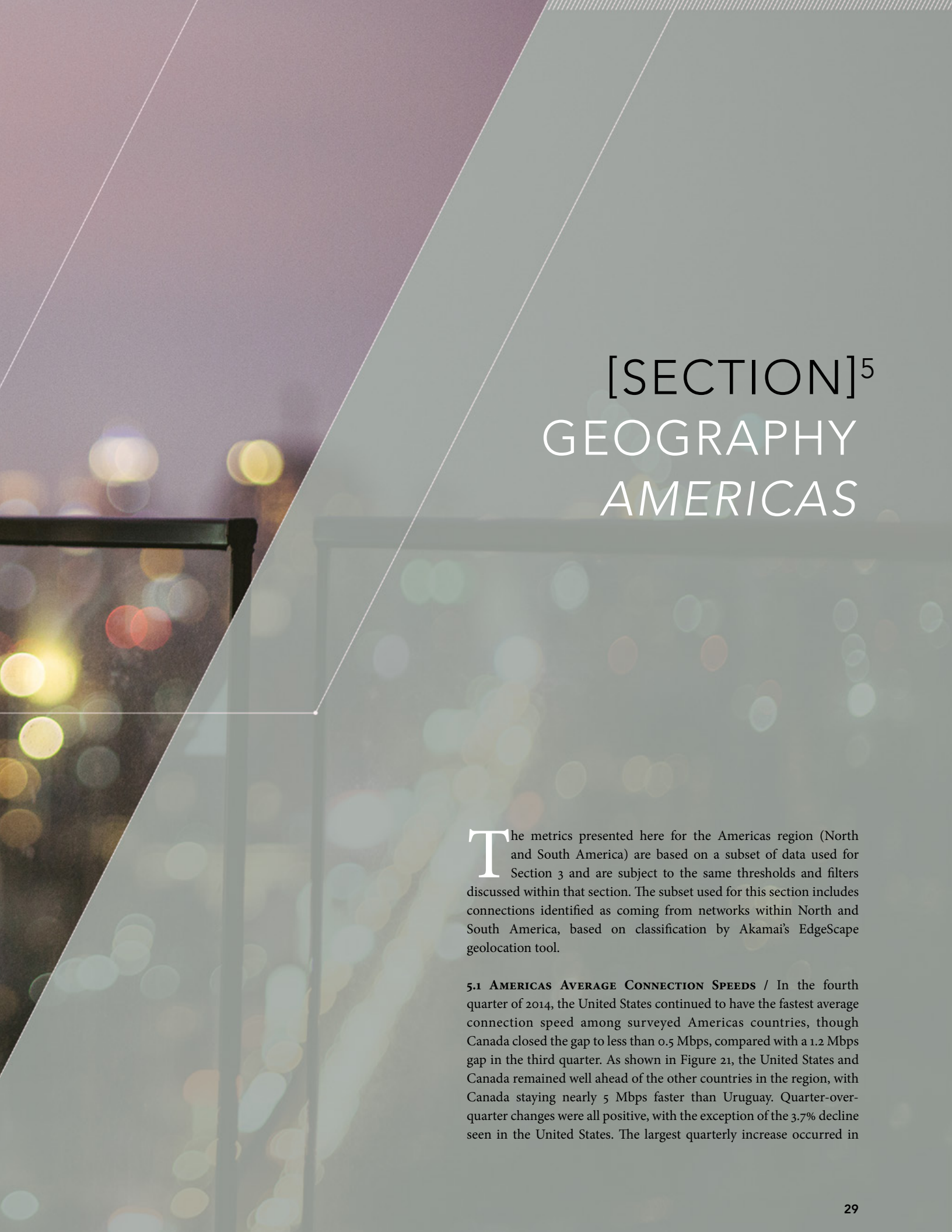
Despite a 15% quarterly increase and a 46% yearly gain, Alaska remained the state with the lowest 4K readiness rate in the fourth quarter, with a 7.0% readiness level. Hawaii and Kentucky followed close behind, with 7.2% and 7.3% readiness rates, respectively.











# [SECTION]<sup>5</sup> GEOGRAPHY *AMERICAS*

The metrics presented here for the Americas region (North and South America) are based on a subset of data used for Section 3 and are subject to the same thresholds and filters discussed within that section. The subset used for this section includes connections identified as coming from networks within North and South America, based on classification by Akamai's EdgeScape geolocation tool.

**5.1 AMERICAS AVERAGE CONNECTION SPEEDS** / In the fourth quarter of 2014, the United States continued to have the fastest average connection speed among surveyed Americas countries, though Canada closed the gap to less than 0.5 Mbps, compared with a 1.2 Mbps gap in the third quarter. As shown in Figure 21, the United States and Canada remained well ahead of the other countries in the region, with Canada staying nearly 5 Mbps faster than Uruguay. Quarter-over-quarter changes were all positive, with the exception of the 3.7% decline seen in the United States. The largest quarterly increase occurred in

Global Rank	Country/Region	Q4 '14 Avg. Mbps	QoQ Change	YoY Change
16	United States	11.1	-3.7%	15%
20	Canada	10.7	3.9%	19%
50	Uruguay	5.9	7.9%	87%
60	Chile	5.0	23%	49%
69	Argentina	4.5	6.8%	48%
70	Mexico	4.5	8.5%	12%
77	Peru	4.0	11%	50%
80	Ecuador	3.7	3.7%	10%
81	Colombia	3.7	9.0%	25%
89	Brazil	3.0	1.6%	11%
90	Panama	2.9	2.0%	6.7%
94	Costa Rica	2.8	3.4%	37%
130	Venezuela	1.4	8.5%	-3.4%
134	Paraguay	1.4	1.7%	-1.7%
136	Bolivia	1.2	10%	20%

Figure 21: Average Connection Speed by Americas Country

Chile, up 23% from the third quarter, followed by Peru and Bolivia, which grew 11% and 10%, respectively. The smallest gains were seen in Brazil and Paraguay, with 1.6% and 1.7% increases, respectively.

In the fourth quarter, just as in the third quarter, both Paraguay and Venezuela saw year-over-year declines in average connection speeds, shedding 1.7% and 3.4%, respectively. All of the other surveyed countries saw yearly increases, mostly in the double-digits. Peru, Chile, and Argentina saw the largest gains, of 50%, 49%, and 48%, respectively, while Panama saw the smallest increase at 6.7%.

Seven of the surveyed Americas countries have an average connection speed at or above the 4 Mbps “broadband” threshold—up from six in the third quarter—while only two countries have speeds above the 10 Mbps “high broadband” threshold, consistent with the previous quarter. Ongoing quarterly improvements will likely drive Ecuador and Colombia above 4 Mbps before too long, but the United States and Canada will probably remain the only two countries above 10 Mbps for the foreseeable future.

**5.2 AMERICAS AVERAGE PEAK CONNECTION SPEEDS** / Despite having a significantly slower average connection speed than the United States and Canada, Uruguay once again takes the lead among the surveyed Americas countries for having the highest average peak connection speed. As shown in Figure 22, in the fourth quarter Uruguay increased its lead over the United States and Canada, now leading the United States by nearly 14 Mbps and besting Canada by 17 Mbps. While all the surveyed countries saw average peak connection speeds go up in the fourth quarter, increases ranged from a meager 1.2% in the United States to a hearty 25% in Chile. Most of the countries saw moderate increases in the single digits.

Global Rank	Country/Region	Q4 '14 Peak Mbps	QoQ Change	YoY Change
7	Uruguay	63.3	8.1%	73%
22	United States	49.4	1.2%	16%
27	Canada	46.3	6.0%	14%
56	Chile	32.5	25%	60%
72	Colombia	24.7	8.6%	47%
74	Mexico	24.3	6.6%	15%
76	Argentina	23.4	6.1%	19%
78	Peru	23.1	12%	26%
84	Brazil	21.9	6.6%	7.2%
86	Ecuador	21.7	4.8%	-2.7%
110	Panama	14.9	5.2%	0.9%
119	Costa Rica	13.2	6.4%	0.6%
126	Venezuela	11.7	14%	13%
131	Bolivia	10.2	9.5%	-5.4%
132	Paraguay	10.1	8.9%	-4.6%

Figure 22: Average Peak Connection Speed by Americas Country

Looking at year-over-year changes, three of the surveyed countries saw declines, though all fairly modest. Bolivia had the largest decline at 5.4%, followed by Paraguay's 4.6% and Ecuador's 2.7%. The other 12 countries saw increases ranging from a negligible 0.6% in Costa Rica to a significant 73% in Uruguay (though this number still pales in comparison to Uruguay's yearly increase of 334% in the third quarter). The next largest increase was in Colombia, with a 47% gain year over year.

**5.3 AMERICAS HIGH BROADBAND CONNECTIVITY** / Though Uruguay made some progress with a 37% quarter-over-quarter increase, the significant gap in high broadband adoption rates observed over the past year showed no signs of closing in the fourth quarter. As seen in Figure 23, the United States continued to have the highest rate of adoption among the surveyed Americas countries at 39%, with Canada close behind at 38%, and Uruguay a distant third at 9.9%. Brazil, the qualifying country with the lowest adoption rate, saw a 19% quarterly increase (to 1.9% adoption). It will be interesting to see whether Brazil's ranking here will rise over the next few years, as broadband connectivity appears to be on the national agenda. Brazilian President Dilma Rousseff has pledged that if she is re-elected, the government would invest the equivalent of \$16 billion USD in an initiative to bring broadband fiber to 90% of Brazilian households—doubling Brazil's broadband connections and increasing average Internet speeds to 25 Mbps by 2018.<sup>36</sup>

Five of the seven non-qualifying countries remained at adoption rates below 1%, while Peru managed to rise to 1.3% adoption with a 66% quarterly growth rate. Unlike the third quarter, where quarterly declines outnumbered gains by 2:1, in the fourth quarter the only qualifying country to see a quarterly loss was the

Global Rank	Country/Region	% Above 10 Mbps	QoQ Change	YoY Change
17	United States	39%	-0.3%	20%
18	Canada	38%	14%	44%
45	Uruguay	9.9%	37%	371%
50	Argentina	7.4%	32%	444%
53	Chile	5.8%	73%	371%
59	Mexico	3.5%	27%	77%
62	Colombia	2.0%	73%	528%
63	Brazil	1.9%	19%	125%
–	Ecuador	2.4%	0%	105%
–	Peru	1.3%	66%	674%
–	Panama	0.9%	13%	79%
–	Costa Rica	0.8%	2.3%	111%
–	Venezuela	0.2%	-11%	166%
–	Bolivia	0.1%	0%	89%
–	Paraguay	0.1%	73%	418%

Figure 23: High Broadband (>10 Mbps) Connectivity by Americas Country

United States — with a negligible 0.3% decrease. Among the seven qualifying countries seeing gains, the increases were all double-digit — ranging from 14% in Canada to 73% in Chile and Colombia.

From a yearly perspective, all of the surveyed countries in the region showed strong gains, with the United States seeing the most modest increase at 20%. Five of eight qualifying countries had yearly gains greater than 100%, led by Colombia (528%) and Argentina (444%). Uruguay, which led the pack in the third quarter with an astonishing 3,015% yearly growth rate, saw a lower but still impressive 371% growth rate in the fourth quarter.

**5.4 AMERICAS BROADBAND CONNECTIVITY** / As Figure 24 demonstrates, there is also a significant gap in broadband adoption rates across the qualifying Americas countries, with Canada leading at 85% adoption and Venezuela trailing at 1.7% adoption. It is likely that this gap will remain quite sizable for the foreseeable future. While quarterly changes were a mixed bag in the third quarter, all of the surveyed countries saw increases in the fourth quarter. These ranged from a negligible 0.4% in the United States to a robust 35% in Chile. Six qualifying countries in total had quarterly gains of more than 10%.

Year-over-year changes were also all positive in the fourth quarter. Canada and the United States saw the smallest increases — at 3.1% and 1.7%, respectively — while all other countries enjoyed double- or triple-digit gains. Among these, Panama had the smallest gain at 14% while Peru saw a significant 553% jump. Costa Rica, Paraguay, Uruguay, Colombia, and Chile all saw year-over-year adoption rates more than double, although Paraguay did not qualify for inclusion in the broadband connectivity metric.

Global Rank	Country/Region	% Above 4 Mbps	QoQ Change	YoY Change
18	Canada	85%	2.4%	3.1%
40	United States	74%	0.4%	1.7%
50	Uruguay	63%	6.8%	217%
59	Chile	53%	35%	103%
69	Mexico	43%	22%	25%
72	Peru	39%	33%	553%
73	Argentina	38%	6.2%	69%
76	Colombia	31%	24%	113%
77	Ecuador	30%	11%	29%
80	Brazil	26%	4.9%	21%
89	Panama	17%	5.3%	14%
90	Costa Rica	14%	9.5%	249%
103	Venezuela	1.7%	33%	23%
–	Bolivia	1.4%	4.7%	97%
–	Paraguay	1.2%	18%	223%

Figure 24: Broadband (>4 Mbps) Connectivity by Americas Country

**5.5 AMERICAS 4K READINESS** / As described in Section 3, given the growing interest in the streaming delivery of 4K (“Ultra HD”) video, we thought it would be interesting to begin tracking a “4K readiness” metric in the *State of the Internet Report*. With 4K adaptive bitrate streams generally requiring between 10–20 Mbps of bandwidth, the rankings presented within this section provide insight into the countries most likely to be able to sustain such streams within this range. Note that the rankings presented here are not intended to specify who can/cannot view 4K content but rather which countries have higher concentrations of 4K “capable” connectivity, resulting in a larger complement of subscribers being able to enjoy a quality experience when streaming 4K content. The notion of “readiness” presented here also does not consider the availability of 4K-encoded content within a given country or the availability/affordability/uptake of 4K-capable televisions and media players.

As Figure 25 shows, nearly half of the surveyed countries in the Americas region failed to qualify for inclusion in the 4K readiness metric in the fourth quarter. Among the eight qualifying countries, the United States and Canada continued to have 4K readiness rates well above those seen in both the remaining countries as well as the seven countries that did not qualify. Among those seven, four countries had a readiness rate of at least 1.0%, a significant improvement from just one country in the third quarter. Most of the eight qualifying countries saw 4K readiness rates increase significantly compared with the previous quarter, with gains ranging from 11% in Mexico to 73% and 75% in Colombia and Chile, respectively. Only two qualifying countries saw declines, with Brazil dropping 5.9% and the United States dropping 3.1%. Among the countries that failed to qualify, the quarterly changes were highly mixed.

Looking at year-over-year numbers, all of the qualifying and non-qualifying Americas countries showed extremely positive growth rates. Among the qualifying countries, gains ranged from 39% in the United States to 560% in Colombia. Argentina, Chile, and Uruguay also saw readiness rates more than double from the previous year, with increases of 439%, 383%, and 294%, respectively. Note, however, that in cases of very low readiness rates, even small shifts in the underlying data can appear as significant changes over time. In general, however, the long-term trends observed across the surveyed Americas countries are extremely encouraging, and point to improved availability and adoption of high speed Internet connectivity across the region over time.

Global Rank	Country/Region	% Above 15 Mbps	QoQ Change	YoY Change
17	United States	18%	-3.1%	39%
20	Canada	16%	19%	78%
42	Uruguay	3.2%	46%	294%
48	Chile	1.4%	75%	383%
50	Argentina	1.3%	26%	439%
51	Mexico	1.0%	11%	72%
52	Colombia	0.5%	73%	560%
53	Brazil	0.5%	-5.9%	76%
–	Ecuador	0.5%	-18%	36%
–	Costa Rica	0.4%	-5.4%	84%
–	Panama	0.2%	6.8%	72%
–	Peru	0.2%	41%	451%
–	Venezuela	0.1%	-15%	238%
–	Bolivia	<0.1%	-30%	31%
–	Paraguay	<0.1%	183%	325%


Figure 25: 4K Ready (>15 Mbps) Connectivity by Americas Country











# [SECTION]<sup>6</sup> GEOGRAPHY ASIA PACIFIC (APAC)

The metrics presented here for the Asia Pacific region are based on a subset of data used for Section 3 and are subject to the same thresholds and filters discussed within that section. The subset used for this section includes connections identified as coming from networks in the Asia Pacific region, based on classification by Akamai's EdgeScape geolocation tool.

**6.1 ASIA PACIFIC AVERAGE CONNECTION SPEEDS** / Despite a 12% quarter-over-quarter decline in average connection speed in the fourth quarter, South Korea remained steadfast in its position as the country in the Asia Pacific region (and the world) with the highest average connection speed, as shown in Figure 26. Hong Kong, the closest contender, had an average connection speed nearly 5.5 Mbps slower than South Korea. This quarter, Taiwan joined South Korea, Hong Kong, Japan, and Singapore as the only surveyed Asia Pacific countries/regions to have average connection speeds above the 10 Mbps “high broadband” threshold. In addition to South Korea, three other surveyed countries/regions saw quarterly losses—with

Singapore, China, and Indonesia seeing average connection speeds decline 4.3%, 9.1%, and 50%, respectively. The other 10 countries saw modest quarterly increases, ranging from 0.7% in Malaysia to 11% in Taiwan. Similar to the last two quarters, 9 of the 14 surveyed Asia Pacific countries/regions had average connection speeds above the 4 Mbps “broadband” threshold. Indonesia, at 1.9 Mbps, just edged out India, at 2.0 Mbps, as the surveyed country with the lowest average connection speed in the region. However, Indonesia’s drop to last place is due to the unexpectedly large quarterly loss mentioned above. A review of the underlying data set indicates that this loss is related to a significant quarter-over-quarter decline in the average (and average peak) connection speed measured at one of the country’s largest network service providers. Additional investigation is needed to determine why this has occurred.

Looking at year-over-year changes across the Asia Pacific region, we see that all of the surveyed countries/regions experienced growth in average connection speeds. South Korea and China experienced very modest yearly growth, at 1.6% and 2.1%, respectively. All of the other countries/regions saw double-digit growth, ranging from 16% in Japan and Indonesia to a high of 47% in Singapore.

As noted previously, the strongly positive nature of the long-term trends is very encouraging, and points to ongoing improvements in Internet connectivity across the region. Some notable recent announcements include the opening of China’s broadband market to private enterprises (in hopes of fostering competition and working toward the goal of 50 Mbps Internet speeds in cities by 2020),<sup>37</sup> as well as a joint effort between Spark New Zealand, Vodafone, and Telstra to invest \$70 million in a new 20 Tbps cable in the Tasman Sea—significantly improving connectivity to New Zealand via Australia.<sup>38</sup>

Global Rank	Country/Region	Q4 '14 Avg. Mbps	QoQ Change	YoY Change
1	South Korea	22.2	-12%	1.6%
2	Hong Kong	16.8	3.4%	37%
3	Japan	15.2	1.0%	16%
12	Singapore	11.7	-4.3%	47%
22	Taiwan	10.6	11%	26%
42	Australia	7.4	6.1%	27%
43	New Zealand	7.3	4.1%	39%
45	Thailand	7.1	6.8%	46%
75	Malaysia	4.1	0.7%	35%
82	China	3.4	-9.1%	2.1%
99	Vietnam	2.7	5.6%	48%
101	Philippines	2.7	8.2%	36%
116	India	2.0	2.1%	28%
122	Indonesia	1.9	-50%	16%

Figure 26: Average Connection Speed by APAC Country/Region

**6.2 ASIA PACIFIC AVERAGE PEAK CONNECTION SPEEDS /** As seen in Figure 27, in the fourth quarter Hong Kong and Singapore were once again the only two surveyed Asia Pacific countries/regions with average peak connection speeds above 80 Mbps. Hong Kong’s average peak speeds are nearing the 90 Mbps level, with South Korea not far behind the two leaders at 75.4 Mbps. Much like the third quarter, the fourth quarter saw mixed changes in average peak connection speeds. Three of the 14 surveyed countries showed declines, with Malaysia and China posting very moderate losses of 0.8% and 1.3%, respectively, while Indonesia saw a severe drop of 48%. The remaining 11 countries saw fairly modest gains in average peak connection speeds, ranging from Singapore’s 1.2% increase to Taiwan’s 17%. These mixed quarterly changes and mostly modest increases are in sharp contrast to the changes seen in the third quarter, when all but two of the surveyed countries saw double-digit quarterly growth.

Year-over-year changes in the Asia Pacific region were mostly strong, though not as strong as in the previous quarter. Twelve of the 14 surveyed countries saw increases, ranging from 5% in Australia to 59% in New Zealand. Seven countries had yearly growth rates of at least 25%. Only two countries saw a negative yearly change: Malaysia with a 1% decrease and the Philippines with a 33% drop.

**6.3 ASIA PACIFIC HIGH BROADBAND CONNECTIVITY /** Figure 28 shows South Korea once again led the region (and the world) in high broadband adoption, despite a 3.0% decrease from the third quarter. Its 79% adoption rate still sits significantly ahead of Hong Kong and Japan, the closest contenders, each of which enjoyed modest quarterly increases to 60% and 56% adoption, respectively. Among qualifying countries, China and India again had the lowest adoption rates at 1.1% each. Quarterly changes were once again extremely mixed, with five qualifying countries showing declines and six showing increases. Among the qualifying countries where

Global Rank	Country/Region	Q4 '14 Peak Mbps	QoQ Change	YoY Change
1	Hong Kong	87.7	3.7%	29%
2	Singapore	84.0	1.2%	42%
3	South Korea	75.4	1.6%	17%
4	Japan	69.0	6.0%	30%
6	Taiwan	64.2	17%	25%
26	Thailand	46.3	11%	20%
45	Australia	36.9	2.5%	5.0%
49	New Zealand	34.3	6.5%	59%
62	Malaysia	29.6	-0.8%	-1.0%
83	Philippines	21.9	2.8%	-33%
95	China	17.8	-1.3%	30%
99	Vietnam	17.3	4.5%	37%
112	India	14.5	4.1%	19%
118	Indonesia	13.4	-48%	7.1%

Figure 27: Average Peak Connection Speed by APAC Country/Region

Global Rank	Country/Region	% Above 10 Mbps	QoQ Change	YoY Change
1	South Korea	79%	-3.0%	11%
2	Hong Kong	60%	8.5%	60%
4	Japan	56%	2.7%	14%
15	Singapore	40%	-6.1%	108%
20	Taiwan	37%	52%	59%
41	Australia	16%	8.6%	62%
43	New Zealand	15%	9.4%	122%
44	Thailand	13%	34%	325%
58	Malaysia	3.7%	-6.1%	115%
64	China	1.1%	-21%	-37%
65	India	1.1%	-0.7%	104%
–	Philippines	0.6%	-21%	180%
–	Vietnam	0.4%	24%	405%
–	Indonesia	0.3%	-92%	95%

Figure 28: High Broadband (>10 Mbps) Connectivity by APAC Country/Region

high broadband adoption rates fell from the third quarter, the smallest loss was in India at 0.7% while the largest was in China at 21%. Gains were varied as well, with Japan seeing a modest 2.7% increase while Taiwan enjoyed a 52% jump.

Year-over-year changes were strong across the surveyed Asia Pacific countries/regions with the exception of China, which saw a 37% decline. South Korea and Japan saw the smallest yearly growth rates in the region, increasing 11% and 14%, respectively, while 5 of the 11 qualifying countries saw high broadband adoption rates more than double compared with the fourth quarter of 2013. Thailand led the pack with 325% yearly growth, followed by New Zealand and Malaysia, with 122% and 115% growth, respectively. Strong yearly growth rates were also seen in the three non-qualifying countries—the Philippines, Vietnam, and Indonesia. However, with such low high broadband adoption rates and fewer than 25,000 unique IPv4 addresses connecting to Akamai at speeds over 10 Mbps in the fourth quarter, there is not enough data to truly establish the long-term trends in these countries.

**6.4 ASIA PACIFIC BROADBAND CONNECTIVITY** / In the fourth quarter, South Korea continued to lead the region in broadband adoption, with 95% of its IP addresses connecting to Akamai at average connection speeds above 4 Mbps. As Figure 29 shows, 7 out of the 14 surveyed countries/regions in Asia Pacific enjoy broadband adoption rates of 80% or higher. In sharp contrast to these, the Philippines, India, and Indonesia all had less than 10% broadband adoption—with Indonesia seeing the lowest adoption rate this quarter after an 87% decline, which erased all of the 250% gain from the third quarter. Four countries saw quarter-over-quarter declines, ranging from South Korea's negligible 0.1% decrease to Indonesia's 87% drop, while quarterly increases ranged from Japan's modest 1.1% to Vietnam's healthy 33%.

Global Rank	Country/Region	% Above 4 Mbps	QoQ Change	YoY Change
2	South Korea	95%	-0.1%	2.0%
7	Hong Kong	91%	2.5%	13%
10	Japan	88%	1.1%	4.8%
16	Thailand	86%	2.2%	59%
17	Taiwan	86%	10%	25%
29	Singapore	81%	-2.4%	20%
30	New Zealand	80%	4.7%	47%
44	Australia	69%	4.5%	28%
71	Malaysia	40%	1.5%	57%
79	China	27%	-21%	-2.3%
87	Vietnam	19%	33%	590%
93	Philippines	9.8%	11%	173%
95	India	7.8%	13%	86%
99	Indonesia	4.6%	-87%	150%

Figure 29: Broadband (>4 Mbps) Connectivity by APAC Country/Region

Year-over-year changes in Asia Pacific were generally very positive. Only one country—China—saw a decline, albeit a very minimal one at 2.3%. Growth rates were modest for South Korea (2%) and Japan (4.8%), but the remaining 11 countries all saw double-digit growth percentages. Three countries—Indonesia, the Philippines, and Vietnam—saw broadband adoption more than double compared with the previous year, with growth rates of 150%, 173%, and 590%, respectively.

**6.5 ASIA PACIFIC 4K READINESS** / As described in Section 3, given the growing interest in the streaming delivery of 4k (“Ultra HD”) video, we thought it would be interesting to begin tracking a “4k readiness” metric in the *State of the Internet Report*. With 4k adaptive bitrate streams generally requiring between 10–20 Mbps of bandwidth, the rankings presented within this section provide insight into the countries/regions most likely to be able to sustain such streams within this range. Note that the rankings presented here are not intended to specify who can/cannot view 4k content, but rather which countries/regions have higher concentrations of 4k “capable” connectivity, resulting in a larger complement of subscribers being able to enjoy a quality experience when streaming 4k content. The notion of “readiness” presented here also does not consider the availability of 4k-encoded content within a given country/region or the availability/affordability/uptake of 4k-capable televisions and media players.

Although maintaining its global and regional leadership position as the country with the highest percentage of unique IP addresses making requests to Akamai at average speeds above 15 Mbps, South Korea's 4k-readiness rate saw a quarterly decline of 7.7% to 61%. Hong Kong was again in second place, with an 11% gain to 41% readiness—still well below South Korea's level. Of the eight remaining qualifying surveyed countries in this region, three others saw decreases this quarter—with declines ranging from Singapore's



3.2% to China's 13%, while five saw increases—ranging from Japan's modest 2.5% to Thailand's substantial 35%. India and China maintained the last two positions in the ranking, with readiness rates below 0.5%. Malaysia, the Philippines, Indonesia, and Vietnam all failed to qualify for inclusion; in addition to extremely low rates of 4K readiness, all also saw negative quarter-over-quarter changes. Again, Indonesia's quarterly drop of 89% was particularly extreme, undoing the large gains seen in the previous quarter.

Similar to the broadband and high broadband metrics observed in the fourth quarter, year-over-year changes in the 4K readiness metric for qualifying Asia Pacific countries/regions were all positive—with the exception of China, which saw a 29% drop. The remaining nine countries saw yearly increases ranging from South Korea's 16% to Thailand's 312%. In addition to Thailand, Singapore and New Zealand saw readiness rates more than double compared with the previous year. As has been noted previously, the observed long-term trends are extremely encouraging and point to improved availability and adoption of high-speed Internet connectivity across the Asia Pacific region over time.

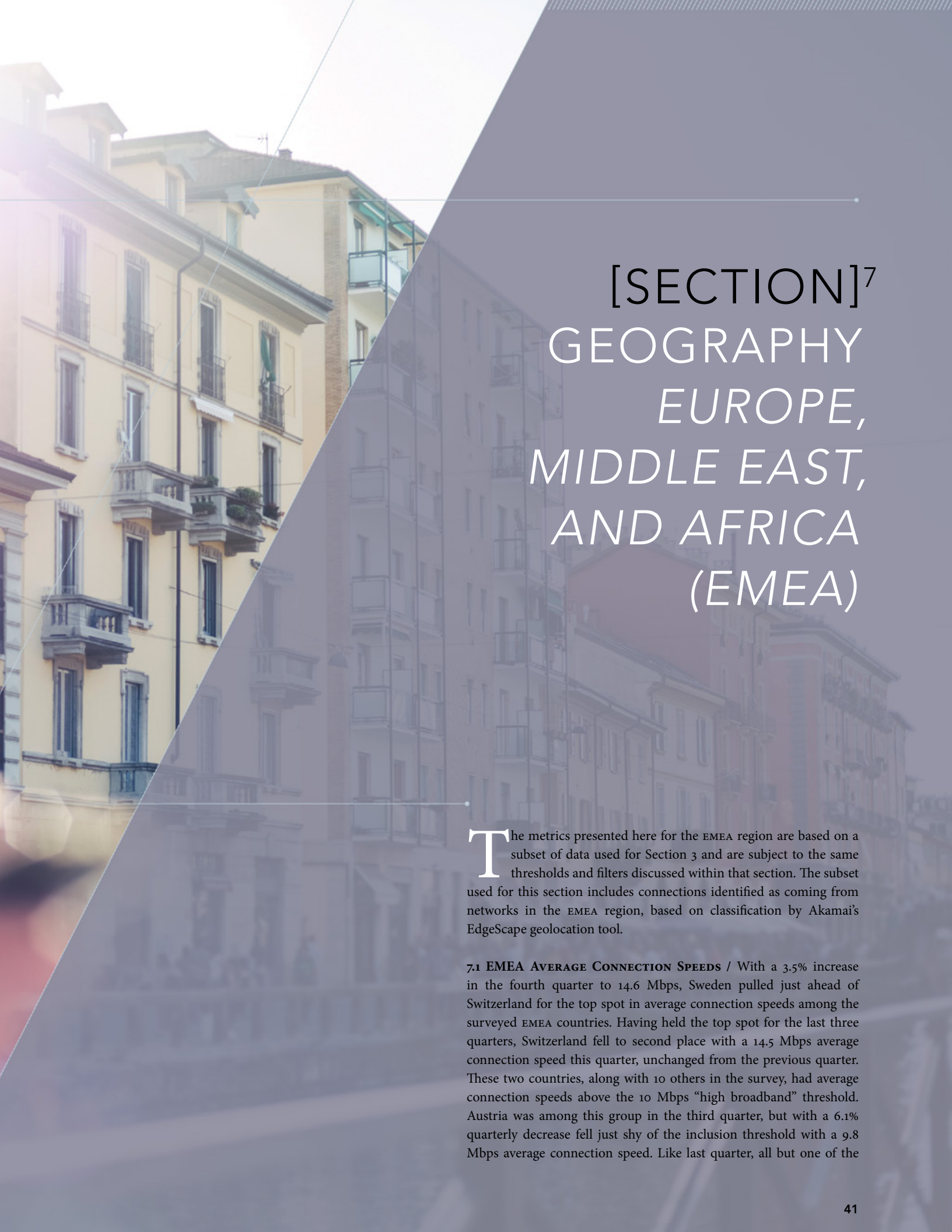
Global Rank	Country/Region	% Above 15 Mbps	QoQ Change	YoY Change
1	South Korea	61%	-7.7%	16%
2	Hong Kong	41%	11%	84%
3	Japan	34%	2.5%	24%
15	Singapore	21%	-3.2%	167%
18	Taiwan	17%	37%	43%
36	Australia	6.5%	12%	73%
39	New Zealand	4.7%	9.3%	151%
40	Thailand	3.8%	35%	312%
54	India	0.4%	-11%	91%
55	China	0.2%	-13%	-29%
–	Malaysia	0.9%	-14%	112%
–	Philippines	0.2%	-17%	127%
–	Indonesia	0.1%	-89%	88%
–	Vietnam	0.1%	-1.2%	176%

Figure 30: 4K Ready (>15 Mbps) Connectivity by APAC Country/Region









# [SECTION]<sup>7</sup> GEOGRAPHY *EUROPE, MIDDLE EAST, AND AFRICA (EMEA)*

The metrics presented here for the EMEA region are based on a subset of data used for Section 3 and are subject to the same thresholds and filters discussed within that section. The subset used for this section includes connections identified as coming from networks in the EMEA region, based on classification by Akamai's EdgeScape geolocation tool.

**7.1 EMEA AVERAGE CONNECTION SPEEDS** / With a 3.5% increase in the fourth quarter to 14.6 Mbps, Sweden pulled just ahead of Switzerland for the top spot in average connection speeds among the surveyed EMEA countries. Having held the top spot for the last three quarters, Switzerland fell to second place with a 14.5 Mbps average connection speed this quarter, unchanged from the previous quarter. These two countries, along with 10 others in the survey, had average connection speeds above the 10 Mbps "high broadband" threshold. Austria was among this group in the third quarter, but with a 6.1% quarterly decrease fell just shy of the inclusion threshold with a 9.8 Mbps average connection speed. Like last quarter, all but one of the

surveyed countries had average connection speeds above the 4 Mbps “broadband” level. Once again, only South Africa — at 3.2 Mbps — failed to reach either threshold. Quarterly changes were mixed across the surveyed countries, with 9 countries seeing average connection speeds decrease quarter over quarter, 15 seeing increases, and 1 remaining flat. Similar to the third quarter, changes in the fourth quarter were moderate on both sides, with the United Arab Emirates seeing the only double-digit gain at 23%. The other increases ranged from the Czech Republic’s 0.1% to 5.9% in Denmark. Losses ranged from 0.3% in Norway to 9.9% in South Africa.

Year-over-year changes in average connection speeds were consistently positive for EMEA. The smallest increase was seen in Austria, which grew only 3.9%. Three additional countries also saw yearly increases below 10%. On the other end of the spectrum, Romania had the highest yearly growth rate at 61%, followed by Turkey at 44%. In addition to these two, 14 more countries grew by at

least 20%. Across the EMEA region, these highly positive long-term growth trends continued to be reflective of ongoing improvements in Internet connectivity within the surveyed countries.

**7.2 EMEA AVERAGE PEAK CONNECTION SPEEDS** / As shown in Figure 32, the fourth quarter saw mostly positive but muted changes in average peak connection speeds across the EMEA countries, following a mixed third quarter and strong second quarter. The United Arab Emirates stood out for its 54% quarterly gain, while the other 21 countries with increases this quarter ranged from Portugal’s 1.3% to Romania’s 14%. The large jump seen in the United Arab Emirates pushed it into the ranks of EMEA countries with average peak connection speeds above 50 Mbps, making a total of eight countries in this group as compared with seven in the third quarter. Romania, also with a significant gain, moved past Israel in the fourth quarter to become the EMEA country with the highest average peak connection speed at 67.0 Mbps. Israel saw a quarterly loss for the second quarter in a row, dropping 2.1% to 60.5 Mbps. Only two other countries — South Africa and Belgium — saw declines in the fourth quarter, losing 12% and 2.0%, respectively.

Global Rank	Country/Region	Q4 '14 Avg. Mbps	QoQ Change	YoY Change
4	Sweden	14.6	3.5%	34%
5	Switzerland	14.5	0%	21%
6	Netherlands	14.2	1.7%	15%
8	Ireland	12.7	-8.9%	24%
9	Czech Republic	12.3	0.1%	8.4%
10	Finland	12.1	2.8%	33%
11	Denmark	11.9	5.9%	20%
14	Romania	11.6	2.6%	61%
15	Norway	11.4	-0.3%	28%
18	United Kingdom	10.9	1.4%	15%
19	Belgium	10.8	-4.6%	12%
21	Israel	10.6	-6.3%	30%
24	Austria	9.8	-6.1%	3.9%
27	Russia	9.0	-1.7%	21%
29	Germany	8.8	1.4%	15%
30	Poland	8.8	1.5%	17%
32	Hungary	8.7	-1.3%	27%
36	Spain	8.2	5.5%	23%
37	Slovakia	8.2	-5.5%	24%
38	Portugal	8.0	0.2%	33%
44	France	7.1	2.5%	7.3%
52	Turkey	5.8	3.9%	44%
53	United Arab Emirates	5.7	23%	38%
54	Italy	5.6	0.8%	7.2%
87	South Africa	3.2	-9.9%	38%

Figure 31: Average Connection Speed by EMEA Country

Global Rank	Country/Region	Q4 '14 Peak Mbps	QoQ Change	YoY Change
5	Romania	67.0	14%	32%
9	Israel	60.5	-2.1%	11%
11	Sweden	57.3	6.0%	33%
12	Switzerland	57.0	4.8%	29%
13	Netherlands	56.4	5.9%	29%
16	Ireland	52.1	3.3%	38%
18	Belgium	51.6	-2.0%	20%
19	United Arab Emirates	51.2	54%	23%
21	Russia	49.6	5.4%	39%
24	United Kingdom	48.8	4.4%	12%
25	Finland	47.4	9.2%	40%
29	Czech Republic	45.7	5.3%	19%
30	Hungary	45.5	4.3%	20%
31	Portugal	44.3	1.3%	19%
32	Denmark	44.1	13%	26%
33	Norway	42.5	2.4%	29%
35	Austria	41.1	1.8%	9.4%
37	Germany	41.0	4.7%	15%
38	Poland	40.7	8.6%	30%
41	Slovakia	39.9	4.3%	26%
42	Spain	39.6	9.5%	27%
52	Turkey	33.7	5.1%	24%
58	France	31.5	8.3%	19%
66	Italy	26.9	6.5%	22%
109	South Africa	15.1	-12%	67%

Figure 32: Average Peak Connection Speed by EMEA Country

Global Rank	Country/Region	% Above 10 Mbps	QoQ Change	YoY Change
3	Switzerland	56%	3.6%	34%
5	Netherlands	56%	5.0%	24%
6	Romania	55%	11%	258%
7	Sweden	47%	7.1%	44%
10	Denmark	44%	15%	35%
11	Belgium	43%	-4.0%	23%
13	Czech Republic	41%	4.0%	11%
14	Israel	41%	-8.7%	97%
16	Finland	40%	8.6%	36%
19	United Kingdom	38%	5.9%	25%
21	Norway	35%	1.0%	38%
22	Ireland	33%	-6.4%	29%
25	Russia	29%	-4.5%	42%
27	Hungary	28%	-0.8%	80%
29	Austria	26%	-6.0%	8.0%
30	Poland	26%	4.6%	37%
31	Portugal	25%	-1.0%	138%
32	Germany	24%	5.7%	33%
33	Spain	22%	17%	78%
38	Slovakia	20%	-5.2%	61%
42	France	15%	9.7%	26%
47	United Arab Emirates	9.2%	164%	167%
48	Turkey	9.0%	48%	429%
55	Italy	5.7%	8.6%	23%
60	South Africa	2.6%	-24%	100%

Figure 33: High Broadband (>10 Mbps) Connectivity by EMEA Country

Year-over-year changes for the surveyed countries in the EMEA region were consistently positive, though slightly less strong than in the third quarter. Austria, with a 9.4% increase, was the only country with yearly growth of less than 10%. The other countries saw increases ranging from 11% in Israel to 40% in Finland and 67% in South Africa, again indicating strongly positive trends for Internet connection speeds in the region.

**7.3 EMEA HIGH BROADBAND CONNECTIVITY** / Three of the surveyed EMEA countries had more than half of their unique IP addresses connecting to Akamai at average speeds above 10 Mbps in the fourth quarter. Romania's robust 11% quarter-over-quarter increase pushed it back up to 55% high broadband adoption, after dropping to 49% in the previous quarter. As Figure 33 shows, a total of 17 countries saw at least 25% of their connections at high broadband speeds during the fourth quarter, just as in the third quarter. Four countries continued to see broadband adoption rates below 10%, although the United Arab Emirates and Turkey, with large quarterly increases of 164% and 48%, found themselves close — at 9.2% and 9.0% adoption, respectively. Across EMEA, quarter-over-quarter

Global Rank	Country/Region	% Above 4 Mbps	QoQ Change	YoY Change
3	Switzerland	93%	0.2%	2.5%
4	Denmark	92%	3.5%	11%
5	Israel	92%	0.9%	12%
6	Netherlands	91%	0.9%	4.7%
8	Romania	89%	0.6%	16%
11	Sweden	87%	3.5%	20%
13	Belgium	87%	-0.6%	11%
14	Austria	87%	0.8%	2.1%
20	Czech Republic	84%	1.0%	0.2%
22	Poland	83%	4.6%	18%
23	Finland	83%	5.0%	19%
24	United Kingdom	83%	1.4%	4.7%
26	Hungary	82%	4.5%	18%
27	Russia	82%	2.5%	12%
31	Germany	80%	2.3%	6.7%
32	Norway	80%	5.5%	44%
34	Spain	78%	4.5%	10%
38	Portugal	75%	2.3%	14%
43	France	70%	3.2%	1.0%
45	Slovakia	68%	-2.9%	14%
46	Ireland	68%	-0.8%	6.0%
49	Turkey	63%	-3.8%	64%
51	United Arab Emirates	62%	23%	58%
52	Italy	61%	0.6%	4.6%
86	South Africa	19%	-17%	161%

Figure 34: Broadband (>4 Mbps) Connectivity by EMEA Country

changes were mixed. A total of nine surveyed EMEA countries saw high broadband adoption rates fall on a quarterly basis, with losses ranging from 0.8% in Hungary to 24% in South Africa (the latter reversing its 37% gain in the third quarter). The remaining countries saw high broadband adoption rates rise during the quarter, but most gains were moderate — with the exception of the large jumps seen in the United Arab Emirates and Turkey. Other quarterly increases ranged from 1.0% in Norway to 17% in Spain.

Looking at year-over-year growth, all of the surveyed EMEA countries saw significant gains. Turkey once again saw the largest increase, with an impressive 429% gain. Romania, the United Arab Emirates, Portugal, and South Africa also all saw high broadband adoption rates more than double as compared with the previous year. Austria, with an 8% gain, was the only country to see its adoption rate grow less than 10%. Among the remaining surveyed countries, the year-over-year adoption rate increases ranged from 11% in the Czech Republic to 97% in Israel.



**7.4 EMEA BROADBAND CONNECTIVITY** / As Figure 34 shows, four countries in the list of surveyed EMEA countries saw broadband adoption rates above 90% — up from three in the third quarter — as Denmark's 3.5% increase pushed it to 92% adoption. Overall quarterly trends were mostly positive but modest, although four countries did see adoption rates decline. Turkey, Slovakia, and Belgium all had modest decreases, but South Africa saw a sizable 17% drop to 19% — partially offsetting the impressive 81% growth it saw in the third quarter. On the other end of the spectrum, the United Arab Emirates was the only country to see double-digit growth, with a 23% quarterly increase in broadband adoption. Among the remaining countries, increases were small, ranging from 0.2% in Switzerland to 5.5% in Norway. Still, all but one of the surveyed countries in the EMEA region had more than 60% of their unique IP addresses connecting to Akamai at average speeds above 4 Mbps in the fourth quarter. The lone outlier was South Africa, which failed to have even one-fifth of its addresses at that rate.

On a year-over-year basis, all of the surveyed EMEA countries saw broadband adoption increase and, despite an adoption rate of just 19%, South Africa led the pack in yearly growth with a 161% increase from the fourth quarter of 2013. While none of the other surveyed EMEA countries saw speeds more than double, another 15 had double-digit percentage growth rates — again led by Turkey with a 64% increase. The Czech Republic and France saw the smallest yearly increases, at 0.2% and 1.0%, respectively.

The fourth quarter did see a number of announcements indicating significant investments into broadband infrastructure in Europe. For example, in November the Hungarian government declared its plans to spend €586 million bringing broadband Internet to the entire country by 2018.<sup>39</sup> That same month, the European Commission announced a €315 billion plan aimed at infrastructure and broadband improvement. We expect this will spur broadband initiatives across the European Union over the next few years.

**7.5 EMEA 4K READINESS** / As described in Section 3, given the growing interest in the streaming delivery of 4K (“Ultra HD”) video, we thought it would be interesting to begin tracking a “4K readiness” metric in the *State of the Internet Report*. With 4K adaptive bitrate streams generally requiring between 10–20 Mbps of bandwidth, the rankings presented within this section provide insight into the countries most likely to be able to sustain such streams within this range. Note that the rankings presented here are not intended to specify who can/cannot view 4K content but rather which countries have higher concentrations of 4K “capable” connectivity, resulting in a larger complement of subscribers being able to enjoy a quality experience when streaming 4K content. The notion of “readiness” presented here also does not consider the availability of 4K-encoded content within a given country or the availability/affordability/uptake of 4K-capable televisions and media players.

Figure 35 shows that nine of the surveyed EMEA countries had at least one of every five IP addresses connecting to Akamai at average speeds above 15 Mbps, while another eight had at least 1 in 10 at those speeds — the same as in the third quarter. Just as with

the average connection speeds metric, Sweden pulled ahead of Switzerland, with a 9.2% gain this quarter, to take the spot as the EMEA country with the highest 4K readiness rate at 31%. However, both Switzerland and the Netherlands remain very close behind, with 4K readiness rates of 30%. Eight countries in the survey had readiness rates below 10%, with the lowest being South Africa's 1.4% after a 21% drop — reversing its 24% gain in the third quarter. Eight other countries also saw declines this quarter, with losses ranging from Poland's 2.5% to Israel's 17%. With strong quarterly gains across all of the broadband metrics, the United Arab Emirates saw by far the largest quarter-over-quarter increase in 4K readiness rates among the EMEA countries, jumping 123% to a 2.1% readiness rate and qualifying this quarter for inclusion in the metric. Turkey saw the next largest quarterly increase at 77%, while the remaining countries had far more modest increases, ranging from Portugal's 0.9% to Spain's 18%.

Year over year, the surveyed EMEA countries saw very strong increases in 4K readiness across the board. Six countries had readiness rates more than double compared with the fourth quarter of 2013, led by Turkey and Romania — with 621% and 320% gains, respectively — while an additional nine countries had yearly increases above 50%. Austria and the Czech Republic saw the smallest gains, at 15% and 16% each. These observed long-term trends are extremely encouraging and point to quickly growing availability and adoption of high-speed Internet connectivity across the EMEA region. Notably, several European governments have announced plans to bring ultrafast connectivity to rural areas that might otherwise be neglected by commercial broadband providers. Under the Broadband Delivery U.K. program, for example, rural villages in Northamptonshire, U.K., are set to benefit from government plans to bring broadband speeds of more than 24 Mbps to over 500 homes by the end of 2015.<sup>40</sup> Likewise, the Irish government recently announced an initiative to invest hundreds of millions of euro to bring gigabit-speed fiber-optic broadband connections to 700,000 homes and businesses within rural towns and villages over the next few years.<sup>41, 42</sup>

Global Rank	Country/Region	% Above 15 Mbps	QoQ Change	YoY Change
4	Sweden	31%	9.2%	61%
5	Switzerland	30%	2.6%	50%
6	Netherlands	30%	1.9%	35%
9	Romania	23%	12%	320%
10	Norway	22%	2.9%	50%
11	United Kingdom	22%	9.7%	42%
12	Finland	21%	4.4%	55%
13	Denmark	21%	13%	50%
14	Czech Republic	21%	3.1%	16%
16	Belgium	19%	-9.8%	22%
21	Ireland	16%	-11%	37%
22	Israel	15%	-17%	121%
24	Austria	13%	-14%	15%
26	Russia	11%	-11%	62%
27	Poland	11%	-2.5%	33%
29	Hungary	11%	-7.2%	94%
30	Slovakia	10%	-8.1%	68%
32	Spain	9.7%	18%	102%
33	Portugal	9.6%	0.9%	204%
34	Germany	9.4%	3.0%	40%
38	France	5.5%	10%	40%
41	Turkey	3.5%	77%	621%
45	Italy	2.2%	5.0%	39%
46	United Arab Emirates	2.1%	123%	170%
49	South Africa	1.4%	-21%	93%

Figure 35: 4K Ready (>15 Mbps) Connectivity by EMEA Country







# [SECTION]<sup>8</sup> MOBILE CONNECTIVITY

The source data in this section encompasses usage from smartphones, tablets, computers, and other devices that connect to the Internet through mobile network providers. In addition, this section includes insight into mobile voice and data traffic trends contributed by Ericsson, a leading provider of telecommunications equipment and related services to mobile and fixed operators globally.

Starting with the *First Quarter, 2014 State of the Internet Report*, we have changed the connection speed data presented within this section. Previous to that time, the report included data for a selected set of providers with a minimum of 1,000 unique IP addresses connecting to Akamai during the quarter, where Akamai believed that the entire autonomous system (AS) was mobile. As discussed in the past, Akamai is now leveraging mobile device identification data to greatly expand the number of networks that are considered to be mobile. However, the number of networks now identified as mobile is significantly larger than could be manageably published within the report. As such, similar to the methodology employed

for Sections 3–7 of the report, we are now publishing mobile connectivity metrics aggregated at a country/region level. This section also uses the 25,000 unique IP address threshold to qualify countries/regions for inclusion within the section.

**8.1 CONNECTION SPEEDS ON MOBILE NETWORKS** / Figure 36 shows that across the 50 countries/regions around the world that qualified for inclusion in the mobile section, the United Kingdom had the fastest average connection speed at 16.0 Mbps. The next closest country, Denmark, had just over half that speed, at 8.8 Mbps. New Caledonia had the lowest average mobile connection speed, at 1.0 Mbps. Iran, which was in the last position in the third quarter, saw its average connection speed increase to 1.2 Mbps.

While the United Kingdom was the only country with an average mobile connection speed above the 10 Mbps “high broadband” threshold, 30 countries achieved speeds above the

4 Mbps “broadband” level. Within the individual continental regions, the following countries had the highest average mobile connection speeds:

- **Africa:** Morocco, 3.0 Mbps
- **Asia Pacific:** Japan, 8.3 Mbps
- **Europe:** United Kingdom, 16.0 Mbps
- **North America:** United States, 3.2 Mbps
- **South America:** Venezuela, 6.3 Mbps

In reviewing the average peak mobile connection speeds for the fourth quarter, we see unusually high speeds of 484.4 Mbps and 386.7 Mbps in Saudi Arabia and Kuwait, respectively. These do not represent realistic speeds for today’s mobile networks and are most likely due to the heavy use of proxies by mobile network providers. The connection speeds for these two countries are more likely to be indicative of the speeds achieved between Akamai and these proxies (residing in data centers) rather

Country/Region	Q4 '14 Avg. Mbps	Q4 '14 Peak Mbps	% Above 4 Mbps
<b>AFRICA</b>			
Egypt	2.9	18.5	14%
Morocco	3.0	35.8	20%
South Africa	1.5	7.7	9.5%
<b>ASIA PACIFIC</b>			
Australia	4.8	129.9	56%
China	5.0	15.6	60%
Hong Kong	6.3	34.0	63%
India	1.9	12.2	5.2%
Iran	1.2	7.7	1.9%
Japan	8.3	116.3	81%
Kuwait	6.6	386.7	94%
Malaysia	2.6	20.1	12%
New Caledonia	1.0	8.2	0.7%
Pakistan	1.6	12.2	4.2%
Saudi Arabia	6.6	484.4	97%
Singapore	8.2	157.3	85%
Sri Lanka	3.0	29.1	14%
Taiwan	4.8	34.1	57%
Thailand	2.1	39.6	1.5%
<b>EUROPE</b>			
Austria	5.7	25.8	70%
Belgium	6.4	29.6	81%
Czech Republic	5.1	18.8	60%
Denmark	8.8	43.8	97%
France	7.7	45.9	72%
Germany	5.4	48.6	35%

Figure 36: Average and Average Peak Connection Speeds, Broadband (>4 Mbps) Connectivity for Mobile Connections by Country/Region

Country/Region	Q4 '14 Avg. Mbps	Q4 '14 Peak Mbps	% Above 4 Mbps
Hungary	3.3	20.8	19%
Ireland	7.1	40.1	66%
Italy	5.2	41.2	58%
Lithuania	4.2	23.4	36%
Moldova	5.1	26.7	42%
Netherlands	6.3	29.2	70%
Norway	6.9	32.3	88%
Poland	5.1	31.4	65%
Russia	7.2	47.0	68%
Slovakia	7.3	37.6	72%
Slovenia	5.0	22.2	68%
Spain	4.4	25.0	38%
Sweden	8.2	40.7	97%
Turkey	4.6	69.1	46%
Ukraine	7.3	28.6	89%
United Kingdom	16.0	61.8	88%
<b>NORTH AMERICA</b>			
El Salvador	2.6	16.0	11%
United States	3.2	14.3	17%
<b>SOUTH AMERICA</b>			
Argentina	1.3	7.5	4.0%
Bolivia	1.9	10.9	0.8%
Brazil	1.8	14.4	2.2%
Chile	2.0	14.0	4.1%
Colombia	2.2	11.3	3.0%
Paraguay	3.1	20.6	25%
Uruguay	3.5	25.6	38%
Venezuela	6.3	28.3	97%

than speeds achieved between Akamai and the mobile devices themselves. We will therefore disregard these two countries for the remainder of our analysis of this particular metric.

As has been seen in the prior quarters, average peak mobile connection speeds spanned an extremely broad range in the fourth quarter, from 157.3 Mbps in Singapore to 7.5 Mbps in Argentina. Excluding Saudi Arabia and Kuwait, Japan and Australia were the only two countries (in addition to Singapore) to see average peak speeds above 100 Mbps, and only two more—Turkey and the United Kingdom—had speeds above 50 Mbps. However, as more countries begin rolling out higher-speed mobile technologies like LTE-A, the successor to 4G LTE, we can expect to see increasing average peak speeds. For example, Telecom Italia announced in November that it had begun rolling out LTE-A in 60 towns across Italy, with download speeds of up to 180 Mbps (increasing to 225 Mbps the following year).<sup>43</sup>

In the fourth quarter, all but four countries—New Caledonia, Iran, South Africa, and Argentina—saw average peak mobile connection speeds above 10 Mbps. Within the individual continental regions, the following countries/regions had the highest average peak mobile connection speeds:

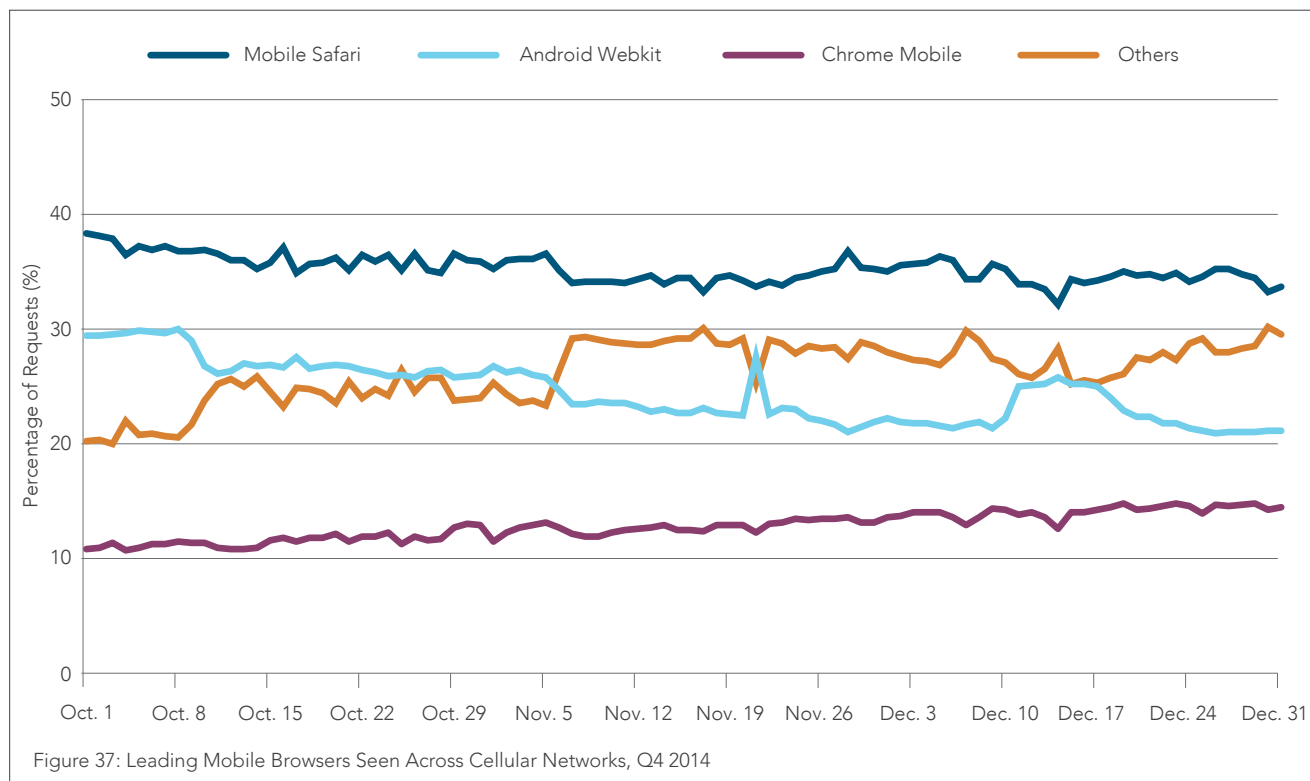
- **Africa:** Morocco, 35.8 Mbps
- **Asia Pacific:** Singapore, 157.3 Mbps
- **Europe:** Turkey, 69.1 Mbps
- **North America:** El Salvador, 16.0 Mbps
- **South America:** Venezuela, 28.3 Mbps

Similar to the global and regional connectivity sections of this report, we are also including insight into broadband adoption levels for mobile connectivity—that is, the percentage of unique IP addresses connecting to Akamai from mobile network providers within the qualifying countries/regions at average speeds of over 4 Mbps. In the fourth quarter, Venezuela, Denmark, Saudi Arabia, and Sweden led the pack, each with a tremendous 97% level of mobile broadband adoption. At the other end of the spectrum, Bolivia and New Caledonia both had adoption rates below 1%. Within the individual continental regions, the following countries had the highest mobile broadband adoption rates:

- **Africa:** Morocco, 20%
- **Asia Pacific:** Saudi Arabia, 97%
- **Europe:** Denmark and Sweden, 97%
- **North America:** United States, 17%
- **South America:** Venezuela, 97%

**8.2 MOBILE BROWSER USAGE DATA** / In June 2012, Akamai launched the “Akamai IO” destination site (<http://www.akamai.com/io>), with an initial data set that highlighted browser usage across PCs and other connected devices connecting via fixed and mobile networks. The data and graphs below are derived from Akamai IO.

Figure 37 illustrates mobile browser usage by users identified to be on cellular networks in the fourth quarter of 2014. Whereas in previous quarters, we focused on the usage of Android Webkit and Apple Mobile Safari, with all other browsers designated as “Others” in the graph, this quarter we have also broken out metrics for Chrome for mobile (which was previously bundled into “Others”).





As of Android version 4.4 (KitKat), Chrome has replaced Webkit as the default Android browser engine, so when comparing Android versus iOS platforms, we combine metrics from Android Webkit and Chrome for mobile to get an Android platform number. We expect that over time, Webkit traffic will decline and Chrome traffic will increase, as older Android versions are retired.

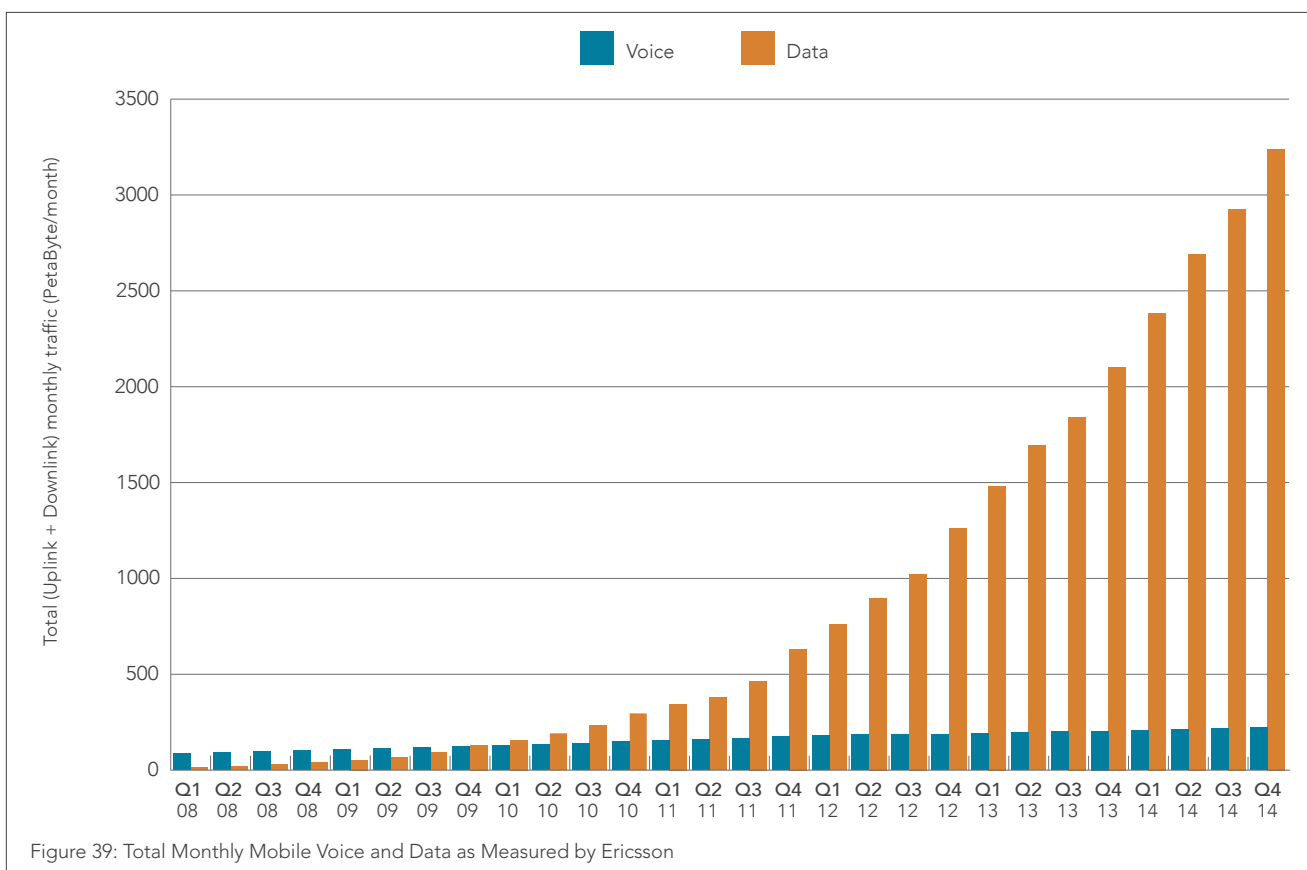
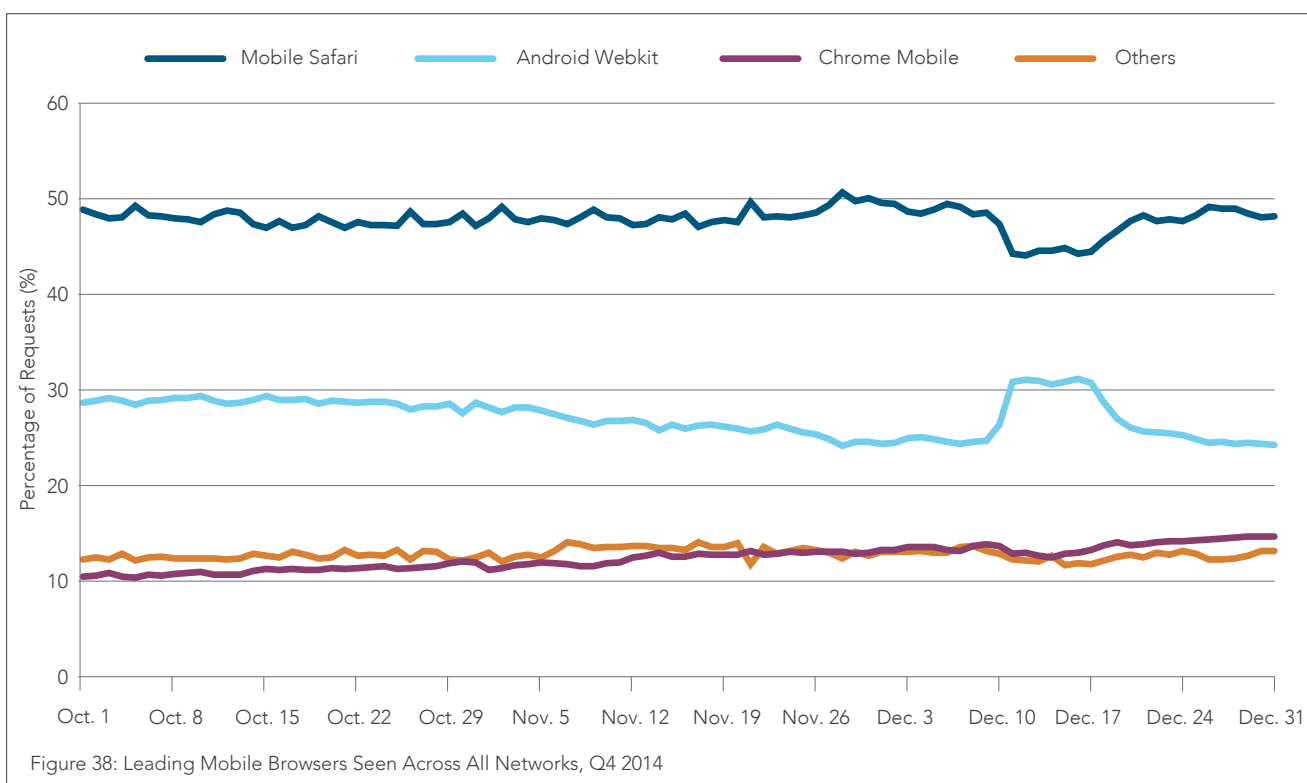
As the graph shows, at the start of the fourth quarter Mobile Safari led Android Webkit by about 9 percentage points, and Webkit led Chrome by about 18.5 percentage points. Throughout the quarter, both Mobile Safari and Webkit trended down a few percentage points while Chrome (and “Others”) trended up. At quarter end, Mobile Safari’s lead over Android Webkit had widened to over 12 percentage points, while Webkit’s lead over Chrome had narrowed significantly to under 8 points. In comparing iOS versus Android platforms, however, we see a slight two-point lead for Android holding fairly steady throughout the quarter. Overall, iOS comprised about 36% of requests during the fourth quarter, while Android was responsible for 38%.

Expanding the set of data to all networks (not just those defined as cellular), we see a much wider gap between Mobile Safari and Android Webkit, as shown in Figure 38. At the start of the quarter, Mobile Safari usage was roughly 20 percentage points higher than Android Webkit, and this gap remained fairly consistent throughout, narrowing briefly in mid-December before widening slightly to 24 percentage points at the end of the quarter. The gap between Android Webkit and Chrome Mobile began the quarter at 18% but narrowed to under 10% as Webkit trended downward and Chrome picked up speed. Overall, the iOS platform held a 9.8 percentage point lead over Android at the beginning of the quarter, narrowing slightly to 9.3 percentage points at quarter end. Averaged across the entire quarter, iOS accounted for about 48% of requests, while Android accounted for roughly 40% of requests.

**8.3 MOBILE TRAFFIC GROWTH OBSERVED BY ERICSSON /** In mobile networks, the access medium (spectrum) is being shared by different users in the same cell. It is important to understand traffic volumes and usage patterns in order to enable a good customer experience. Ericsson’s presence in more than 180 countries and its customer base, representing more than 1,000 networks, enable it to measure mobile voice and data volumes. The result is a representative base for calculating world total mobile traffic in 2G, 3G, and 4G networks (not including DVB-H, Wi-Fi, and Mobile WiMAX).


These measurements have been performed for several years. It is important to note that the measurements of data and voice traffic in these networks (2G, 3G, 4G/LTE) around the world show large differences in traffic levels between markets, regions, and operators, due to their different customer profiles.

Figure 39 shows total global monthly data and voice traffic. It depicts a strong increase in data traffic growth with a moderating rate of growth and almost flat voice traffic development. The number of mobile data subscriptions is increasing rapidly and driving growth in data traffic along with a continuous increase in the average data volume per subscription. Data traffic grew 11% quarter over quarter, and over 54% year over year.







A hand holding a pen, with a teal overlay and geometric lines.

# [SECTION]<sup>9</sup>

## SITUATIONAL PERFORMANCE

In June 2013, Akamai announced<sup>44</sup> the latest release of Ion, a solution designed to meet the unique challenges of optimizing both the desktop and mobile Web experience. One component of Ion is a capability known as Real User Monitoring (RUM), which takes passive performance measurements from actual users of a Web experience in order to provide insight into performance across devices and networks. RUM is a complementary capability to synthetic testing, and the two can and should be used in conjunction to gain a comprehensive picture of user experience.

Note that there are a few different RUM measurement methodologies. The first is using what is known as “navigation timing”<sup>45</sup> (“navtiming”), which allows JavaScript to collect page load time component information directly from the user agent (browser) through an API. The second is to use a framework for timing Web pages, like Web Episodes<sup>46</sup>—which leverages JavaScript events such as “onload.” While navtiming is the preferred methodology for collecting RUM measurements, not every user agent supports it at this time.<sup>47</sup> One key

observation is the current lack of support in Apple's Safari browser, both on OSX and iOS. In addition, Android first added navtiming support starting with version 4.0 ("Ice Cream Sandwich") of the operating system, and Microsoft's Internet Explorer in version 9 of the browser. It was discovered in July that a beta version of Safari for OSX and iOS 8 included support for the navigation timing API, meaning that Akamai will be able to collect RUM data from these browsers once production support for navtiming is available.<sup>48</sup> However, it appears that this support may have been short-lived, at least on iOS, as the iOS 8.1.1 release notes state: "The Navigation Timing API has been disabled only on iOS due to performance issues."<sup>49</sup> Presumably, Apple will enable the functionality again in the future, once the performance issues have been addressed.

Figure 40 shows average page load times for users on both broadband and mobile connections, based on RUM data collected by Akamai during the fourth quarter of 2014. The underlying data was collected with navtiming; therefore, as noted above, it does not include measurements from users of Safari on iOS devices or OS X systems, older versions of Android, or older versions of Internet Explorer. The countries included within the table were selected based on several criteria, including the availability of measurements from users on networks identified as broadband as well as networks identified as mobile, and more than 90,000 measurements (1,000 per day, on average) from mobile networks across the quarter. Note that these criteria are subject to change in the future as we expand the scope of RUM measurements included within the *State of the Internet Report*.

In reviewing the average page load time measurements for broadband connections shown in Figure 40, we find the lowest values (i.e. fastest page load times) in Japan, Turkey, and Hong Kong, with average load times all around 2 seconds. This was less than one-third the time measured in the slowest country, Brazil, where pages took roughly 6.6 seconds to load on average. Australia and Paraguay rounded out the bottom three in terms of broadband measurements, both with load times of approximately 5.4 seconds.

In terms of mobile page load times, Spain surprisingly topped the list as the only country with a sub-second average load time. Spain's ultrafast 850 ms time for the fourth quarter is more than half a second faster than its 1462 ms measurement for the third quarter. Note that page load time measurements do not just reflect mobile network speeds, as they can be influenced by factors such as average page weight as well. Turkey and Iran were the next fastest countries, seeing average mobile page load times of 1.2 and 1.6 seconds, respectively. At the other end of the spectrum, Taiwan, Brazil, and India had the highest average load times for mobile connections, with Taiwan and Brazil taking an average of 9 seconds each, and India seeing average page load times just shy of 7 seconds. These numbers are all higher than in the third quarter, which may be a result of more content-rich pages being downloaded over mobile devices.

In comparing the average broadband page load times to those observed on mobile connections, we find a variance in what we have dubbed the "mobile penalty" — that is, how much slower a page loads

on average through mobile connections vs. broadband connections. Surprisingly, of the 42 countries/regions included in Figure 40, 17 had a mobile penalty lower of 1.0x or less, meaning that the average page load times were faster on mobile connections than on broadband connections. The lowest mobile penalty was observed in Spain, with a 0.3x penalty, followed by Colombia, Turkey, Indonesia, and Iran, all with 0.6x penalties. The highest mobile penalties of 2.0x and 2.4x were seen in Hong Kong and Taiwan, meaning that pages loaded at least twice as fast on average through broadband connections compared with mobile connections.

As more customers integrate Akamai's RUM capabilities, and as more platforms support the navigation timing API, we expect that we will be able to expand the scope of the Situational Performance measurements presented within future issues of the *State of the Internet Report*.

Region	Country/ Region	Avg. Page Load Time Broadband (ms)	Avg. Page Load Time Mobile (ms)	Mobile Penalty
APAC	Australia	5406	5694	1.1x
APAC	China	4692	6213	1.3x
APAC	Hong Kong	2093	4126	2.0x
APAC	India	4460	6972	1.6x
APAC	Indonesia	4486	2692	0.6x
APAC	Iran	2592	1637	0.6x
APAC	Japan	1961	3354	1.7x
APAC	Kuwait	2925	2005	0.7x
APAC	Malaysia	4658	5028	1.1x
APAC	Singapore	4446	6528	1.5x
APAC	Sri Lanka	4752	4079	0.9x
APAC	Taiwan	3870	9177	2.4x
APAC	Thailand	3404	3822	1.1x
EMEA	Austria	2342	3146	1.3x
EMEA	Czech Republic	2528	2778	1.1x
EMEA	Egypt	3456	2632	0.8x
EMEA	France	3263	3839	1.2x
EMEA	Germany	3211	5524	1.7x
EMEA	Hungary	2552	2643	1.0x
EMEA	Ireland	3067	4546	1.5x
EMEA	Italy	3602	4885	1.4x
EMEA	Morocco	2883	2287	0.8x
EMEA	Norway	2969	4139	1.4x
EMEA	Poland	2583	3112	1.2x
EMEA	Romania	2237	1825	0.8x
EMEA	Slovakia	2651	2642	1.0x

Region	Country/ Region	Avg. Page Load Time Broadband (ms)	Avg. Page Load Time Mobile (ms)	Mobile Penalty
EMEA	Spain	2565	850	0.3x
EMEA	Sweden	2255	3281	1.5x
EMEA	Switzerland	2570	3480	1.4x
EMEA	Turkey	2005	1198	0.6x
EMEA	Ukraine	3049	2494	0.8x
EMEA	United Kingdom	3798	5014	1.3x
N. America	Canada	3187	4817	1.5x
N. America	El Salvador	3546	3326	0.9x
N. America	United States	2863	4068	1.4x
S. America	Argentina	3833	3906	1.0x
S. America	Brazil	6553	8954	1.4x
S. America	Chile	2989	3340	1.1x
S. America	Colombia	3061	1759	0.6x
S. America	Paraguay	5413	4248	0.8x
S. America	Uruguay	3479	4121	1.2x
S. America	Venezuela	4470	4467	1.0x
N. America	USA	2863	4068	1.4x
S. America	Argentina	3833	3906	1.0x
S. America	Brazil	6553	8954	1.4x
S. America	Chile	2989	3340	1.1x
S. America	Colombia	3061	1759	0.6x
S. America	Paraguay	5413	4248	0.8x
S. America	Uruguay	3479	4121	1.2x
S. America	Venezuela	4470	4467	1.0x

Figure 40: Average Page Load Times Based on Real User Monitoring









# [SECTION]<sup>10</sup> INTERNET DISRUPTIONS + EVENTS

Internet disruptions are, unfortunately, still all too common — occurring in some countries/regions on a frequent basis. These disruptions may be accidental (backhoes or ship anchors severing buried fiber), natural (hurricanes or earthquakes), or political (governments shutting off Internet access in response to unrest). Because Akamai customer content is consumed by users around the world, the results of these disruptions — whether brief or spanning multiple days — is evident in the levels of Akamai traffic delivered to the affected country/region.

In working with leading content providers, Akamai also has a unique perspective on how major events — whether sports, entertainment, or software related — drive increasingly larger volumes of Internet traffic.

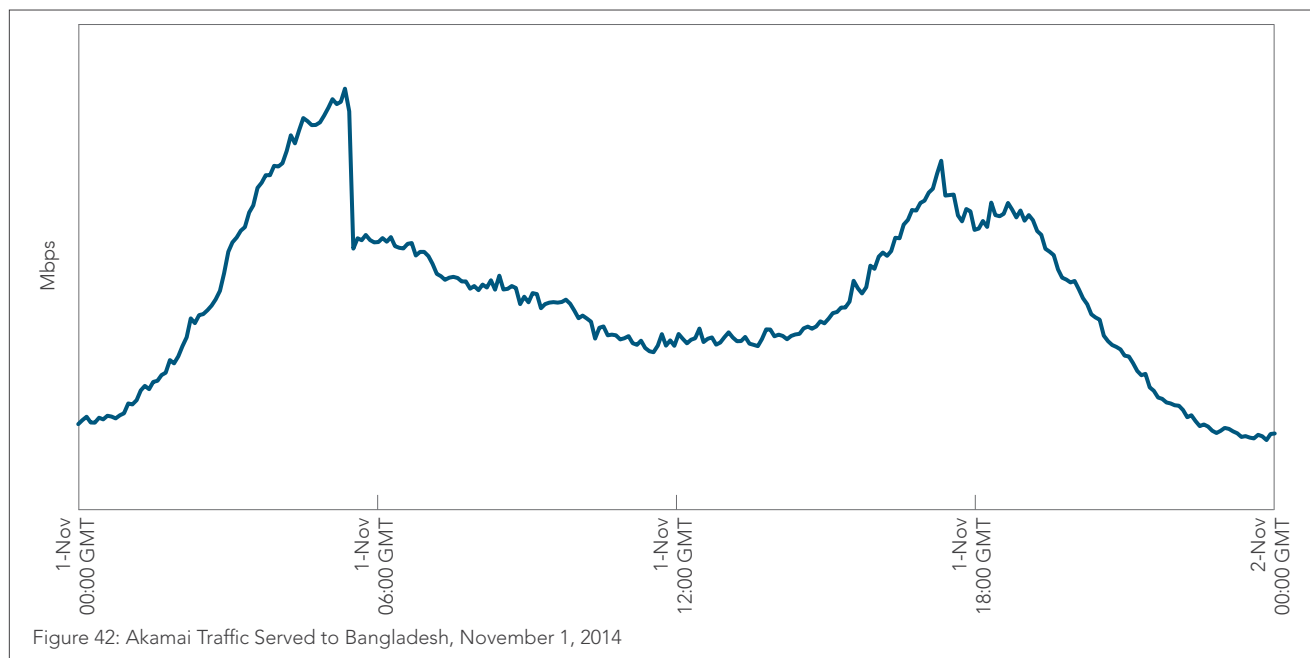
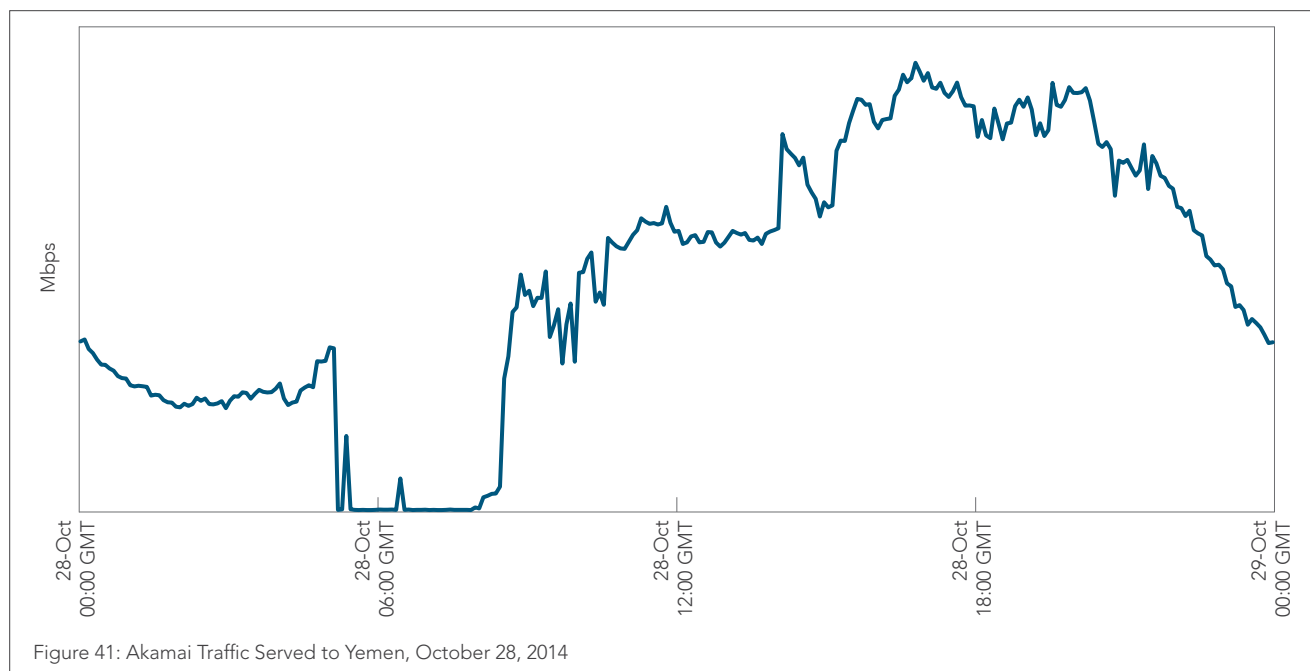
The content presented in this section provides insights into how Akamai traffic was impacted by major Internet disruptions and events during the fourth quarter.

**10.1 YEMEN** / On October 28, traffic to Yemen became severely disrupted for about 3.5 hours. As shown in Figure 41, Akamai traffic to the region dropped severely starting just after 5:00 A.M. UTC, with the decline lasting until roughly 8:30 A.M. During this period, traffic levels were generally down to less than one percent of normal. A Twitter post from network monitoring firm BGPmon corroborates that “nearly all” of the Internet in Yemen was down during this time. The outage came on the heels of three days of violence in central Yemen where 250 people were reportedly killed, though it is not clear whether the two events are related.<sup>50</sup>

**10.2 BANGLADESH** / At 5:30 A.M. UTC on November 1, Akamai saw a sudden 35% drop in traffic to Bangladesh, as seen in Figure 42. Traffic continued to decline further throughout the day before eventually

recovering nearly 12 hours later, around 5:15 P.M. UTC. Dyn Research, the Internet monitoring company formerly known as Renesys, noted severe latency impacts in traffic to Bangladesh during this time period as well.<sup>51</sup> The disruptions were due to a country-wide power outage affecting millions for most of the day. Reports indicate the blackout may have been caused by an issue in the transmission line bringing electricity from India to Bangladesh, and took more than 12 hours to fully resolve.<sup>52</sup>

**10.3 TURKMENISTAN** / Turkmenistan lost connectivity to the Internet for roughly 2 hours on November 11, from about 8:10 P.M. UTC to 9:55 P.M., as Turkmen Telecom, the country’s sole gateway and Internet Service Provider, went down. Akamai traffic to Turkmenistan dropped



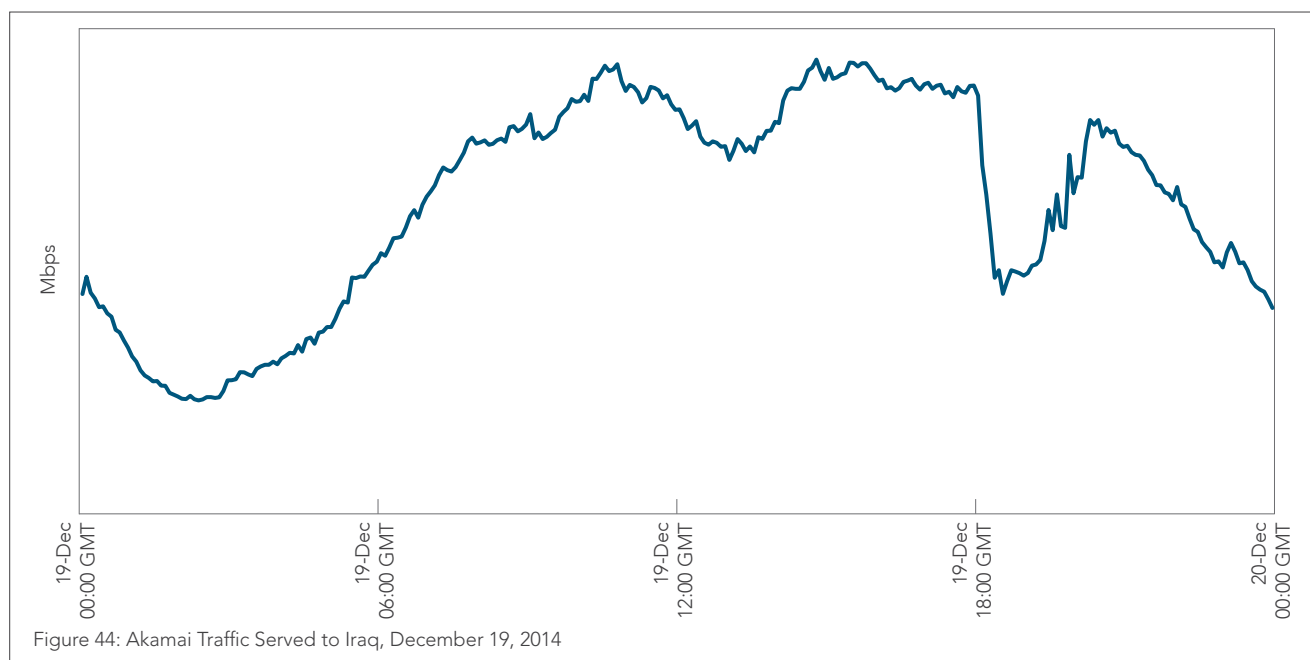
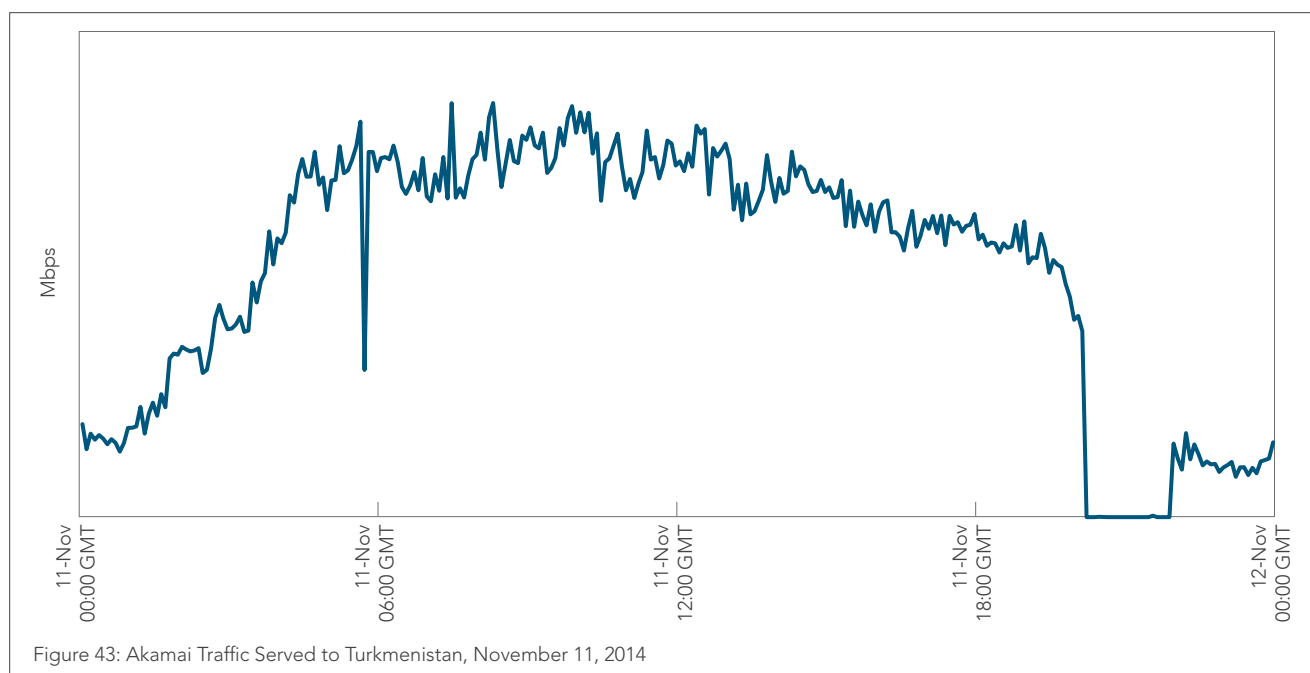


nearly to zero during this time, as seen in Figure 43. The outage was also noted by Dyn Research, although we do not have any specific information about the cause.<sup>53</sup>

**10.4 IRAQ** / Just as it has over the last several quarters, in the fourth quarter Iraq experienced Internet disruptions. At 6:00 P.M. UTC on December 19, Akamai saw a sharp decline in traffic to Iraq, with traffic levels dropping nearly 50% within half an hour's time, as shown in Figure 44. Traffic to Iraq began to recover around 7:20 P.M. and fully recovered around 7:50 P.M.. Dyn Research noted that Earthlink, a major Iraqi ISP, had lost connectivity to IQ Networks during this period.<sup>54</sup> IQ Networks is one of two major Kurdish ISPs (the other being Newroz) that sell transit to Iraq, providing connectivity for roughly three-

fourths of Iraqi networks.<sup>55</sup> Not depicted in the figure below is another outage on October 14, when, as Dyn Research observed, 41% of Iraq's Internet went down due to an IQ Networks failure.<sup>56</sup>

**10.5 NORTH KOREA** / North Korea suffered a series of widely reported Internet outages in late December 2014. The longest outage lasted nearly 10 hours, beginning just after 4:00 P.M. UTC on December 22 and lasting until nearly 2:00 A.M. UTC on December 23. Akamai traffic to the region was extremely spotty throughout the day, as shown in Figure 45, dropping to zero 6 times throughout the morning for intervals ranging from 10 to 30 minutes each, and then followed by an outage of slightly more than 2 hours starting at 12:20 P.M. UTC before finally succumbing to the prolonged outage that began just after 4:00 P.M. Tweets from



BGPMon and Dyn Research also reflect that all of North Korea's networks were unreachable at these times.<sup>57, 58</sup> Connectivity remained poor for the rest of the day on December 23, dropping to zero several times, including a one-hour outage at 6:25 A.M. UTC. A few days later, on December 27, Akamai saw traffic to North Korea drop to zero again for four and a half hours, from around 10:30 A.M. to 3:00 P.M. UTC, followed by spotty traffic outages throughout the day, as shown in Figure 46.

These outages may be the result of denial-of-service attacks against North Korea,<sup>59</sup> related to a series of events beginning with a hacking attack against Sony Pictures that came to light on November 24.<sup>60</sup> The Sony hack involved a breach of Sony's computer systems,

installation of Wiper malware (designed to erase data), and the theft and public release of confidential company and employee data—including several unreleased films.<sup>61, 62</sup> In addition, there were threats of terror attacks on movie theaters, should the Sony movie *The Interview* be shown.<sup>63</sup> The U.S. government has accused North Korea of being behind the Sony attacks,<sup>64</sup> while North Korea has accused the United States of being behind its Internet outages in wrongful retaliation. However, the United States has unofficially denied involvement in the outages,<sup>65</sup> and hacktivist groups Anonymous and Lizard Squad have hinted at taking credit. The United States government began rolling out sanctions against North Korea in early January 2015 as official retribution for the Sony attacks.<sup>66</sup>

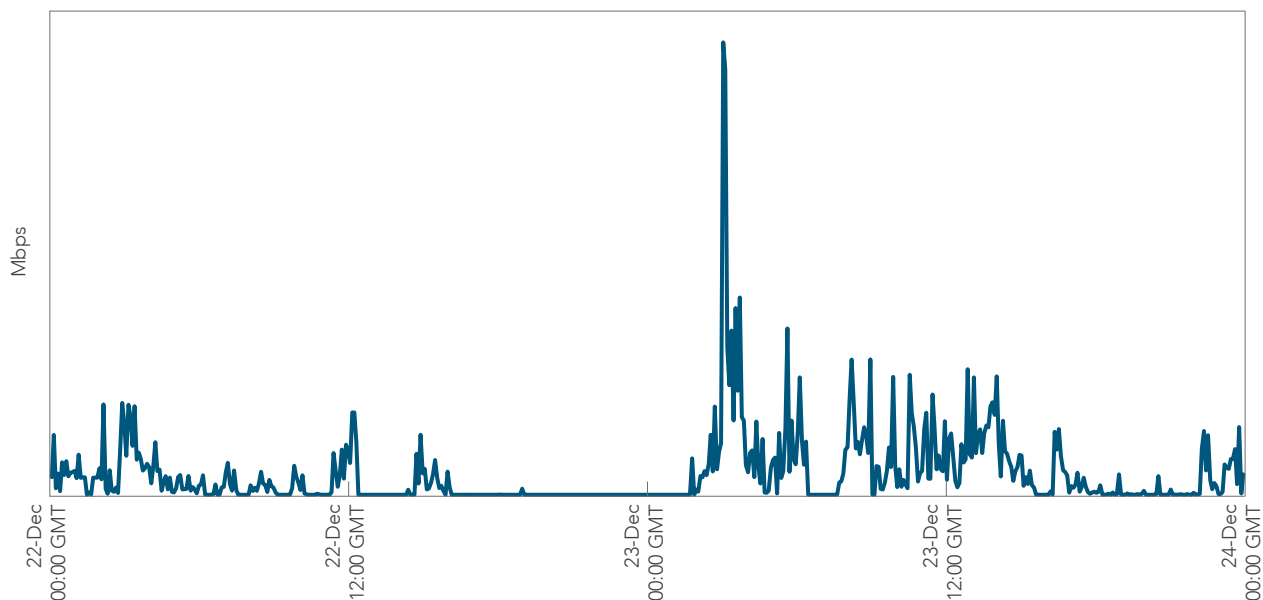


Figure 45: Akamai Traffic Served to North Korea, December 22 & 23, 2014

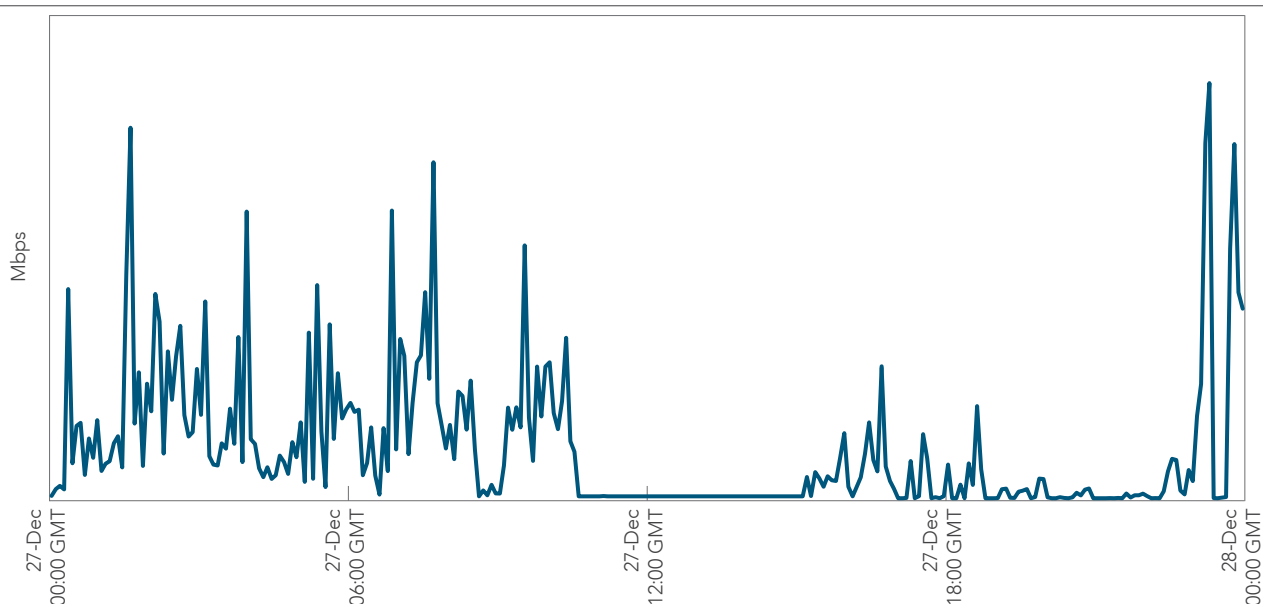


Figure 46: Akamai Traffic Served to North Korea, December 27, 2014

Region	% Attack Traffic	Unique IPv4 Addresses	Average Connection Speed (Mbps)	Peak Connection Speed (Mbps)	% Above 10 Mbps	% Above 4 Mbps	% Above 15 Mbps
AMERICAS							
Argentina	0.7%	7,500,411	4.5	23.4	7.4%	38%	1.3%
Bolivia	<0.1%	561,393	1.2	10.2	0.1%	1.4%	<0.1%
Brazil	2.3%	47,254,335	3.0	21.9	1.9%	26%	0.5%
Canada	0.9%	14,512,083	10.7	46.3	38%	85%	16%
Chile	0.3%	3,999,555	5.0	32.5	5.8%	53%	1.4%
Colombia	0.5%	11,235,012	3.7	24.7	2.0%	31%	0.5%
Costa Rica	<0.1%	471,372	2.8	13.2	0.8%	14%	0.4%
Ecuador	0.1%	999,930	3.7	21.7	2.4%	30%	0.5%
Mexico	1.0%	12,989,798	4.5	24.3	3.5%	43%	1.0%
Panama	0.1%	442,400	2.9	14.9	0.9%	17%	0.2%
Paraguay	<0.1%	181,956	1.4	10.1	0.1%	1.2%	<0.1%
Peru	<0.1%	1,149,874	4.0	23.1	1.3%	39%	0.2%
United States	13%	151,386,342	11.1	49.4	39%	74%	18%
Uruguay	0.2%	1,245,722	5.9	63.3	9.9%	63%	3.2%
Venezuela	1.3%	3,782,243	1.4	11.7	0.2%	1.7%	0.1%
ASIA PACIFIC							
Australia	0.4%	9,016,245	7.4	36.9	16%	69%	6.5%
China	41%	125,400,588	3.4	17.8	1.1%	27%	0.2%
Hong Kong	1.3%	3,113,786	16.8	87.7	60%	91%	41%
India	2.4%	18,240,827	2.0	14.5	1.1%	7.8%	0.4%
Indonesia	0.7%	6,045,022	1.9	13.4	0.3%	4.6%	0.1%
Japan	0.8%	42,348,735	15.2	69.0	56%	88%	34%
Malaysia	0.6%	2,113,530	4.1	29.6	3.7%	40%	0.9%
New Zealand	0.1%	2,126,509	7.3	34.3	15%	80%	4.7%
Philippines	0.3%	1,391,627	2.7	21.9	0.6%	9.8%	0.2%
Singapore	0.2%	1,669,997	11.7	84.0	40%	81%	21%
South Korea	2.8%	22,085,941	22.2	75.4	79%	95%	61%
Taiwan	4.4%	11,035,501	10.6	64.2	37%	86%	17%
Thailand	1.0%	3,396,808	7.1	46.3	13%	86%	3.8%
Vietnam	1.0%	5,850,654	2.7	17.3	0.4%	19%	0.1%
EUROPE, MIDDLE EAST & AFRICA							
Austria	0.2%	2,993,977	9.8	41.1	26%	87%	13%
Belgium	0.2%	4,999,410	10.8	51.6	43%	87%	19%
Czech Republic	0.2%	2,014,572	12.3	45.7	41%	84%	21%
Denmark	0.1%	3,003,393	11.9	44.1	44%	92%	21%
Finland	<0.1%	2,944,764	12.1	47.4	40%	83%	21%
France	1.0%	28,813,162	7.1	31.5	15%	70%	5.5%
Germany	1.8%	38,184,416	8.8	41.0	24%	80%	9.4%
Hungary	0.4%	2,937,718	8.7	45.5	28%	82%	11%
Ireland	0.1%	1,994,451	12.7	52.1	33%	68%	16%
Israel	0.3%	2,477,430	10.6	60.5	41%	92%	15%
Italy	1.1%	18,783,459	5.6	26.9	5.7%	61%	2.2%
Netherlands	1.2%	9,295,569	14.2	56.4	56%	91%	30%
Norway	<0.1%	3,906,601	11.4	42.5	35%	80%	22%
Poland	0.7%	8,145,998	8.8	40.7	26%	83%	11%
Portugal	0.1%	3,660,508	8.0	44.3	25%	75%	9.6%
Romania	1.1%	3,247,317	11.6	67.0	55%	89%	23%
Russia	3.2%	19,277,054	9.0	49.6	29%	82%	11%
Slovakia	<0.1%	1,095,857	8.2	39.9	20%	68%	10%
South Africa	0.1%	6,378,613	3.2	15.1	2.6%	19%	1.4%
Spain	0.5%	15,000,985	8.2	39.6	22%	78%	9.7%
Sweden	0.3%	6,298,071	14.6	57.3	47%	87%	31%
Switzerland	0.4%	3,755,302	14.5	57.0	56%	93%	30%
Turkey	2.9%	9,591,189	5.8	33.7	9.0%	63%	3.5%
United Arab Emirates	0.2%	1,442,321	5.7	51.2	9.2%	62%	2.1%
United Kingdom	0.9%	28,910,888	10.9	48.8	38%	83%	22%

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# **Submission #2**

Insight Report

# The Global Competitiveness Report 2013–2014

Full Data Edition

Klaus Schwab, World Economic Forum





Insight Report

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# The Global Competitiveness Report 2013–2014

Full Data Edition

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**Professor Klaus Schwab**

**World Economic Forum**

Editor

**Professor Xavier Sala-i-Martin**

**Columbia University**

Chief Advisor of The Global Competitiveness and Benchmarking Network



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# Preface

**KLAUS SCHWAB**

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*The Global Competitiveness Report 2013–2014* is being released at a time when the world economy is undergoing significant shifts. The global financial crisis and the ensuing developments have heightened the role of emerging economies in the global context. This has accelerated the major economic transformations already underway, which have fueled rapid growth and lifted millions of people out of poverty. Yet, although the global economy's prospects are more positive than they were when we released last year's *Report*, growth has begun to slow across many emerging economies, and advanced economies in Europe and elsewhere continue to struggle.

In the current context, policymakers must avoid complacency and press ahead with the structural reforms and critical investments required to ensure that their countries can provide a prosperous environment and employment for their citizens. They must identify and strengthen the transformative forces that will drive future economic growth. Particularly important will be the ability of economies to create new value-added products, processes, and business models through innovation. Going forward, this means that the traditional distinction between countries being “developed” or “developing” will become less relevant and we will instead differentiate among countries based on whether they are “innovation rich” or “innovation poor.” It is therefore vital that leaders from business, government, and civil society work collaboratively to create enabling environments to foster innovation and, in particular, to create appropriate educational systems.

For more than three decades, the World Economic Forum has played a facilitating role in this process by providing detailed assessments of the productive potential of nations worldwide. The *Report* contributes to an understanding of the key factors that determine economic growth, helps to explain why some countries are more successful than others in raising income levels and providing opportunities for their respective populations, and offers policymakers and business leaders an important tool for formulating improved economic policies and institutional reforms. Going forward, the World Economic Forum will continue these efforts by collecting and curating public-private practices that have proven useful in increasing competitiveness in countries around the world.

In addition, political leaders increasingly recognize the importance of qualitative as well as quantitative aspects of growth, integrating such concepts as social and environmental sustainability into economic decision making. To advance thinking on these issues, the Forum has continued its research into how sustainability relates to competitiveness and economic performance. Chapter 1.2 of this *Report* presents our evolving analysis of how country competitiveness can be assessed once issues of social and environmental sustainability are taken into account.

This year's *Report* features a record number of 148 economies, and thus continues to be the most comprehensive assessment of its kind. It contains a detailed profile for each of the economies included in the study, as well as an extensive section of data tables with global rankings covering over 100 indicators. This *Report* remains the flagship publication within the Forum's Global Competitiveness and Benchmarking Network, which produces a number of related research studies aimed at supporting countries in their transformation efforts.

*The Global Competitiveness Report 2013–2014* could not have been put together without the thought leadership of Professor Xavier Sala-i-Martin at Columbia University, who has provided ongoing intellectual support for our competitiveness research. Further, this *Report* would have not been possible without the commitment and enthusiasm of our network of over 160 Partner Institutes worldwide. The Partner Institutes are instrumental in carrying out the Executive Opinion Survey that provides the foundation data of this *Report* as well as 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 our Executive Opinion Survey.

We are also grateful to the members of our Advisory Board on Competitiveness and Sustainability, who have provided their valuable time and knowledge to help us develop the framework on sustainability and competitiveness presented in this *Report*: James Cameron, Chairman, Climate Change Capital; Dan Esty, Commissioner, Connecticut Department of Energy and Environmental Protection; Clément Gignac, Chief Economist and Senior Vice-President, Industrial Alliance Insurance and Financial Services; Jeni Klugman, Director



for Gender, The World Bank; Marc A. Levy, Deputy Director, CIESIN, Columbia University; John McArthur, Senior Fellow, United Nations Foundation; Kevin X. Murphy, President and Chief Executive Officer, J.E. Austin Associates Inc.; Mari Elka Pangestu, Minister of Tourism and Creative Economy of Indonesia; Mark Spelman, Global Head of Strategy, Accenture; and Simon Zadek, Senior Visiting Fellow, Global Green Growth Institute.

Appreciation also goes to Børge Brende, Managing Director at the Forum, and Jennifer Blanke, Chief Economist and Head of The Global Competitiveness and Benchmarking Network, as well as team members Beñat Bilbao-Osorio, Ciara Browne, Edoardo Campanella, Gemma Corrigan, Roberto Crotti, Margareta Drzeniek Hanouz, Thierry Geiger, Tania Gutknecht, Caroline Ko, and Cecilia Serin.

By providing decision makers with a basis from which to reinforce strengths and eliminate weaknesses, we hope to make a contribution in the spirit of our mission—committed to improving the state of the world.

# Part 1

## Measuring Competitiveness



# The Global Competitiveness Index 2013–2014: Sustaining Growth, Building Resilience

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World Economic Forum

At the time this *Report* is being released, the world economy continues to emerge slowly from the most serious economic crisis of the post–World War II period—one that has deeply transformed the global economy and highlighted the increasingly important role that emerging markets and developing economies play in the global economy. As advanced economies are searching for ways to speed up their economic engines, emerging and developing countries have been important drivers of the global economic recovery. As a result, the nature of the relationship between advanced economies and emerging ones has evolved, and emerging and developing countries have created stronger ties among themselves. Among the advanced economies, two patterns seem to emerge: the United States, Canada, and Japan are expected to grow at a gentle pace, while the prospects for the euro zone are more uncertain, especially as tight credit conditions continue to limit domestic demand. More generally, the new global economic landscape raises questions as to the very distinction between advanced and emerging economies, particularly when it comes to growth and competitiveness.

Against this background, the past year has seen some progress in rebuilding global confidence, so recovery looks more assured today than it did just one year ago. Many of the tail risks that concerned us in the last edition have not come to pass, in particular in the United States, which did not fall off the “fiscal cliff”; in Europe, where the breakup of the euro zone was avoided and where sovereign bond differentials have drastically narrowed; and in China, where fears of a hard landing have receded for the time being.

Despite this more positive global outlook, some uncertainty remains. In advanced economies, the potential consequences of a tapering and eventual halt of quantitative easing in the United States, the aggressive yet still incomplete financial and structural measures adopted in Japan, and the persistent unemployment and economic recovery challenges in Europe are factors that could put future economic performance at risk. In emerging markets, it is uncertain how protests in Brazil and Turkey, the credit crunch in China, and the potentially volatile capital flows to emerging and developing markets will affect growth in these economies. And critical challenges remain: policymakers around the globe need to ensure that public finances are sustainable in the longer term, where the pains of deleveraging will be particularly felt by advanced economies.

Around the world, unemployment or the threat of it remains one of the main challenges to long-term social sustainability. Indeed, the experience of recent years has underscored social sustainability as key to longer-term competitiveness, and thus to sustainable growth. Against this challenge, one of the elements gaining in importance



in fostering countries' competitiveness is education. A perception is growing that educational systems in many countries could better respond to the needs of labor markets, help economies to avoid skills gaps, and ensure that adequately trained human capital is available to support business activity as well as to develop innovative capacity and entrepreneurship. It is therefore to be expected that, over the coming years, a series of major systemic reviews of educational frameworks at the national level will be necessary in many countries across all stages of development. Overall, although there are indications that economic policies and measures are shifting in the right direction, efforts must be sustained in order to safeguard the progress achieved and to keep the global economy on a sustainable growth path going forward.

Encouraging, sustaining, and enhancing growth will require decisive action by leaders in order to boost their countries' competitiveness and future economic outlook. Reforms and the right set of investments to enhance competitiveness will be crucial for the economic transformations that can lead to sustained higher growth over the longer term. It is therefore imperative that competitiveness features high on the economic reform agenda of both advanced and emerging and developing economies.

For more than three decades, the World Economic Forum's annual *Global Competitiveness Reports* have studied and benchmarked the many factors underpinning national competitiveness. From the onset, the goal has been to provide insight and stimulate discussion among all stakeholders about the best strategies and policies to help countries to overcome the obstacles to improved competitiveness. In the current challenging economic environment, our work is a critical reminder of the importance of sound structural economic fundamentals for sustained growth.

Since 2005, the World Economic Forum has based its competitiveness analysis on the Global Competitiveness Index (GCI), a comprehensive tool that measures the microeconomic and macroeconomic foundations of national competitiveness.<sup>1</sup>

More recently, in order to better place the discussion of competitiveness in the societal and environmental context, the World Economic Forum has begun exploring the complex relationship between competitiveness and sustainability as measured by its social and environmental dimension. The work carried out to date on these important aspects of human and economic development is described in Chapter 1.2.

Going forward, the World Economic Forum will further support countries in their quest for higher competitiveness by compiling and publishing a repository of public-private practices that countries have implemented in order to improve their competitiveness. Together with the Index results, these practices will

inform a series of structured multi-stakeholder dialogues (see Box 1) that will be piloted over the coming year. We hope that this new initiative will support transformations toward higher competitiveness at regional and national levels.

## THE 12 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.

The concept of competitiveness thus involves static and dynamic components. Although the productivity of a country determines its ability to sustain a high *level* of income, it is also one of the central determinants of its returns on investment, which is one of the key factors explaining an economy's *growth potential*.

Many determinants drive productivity and competitiveness. Understanding the factors behind this process has occupied the minds of economists for hundreds of years, engendering theories ranging from Adam Smith's focus on specialization and the division of labor to neoclassical economists' emphasis on investment in physical capital and infrastructure,<sup>2</sup> and, more recently, to interest in other mechanisms such as education and training, technological progress, macroeconomic stability, good governance, firm sophistication, and market efficiency, among others. While all of these factors are likely to be important for competitiveness and growth, they are not mutually exclusive—two or more of them can be significant at the same time, and in fact that is what has been shown in the economic literature.<sup>3</sup>

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

### First pillar: Institutions

The institutional environment is determined by the legal and administrative framework within which individuals, firms, and governments interact to generate wealth. The importance of a sound and fair institutional environment has become all the more apparent during the recent economic and financial crisis and is especially crucial for further solidifying the fragile recovery, given the increasing role played by the state at the international level and for the economies of many countries.

The quality of institutions has a strong bearing on competitiveness and growth.<sup>4</sup> 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. For example, owners of land, corporate shares, or intellectual property are unwilling to invest in the improvement and upkeep of their property if their rights as owners are not protected.<sup>5</sup>

The role of institutions goes beyond the legal framework. Government attitudes toward markets and freedoms and the efficiency of its operations are also very important: excessive bureaucracy and red tape,<sup>6</sup> overregulation, corruption, dishonesty in dealing with public contracts, lack of transparency and trustworthiness, inability to provide appropriate services for the business sector, and political dependence of the judicial system impose significant economic costs to businesses and slow the process of economic development.

In addition, the proper management of public finances is also critical for ensuring trust in the national business environment. Indicators capturing the quality of government management of public finances are therefore included here to complement the measures of macroeconomic stability captured in pillar 3 below.

Although the economic literature has focused mainly on public institutions, private institutions are also an important element of the process of creating wealth. The global financial crisis, along with numerous corporate scandals, have highlighted the relevance of accounting and reporting standards and transparency for preventing fraud and mismanagement, ensuring good governance, and maintaining investor and consumer confidence. An economy is well served by businesses that are run honestly, where managers abide by strong ethical practices in their dealings with the government, other firms, and the public at large.<sup>7</sup> Private-sector transparency is indispensable to business; it can be brought about through the use of standards as well as auditing and accounting practices that ensure access to information in a timely manner.<sup>8</sup>

## Second pillar: Infrastructure

Extensive and efficient infrastructure is critical for ensuring the effective functioning of the economy, as it is an important factor in determining the location of economic activity and the kinds of activities or sectors that can develop within a country. Well-developed infrastructure reduces the effect of distance between regions, integrating the national market and connecting it at low cost to markets in other countries and regions. In addition, the quality and extensiveness of infrastructure networks significantly impact economic growth and reduce income inequalities and poverty in a variety of ways.<sup>9</sup> A well-developed transport and communications infrastructure network is a prerequisite for the access of

### Box 1: The Competitiveness Lab and Competitiveness Practices Repository

A country's competitiveness is widely accepted as the key driver for sustaining prosperity and raising the well-being of its citizens. Enhancing competitiveness is a long-term process that requires improvement across many areas as well as long-lasting commitments from relevant stakeholders to mobilize resources, time, and effort. Accordingly, to make the right decisions, these stakeholders need information and data.

For more than 30 years, the World Economic Forum has studied and benchmarked competitiveness. From the outset, our goal has been to provide insight and stimulate discussion among all stakeholders to determine the best strategies, policies, and activities for overcoming the obstacles to improving competitiveness. Against this backdrop, the Forum is taking the next step and will embark on two new initiatives—the **Competitiveness Lab** and **Competitiveness Practices Repository**—to orchestrate an informed multi-stakeholder process for better understanding and shaping the competitiveness agenda of a country or region. The Competitiveness Lab will create a safe space for sustained dialogue in order to encourage better decision making and to help define an action plan with priorities that supports the competitiveness transformation of a country or region.

As part of this initiative, and in order to provide additional knowledge inputs into the dialogue, the Forum is also building a **repository of competitiveness practices**. Given the crucial importance of supporting the coordinated efforts of different agents to improve competitiveness, the Forum's expertise in building public-private strategic collaborations, and the relative knowledge gap in this area, the repository will focus on providing information about competitiveness-driven public-private collaborations. The information covered in this repository will include a definition of specific contexts and competitiveness challenges that have been faced by a particular country or region, a description of the actions that were adopted, and the implementation process of those actions, including the identification of key barriers and enablers that allow the practice to succeed. The objective of compiling this information is to support cross-country learning and to help stakeholders better assess the possibility of scaling up and replicating any specific practice in their own country or region.

less-developed communities to core economic activities and services.

Effective modes of transport—including 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.<sup>10</sup> 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, notably 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. Macroeconomic stability captured the attention of the public most recently when some advanced economies, notably the United States and some European countries, needed to take urgent action to prevent macroeconomic instability when their public debt reached unsustainable levels in the wake of the global financial crisis.

It is important to note that this pillar evaluates the stability of the macroeconomic environment, so it does not directly take into account the way in which public accounts are managed by the government. This qualitative dimension is captured in the institutions pillar described above.

### 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.<sup>11</sup>

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. Moreover, often workers who have received little formal education can carry out only simple manual tasks and find it much more difficult to adapt to more advanced production processes and techniques, and therefore contribute less to devising or executing innovations. In other words, lack of basic education can become a constraint on business development, with firms finding it difficult to move up the

value chain by producing more sophisticated or value-intensive products.

### 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.<sup>12</sup> Box 2 outlines the linkages between fostering cross-border value chains and competitiveness in more detail. 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. The best possible environment for the exchange of goods requires a minimum of government intervention that impedes business activity. For example, competitiveness is hindered by distortionary or burdensome taxes and by restrictive and discriminatory rules on foreign direct investment (FDI)—which limit foreign ownership—as well as on international trade. The recent economic crisis has highlighted the high degree of interdependence of economies worldwide and the degree to which growth depends on open markets. Protectionist measures are counterproductive as they reduce aggregate economic activity.

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

## Box 2: Benefiting from globalizing value chains by raising competitiveness

As the relevance of international value chains continues to grow within the global economy, international trade is increasingly taking place within the production networks of multinational corporations. According to estimates from the Organisation for Economic Co-operation and Development (OECD), imported intermediate inputs account for about one-quarter of OECD members' exports. For China, this share is about 30 percent; it is about twice that for India and Brazil. From a national perspective, participation in value-chain trade has many benefits. Beyond export revenue, these include employment and indirect spillovers in areas such as management, technical know-how, and access to new technologies.

The rise of cross-border value chains has important implications for countries' economic and trade policies as well as for development efforts. One consequence is that cross-border trade in goods has become increasingly intertwined with trade in services and cross-border investment flows, as well as with the international movement of labor. For countries at more basic stages of development, the key question is not so much how to enter the value chain at the lowest level, but how to move up to more advanced steps of production. So what can countries do to benefit from this changing pattern of trade?

As intermediate products may cross borders many times before being assembled into the final good, trade facilitation and other measures that reduce the transaction costs of trade—especially the cost of logistics—are key for production location. Participating successfully in international value chains requires ease in importing, which in many countries is still constrained by tariffs and other, more practical barriers such as customs procedures or high transport costs.

Whether a country can participate in cross-border value chains crucially depends on a number of factors that include its productivity and, therefore, the factors that determine competitiveness as captured by the Global Competitiveness Index (GCI). Among these factors are the availability of healthy and educated workforce, robust infrastructure, deep penetration of information and communication technologies, a solid and efficient institutional framework, and efficient labor markets. Although all these factors are needed to enter the value chain, they rise in importance as the country wishes to move up. The higher a country moves up the value chain, the greater the importance of efficiency enhancers and innovation and sophistication factors.

A specific feature of value-added trade is its strong link with services trade. Transactional services—such as logistics to transport the good to destination or telecommunications to stay in touch and obtain information—must be available for a country to enter and move up the value chain. Making these services available necessitates a dynamic and open business environment that benefits from healthy levels of domestic competition and openness to international trade and investment, issues that are captured by the goods markets efficiency pillar of the GCI.

Overall, from a national policy perspective, the fact that most global trade is now increasingly taking place in value chains strengthens the link between trade and competitiveness policies and raises the stakes for competitiveness-enhancing measures even further. Competitiveness-enhancing policies are particularly important for countries to move up the value chain. In other words, by implementing competitiveness-enhancing policies, countries can reap higher benefits that will result in economic development and employment opportunities.

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.<sup>13</sup> The importance of the latter has been dramatically highlighted by events in Arab countries, where rigid labor markets were an important cause of high youth unemployment, sparking social unrest in Tunisia that then spread across the region. Youth unemployment is also high in a number of European countries, where important barriers to entry into the labor market remain in place.

Efficient labor markets must also ensure clear strong incentives for employees and efforts to 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 that are growing more important as talent shortages loom on the horizon.

### Eighth pillar: Financial market development

The financial and economic crisis has highlighted the central role of a sound and well-functioning financial sector for economic activities. An efficient financial sector allocates the resources saved by a nation's citizens, as well as those entering the economy from abroad, to their most productive uses. It channels resources to those entrepreneurial or investment projects with the highest expected rates of return rather than to the politically connected. A thorough and proper assessment of risk is therefore a key ingredient of a sound financial market.

Business investment is also 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

In today's globalized world, technology is increasingly essential for firms to compete and prosper. 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.<sup>14</sup> ICTs have evolved into the "general purpose technology" of our time,<sup>15</sup> given their critical spillovers to other economic sectors and their role as industry-wide enabling infrastructure. Therefore ICT access and usage are key enablers of countries' overall technological readiness.

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. It is important to note that, in this context, the level of technology available to firms in a country needs to be distinguished from the country's ability to conduct blue-sky research and develop new technologies for innovation that expand the frontiers of knowledge. That is why we separate technological readiness from innovation, captured in the 12th pillar, described below.

### 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. Vast empirical evidence shows that trade openness is positively associated with growth. Even if some recent research casts doubts on the robustness of this relationship, there is a general sense that trade has a positive effect on growth, especially for countries with small domestic markets.<sup>16</sup>

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.<sup>17</sup> 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

There is no doubt that sophisticated business practices are conducive to higher efficiency in the production of

goods and services. 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 particularly 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. Individual firms' advanced operations and strategies (branding, marketing, distribution, advanced production processes, and the production of unique and sophisticated products) spill over into the economy and lead to sophisticated and modern business processes across the country's business sectors.

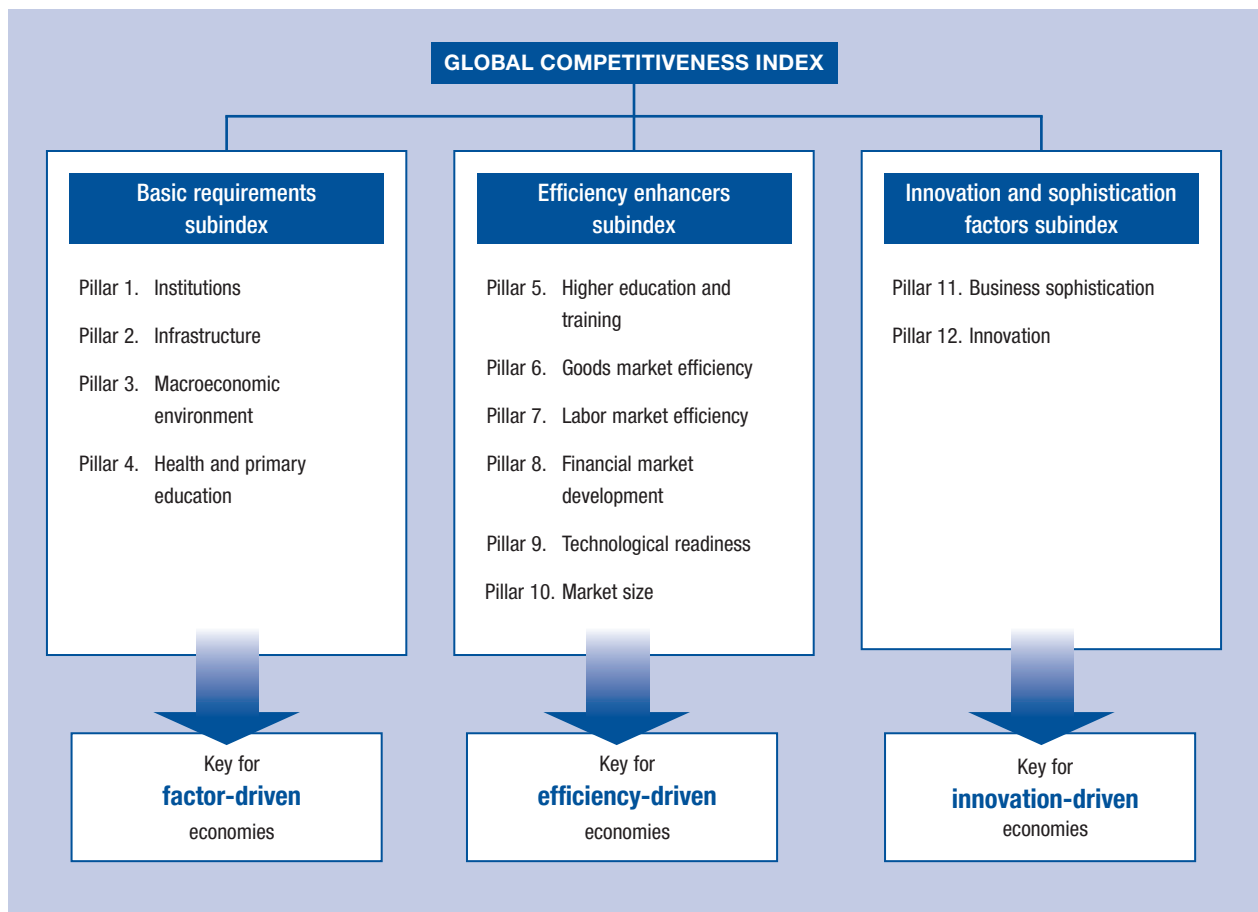
### Twelfth pillar: Innovation

Innovation can emerge from new technological and non-technological knowledge. Non-technological innovations are closely related to the know-how, skills, and working conditions that are embedded in organizations and are therefore largely covered by the eleventh pillar of the GCI. The final pillar of competitiveness focuses on technological innovation. Although substantial gains can be obtained by improving institutions, building infrastructure, reducing macroeconomic instability, or improving human capital, all these factors eventually run into diminishing returns. The same is true for the efficiency of the labor, financial, and goods markets. In the long run, standards of living can be largely enhanced by technological innovation. Technological breakthroughs have been at the basis of many of the productivity gains that our economies have historically experienced. These range from the industrial revolution in the 18th century and the invention of the steam engine and the generation of electricity to the more recent digital revolution. The latter is not only transforming the way things are being done, but also opening a wider range of new possibilities in terms of products and services. Innovation is particularly important for economies as they approach the frontiers of knowledge and the possibility of generating more value by only integrating and adapting exogenous technologies tends to disappear.<sup>18</sup>

Although less-advanced countries can still improve their productivity by adopting existing technologies or making incremental improvements in other areas, for those that have reached the innovation stage of development this is no longer sufficient for increasing productivity. Firms in these countries must design



Figure 1: The Global Competitiveness Index framework



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

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, in addition to high levels of competition and access to venture capital and financing that are analyzed in other pillars of the Index. In light of the recent sluggish recovery and rising fiscal pressures faced by advanced economies, it is important that public and private sectors resist pressures to cut back on the R&D spending that will be so critical for sustainable growth going into the future.

#### 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. For example, a strong innovation capacity (pillar 12) will be very difficult to achieve without a healthy, well-educated and trained workforce (pillars 4 and 5) that is adept at absorbing new technologies (pillar 9), and without sufficient financing (pillar 8) for R&D or an efficient goods market that makes it possible to take new innovations to market (pillar 6). Although the pillars are aggregated into a single index, measures are reported for the 12 pillars separately because such details provide a sense of the specific areas in which a particular country needs to improve.

The appendix describes the exact composition of the GCI and technical details of its construction.

#### STAGES OF DEVELOPMENT AND THE WEIGHTED INDEX

While all of the pillars described above will matter to a certain extent for all economies, it is clear that they will affect them in different ways: the best way for Cambodia to improve its competitiveness is not the same as the best way for France to do so. This is because Cambodia and France are in different stages of development: as countries move along the development path, wages tend

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

	STAGES OF DEVELOPMENT				
	Stage 1: Factor-driven	Transition from stage 1 to stage 2	Stage 2: Efficiency-driven	Transition from stage 2 to stage 3	Stage 3: 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 subindex	60%	40–60%	40%	20–40%	20%
Weight for efficiency enhancers subindex	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.

to increase and, in order to sustain this higher income, labor productivity must improve.

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>19</sup> Companies compete on the basis of price and sell basic products or commodities, with their low productivity reflected in low wages. Maintaining competitiveness at this stage of development hinges primarily on well-functioning public and private institutions (pillar 1), a well-developed infrastructure (pillar 2), a stable macroeconomic environment (pillar 3), and a healthy workforce that has received at least a basic education (pillar 4).

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 (pillar 5), efficient goods markets (pillar 6), well-functioning labor markets (pillar 7), developed financial markets (pillar 8), the ability to harness the benefits of existing technologies (pillar 9), and a large domestic or foreign market (pillar 10).

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 with new and unique products. At this stage, companies must compete by producing new and different goods using the most sophisticated production processes (pillar 11) and by innovating new ones (pillar 12).

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. That is, although all 12 pillars matter to a certain extent for all countries, the relative importance of each one depends on a country's 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 three subindexes are shown in Figure 1.

The weights attributed to each subindex in every stage of development are shown in Table 1. To obtain the weights shown in the table, a maximum likelihood regression of gross domestic product (GDP) per capita was run against each subindex for past years, allowing for different coefficients for each stage of development.<sup>20</sup> The rounding of these econometric estimates led to the choice of weights displayed in Table 1.

### Implementation of stages of development

Two criteria are used to allocate countries into stages of development. The first is the level of GDP per capita at market exchange rates. This widely available measure is used as a proxy for wages because internationally comparable data on wages are not available for all countries covered. The thresholds used are also shown 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 that export more than 70 percent mineral products (measured using a five-year average) are to a large extent factor driven.<sup>21</sup> However, for some resource-based economies that have reached very high levels of income, the capacity to increase the productivity of any other sector beyond mineral production will be based on the country's capacity to boost innovation, as adopting technology from abroad is not sufficient to increase productivity to a degree that can sustain their high wage levels. At the same time these countries can afford to invest

Table 2: Countries/economies at each stage of development

Stage 1: Factor-driven (38 economies)	Transition from stage 1 to stage 2 (20 economies)	Stage 2: Efficiency-driven (31 economies)	Transition from stage 2 to stage 3 (22 economies)	Stage 3: Innovation-driven (37 economies)
Bangladesh	Algeria	Albania	Argentina	Australia
Benin	Angola	Bosnia and Herzegovina	Barbados	Austria
Burkina Faso	Armenia	Bulgaria	Brazil	Bahrain
Burundi	Azerbaijan	Cape Verde	Chile	Belgium
Cambodia	Bhutan	China	Costa Rica	Canada
Cameroon	Bolivia	Colombia	Croatia	Cyprus
Chad	Botswana	Dominican Republic	Estonia	Czech Republic
Côte d'Ivoire	Brunei Darussalam	Ecuador	Hungary	Denmark
Ethiopia	Gabon	Egypt	Kazakhstan	Finland
Gambia, The	Honduras	El Salvador	Latvia	France
Ghana	Iran, Islamic Rep.	Georgia	Lebanon	Germany
Guinea	Kuwait	Guatemala	Lithuania	Greece
Haiti	Libya	Guyana	Malaysia	Hong Kong SAR
India	Moldova	Indonesia	Mexico	Iceland
Kenya	Mongolia	Jamaica	Oman	Ireland
Kyrgyz Republic	Morocco	Jordan	Panama	Israel
Lao PDR	Philippines	Macedonia, FYR	Poland	Italy
Lesotho	Saudi Arabia	Mauritius	Russian Federation	Japan
Liberia	Sri Lanka	Montenegro	Seychelles	Korea, Rep.
Madagascar	Venezuela	Namibia	Slovak Republic	Luxembourg
Malawi		Paraguay	Turkey	Malta
Mali		Peru	Uruguay	Netherlands
Mauritania		Romania		New Zealand
Mozambique		Serbia		Norway
Myanmar		South Africa		Portugal
Nepal		Suriname		Puerto Rico
Nicaragua		Swaziland		Qatar
Nigeria		Thailand		Singapore
Pakistan		Timor-Leste		Slovenia
Rwanda		Tunisia		Spain
Senegal		Ukraine		Sweden
Sierra Leone				Switzerland
Tanzania				Taiwan, China
Uganda				Trinidad and Tobago
Vietnam				United Arab Emirates
Yemen				United Kingdom
Zambia				United States
Zimbabwe				

in innovation, given their high income. Consequently, countries that are resource driven and significantly wealthier than economies at the technological frontier are classified in the innovation-driven stage.<sup>22</sup>

Any countries falling in 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 one stage of development to another. This allows us to place increasingly more weight on those areas that are becoming more important for the country's competitiveness as the country develops, ensuring that the GCI can gradually “penalize” those countries that are not preparing for the next stage. The classification of countries into stages of development is shown in Table 2.

## DATA SOURCES

To measure these concepts, the GCI uses statistical data such as enrollment rates, government debt, budget deficit, and life expectancy, which are obtained from internationally recognized agencies, notably the World Bank, the International Monetary Fund (IMF), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the World Health Organization (WHO). The descriptions and data sources of all these statistical variables are summarized in the Technical Notes and Sources at the end of this *Report*. Furthermore, the GCI uses data from the World Economic Forum's annual Executive Opinion Survey (the Survey) to capture concepts that require a more qualitative assessment or for which internationally comparable statistical data are not available for the entire set of economies. The Survey administration and computation of the Survey results used in the GCI are further described in Chapter 1.3 of this *Report*.

## ADJUSTMENTS TO THE GCI

The composition of the GCI 2013–2014 is detailed in the appendix of this chapter. This year only minor adjustments were made to the Index, following a thorough review of the Survey instrument in late 2012. The following changes were made:

- From the first pillar, we removed the indicator *Government services for improved business performance*.
- We replaced the indicator *Effect of taxation on incentives to work and invest* (indicator 6.04 in the GCI 2012–2013) with two new indicators derived from the Survey: the first captures the effect of taxation on incentives to invest and is included in the sixth pillar as indicator 6.04; the second measures the effect of taxation on incentives to work and enters the seventh pillar as indicator 7.05.
- We replaced the indicator *Brain drain* (indicator 7.07 in the GCI 2012–2013) with two new indicators derived from the Survey, measuring the capacity of a country to *retain* talent (indicator 7.08) and to *attract* talent (indicator 7.09), respectively. Both are part of the seventh pillar.

## COUNTRY COVERAGE

The coverage this year has increased from 144 to 148 economies. The newly covered countries are Myanmar, Bhutan, and Lao PDR. We have also re-instated Tunisia and Angola into the Index, two countries that were not included in last year's edition. Tajikistan is not covered in this year's *Report* as Survey data could not be collected this year.

## THE GLOBAL COMPETITIVENESS INDEX 2013–2014 RANKINGS

Tables 3 through 7 provide the detailed rankings of this year's GCI. The following sections discuss the findings of the GCI 2013–2014 for the top performers globally, as well as for a number of selected economies in each of the five following regions: North America, Europe, and Eurasia; Asia and the Pacific; Latin America and the Caribbean; the Middle East and North Africa; and sub-Saharan Africa.<sup>23</sup>

### Top 10

As in previous years, this year's top 10 remain dominated by a number of European countries, with Switzerland, Finland, Germany, Sweden, the Netherlands, and the United Kingdom confirming their places among the most competitive economies. Three Asian countries also figure in top 10, with Singapore remaining the second-most competitive economy in the world, and Hong Kong SAR and Japan placing 7th and 9th. It is worth noting that a

vast majority of the top 10 most competitive economies share strengths in innovation and a strong institutional framework.

**Switzerland** retains its 1st place position again this year as a result of its continuing strong performance across the board. The country's most notable strengths are related to innovation and labor market efficiency as well as the sophistication of its business sector (ranking 2nd in all three). Switzerland's top-notch scientific research institutions, along with other factors, make the country a top innovator. Productivity is further enhanced by a business sector that offers excellent on-the-job-training opportunities, both citizens and private companies that are proactive at adapting the latest technologies, and labor markets that balance employee protection with business efficiency. Moreover, public institutions in Switzerland are among the most effective and transparent in the world (5th). Governance structures ensure a level playing field, enhancing business confidence: these include an independent judiciary, a strong rule of law, and a highly accountable public sector. Competitiveness is also buttressed by excellent infrastructure (6th) and highly developed financial markets (11th). Finally, Switzerland's macroeconomic environment is among the most stable in the world (11th) at a time when many neighboring economies continue to struggle in this area. While Switzerland demonstrates many competitive strengths, maintaining its innovative capacity will require boosting the university enrollment rate of 56.8 percent, and also increasing the participation rate of women in the economy (86 percent) which continue to trail many other high-innovation countries. A more detailed analysis of Switzerland's competitiveness is presented in Box 3.

**Singapore** ranks 2nd overall for the third consecutive year, owing to an outstanding performance across all the dimensions of the GCI. Again this year, it is the only economy to feature in the top 3 of seven out of the 12 pillars of the GCI; it also appears in the top 10 of two others. It dominates the goods market efficiency pillar and the labor market efficiency pillar, and places 2nd in the financial market development pillar. Furthermore, the city-state boasts one of the world's best institutional frameworks (3rd), even though it loses the top spot to Finland in the related pillar. Singapore also possesses world-class infrastructure (2nd), with excellent roads, ports, and air transport facilities. Its economy can also rely on a sound macroeconomic environment and fiscal management (18th)—the budget surplus amounted to 5.7 percent of GDP in 2012. Singapore's competitiveness is further enhanced by its strong focus on education, which has translated into a steady improvement of its ranking in the higher education and training pillar, where it comes in 2nd, behind Finland. Singapore's private sector is also becoming increasingly sophisticated (17th) and more innovative (9th), although

### Box 3: Switzerland: Five years at the top of the competitiveness rankings

This year marks Switzerland's fifth year at the top of the Global Competitiveness Index (GCI) rankings. *The Global Competitiveness Report* has long singled out Switzerland for its extraordinary competitiveness levels. What is the formula that makes this small European country so successful?

Amid the travails of the euro area in recent years, Switzerland has displayed an impressive growth performance. Switzerland's macroeconomic environment is among the most stable in the world at a time when many neighboring economies continue to struggle in this area. The successful implementation of the "debt brake" a decade ago—overwhelmingly supported by a large part of the population—has been one of many steps taken toward a stable macroeconomic environment. Yet, despite Switzerland's decision to remain outside the European Union (EU), its economy is in fact highly integrated with other European markets, notably through the bilateral agreements that are in place. Exports to the European Union make up well above 50 percent of total exports,<sup>1</sup> and the effects of the sovereign debt crisis in Europe on Switzerland's monetary policy have highlighted just how highly connected the Swiss economy is to that of its European neighbors.

Three of the most important drivers of Swiss competitiveness are being highlighted here: its excellent institutions, the dynamism of its markets, and its capacity for innovation. However, many qualities drive Switzerland's excellent economic performance and one cannot point to a single factor that has brought about success.

#### Institutions and decision making

Overall, public institutions in Switzerland are among the most effective and transparent in the world (ranked 5th; see Table 1). One thing that sets the country apart from any other is its unique governance structure. In addition to its highly decentralized form of federalism, seven members of the Federal Council act as a collective head of state.<sup>2</sup> The political system ensures cohesive and inclusive leadership across political boundaries, which enables the country to implement a long-term economic agenda. Also important is the

country's strong collaborative culture among stakeholders. Government, business, and civil society work together in a coherent way to find solutions for the country. This effort is facilitated by the strong involvement of its population, which votes on major decisions directly. Governance structures—including an independent judiciary, a strong rule of law, and a highly accountable public sector—ensure a level playing field, enhancing business confidence and thus reinforcing competitiveness.

However, one should note that private institutions face a number of challenges. Although corporate ethics are very strong (4th) and the strength of auditing and reporting standards quite good (21st), shareholder interests are noticeably less well protected than in other advanced economies (the country ranks a low 134th rank on the World Bank's strength of investor protection index).<sup>3</sup>

#### A good environment for business to thrive

Productivity is further enhanced by a highly sophisticated business environment supported by well-functioning labor and financial markets. Swiss companies offer high-quality products (1st) and compete across a very sophisticated product range (1st). Indeed, their highly diversified and wide-ranging product and service offerings—which extend from financial and insurance services and watches to industrial machines and pharmaceuticals—has helped alleviate the adverse effects of the strong appreciation of the Swiss franc, with the market share of Swiss goods having remained largely stable.<sup>4</sup> Yet the country's goods market features characteristics of a dual nature. Its very outward-looking, export-led economy that relies on highly sophisticated products and management practices stands in contrast to an inward-looking, protective agricultural policy. Switzerland ranks 75th on agricultural policy costs (the net impact of subsidies adds over 70 percent to value-added at producer prices, compared with the EU average of 33.9 percent).<sup>5</sup> In addition, the country's well-managed natural resources make it a major tourist attraction, as highlighted by the country's

**Table 1: Institutions and decision making: Switzerland in international comparison, GCI 2013–2014 rank**

Country/Economy	PILLAR 1: INSTITUTIONS	SUBPILLAR A: PUBLIC INSTITUTIONS						SUBPILLAR B: PRIVATE INSTITUTIONS		
		Public institutions overall rank	Components					Private institutions overall rank	Components	
			Property rights	Ethics and corruption	Undue influence	Government efficiency	Security		Corporate ethics	Accountability
Finland	1	1	1	4	2	2	2	3	2	6
New Zealand	2	4	8	2	1	5	6	1	1	1
Singapore	3	3	2	3	7	1	9	2	3	3
Sweden	5	6	15	7	3	8	20	5	6	10
Norway	6	9	12	6	6	13	17	4	5	5
Switzerland	7	5	3	9	8	6	14	15	4	53
Netherlands	8	8	10	10	4	11	13	10	9	20
Hong Kong SAR	9	11	6	13	16	4	22	6	16	4
Luxembourg	10	10	5	8	17	12	7	13	10	19
United Kingdom	12	13	4	16	11	15	35	9	12	11

(Cont'd.)



**Box 3: Switzerland: Five years at the top of the competitiveness rankings** (*cont'd.*)

1st place ranking in every edition of *The Travel & Tourism Competitiveness Report* since it was first released in 2007.<sup>6</sup>

Against the current high unemployment in Europe and other parts of the world, Switzerland compares extremely well: it boasted an unemployment rate of just 4.2 percent in 2012.<sup>7</sup> The country has a top-notch labor market that is both flexible and efficient in deploying its talent (see Table 2). Employee protection and the interest of employers are well aligned, with strong employer-employee relations (ranking 1st), and with conflict resolution resting on social dialogue rather than responding with strikes. Further, the educational system, also 1st, is perceived as outstanding, producing a highly skilled labor force that continues to receive important on-the-job training.<sup>8</sup> Unlike many other countries, Switzerland's labor force is growing, thanks to the migration of particularly skilled labor, boosted by the bilateral agreements on free circulation with the European Union that entered into force in 2002. Finding ways to integrate more women into the labor force will be important for enhancing the country's talent pool further.

The financial market in Switzerland also functions well and has bounced back to 11th place since the financial crisis. The findings point to signs of a restoration of confidence in the banking sector, suggesting that markets are adapting quickly to the changing reality: the sector itself is diversifying and still managing to attract a significant client base. Swiss regulatory authorities have been making progress in regulating the financial sector and overhauling requirements to formulate contingency recovery plans. Yet risks remain. The global crisis has also highlighted the strong interdependence of the Swiss financial sector with that of the rest of the world, and its major banks are considered "too big to fail" not only for Switzerland but also globally.<sup>9</sup> Repercussions elsewhere in the world impact the Swiss economy, as evidenced by the historically low interest rates in Switzerland, giving rise to high mortgage lending. Disputes about tax evasion and continued pressure from other countries are ushering the end of the country's bank secrecy, which may require further adjustments.

### Innovation

Innovation is not just about coming up with new products—it is also about doing things differently. For this to happen, the entire innovation ecosystem, which consists of a set of closely intertwined and reinforcing factors, is critical. In the case of Switzerland, an excellent innovation ecosystem has been a significant part of making the country an attractive place to work for highly qualified people. Its well-functioning labor market and excellent educational system provide the fundamentals for innovation to prosper, instigating the close relationships among enterprises, universities, and research institutes that have made the country a top innovator. Its scientific research institutions are among the world's best, and the strong collaboration between its academic and business sectors, combined with high company spending on research and development, ensures that much of this research is translated into marketable products and processes reinforced by strong intellectual property protection. This robust innovative capacity is captured by its high rate of patenting per capita, for which Switzerland ranks 2nd.

**Table 2: Labor market efficiency: Switzerland in international comparison, GCI 2013–2014 rank**

Country/Economy	PILLAR 7: LABOR MARKET EFFICIENCY		
	Labor market efficiency overall rank	Subpillar A: Flexibility	Subpillar B: Efficient use of talent
Switzerland	2	4	1
United Kingdom	5	10	3
Denmark	13	17	18
Sweden	18	57	9
Finland	20	74	8
Netherlands	21	50	15
Germany	41	113	11
France	71	116	46
Spain	115	123	95
Greece	127	125	114
Italy	137	135	134

### Outlook for the future

Going forward, it will be important for Switzerland to resist drifting toward complacency. It is clear that, at present, it is a magnet for global talent and an excellent innovator. Its banking sector is, however, under scrutiny, and this traditional economic engine is necessarily undergoing great change. In the future, it will be important for the country to continue to build on its competitive strengths and resist overregulation and protectionism.

### Notes

- For information about Swiss exports, see <http://stat.wto.org/CountryProfile/WSDBCountryPFView.aspx?Language=E&Country=CH>.
- A president is nominated each year from among the seven federal councillors. The president takes on largely representative functions but has no additional power.
- The strength of investor protection index is the average of the World Bank's Doing Business: Extent of disclosure index, the Extent of director liability index, and the Ease of shareholder suits index. See technical notes at the end of the *Report* for more detailed information.
- See IMF 2013b.
- See Eurostat, [http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php?title=File:Subsidies\\_and\\_taxes\\_in\\_the\\_agricultural\\_sector,\\_2001-2011.png&filetimestamp=20121030183458](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php?title=File:Subsidies_and_taxes_in_the_agricultural_sector,_2001-2011.png&filetimestamp=20121030183458).
- See World Economic Forum 2013.
- See Bundesamt für Statistik, [http://www.bfs.admin.ch/bfs/portal/de/index/themen/03/03/blank/data/01.html#parsys\\_80922](http://www.bfs.admin.ch/bfs/portal/de/index/themen/03/03/blank/data/01.html#parsys_80922).
- The country has a long tradition of vocational and on-the-job training.
- For further discussion of this issue, see the FINMA press release available at <http://www.finma.ch/e/aktuell/Pages/mm-schlussbericht-exko-tbtf-20101004.aspx>, as well as IMF 2013b.

Table 3: The Global Competitiveness Index 2013–2014 rankings and 2012–2013 comparisons

Country/Economy	GCI 2013–2014				Country/Economy	GCI 2013–2014			
	Rank (out of 148)	Score (1–7)	Rank among 2012–2013 economies*	GCI 2012–2013		Rank (out of 148)	Score (1–7)	Rank among 2012–2013 economies*	GCI 2012–2013
Switzerland	1	5.67	1	1	Croatia	75	4.13	75	81
Singapore	2	5.61	2	2	Romania	76	4.13	76	78
Finland	3	5.54	3	3	Morocco	77	4.11	77	70
Germany	4	5.51	4	6	Slovak Republic	78	4.10	78	71
United States	5	5.48	5	7	Armenia	79	4.10	79	82
Sweden	6	5.48	6	4	Seychelles	80	4.10	80	76
Hong Kong SAR	7	5.47	7	9	Lao PDR	81	4.08	n/a	n/a
Netherlands	8	5.42	8	5	Iran, Islamic Rep.	82	4.07	81	66
Japan	9	5.40	9	10	Tunisia	83	4.06	n/a	n/a
United Kingdom	10	5.37	10	8	Ukraine	84	4.05	82	73
Norway	11	5.33	11	15	Uruguay	85	4.05	83	74
Taiwan, China	12	5.29	12	13	Guatemala	86	4.04	84	83
Qatar	13	5.24	13	11	Bosnia and Herzegovina	87	4.02	85	88
Canada	14	5.20	14	14	Cambodia	88	4.01	86	85
Denmark	15	5.18	15	12	Moldova	89	3.94	87	87
Austria	16	5.15	16	16	Namibia	90	3.93	88	92
Belgium	17	5.13	17	17	Greece	91	3.93	89	96
New Zealand	18	5.11	18	23	Trinidad and Tobago	92	3.91	90	84
United Arab Emirates	19	5.11	19	24	Zambia	93	3.86	91	102
Saudi Arabia	20	5.10	20	18	Jamaica	94	3.86	92	97
Australia	21	5.09	21	20	Albania	95	3.85	93	89
Luxembourg	22	5.09	22	22	Kenya	96	3.85	94	106
France	23	5.05	23	21	El Salvador	97	3.84	95	101
Malaysia	24	5.03	24	25	Bolivia	98	3.84	96	104
Korea, Rep.	25	5.01	25	19	Nicaragua	99	3.84	97	108
Brunei Darussalam	26	4.95	26	28	Algeria	100	3.79	98	110
Israel	27	4.94	27	26	Serbia	101	3.77	99	95
Ireland	28	4.92	28	27	Guyana	102	3.77	100	109
China	29	4.84	29	29	Lebanon	103	3.77	101	91
Puerto Rico	30	4.67	30	31	Argentina	104	3.76	102	94
Iceland	31	4.66	31	30	Dominican Republic	105	3.76	103	105
Estonia	32	4.65	32	34	Suriname	106	3.75	104	114
Oman	33	4.64	33	32	Mongolia	107	3.75	105	93
Chile	34	4.61	34	33	Libya	108	3.73	106	113
Spain	35	4.57	35	36	Bhutan	109	3.73	n/a	n/a
Kuwait	36	4.56	36	37	Bangladesh	110	3.71	107	118
Thailand	37	4.54	37	38	Honduras	111	3.70	108	90
Indonesia	38	4.53	38	50	Gabon	112	3.70	109	99
Azerbaijan	39	4.51	39	46	Senegal	113	3.70	110	117
Panama	40	4.50	40	40	Ghana	114	3.69	111	103
Malta	41	4.50	41	47	Cameroon	115	3.68	112	112
Poland	42	4.46	42	41	Gambia, The	116	3.67	113	98
Bahrain	43	4.45	43	35	Nepal	117	3.66	114	125
Turkey	44	4.45	44	43	Egypt	118	3.63	115	107
Mauritius	45	4.45	45	54	Paraguay	119	3.61	116	116
Czech Republic	46	4.43	46	39	Nigeria	120	3.57	117	115
Barbados	47	4.42	47	44	Kyrgyz Republic	121	3.57	118	127
Lithuania	48	4.41	48	45	Cape Verde	122	3.53	119	122
Italy	49	4.41	49	42	Lesotho	123	3.52	120	137
Kazakhstan	50	4.41	50	51	Swaziland	124	3.52	121	135
Portugal	51	4.40	51	49	Tanzania	125	3.50	122	120
Latvia	52	4.40	52	55	Côte d'Ivoire	126	3.50	123	131
South Africa	53	4.37	53	52	Ethiopia	127	3.50	124	121
Costa Rica	54	4.35	54	57	Liberia	128	3.45	125	111
Mexico	55	4.34	55	53	Uganda	129	3.45	126	123
Brazil	56	4.33	56	48	Benin	130	3.45	127	119
Bulgaria	57	4.31	57	62	Zimbabwe	131	3.44	128	132
Cyprus	58	4.30	58	58	Madagascar	132	3.42	129	130
Philippines	59	4.29	59	65	Pakistan	133	3.41	130	124
India	60	4.28	60	59	Venezuela	134	3.35	131	126
Peru	61	4.25	61	61	Mali	135	3.33	132	128
Slovenia	62	4.25	62	56	Malawi	136	3.32	133	129
Hungary	63	4.25	63	60	Mozambique	137	3.30	134	138
Russian Federation	64	4.25	64	67	Timor-Leste	138	3.25	135	136
Sri Lanka	65	4.22	65	68	Myanmar	139	3.23	n/a	n/a
Rwanda	66	4.21	66	63	Burkina Faso	140	3.21	136	133
Montenegro	67	4.20	67	72	Mauritania	141	3.19	137	134
Jordan	68	4.20	68	64	Angola	142	3.15	n/a	n/a
Colombia	69	4.19	69	69	Haiti	143	3.11	138	142
Vietnam	70	4.18	70	75	Sierra Leone	144	3.01	139	143
Ecuador	71	4.18	71	86	Yemen	145	2.98	140	140
Georgia	72	4.15	72	77	Burundi	146	2.92	141	144
Macedonia, FYR	73	4.14	73	80	Guinea	147	2.91	142	141
Botswana	74	4.13	74	79	Chad	148	2.85	143	139

\* This column shows the rank of each economy based on last year's sample of 144 economies.

Table 4: The Global Competitiveness Index 2013–2014

Country/Economy	OVERALL INDEX		SUBINDEXES					
	Rank	Score	Basic requirements		Efficiency enhancers		Innovation and sophistication factors	
			Rank	Score	Rank	Score	Rank	Score
Switzerland	1	5.67	3	6.15	5	5.44	1	5.72
Singapore	2	5.61	1	6.30	2	5.63	13	5.14
Finland	3	5.54	7	5.97	9	5.30	2	5.65
Germany	4	5.51	9	5.90	8	5.31	4	5.59
United States	5	5.48	36	5.12	1	5.66	6	5.43
Sweden	6	5.48	8	5.95	7	5.31	5	5.46
Hong Kong SAR	7	5.47	2	6.15	3	5.57	19	4.83
Netherlands	8	5.42	10	5.89	11	5.27	7	5.36
Japan	9	5.40	28	5.37	10	5.27	3	5.62
United Kingdom	10	5.37	24	5.48	4	5.45	10	5.15
Norway	11	5.33	6	5.98	12	5.22	16	5.07
Taiwan, China	12	5.29	16	5.70	15	5.16	9	5.22
Qatar	13	5.24	5	6.01	18	5.02	14	5.08
Canada	14	5.20	15	5.71	6	5.33	25	4.64
Denmark	15	5.18	21	5.55	16	5.05	11	5.14
Austria	16	5.15	19	5.63	21	4.97	12	5.14
Belgium	17	5.13	22	5.51	17	5.03	15	5.07
New Zealand	18	5.11	12	5.78	14	5.17	27	4.55
United Arab Emirates	19	5.11	4	6.04	20	5.00	24	4.67
Saudi Arabia	20	5.10	14	5.73	27	4.69	29	4.33
Australia	21	5.09	17	5.69	13	5.18	26	4.56
Luxembourg	22	5.09	11	5.87	22	4.92	17	4.84
France	23	5.05	23	5.50	19	5.00	18	4.84
Malaysia	24	5.03	27	5.37	25	4.86	23	4.70
Korea, Rep.	25	5.01	20	5.60	23	4.89	20	4.82
Brunei Darussalam	26	4.95	18	5.64	65	4.09	54	3.81
Israel	27	4.94	39	5.05	26	4.73	8	5.23
Ireland	28	4.92	33	5.18	24	4.89	21	4.81
China	29	4.84	31	5.28	31	4.63	34	4.10
Puerto Rico	30	4.67	54	4.82	33	4.58	22	4.71
Iceland	31	4.66	29	5.29	35	4.53	28	4.48
Estonia	32	4.65	26	5.43	30	4.64	35	4.08
Oman	33	4.64	13	5.77	39	4.45	39	4.05
Chile	34	4.61	30	5.28	29	4.64	45	3.92
Spain	35	4.57	38	5.05	28	4.64	32	4.14
Kuwait	36	4.56	32	5.22	77	3.95	101	3.34
Thailand	37	4.54	49	4.86	40	4.43	52	3.83
Indonesia	38	4.53	45	4.90	52	4.32	33	4.13
Azerbaijan	39	4.51	44	4.90	66	4.09	60	3.71
Panama	40	4.50	46	4.89	50	4.33	43	3.99
Malta	41	4.50	34	5.17	36	4.52	40	4.03
Poland	42	4.46	59	4.72	32	4.60	65	3.65
Bahrain	43	4.45	25	5.46	38	4.50	59	3.71
Turkey	44	4.45	56	4.75	45	4.38	47	3.91
Mauritius	45	4.45	42	4.97	61	4.18	57	3.76
Czech Republic	46	4.43	55	4.80	37	4.51	36	4.07
Barbados	47	4.42	35	5.14	43	4.39	48	3.91
Lithuania	48	4.41	43	4.91	47	4.35	44	3.93
Italy	49	4.41	50	4.85	48	4.34	30	4.22
Kazakhstan	50	4.41	48	4.86	53	4.30	87	3.41
Portugal	51	4.40	41	4.98	46	4.38	38	4.06
Latvia	52	4.40	40	5.00	41	4.41	68	3.61
South Africa	53	4.37	95	4.24	34	4.54	37	4.06
Costa Rica	54	4.35	64	4.62	59	4.18	31	4.14
Mexico	55	4.34	63	4.63	55	4.27	55	3.79
Brazil	56	4.33	79	4.45	44	4.39	46	3.92
Bulgaria	57	4.31	58	4.73	60	4.18	108	3.28
Cyprus	58	4.30	51	4.84	49	4.34	50	3.87
Philippines	59	4.29	78	4.46	58	4.20	58	3.75
India	60	4.28	96	4.23	42	4.41	41	4.00
Peru	61	4.25	72	4.53	57	4.20	97	3.35
Slovenia	62	4.25	37	5.06	62	4.14	49	3.88
Hungary	63	4.25	65	4.61	54	4.28	71	3.60
Russian Federation	64	4.25	47	4.88	51	4.32	99	3.35
Sri Lanka	65	4.22	77	4.48	69	4.03	42	4.00
Rwanda	66	4.21	71	4.55	96	3.73	66	3.65
Montenegro	67	4.20	68	4.59	72	4.01	70	3.61
Jordan	68	4.20	76	4.51	70	4.01	51	3.87
Colombia	69	4.19	80	4.44	64	4.11	69	3.61
Vietnam	70	4.18	86	4.36	74	3.98	85	3.41
Ecuador	71	4.18	62	4.64	81	3.90	63	3.69
Georgia	72	4.15	57	4.74	86	3.89	122	3.08
Macedonia, FYR	73	4.14	70	4.55	76	3.96	94	3.37
Botswana	74	4.13	66	4.60	93	3.77	106	3.30

(Cont'd.)

Table 4: The Global Competitiveness Index 2013–2014 (cont'd.)

Country/Economy	OVERALL INDEX		SUBINDEXES					
			Basic requirements		Efficiency enhancers		Innovation and sophistication factors	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Croatia	75	4.13	61	4.69	68	4.05	80	3.46
Romania	76	4.13	87	4.32	63	4.13	103	3.32
Morocco	77	4.11	69	4.58	84	3.90	100	3.34
Slovak Republic	78	4.10	67	4.60	56	4.27	77	3.49
Armenia	79	4.10	73	4.53	85	3.90	88	3.40
Seychelles	80	4.10	52	4.83	95	3.73	62	3.69
Lao PDR	81	4.08	83	4.41	107	3.60	74	3.54
Iran, Islamic Rep.	82	4.07	75	4.51	98	3.70	86	3.41
Tunisia	83	4.06	74	4.52	88	3.81	79	3.47
Ukraine	84	4.05	91	4.27	71	4.01	95	3.36
Uruguay	85	4.05	53	4.82	78	3.95	84	3.43
Guatemala	86	4.04	89	4.29	80	3.91	64	3.66
Bosnia and Herzegovina	87	4.02	81	4.44	89	3.80	89	3.40
Cambodia	88	4.01	99	4.18	91	3.79	83	3.44
Moldova	89	3.94	97	4.20	102	3.66	133	2.87
Namibia	90	3.93	85	4.38	99	3.69	102	3.34
Greece	91	3.93	88	4.30	67	4.06	81	3.46
Trinidad and Tobago	92	3.91	60	4.70	82	3.90	92	3.39
Zambia	93	3.86	104	3.98	101	3.67	61	3.71
Jamaica	94	3.86	111	3.86	79	3.92	75	3.53
Albania	95	3.85	94	4.24	100	3.68	119	3.12
Kenya	96	3.85	121	3.76	73	4.00	53	3.83
El Salvador	97	3.84	98	4.20	106	3.62	73	3.56
Bolivia	98	3.84	90	4.28	120	3.41	93	3.38
Nicaragua	99	3.84	101	4.12	116	3.44	113	3.25
Algeria	100	3.79	92	4.27	133	3.18	143	2.63
Serbia	101	3.77	106	3.96	92	3.78	125	3.01
Guyana	102	3.77	107	3.92	103	3.65	56	3.76
Lebanon	103	3.77	126	3.63	75	3.97	90	3.40
Argentina	104	3.76	102	4.06	97	3.70	98	3.35
Dominican Republic	105	3.76	116	3.81	90	3.79	91	3.40
Suriname	106	3.75	82	4.43	121	3.34	120	3.10
Mongolia	107	3.75	108	3.89	94	3.73	121	3.08
Libya	108	3.73	93	4.24	139	3.11	141	2.71
Bhutan	109	3.73	84	4.39	125	3.30	117	3.16
Bangladesh	110	3.71	113	3.83	108	3.59	124	3.03
Honduras	111	3.70	109	3.88	114	3.51	112	3.26
Gabon	112	3.70	100	4.18	124	3.31	137	2.78
Senegal	113	3.70	120	3.76	105	3.62	76	3.51
Ghana	114	3.69	128	3.62	87	3.85	72	3.56
Cameroon	115	3.68	117	3.80	113	3.52	96	3.35
Gambia, The	116	3.67	115	3.82	117	3.43	67	3.61
Nepal	117	3.66	105	3.97	128	3.25	132	2.91
Egypt	118	3.63	118	3.78	109	3.57	104	3.31
Paraguay	119	3.61	112	3.84	110	3.55	128	2.97
Nigeria	120	3.57	136	3.40	83	3.90	82	3.44
Kyrgyz Republic	121	3.57	122	3.73	118	3.42	140	2.72
Cape Verde	122	3.53	103	4.02	130	3.22	118	3.13
Lesotho	123	3.52	119	3.77	132	3.18	135	2.84
Swaziland	124	3.52	114	3.82	123	3.32	110	3.27
Tanzania	125	3.50	129	3.53	115	3.49	109	3.28
Côte d'Ivoire	126	3.50	131	3.50	112	3.54	116	3.18
Ethiopia	127	3.50	123	3.67	126	3.27	127	2.98
Liberia	128	3.45	127	3.62	131	3.21	114	3.22
Uganda	129	3.45	134	3.40	111	3.55	107	3.29
Benin	130	3.45	125	3.65	134	3.15	123	3.03
Zimbabwe	131	3.44	124	3.66	138	3.11	126	2.99
Madagascar	132	3.42	130	3.51	127	3.27	105	3.31
Pakistan	133	3.41	142	3.27	104	3.64	78	3.48
Venezuela	134	3.35	138	3.37	119	3.41	136	2.83
Mali	135	3.33	137	3.39	129	3.23	111	3.26
Malawi	136	3.32	140	3.33	122	3.33	115	3.20
Mozambique	137	3.30	133	3.42	135	3.13	131	2.91
Timor-Leste	138	3.25	110	3.88	145	2.85	138	2.76
Myanmar	139	3.23	135	3.40	140	3.03	146	2.55
Burkina Faso	140	3.21	141	3.28	137	3.11	130	2.92
Mauritania	141	3.19	132	3.49	147	2.71	134	2.84
Angola	142	3.15	139	3.35	143	2.91	148	2.52
Haiti	143	3.11	143	3.25	142	2.94	147	2.55
Sierra Leone	144	3.01	146	2.95	136	3.12	129	2.93
Yemen	145	2.98	145	3.05	144	2.90	139	2.73
Burundi	146	2.92	144	3.14	148	2.58	145	2.56
Guinea	147	2.91	148	2.87	141	3.01	142	2.69
Chad	148	2.85	147	2.95	146	2.72	144	2.61

Note: Ranks out of 148 economies and scores measured on a 1-to-7 scale.

Table 5: The Global Competitiveness Index 2013–2014: 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	94	4.24	118	3.32	99	3.33	94	4.41	56	5.90
Algeria	92	4.27	135	3.04	106	3.14	34	5.48	92	5.40
Angola	139	3.35	145	2.76	145	1.92	54	5.03	137	3.69
Argentina	102	4.06	143	2.79	89	3.52	111	4.07	61	5.84
Armenia	73	4.53	65	3.98	80	3.81	64	4.88	85	5.46
Australia	17	5.69	23	5.04	18	5.60	25	5.75	22	6.36
Austria	19	5.63	21	5.07	16	5.72	37	5.37	19	6.37
Azerbaijan	44	4.90	59	4.06	69	4.06	8	6.42	109	5.07
Bahrain	25	5.46	32	4.77	30	5.18	21	5.90	44	6.00
Bangladesh	113	3.83	131	3.08	132	2.37	79	4.58	104	5.30
Barbados	35	5.14	30	4.80	24	5.52	121	3.89	20	6.36
Belgium	22	5.51	24	5.00	19	5.60	69	4.71	3	6.72
Benin	125	3.65	108	3.36	129	2.40	99	4.31	117	4.53
Bhutan	84	4.39	44	4.40	87	3.61	109	4.15	91	5.42
Bolivia	90	4.28	105	3.40	111	2.98	28	5.66	108	5.09
Bosnia and Herzegovina	81	4.44	71	3.87	83	3.67	104	4.23	46	5.99
Botswana	66	4.60	34	4.67	94	3.43	24	5.76	115	4.55
Brazil	79	4.45	80	3.73	71	4.02	75	4.63	89	5.43
Brunei Darussalam	18	5.64	25	4.96	58	4.29	1	7.00	23	6.33
Bulgaria	58	4.73	107	3.38	75	3.93	30	5.61	45	6.00
Burkina Faso	141	3.28	115	3.34	140	2.13	88	4.44	143	3.24
Burundi	144	3.14	144	2.78	146	1.92	129	3.67	130	4.21
Cambodia	99	4.18	91	3.61	101	3.26	83	4.53	99	5.32
Cameroon	117	3.80	112	3.35	128	2.49	60	4.92	124	4.43
Canada	15	5.71	14	5.38	12	5.80	50	5.08	7	6.55
Cape Verde	103	4.02	69	3.93	116	2.79	128	3.67	75	5.68
Chad	147	2.95	147	2.54	148	1.71	56	4.95	148	2.58
Chile	30	5.28	28	4.88	46	4.54	17	6.02	74	5.68
China	31	5.28	47	4.24	48	4.51	10	6.29	40	6.06
Colombia	80	4.44	110	3.35	92	3.50	33	5.59	98	5.32
Costa Rica	64	4.62	50	4.20	76	3.92	80	4.56	64	5.81
Côte d'Ivoire	131	3.50	104	3.40	107	3.13	106	4.21	142	3.25
Croatia	61	4.69	93	3.60	42	4.66	68	4.71	66	5.80
Cyprus	51	4.84	42	4.47	44	4.63	126	3.73	8	6.54
Czech Republic	55	4.80	86	3.64	39	4.71	55	5.01	60	5.84
Denmark	21	5.55	18	5.21	23	5.53	42	5.28	32	6.17
Dominican Republic	116	3.81	124	3.23	110	3.02	119	3.91	110	5.07
Ecuador	62	4.64	92	3.61	79	3.81	44	5.24	54	5.91
Egypt	118	3.78	117	3.33	98	3.34	140	3.15	100	5.32
El Salvador	98	4.20	130	3.08	72	4.01	102	4.25	86	5.46
Estonia	26	5.43	27	4.90	40	4.70	22	5.89	29	6.22
Ethiopia	123	3.67	95	3.58	124	2.61	123	3.81	113	4.67
Finland	7	5.97	1	6.10	21	5.55	36	5.42	1	6.82
France	23	5.50	31	4.79	4	6.21	73	4.65	24	6.33
Gabon	100	4.18	81	3.72	114	2.83	13	6.09	132	4.08
Gambia, The	115	3.82	43	4.42	95	3.43	135	3.49	134	3.95
Georgia	57	4.74	64	4.00	56	4.31	61	4.91	70	5.75
Germany	9	5.90	15	5.30	3	6.24	27	5.68	21	6.36
Ghana	128	3.62	70	3.89	109	3.02	144	3.08	122	4.48
Greece	88	4.30	103	3.49	38	4.79	147	2.82	35	6.10
Guatemala	89	4.29	111	3.35	78	3.83	71	4.67	101	5.31
Guinea	148	2.87	132	3.06	147	1.73	142	3.11	139	3.59
Guyana	107	3.92	87	3.64	112	2.91	122	3.84	103	5.30
Haiti	143	3.25	146	2.75	142	1.98	105	4.21	133	4.06
Honduras	109	3.88	134	3.05	115	2.81	103	4.25	90	5.42
Hong Kong SAR	2	6.15	9	5.61	1	6.74	12	6.09	31	6.18
Hungary	65	4.61	84	3.67	51	4.37	84	4.51	57	5.88
Iceland	29	5.29	22	5.05	17	5.61	118	3.94	9	6.54
India	96	4.23	72	3.86	85	3.65	110	4.10	102	5.30
Indonesia	45	4.90	67	3.97	61	4.17	26	5.75	72	5.71
Iran, Islamic Rep.	75	4.51	83	3.68	65	4.14	100	4.27	51	5.97
Ireland	33	5.18	16	5.27	26	5.27	134	3.57	6	6.60
Israel	39	5.05	40	4.56	35	4.92	72	4.65	38	6.07
Italy	50	4.85	102	3.50	25	5.35	101	4.26	26	6.29
Jamaica	111	3.86	85	3.66	93	3.49	141	3.14	106	5.16
Japan	28	5.37	17	5.25	9	6.03	127	3.68	10	6.50
Jordan	76	4.51	38	4.60	54	4.33	138	3.31	65	5.80
Kazakhstan	48	4.86	55	4.09	62	4.17	23	5.87	97	5.33
Kenya	121	3.76	88	3.62	102	3.24	132	3.64	119	4.52
Korea, Rep.	20	5.60	74	3.84	11	5.85	9	6.32	18	6.37
Kuwait	32	5.22	49	4.21	53	4.37	3	6.70	77	5.62
Kyrgyz Republic	122	3.73	133	3.05	122	2.68	113	4.03	107	5.15
Lao PDR	83	4.41	63	4.00	84	3.66	93	4.41	80	5.56
Latvia	40	5.00	57	4.08	59	4.24	29	5.63	41	6.05

(Cont'd.)



Table 5: The Global Competitiveness Index 2013–2014: 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	126	3.63	138	2.98	119	2.73	148	2.55	28	6.27
Lesotho	119	3.77	90	3.61	127	2.56	39	5.35	141	3.56
Liberia	127	3.62	77	3.80	131	2.38	51	5.08	144	3.22
Libya	93	4.24	125	3.22	103	3.21	16	6.03	120	4.52
Lithuania	43	4.91	61	4.04	41	4.69	58	4.94	50	5.97
Luxembourg	11	5.87	10	5.59	13	5.79	15	6.04	36	6.08
Macedonia, FYR	70	4.55	60	4.05	86	3.63	59	4.94	79	5.60
Madagascar	130	3.51	128	3.09	136	2.26	108	4.18	118	4.52
Malawi	140	3.33	76	3.81	137	2.21	146	2.85	123	4.43
Malaysia	27	5.37	29	4.85	29	5.19	38	5.35	33	6.10
Mali	137	3.39	136	3.02	108	3.05	86	4.44	145	3.05
Malta	34	5.17	37	4.61	34	5.02	74	4.64	15	6.39
Mauritania	132	3.49	139	2.95	120	2.71	78	4.59	136	3.72
Mauritius	42	4.97	39	4.58	50	4.44	67	4.82	43	6.01
Mexico	63	4.63	96	3.56	64	4.14	49	5.11	73	5.69
Moldova	97	4.20	122	3.24	88	3.57	77	4.62	93	5.38
Mongolia	108	3.89	113	3.34	113	2.90	130	3.65	76	5.65
Montenegro	68	4.59	52	4.16	70	4.04	112	4.07	37	6.07
Morocco	69	4.58	53	4.12	57	4.30	90	4.42	82	5.48
Mozambique	133	3.42	120	3.30	130	2.38	98	4.34	138	3.67
Myanmar	135	3.40	141	2.80	141	2.01	125	3.74	111	5.05
Namibia	85	4.38	48	4.22	60	4.20	70	4.67	125	4.43
Nepal	105	3.97	127	3.19	144	1.93	41	5.30	88	5.44
Netherlands	10	5.89	8	5.62	7	6.13	45	5.22	4	6.61
New Zealand	12	5.78	2	6.07	27	5.21	43	5.25	5	6.60
Nicaragua	101	4.12	100	3.52	105	3.14	97	4.36	87	5.46
Nigeria	136	3.40	129	3.08	135	2.29	46	5.17	146	3.04
Norway	6	5.98	6	5.70	33	5.02	2	6.80	14	6.41
Oman	13	5.77	13	5.39	32	5.08	5	6.64	48	5.97
Pakistan	142	3.27	123	3.23	121	2.70	145	2.89	128	4.26
Panama	46	4.89	66	3.97	37	4.89	57	4.95	68	5.76
Paraguay	112	3.84	140	2.91	123	2.66	63	4.89	112	4.89
Peru	72	4.53	109	3.36	91	3.50	20	5.91	95	5.36
Philippines	78	4.46	79	3.76	96	3.40	40	5.34	96	5.33
Poland	59	4.72	62	4.01	74	3.96	65	4.88	42	6.03
Portugal	41	4.98	46	4.32	22	5.55	124	3.75	27	6.28
Puerto Rico	54	4.82	33	4.70	63	4.17	48	5.12	105	5.28
Qatar	5	6.01	4	5.95	28	5.20	6	6.58	25	6.32
Romania	87	4.32	114	3.34	100	3.33	47	5.14	84	5.47
Russian Federation	47	4.88	121	3.28	45	4.61	19	5.93	71	5.71
Rwanda	71	4.55	19	5.20	104	3.20	92	4.41	94	5.37
Saudi Arabia	14	5.73	20	5.13	31	5.18	4	6.69	53	5.92
Seychelles	52	4.83	45	4.33	43	4.64	89	4.43	55	5.90
Senegal	120	3.76	82	3.69	117	2.78	91	4.41	131	4.17
Serbia	106	3.96	126	3.20	90	3.51	136	3.36	69	5.75
Sierra Leone	146	2.95	89	3.62	139	2.13	137	3.32	147	2.74
Singapore	1	6.30	3	6.04	2	6.41	18	6.01	2	6.72
Slovak Republic	67	4.60	119	3.32	67	4.12	62	4.91	39	6.07
Slovenia	37	5.06	68	3.94	36	4.91	53	5.03	17	6.38
South Africa	95	4.24	41	4.53	66	4.13	95	4.39	135	3.89
Spain	38	5.05	58	4.07	10	5.97	116	3.97	30	6.21
Sri Lanka	77	4.48	54	4.09	73	4.00	120	3.90	52	5.94
Suriname	82	4.43	99	3.54	81	3.69	66	4.87	78	5.60
Swaziland	114	3.82	75	3.83	97	3.34	82	4.54	140	3.57
Sweden	8	5.95	5	5.72	20	5.60	14	6.05	13	6.45
Switzerland	3	6.15	7	5.63	6	6.20	11	6.29	12	6.48
Taiwan, China	16	5.70	26	4.95	14	5.77	32	5.60	11	6.49
Tanzania	129	3.53	97	3.55	134	2.30	131	3.65	114	4.64
Thailand	49	4.86	78	3.79	47	4.53	31	5.61	81	5.52
Timor-Leste	110	3.88	106	3.39	138	2.18	35	5.43	121	4.51
Trinidad and Tobago	60	4.70	94	3.58	52	4.37	52	5.06	63	5.81
Tunisia	74	4.52	73	3.85	77	3.90	96	4.37	47	5.98
Turkey	56	4.75	56	4.08	49	4.45	76	4.62	59	5.86
Uganda	134	3.40	116	3.33	133	2.31	133	3.64	127	4.35
Ukraine	91	4.27	137	2.99	68	4.07	107	4.20	62	5.84
United Arab Emirates	4	6.04	11	5.55	5	6.20	7	6.42	49	5.97
United Kingdom	24	5.48	12	5.43	8	6.12	115	3.98	16	6.39
United States	36	5.12	35	4.64	15	5.77	117	3.95	34	6.10
Uruguay	53	4.82	36	4.62	55	4.31	85	4.49	58	5.88
Venezuela	138	3.37	148	2.27	125	2.61	143	3.10	83	5.48
Vietnam	86	4.36	98	3.54	82	3.69	87	4.44	67	5.78
Yemen	145	3.05	142	2.80	143	1.94	139	3.25	129	4.22
Zambia	104	3.98	51	4.20	118	2.76	81	4.56	126	4.41
Zimbabwe	124	3.66	101	3.50	126	2.59	114	4.01	116	4.55

Note: Ranks out of 148 economies and scores measured on a 1-to-7 scale.

Table 6: The Global Competitiveness Index 2013–2014: Efficiency enhancers

Country/Economy	PILLARS													
	Efficiency Enhancers		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	100	3.68	78	4.17	97	4.06	67	4.33	128	3.27	92	3.33	107	2.92
Algeria	133	3.18	101	3.55	142	3.20	147	2.91	143	2.61	136	2.48	48	4.35
Angola	143	2.91	147	2.07	146	3.03	134	3.66	145	2.40	138	2.47	65	3.84
Argentina	97	3.70	49	4.62	145	3.06	144	3.15	133	3.05	88	3.38	24	4.95
Armenia	85	3.90	77	4.18	58	4.34	50	4.49	76	3.91	72	3.74	117	2.73
Australia	13	5.18	15	5.51	31	4.72	54	4.45	7	5.41	12	5.82	18	5.15
Austria	21	4.97	13	5.57	23	4.88	42	4.56	37	4.56	20	5.59	37	4.63
Azerbaijan	66	4.09	87	4.00	71	4.27	30	4.72	88	3.80	50	4.17	72	3.60
Bahrain	38	4.50	53	4.52	19	4.96	19	4.87	25	4.75	32	4.95	106	2.93
Bangladesh	108	3.59	127	2.83	89	4.10	124	3.80	102	3.68	127	2.69	45	4.44
Barbados	43	4.39	20	5.29	75	4.25	24	4.79	28	4.71	25	5.26	138	2.06
Belgium	17	5.03	5	5.83	13	5.08	64	4.34	44	4.48	18	5.61	28	4.82
Benin	134	3.15	123	2.95	139	3.47	94	4.11	125	3.33	134	2.55	125	2.51
Bhutan	125	3.30	107	3.44	121	3.85	29	4.73	123	3.35	132	2.57	143	1.83
Bolivia	120	3.41	93	3.79	138	3.50	131	3.70	120	3.39	122	2.77	86	3.33
Bosnia and Herzegovina	89	3.80	63	4.30	104	3.98	88	4.15	113	3.53	73	3.74	98	3.09
Botswana	93	3.77	99	3.56	92	4.10	47	4.51	53	4.34	104	3.11	101	3.03
Brazil	44	4.39	72	4.22	123	3.82	92	4.13	50	4.40	55	4.14	9	5.65
Brunei Darussalam	65	4.09	55	4.52	42	4.52	10	5.06	56	4.29	71	3.75	131	2.42
Bulgaria	60	4.18	69	4.25	81	4.19	61	4.36	73	3.95	44	4.45	63	3.87
Burkina Faso	137	3.11	141	2.39	129	3.73	83	4.19	131	3.17	143	2.41	113	2.79
Burundi	148	2.58	148	2.03	140	3.39	123	3.84	146	2.33	146	2.20	144	1.71
Cambodia	91	3.79	116	3.12	55	4.35	27	4.76	65	4.04	97	3.22	92	3.23
Cameroon	113	3.52	112	3.25	100	4.03	82	4.19	107	3.59	121	2.80	91	3.26
Canada	6	5.33	16	5.46	17	5.00	7	5.26	12	5.21	21	5.58	13	5.49
Cape Verde	130	3.22	94	3.71	112	3.91	129	3.74	127	3.32	91	3.34	148	1.30
Chad	146	2.72	145	2.09	147	2.83	128	3.76	139	2.78	147	2.09	115	2.77
Chile	29	4.64	38	4.87	36	4.64	45	4.53	20	4.83	42	4.48	42	4.49
China	31	4.63	70	4.23	61	4.32	34	4.63	54	4.32	85	3.44	2	6.85
Colombia	64	4.11	60	4.33	102	4.01	87	4.16	63	4.08	87	3.39	31	4.70
Costa Rica	59	4.18	33	5.01	65	4.30	53	4.48	96	3.75	53	4.16	84	3.41
Côte d'Ivoire	112	3.54	121	3.03	113	3.91	68	4.32	94	3.76	110	3.03	96	3.17
Croatia	68	4.05	51	4.53	111	3.92	114	3.94	78	3.90	45	4.41	74	3.59
Cyprus	49	4.34	32	5.01	29	4.74	36	4.62	64	4.07	36	4.78	110	2.83
Czech Republic	37	4.51	39	4.85	48	4.41	81	4.20	58	4.20	34	4.88	41	4.50
Denmark	16	5.05	14	5.54	24	4.87	13	5.03	36	4.57	5	6.05	53	4.24
Dominican Republic	90	3.79	96	3.65	99	4.03	118	3.92	86	3.85	76	3.61	68	3.71
Ecuador	81	3.90	71	4.22	106	3.97	111	3.96	89	3.78	82	3.49	59	4.01
Egypt	109	3.57	118	3.08	119	3.88	146	3.00	119	3.41	100	3.21	29	4.82
El Salvador	106	3.62	100	3.55	77	4.23	121	3.88	101	3.71	109	3.05	90	3.28
Estonia	30	4.64	23	5.22	30	4.73	12	5.03	35	4.59	29	5.20	99	3.06
Ethiopia	126	3.27	137	2.55	136	3.56	108	3.99	126	3.32	139	2.47	67	3.74
Finland	9	5.30	1	6.27	15	5.03	20	4.85	5	5.57	11	5.89	55	4.20
France	19	5.00	24	5.21	45	4.43	71	4.31	33	4.61	17	5.69	8	5.76
Gabon	124	3.31	135	2.62	131	3.65	73	4.31	108	3.58	114	2.97	118	2.72
Gambia, The	117	3.43	106	3.48	95	4.07	46	4.53	84	3.86	106	3.09	145	1.55
Georgia	86	3.89	92	3.79	67	4.29	40	4.59	75	3.91	68	3.83	103	2.96
Germany	8	5.31	3	5.90	21	4.92	41	4.57	29	4.69	14	5.72	5	6.02
Ghana	87	3.85	108	3.42	70	4.28	91	4.14	52	4.36	99	3.21	70	3.67
Greece	67	4.06	41	4.81	108	3.93	127	3.77	138	2.86	39	4.62	47	4.37
Guatemala	80	3.91	105	3.51	66	4.30	90	4.15	43	4.48	84	3.45	76	3.59
Guinea	141	3.01	140	2.42	137	3.54	74	4.28	136	2.97	142	2.43	129	2.44
Guyana	103	3.65	81	4.10	73	4.26	63	4.34	82	3.88	96	3.24	137	2.09
Haiti	142	2.94	128	2.77	144	3.07	77	4.23	142	2.69	135	2.50	132	2.38
Honduras	114	3.51	110	3.32	114	3.91	142	3.34	61	4.17	103	3.12	94	3.22
Hong Kong SAR	3	5.57	22	5.24	2	5.57	3	5.74	1	6.02	6	6.03	27	4.84
Hungary	54	4.28	44	4.72	78	4.23	85	4.18	74	3.93	46	4.35	52	4.26
Iceland	35	4.53	12	5.58	46	4.43	17	4.91	80	3.89	10	5.91	130	2.43
India	42	4.41	91	3.88	85	4.18	99	4.08	19	4.83	98	3.22	3	6.25
Indonesia	52	4.32	64	4.30	50	4.40	103	4.04	60	4.18	75	3.66	15	5.32
Iran, Islamic Rep.	98	3.70	88	3.99	110	3.93	145	3.02	130	3.17	116	2.95	19	5.14
Ireland	24	4.89	18	5.43	11	5.21	16	4.93	85	3.86	13	5.75	57	4.15
Israel	26	4.73	34	5.00	68	4.28	57	4.39	22	4.81	23	5.56	49	4.35
Italy	48	4.34	42	4.75	87	4.17	137	3.48	124	3.33	37	4.71	10	5.61
Jamaica	79	3.92	80	4.11	84	4.18	66	4.33	47	4.42	79	3.55	108	2.91
Japan	10	5.27	21	5.28	16	5.01	23	4.82	23	4.80	19	5.59	4	6.14
Jordan	70	4.01	56	4.50	39	4.55	101	4.07	79	3.89	70	3.78	87	3.29
Kazakhstan	53	4.30	54	4.52	56	4.34	15	4.98	103	3.67	57	4.10	54	4.21
Kenya	73	4.00	103	3.54	80	4.21	35	4.62	31	4.68	89	3.36	77	3.58
Korea, Rep.	23	4.89	19	5.41	33	4.68	78	4.21	81	3.89	22	5.57	12	5.61
Kuwait	77	3.95	84	4.04	90	4.10	105	4.01	70	3.96	69	3.80	66	3.80
Kyrgyz Republic	118	3.42	97	3.64	116	3.89	96	4.09	112	3.54	129	2.67	120	2.68
Lao PDR	107	3.60	111	3.31	54	4.36	44	4.55	91	3.77	113	2.98	122	2.63
Latvia	41	4.41	40	4.84	40	4.53	26	4.76	45	4.46	38	4.70	95	3.18

(Cont'd.)

Table 6: The Global Competitiveness Index 2013–2014: Efficiency enhancers (cont'd.)

Country/Economy	PILLARS													
	Efficiency Enhancers		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	75	3.97	45	4.69	51	4.39	120	3.90	100	3.71	81	3.52	71	3.61
Lesotho	132	3.18	125	2.88	79	4.22	86	4.17	118	3.43	140	2.45	141	1.94
Liberia	131	3.21	126	2.86	47	4.42	60	4.37	106	3.60	141	2.43	146	1.55
Libya	139	3.11	104	3.52	143	3.13	136	3.53	147	2.30	128	2.68	80	3.51
Lithuania	47	4.35	27	5.15	49	4.40	69	4.31	87	3.82	35	4.81	78	3.58
Luxembourg	22	4.92	36	4.89	5	5.33	22	4.83	14	5.14	2	6.19	97	3.14
Macedonia, FYR	76	3.96	76	4.18	44	4.47	79	4.21	62	4.15	67	3.84	109	2.90
Madagascar	127	3.27	132	2.66	94	4.07	37	4.60	137	2.93	131	2.63	116	2.73
Malawi	122	3.33	133	2.65	115	3.90	39	4.59	71	3.96	144	2.40	126	2.50
Malaysia	25	4.86	46	4.68	10	5.23	25	4.79	6	5.45	51	4.17	26	4.87
Mali	129	3.23	136	2.55	109	3.93	112	3.96	122	3.38	117	2.91	123	2.63
Malta	36	4.52	31	5.04	32	4.72	43	4.56	34	4.61	16	5.71	127	2.46
Mauritania	147	2.71	146	2.07	141	3.38	143	3.23	140	2.71	125	2.71	134	2.16
Mauritius	61	4.18	61	4.32	25	4.85	55	4.45	26	4.73	63	3.90	112	2.80
Mexico	55	4.27	85	4.03	83	4.19	113	3.94	59	4.19	74	3.66	11	5.61
Moldova	102	3.66	90	3.88	107	3.93	95	4.09	105	3.60	64	3.89	124	2.55
Mongolia	94	3.73	82	4.07	96	4.07	51	4.49	129	3.23	66	3.85	119	2.69
Montenegro	72	4.01	50	4.61	64	4.31	58	4.39	49	4.40	49	4.22	135	2.14
Morocco	84	3.90	102	3.54	69	4.28	122	3.86	69	4.01	80	3.53	56	4.16
Mozambique	135	3.13	143	2.34	125	3.80	125	3.80	132	3.13	123	2.77	104	2.96
Myanmar	140	3.03	139	2.52	135	3.57	98	4.09	144	2.41	148	2.03	79	3.57
Namibia	99	3.69	115	3.12	91	4.10	59	4.39	39	4.51	90	3.34	121	2.66
Nepal	128	3.25	130	2.73	127	3.74	133	3.66	95	3.75	133	2.55	100	3.05
Netherlands	11	5.27	6	5.78	8	5.25	21	4.84	30	4.68	8	5.97	21	5.11
New Zealand	14	5.17	9	5.68	9	5.24	8	5.23	4	5.61	24	5.40	62	3.88
Nicaragua	116	3.44	109	3.36	122	3.85	107	3.99	104	3.61	119	2.85	102	2.98
Nigeria	83	3.90	120	3.03	93	4.09	52	4.48	66	4.04	108	3.08	32	4.66
Norway	12	5.22	10	5.67	22	4.89	14	5.02	9	5.31	3	6.08	51	4.34
Oman	39	4.45	57	4.46	18	4.99	28	4.73	21	4.82	56	4.11	73	3.60
Pakistan	104	3.64	129	2.76	103	3.99	138	3.46	67	4.04	118	2.90	30	4.70
Panama	50	4.33	68	4.26	35	4.65	75	4.25	16	5.00	47	4.35	81	3.50
Paraguay	110	3.55	113	3.20	86	4.18	117	3.92	92	3.76	111	3.00	93	3.23
Peru	57	4.20	86	4.01	52	4.37	48	4.50	40	4.50	86	3.39	43	4.46
Philippines	58	4.20	67	4.28	82	4.19	100	4.08	48	4.41	77	3.58	33	4.66
Poland	32	4.60	37	4.88	57	4.34	80	4.20	38	4.54	43	4.47	20	5.14
Portugal	46	4.38	28	5.15	72	4.26	126	3.79	114	3.50	27	5.24	50	4.34
Puerto Rico	33	4.58	30	5.09	26	4.83	38	4.59	18	4.86	40	4.60	82	3.49
Qatar	18	5.02	29	5.11	3	5.49	6	5.29	13	5.19	31	5.10	60	3.96
Romania	63	4.13	59	4.41	117	3.89	110	3.96	72	3.95	54	4.14	46	4.44
Russian Federation	51	4.32	47	4.66	126	3.80	72	4.31	121	3.39	59	3.97	7	5.78
Rwanda	96	3.73	122	3.00	41	4.52	11	5.06	57	4.23	105	3.10	128	2.46
Saudi Arabia	27	4.69	48	4.65	27	4.79	70	4.31	27	4.71	41	4.60	23	5.07
Seychelles	95	3.73	79	4.13	53	4.36	31	4.69	83	3.87	65	3.87	147	1.46
Senegal	105	3.62	114	3.14	59	4.33	65	4.33	98	3.72	95	3.26	105	2.94
Serbia	92	3.78	83	4.05	132	3.64	119	3.90	115	3.48	60	3.94	69	3.68
Sierra Leone	136	3.12	142	2.36	105	3.97	97	4.09	116	3.46	130	2.65	133	2.19
Singapore	2	5.63	2	5.91	1	5.59	1	5.77	2	5.82	7	6.01	34	4.66
Slovak Republic	56	4.27	58	4.44	76	4.24	76	4.24	42	4.49	52	4.16	58	4.03
Slovenia	62	4.14	25	5.21	62	4.32	106	4.00	134	2.98	33	4.90	83	3.46
South Africa	34	4.54	89	3.94	28	4.75	116	3.93	3	5.80	62	3.92	25	4.89
Spain	28	4.64	26	5.19	63	4.32	115	3.93	97	3.72	26	5.26	14	5.45
Sri Lanka	69	4.03	62	4.31	37	4.63	135	3.53	41	4.49	93	3.30	61	3.90
Suriname	121	3.34	98	3.59	128	3.73	102	4.04	111	3.55	101	3.19	140	1.95
Swaziland	123	3.32	117	3.09	98	4.05	104	4.01	68	4.03	124	2.72	139	2.03
Sweden	7	5.31	8	5.69	12	5.10	18	4.88	8	5.32	1	6.22	35	4.64
Switzerland	5	5.44	4	5.88	6	5.26	2	5.76	11	5.23	9	5.93	40	4.56
Taiwan, China	15	5.16	11	5.65	7	5.26	33	4.67	17	4.95	30	5.19	17	5.24
Tanzania	115	3.49	138	2.54	118	3.89	49	4.49	99	3.72	126	2.70	75	3.59
Thailand	40	4.43	66	4.29	34	4.67	62	4.35	32	4.61	78	3.56	22	5.10
Timor-Leste	145	2.85	134	2.63	134	3.58	109	3.98	141	2.70	145	2.33	142	1.86
Trinidad and Tobago	82	3.90	75	4.21	101	4.03	89	4.15	55	4.32	61	3.93	114	2.78
Tunisia	88	3.81	73	4.22	88	4.10	132	3.67	110	3.56	83	3.47	64	3.86
Turkey	45	4.38	65	4.29	43	4.52	130	3.74	51	4.40	58	4.05	16	5.30
Uganda	111	3.55	131	2.72	120	3.88	32	4.69	77	3.90	120	2.82	89	3.28
Ukraine	71	4.01	43	4.75	124	3.81	84	4.18	117	3.46	94	3.28	38	4.60
United Arab Emirates	20	5.00	35	4.93	4	5.39	9	5.20	24	4.79	28	5.22	44	4.44
United Kingdom	4	5.45	17	5.45	14	5.05	5	5.35	15	5.00	4	6.06	6	5.80
United States	1	5.66	7	5.75	20	4.93	4	5.37	10	5.26	15	5.72	1	6.94
Uruguay	78	3.95	52	4.53	60	4.33	139	3.44	90	3.77	48	4.33	88	3.28
Venezuela	119	3.41	74	4.21	148	2.80	148	2.85	135	2.97	107	3.09	39	4.57
Vietnam	74	3.98	95	3.69	74	4.25	56	4.40	93	3.76	102	3.14	36	4.64
Yemen	144	2.90	144	2.31	133	3.61	141	3.36	148	2.26	137	2.48	85	3.38
Zambia	101	3.67	119	3.05	38	4.61	93	4.12	46	4.45	115	2.97	111	2.80
Zimbabwe	138	3.11	124	2.95	130	3.66	140	3.40	109	3.56	112	2.98	136	2.12

Note: Ranks out of 148 economies and scores measured on a 1-to-7 scale.

Table 7: The Global Competitiveness Index 2013–2014: Innovation and sophistication factors

Country/Economy	PILLARS					
	INNOVATION AND SOPHISTICATION FACTORS		11. Business sophistication		12. Innovation	
	Rank	Score	Rank	Score	Rank	Score
Albania	119	3.12	122	3.44	119	2.80
Algeria	143	2.63	144	2.89	141	2.38
Angola	148	2.52	143	2.89	147	2.15
Argentina	98	3.35	95	3.71	104	2.99
Armenia	88	3.40	87	3.82	103	2.99
Australia	26	4.56	30	4.66	22	4.45
Austria	12	5.14	8	5.46	15	4.82
Azerbaijan	60	3.71	70	3.97	51	3.45
Bahrain	59	3.71	53	4.25	73	3.17
Bangladesh	124	3.03	113	3.51	131	2.54
Barbados	48	3.91	46	4.30	48	3.51
Belgium	15	5.07	12	5.27	14	4.87
Benin	123	3.03	132	3.23	113	2.84
Bhutan	117	3.16	117	3.50	114	2.83
Bolivia	93	3.38	103	3.61	75	3.15
Bosnia and Herzegovina	89	3.40	110	3.53	63	3.28
Botswana	106	3.30	102	3.61	102	2.99
Brazil	46	3.92	39	4.42	55	3.42
Brunei Darussalam	54	3.81	56	4.23	59	3.38
Bulgaria	108	3.28	106	3.59	105	2.97
Burkina Faso	130	2.92	142	2.97	111	2.86
Burundi	145	2.56	148	2.80	142	2.31
Cambodia	83	3.44	86	3.83	91	3.05
Cameroon	96	3.35	105	3.60	80	3.11
Canada	25	4.64	25	4.80	21	4.47
Cape Verde	118	3.13	121	3.44	116	2.83
Chad	144	2.61	147	2.81	139	2.41
Chile	45	3.92	54	4.25	43	3.60
China	34	4.10	45	4.31	32	3.89
Colombia	69	3.61	63	4.06	74	3.16
Costa Rica	31	4.14	31	4.54	35	3.74
Côte d'Ivoire	116	3.18	123	3.37	101	3.00
Croatia	80	3.46	88	3.81	79	3.12
Cyprus	50	3.87	44	4.34	56	3.41
Czech Republic	36	4.07	38	4.43	37	3.70
Denmark	11	5.14	11	5.29	11	4.99
Dominican Republic	91	3.40	71	3.96	115	2.83
Ecuador	63	3.69	69	3.97	58	3.40
Egypt	104	3.31	84	3.83	120	2.79
El Salvador	73	3.56	60	4.10	96	3.01
Estonia	35	4.08	51	4.26	31	3.89
Ethiopia	127	2.98	133	3.21	121	2.76
Finland	2	5.65	5	5.51	1	5.79
France	18	4.84	21	5.00	19	4.68
Gabon	137	2.78	139	3.04	132	2.51
Gambia, The	67	3.61	68	4.00	67	3.22
Georgia	122	3.08	120	3.47	126	2.68
Germany	4	5.59	3	5.68	4	5.50
Ghana	72	3.56	81	3.85	64	3.27
Greece	81	3.46	83	3.84	87	3.08
Guatemala	64	3.66	50	4.27	90	3.05
Guinea	142	2.69	141	2.97	140	2.40
Guyana	56	3.76	59	4.12	57	3.41
Haiti	147	2.55	145	2.87	144	2.22
Honduras	112	3.26	90	3.76	123	2.76
Hong Kong SAR	19	4.83	14	5.22	23	4.44
Hungary	71	3.60	96	3.69	47	3.51
Iceland	28	4.48	29	4.68	27	4.28
India	41	4.00	42	4.38	41	3.62
Indonesia	33	4.13	37	4.44	33	3.82
Iran, Islamic Rep.	86	3.41	104	3.60	71	3.21
Ireland	21	4.81	18	5.04	20	4.58
Israel	8	5.23	23	4.88	3	5.58
Italy	30	4.22	27	4.74	38	3.69
Jamaica	75	3.53	72	3.95	83	3.11
Japan	3	5.62	1	5.75	5	5.49
Jordan	51	3.87	47	4.30	53	3.44
Kazakhstan	87	3.41	94	3.72	84	3.10
Kenya	53	3.83	61	4.09	46	3.56
Korea, Rep.	20	4.82	24	4.86	17	4.78
Kuwait	101	3.34	77	3.88	118	2.81
Kyrgyz Republic	140	2.72	130	3.24	145	2.20
Lao PDR	74	3.54	78	3.86	68	3.22
Latvia	68	3.61	67	4.01	70	3.21
Lebanon	90	3.40	62	4.07	124	2.73
Lesotho	135	2.84	136	3.20	135	2.47
Liberia	114	3.22	108	3.56	110	2.88
Libya	141	2.71	131	3.23	146	2.19
Lithuania	44	3.93	48	4.29	44	3.58
Luxembourg	17	4.84	22	4.98	18	4.70
Macedonia, FYR	94	3.37	100	3.65	86	3.09
Madagascar	105	3.31	111	3.53	85	3.09
Malawi	115	3.20	114	3.50	108	2.90
Malaysia	23	4.70	20	5.02	25	4.39
Mali	111	3.26	112	3.52	98	3.00
Malta	40	4.03	36	4.44	42	3.61
Mauritania	134	2.84	138	3.18	133	2.50
Mauritius	57	3.76	41	4.40	81	3.11
Mexico	55	3.79	55	4.24	61	3.35
Moldova	133	2.87	125	3.32	138	2.42
Mongolia	121	3.08	128	3.26	109	2.89
Montenegro	70	3.61	89	3.79	54	3.42
Morocco	100	3.34	92	3.75	106	2.94
Mozambique	131	2.91	135	3.20	128	2.63
Myanmar	146	2.55	146	2.87	143	2.24
Namibia	102	3.34	99	3.65	94	3.02
Nepal	132	2.91	129	3.25	129	2.56
Netherlands	7	5.36	4	5.56	10	5.16
New Zealand	27	4.55	26	4.75	26	4.34
Nicaragua	113	3.25	115	3.50	99	3.00
Nigeria	82	3.44	75	3.89	100	3.00
Norway	16	5.07	13	5.24	13	4.90
Oman	39	4.05	32	4.54	45	3.57
Pakistan	78	3.48	85	3.83	77	3.13
Panama	43	3.99	52	4.26	36	3.72
Paraguay	128	2.97	119	3.49	136	2.45
Peru	97	3.35	74	3.95	122	2.76
Philippines	58	3.75	49	4.29	69	3.21
Poland	65	3.65	65	4.06	65	3.24
Portugal	38	4.06	57	4.18	29	3.93
Puerto Rico	22	4.71	19	5.03	24	4.39
Qatar	14	5.08	10	5.36	16	4.80
Romania	103	3.32	101	3.62	97	3.01
Russian Federation	99	3.35	107	3.56	78	3.13
Rwanda	66	3.65	80	3.86	52	3.44
Saudi Arabia	29	4.33	28	4.74	30	3.93
Seychelles	62	3.69	64	4.06	62	3.32
Senegal	76	3.51	82	3.85	72	3.18
Serbia	125	3.01	137	3.18	112	2.85
Sierra Leone	129	2.93	127	3.30	130	2.56
Singapore	13	5.14	17	5.08	9	5.19
Slovak Republic	77	3.49	73	3.95	95	3.02
Slovenia	49	3.88	58	4.14	40	3.63
South Africa	37	4.06	35	4.49	39	3.64
Spain	32	4.14	33	4.52	34	3.75
Sri Lanka	42	4.00	34	4.51	49	3.49
Suriname	120	3.10	118	3.49	125	2.70
Swaziland	110	3.27	93	3.72	117	2.83
Sweden	5	5.46	7	5.48	6	5.43
Switzerland	1	5.72	2	5.75	2	5.70
Taiwan, China	9	5.22	15	5.20	8	5.25
Tanzania	109	3.28	116	3.50	89	3.06
Thailand	52	3.83	40	4.42	66	3.24
Timor-Leste	138	2.76	140	3.03	134	2.49
Trinidad and Tobago	92	3.39	79	3.86	107	2.92
Tunisia	79	3.47	76	3.89	88	3.06
Turkey	47	3.91	43	4.36	50	3.47
Uganda	107	3.29	109	3.55	92	3.04
Ukraine	95	3.36	97	3.68	93	3.03
United Arab Emirates	24	4.67	16	5.13	28	4.22
United Kingdom	10	5.15	9	5.40	12	4.90
United States	6	5.43	6	5.49	7	5.37
Uruguay	84	3.43	91	3.75	82	3.11
Venezuela	136	2.83	134	3.21	137	2.45
Vietnam	85	3.41	98	3.68	76	3.14
Yemen	139	2.73	124	3.35	148	2.12
Zambia	61	3.71	66	4.05	60	3.36
Zimbabwe	126	2.99	126	3.30	127	2.68

Note: Ranks out of 148 economies and scores measured on a 1-to-7 scale.

room for improvement exists in both areas, which are the keys to Singapore's future prosperity.

**Finland** retains its 3rd position. Similar to other countries in the region, the country boasts well-functioning and highly transparent public institutions (1st), topping several indicators included in this category. Its private institutions, ranked 3rd overall, are also seen to be among the best run and most ethical in the world. Finland also occupies the top position both in the health and primary education pillar and the higher education and training pillar, the result of a strong focus on education over recent decades. This has provided the workforce with the skills needed to adapt rapidly to a changing environment and has laid the groundwork for high levels of innovation, allowing Finland to become a highly innovative economy. Improving the country's capacity to adopt the latest technologies (ranked 18th) could lead to important synergies that could, in turn, further reinforce the country's competitive position going forward. Finland's macroeconomic environment has weakened slightly on the back of rising inflation (above 3 percent), but it fares comparatively well when contrasted with other euro-zone economies.

**Germany** moves up by two notches to 4th place this year. The country is ranked an excellent 3rd for the quality of its infrastructure, boasting in particular first-rate facilities across all modes of transport. The goods market is quite efficient and is characterized by intense local competition (10th) and low market dominance by large companies (2nd). Germany's business sector is very sophisticated, especially when it comes to production processes and distribution channels. German companies are among the most innovative in the world, spending heavily on R&D (4th) and displaying a high capacity for innovation (3rd)—traits that are complemented by the country's well-developed ability to absorb the latest technologies at the firm level (16th). Research institutions are assessed as being of higher quality than in previous years, and scientists and engineers appear to be more readily available. All these attributes allow Germany to benefit greatly from its significant market size (5th), which is based on both its large domestic market and its strong exports.

Some shortcomings remain with respect to labor markets and the educational system. Despite some improvement (from 53rd to 41st), Germany's labor market remains rigid (113th for the labor market flexibility subpillar), where a lack of flexibility in wage determination and the high cost of firing hinder job creation, particularly during business cycle downturns. To maintain Germany's competitiveness, the quality of the educational system—where, at 23rd place, the country continues to trail most of its top 10 peers—needs to be improved further. But the country has already registered an improvement across all educational quality indicators in the GCI, an important basis for sustained innovation-led growth.

After having declined for four consecutive years in the ranking, the **United States** reverses its downward trend, rising by two positions to take 5th place this year and overtaking the Netherlands and Sweden. While the economy is getting back on track, the deleveraging process in the banking sector continues to show positive effects on the stability and efficiency of the country's financial markets, improving from 31st three years ago to 10th this year in that pillar. At the same time, the assessment of public institutions is slightly more positive, which is a hopeful outcome after a number of years of weakening confidence in this area.

Overall, many structural features continue to make the US economy extremely productive. US companies are highly sophisticated and innovative, supported by an excellent university system that collaborates admirably with the business sector in R&D. Combined with flexible labor markets and the scale opportunities afforded by the sheer size of its domestic economy—the largest in the world by far—these qualities continue to make the United States very competitive. On the other hand, some weaknesses in particular areas remain. Although the assessment of institutions improves this year, the business community continues to be rather critical, with trust in politicians still somewhat weak (50th), concerns about the government's ability to maintain arms-length relationships with the private sector (54th), and a general perception that the government spends its resources relatively wastefully (76th). The macroeconomic environment continues to be the country's greatest area of weakness (117th), although the deficit is narrowing for the first time since the onset of the financial crisis.

**Sweden** falls two places to 6th position. Like Switzerland, the country has been placing significant emphasis on creating the conditions for innovation-led growth. Although the assessment has deteriorated slightly over the past year—mainly due to a somewhat weaker macroeconomic environment—the quality of Sweden's public institutions remains first rate, with a very high degree of efficiency, trust, and transparency. Private institutions also receive excellent marks, with firms that demonstrate highly ethical behavior. Additional strengths include goods and financial markets that are very efficient, although the labor market could be more flexible (Sweden ranks 57th on the flexibility subpillar). Combined with a strong focus on education over the years and a high level of technological readiness (1st), Sweden has developed a very sophisticated business culture (7th) and is one of the world's leading innovators (6th). These characteristics come together to make Sweden one of the most productive and competitive economies in the world.

**Hong Kong SAR** further consolidates its position among the 10 most competitive economies, advancing a further two places to 7th, thanks to a consistently strong performance. In particular, Hong Kong tops the



infrastructure pillar for the fourth consecutive edition, reflecting the outstanding quality of its facilities across all modes of transportation. It also dominates the financial market development pillar, owing to the high level of efficiency, trustworthiness, and stability of the system. As in the case of Singapore, the dynamism and efficiency of Hong Kong's goods market (2nd) and labor market (3rd) further contribute to its excellent overall positioning. In order to enhance its competitiveness, Hong Kong must improve on higher education (22nd) and innovation (23rd, up three). In the latter category, the quality of research institutions (31st) and the limited availability of scientists and engineers (32nd) remain the two key issues to be addressed.

After having moved up in the rankings in the last edition, the **Netherlands** loses three places and slips to 8th place this year. The drop mainly reflects weakening financial markets and, in particular, rising concerns regarding the stability of banks. Overall, the economy is highly productive due to some pronounced strengths. Dutch businesses are highly sophisticated (4th) and innovative (10th), and the country is rapidly and aggressively harnessing new technologies for productivity improvements (8th). Its excellent educational system (ranked 4th for health and primary education and 6th for its higher education and training) and efficient markets—especially its goods market (8th)—are highly supportive of business activity. And although the country has registered fiscal deficits in recent years (4.15 percent of GDP in 2012), its macroeconomic environment is stronger than that of a number of other advanced economies. Last but not least, the quality of its infrastructure is among the best in the world, reflecting excellent facilities for maritime, air, and railroad transport, which are ranked 1st, 4th, and 11th, respectively.

Up one position, **Japan** now ranks 9th with a score almost unchanged since last year. The country continues to enjoy a major competitive edge in business sophistication (1st for the fifth consecutive year) and in innovation (5th). High R&D spending (2nd), availability of talent (4th), world-class research institutions (9th), and capacity to innovate (6th) are among Japan's strengths. Indeed, in terms of innovation output, this pays off: the country has the fourth-highest number of patent applications per capita in the world. Further, companies operate at the highest end of the value chain, producing high-value-added goods and services. However, the country's overall competitive performance continues to be dragged down by severe macroeconomic weaknesses (127th). For the past four years, the budget deficit has been hovering around 10 percent of GDP, one of the highest ratios in the world, while the public debt reached record levels, representing almost 240 percent of Japan's GDP. It is unlikely that the coming year will see a reversal in these trends in light of the country's aggressive monetary policy and various

stimulus packages. In addition, the labor market (23rd, down three) is characterized by persisting rigidities and inefficiencies, including the lack of female participation in the labor force (90th overall, the fifth lowest ratio among the member states of the Organisation for Economic Co-operation and Development, or OECD). Burdensome regulation, notably for business creation; high taxation; various trade barriers (111th); and a relative isolation, resulting in low foreign investment and ownership and a weak capacity to attract talent (80th), represent Japan's major competitive weaknesses. It remains to be seen whether the government will deliver on its promise to address those structural issues as part of its strategy to revitalize Japan's economy.

The **United Kingdom** (10th) rounds out the top 10, falling by two places in this year's assessment. The country deteriorates slightly in several areas, most notably its macroeconomic environment and its financial markets. Overall, the United Kingdom benefits from clear strengths such as the efficiency of its labor market (5th), in sharp contrast to the rigidity of those of many other European countries. The country continues to have sophisticated (9th) and innovative (12th) businesses that are highly adept at harnessing the latest technologies for productivity improvements and operating in a very large market (it is ranked 6th for market size). The highly developed financial market also remains a strength overall, despite some weakening since last year. All these characteristics are important for spurring productivity enhancements. On the other hand, the country's macroeconomic environment (115th, down from 85th two years ago) represents the greatest drag on its competitiveness, with a fiscal deficit above 8 percent in 2012, an increase of over 7 percentage points in public debt amounting to 90.3 percent of GDP in 2012 (136th), and a comparatively low national savings rate (10.8 percent of GDP in 2012, 122nd).

### North America, Europe, and Eurasia

Throughout the past year, much of Europe has continued to struggle with financial and structural challenges. Far-reaching actions were taken in Europe to avoid the breakup of the euro zone and bring the region onto a more dynamic growth path, mainly through macroeconomic measures and, to some extent, through structural reforms especially in peripheral euro zone countries. Although measures to improve competitiveness in some countries seem to have started bearing fruit, low global and regional demand continues to constrain growth, and several core countries still must reform their own economies in order to once again become engines of growth. See also Box 4 on regional competitiveness in the European Union.

Despite these challenges, several European countries continue to feature prominently among the most competitive economies in the world. As described

## Box 4: The European Union's Regional Competitiveness Index

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To measure the different dimensions of competitiveness at the regional level, the European Commission has developed the Regional Competitiveness Index (RCI), which was inspired by the structure of the Global Competitiveness Index. The RCI was published in 2010 and again in 2013 through a coordinated effort of the European Commission's Joint Research Centre and the Directorate-General for Regional Policy. The regional dimension is important because many of the factors of competitiveness are influenced or even determined by regional and city authorities. The trend toward more decentralization in Europe makes the role of cities and regions even more important. The strong regional dimension of competitiveness, with more variation between regions than between countries, confirms the influence and role of regions and cities.

### Main results

The RCI highlights the competitive strengths and weaknesses of each of the European Union (EU)'s regions.<sup>1</sup> It can provide a guide to what each region should focus on, taking into account its specific situation and its overall level of development. This is particularly important for the preparation of the EU Cohesion Policy programs for 2014–20. The European Union will provide 325 billion euros to co-finance these seven-year programs. The programs are implemented by the countries, regions, or cities following an agreed strategy. These programs can improve transport or Internet access, boost innovation, encourage entrepreneurship, invest in energy efficiency, and enhance education and skills.

The objective of the Cohesion Policy is to reduce regional disparities by investing in job creation, competitiveness, economic growth, improved quality of life and sustainable development. Funding is provided to all

regions, but more is provided to less developed ones. These investments also support the Europe 2020 strategy.

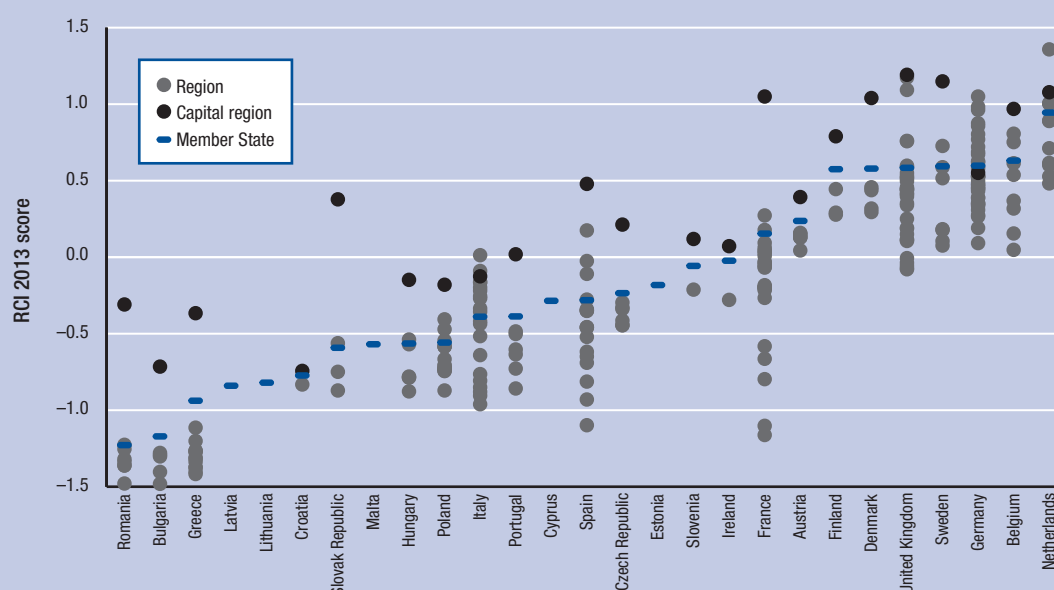
The RCI also can be a useful tool for EU countries with a large gap in the competitiveness of their regions. EU countries with a large gap or high variation in regional competitiveness should consider to what extent these gaps are harmful for their national competitiveness and whether they can be reduced, possibly with the support of Cohesion Policy. For example, in Romania, the Slovak Republic, and France the gap between the capital region and the second most competitive region is very wide, while regional competitiveness in Germany shows no large differences.

The 2010 edition of the RCI had already noted the lack of regional spillovers, particularly around the capitals of some of the less-developed EU countries. Although the economic crisis may have limited the potential growth of regional spillovers, in the medium term such spillovers should be strengthened. The overall competitiveness of a country depends on the performance of all its regions, not of its capital region alone.

The RCI reveals substantial differences in competitiveness within some countries (see Figure 1). In France, Spain, the United Kingdom, the Slovak Republic, Romania, Sweden, and Greece, the level of variability across regions is particularly high, with the capital region always being the best performer, except for Italy, the Netherlands, and Germany, where the capital region is not the most competitive.

Earlier territorial research highlighted the existence of the "blue banana" corridor of urbanization that linked the region of greater London all the way to Lombardy, passing through the Benelux countries and Bavaria, or a pentagon linking London,

Figure 1: Regional Competitiveness Index 2013: Results across EU Member States



Source: Annoni and Dijkstra 2013.

(Cont'd.)

**Box 4: The European Union's Regional Competitiveness Index (cont'd.)****Table 1: RCI 2013: Top 10 regions**

Region	NUTS 2 code	RCI 2013 (standardized scores)
Utrecht	NL31	100
London (functional economic area)	UKH2, HKH3, UKI1 and UKI2	94
Berkshire, Buckinghamshire and Oxfordshire	UKJ1	94
Stockholm	SE11	93
Surrey, East and West Sussex	UKJ2	91
Amsterdam (functional economic area)	NL23 and NL32	90
Darmstadt (includes Frankfurt)	DE71	89
Île de France (includes Paris)	FR10	89
Hovedstaden (includes Copenhagen)	DK01	89
Zuid-Holland (includes Rotterdam and The Hague)	NL33	88

Paris, Milan, Munich, and Hamburg. These areas were seen as having the highest concentrations of economic activity. This line of research emphasized a strong core-periphery pattern of economic activity in Europe.

The RCI, however, shows a more polycentric pattern, with strong capital and metropolitan regions in many parts of Europe. For example, the regions that include Stockholm, Copenhagen, Helsinki, Prague, Bratislava, and Madrid all have a high level of competitiveness (see Figure 2).<sup>2</sup> With the right policies and investments, regions outside the core of Europe can also become highly competitive.

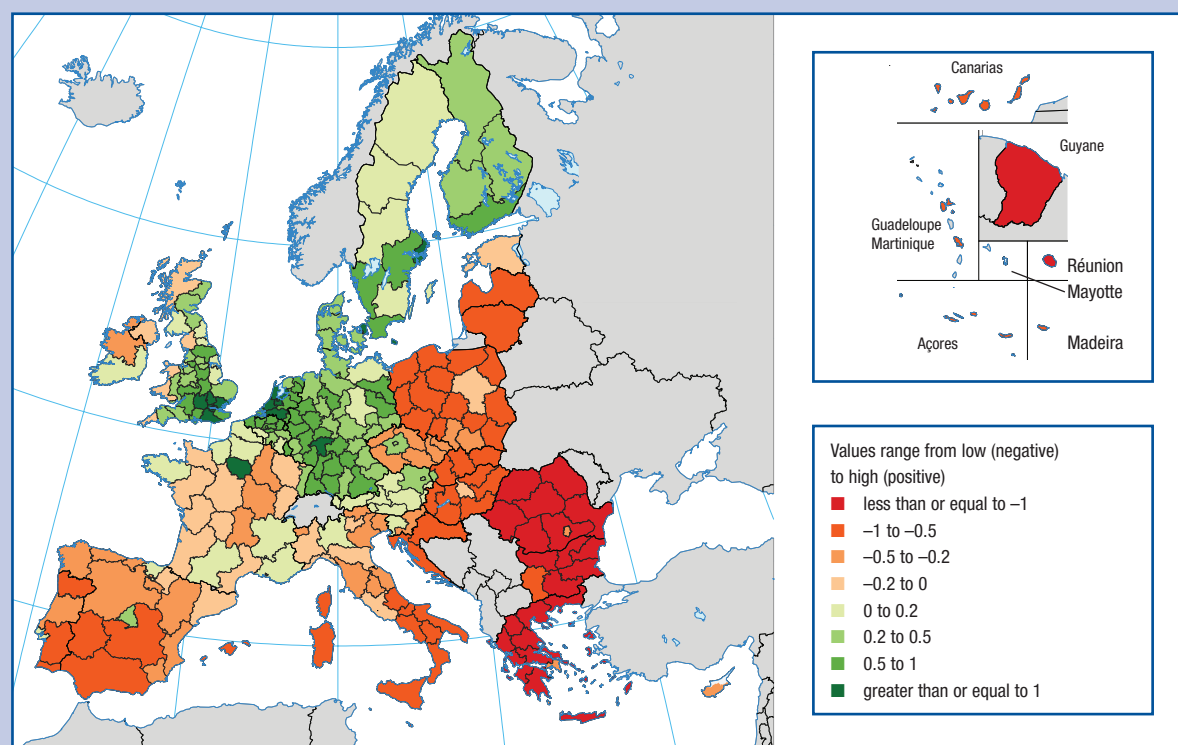
Eight out of the top 10 regions in the 2013 RCI confirm their position with respect to 2010. The most competitive region in both editions is Utrecht. Also present in the top 10 in 2010 were the London functional economic region; the group comprising Berkshire, Buckinghamshire, and Oxfordshire; the Amsterdam functional economic region;<sup>3</sup> Zuid-Holland; the Danish region Hovedstaden (includes Copenhagen); Stockholm; and Île de France (includes Paris) (see Table 1).

The new entries in the 2013 top 10 are Darmstadt (includes Frankfurt) in Germany and Surrey, East and West Sussex in the United Kingdom. It is striking that eight out of the top 10 are either capital regions or regions that include large cities.

At the other end of the competitiveness scale, we find some regions that are, unfortunately, consistently the least competitive. These are the Bulgarian region Severozapaden, the Greek region Notio Aigaio, and the two southern Romanian regions Sud-Est and Sud-Vest Oltenia. Figure 2 shows the results for all regions assessed.

**Methodology**

The RCI is built on a broad definition of regional competitiveness that can be summarized as “the ability to offer an attractive and sustainable environment for firms

**Figure 2: RCI 2013 results**

Source: Joint Research Centre and DG for Regional and Urban Policy, © EuroGeographics Association for the administrative boundaries.

(Cont'd.)

**Box 4: The European Union's Regional Competitiveness Index (cont'd.)**

and residents to live and work.” This definition focuses on the close link between competitiveness and prosperity, characterizing competitive regions not only in output-related terms but also by overall socioeconomic performance and potential.

The RCI was first published in 2010 and included 69 indicators. It builds on the methodology developed by the World Economic Forum for the Global Competitiveness Index, and has proved to be a robust way to summarize many different indicators in one index. The index covers a wide range of issues, and includes innovation, quality of institutions, availability and usage of infrastructure (comprising digital networks), and measures of health and human capital. It has been used in many regions in the European Union and has sparked similar initiatives in Australia and South Africa.

The RCI 2013 is the second edition of the index and takes in updated and improved data together with method refinements. Croatia has been included in the 2013 edition, as it joined the European Union on July 1, 2013. The RCI 2013 is based on a set of 73 indicators and follows the same framework and structure of the 2010 edition. Data for all the indicators mainly span the period between 2009 and 2011. As for the previous version, the index is based on 11 pillars describing both inputs and outputs of territorial competitiveness. Pillars are grouped into three sets describing basic, efficiency, and innovative factors of competitiveness. The pillar groups are weighted differently according to the region's development stage in terms of gross domestic product per capita.

The basic pillars represent the basic drivers of all economies. They include (1) Institutions, (2) Macroeconomic

Stability, (3) Infrastructure, (4) Health, and (5) Basic Education. These pillars are most important for less-developed regions.

The efficiency pillars are (6) Higher Education and Lifelong Learning, (7) Labor Market Efficiency, and (8) Market Size.

The innovation pillars, which are particularly important for the most advanced regional economies, include (9) Technological Readiness, (10) Business Sophistication, and (11) Innovation. This group plays a more important role for intermediate and especially for highly developed regions.

Overall, the RCI framework is designed to capture short- as well as long-term capabilities of the regions. Further information about the RCI 2013 is available at [www.easu.jrc.ec.europa.eu](http://www.easu.jrc.ec.europa.eu) or [www.ec.europa.eu/regional\\_policy](http://www.ec.europa.eu/regional_policy).

**Notes**

- 1 The RCI uses NUTS 2 regions, which are the basic territorial units for the application of regional policies. They are defined by the Commission regulation on nomenclature of territorial units for statistics (from the French Nomenclature des Unités Territoriales Statistiques, or NUTS). *NUTS level 2* refers to regions with an average population size between 800,000 and 3 million.
- 2 The RCI does not include northern Italy, Wallonia, or eastern France among the most competitive EU regions, which were included in the core-periphery analyses.
- 3 To ensure that the regional competitiveness index does not break up functional economic areas, the capital regions of Belgium, the Czech Republic, Germany, the Netherlands, Austria, and the United Kingdom were combined with one or more of the neighboring regions to better capture the functional metropolitan region. This ensures a good match between the workplace-based indicators such as research and development and the residence-based indicators such as educational attainment.

above, six of them are among the top 10. In total, 10 are among the top 20, as follows: Switzerland (1st), Finland (3rd), Germany (4th), Sweden (6th), the Netherlands (8th), the United Kingdom (10th), Norway (11th), Denmark (15th), Austria (16th), and Belgium (17th). However, Europe is also a region with significant disparities in competitiveness, with several countries from the region significantly lower in the rankings (with Spain at 35th, Italy at 49th, Portugal at 51st, and Greece at 91st). As in previous years, North American countries feature among the most competitive economies worldwide, with the United States occupying the 5th position and Canada the 14th.

**Norway** rises by four places in the rankings to a remarkable 11th this year, with progress in a number of areas. Specifically, the country features a notable improvement in the uptake of ICTs, particularly increasing Internet bandwidth and greater penetration of mobile broadband. Similar to the other Nordic countries, Norway is further characterized by well-functioning and transparent public institutions; private institutions also get

admirable marks for ethics and accountability. Markets in the country are efficient, with labor and financial markets ranked 14th and 9th, respectively. Productivity is also boosted by a good uptake of new technologies, ranked an excellent 3rd overall for technological readiness, up 10 places in this area since last year. Moreover, Norway's macroeconomic environment is ranked an impressive 2nd out of all countries (up from 3rd last year, and continuing an upward trend over the last several years), driven by windfall oil revenues combined with prudent fiscal management. On the other hand, Norway's competitiveness would be further enhanced by continuing to upgrade its infrastructure (33rd), fostering greater goods market efficiency and competition (22nd), and further improving its environment for R&D.

**Canada** remains stable at 14th place. The country continues to benefit from highly efficient markets (with its goods, labor, and financial markets are ranked 17th, 7th, and 12th, respectively), well-functioning and transparent institutions (14th), and excellent infrastructure (12th). Canada is also successfully nurturing its human

resources compared with other advanced economies (ranking 7th for health and primary education and 16th for higher education and training), providing the workforce with the skills needed to succeed in a competitive economy. Canada's competitiveness would be further enhanced by improvements in its innovation ecosystem such as increased company-level spending on R&D and government procurement of advanced research products.

**Denmark** loses three positions this year at 15th, placing just behind Canada, with a weakening in its macroeconomic environment. Similar to its Nordic neighbors, the country continues to benefit from one of the best functioning and most transparent institutional frameworks in the world (18th). Denmark also continues to receive a first-rate assessment for its higher education and training system (14th), which has provided the Danish workforce with the skills needed to adapt rapidly to a changing environment and has laid the ground for high levels of technological adoption and innovation. A continued strong focus on education would help to reverse the downward trend in the country's ranking and to maintain the skill levels needed to provide the basis for sustained innovation-led growth. A marked difference from the other Nordic countries relates to labor market flexibility, where Denmark (13th) continues to distinguish itself as having one of the most efficient labor markets internationally, with more flexibility in setting wages, firing, and therefore hiring, along with a greater number of workers than seen in the other Nordics and most European countries more generally.

**Austria** is ranked 16th this year, demonstrating a stable performance since last year. The country benefits from excellent infrastructure (16th) and sophisticated businesses (8th) that are highly innovative (15th). This is buttressed by an education and training system that does a good job of preparing the workforce, particularly through a strong focus on on-the-job training (5th). Austria's competitiveness would be further enhanced by greater flexibility in its labor market (the country is ranked 88th in this subpillar), and by continuing to improve its already-excellent educational system.

**Belgium** is ranked 17th, retaining the same place as last year. The country has outstanding health indicators and a primary education system that is among the best in the world (2nd). Belgium also boasts an exceptional higher education and training system (5th), with excellent math and science education, top-notch management schools, and a strong propensity for on-the-job training that contribute to a relatively high capacity to innovate (14th). Its goods market is characterized by high levels of competition and an environment that facilitates new business creation. Business operations are also distinguished by high levels of sophistication and professional management processes. On the other hand, there are some concerns about government inefficiency

(56th) and its highly distortionary tax system, which particularly reduces the incentives to work (142nd). Moreover, its macroeconomic environment continues to be burdened by persistent deficit spending and high public debt.

**France** is ranked 23rd, down two places from last year. The decline comes on the back of increasing concerns among business leaders about the health of the financial sector. France retains a number of clear competitive advantages, including the country's infrastructure, which is among the best in the world (4th), with outstanding transport links, energy infrastructure, and communications. The health of the workforce and the quality and quantity of education are other strengths (ranked 24th for health and primary education and 24th for higher education and training). These elements have provided the basis for a business sector that is aggressive in adopting new technologies for productivity enhancements (France is ranked 17th for technological readiness). In addition, the country's business culture is highly professional and sophisticated (21st in the business sophistication pillar), buttressing its good position in innovation (19th in the innovation pillar, particularly in certain science-based sectors) and bolstered by a large market (8th), all of which help to boost the country's growth potential. On the other hand, France's competitiveness would be enhanced by injecting more flexibility into its labor market, which is ranked a low 116th both because of the strict rules on firing and hiring and the rather conflict-ridden labor-employer relations in the country. Its tax regime is also perceived as highly distortive to decisions to work (127th). Tentative efforts being made in these areas, if implemented with rigor, would provide an important boost to France's economic performance going forward.

**Ireland** is ranked 28th this year with a relatively stable performance. The country continues to benefit from its excellent health and primary education system (6th) and strong higher education and training (18th), along with its well-functioning goods and labor markets, ranked 11th and 16th, respectively. These attributes have fostered a sophisticated and innovative business culture (ranked 18th for business sophistication and 20th for innovation), buttressed by excellent technological adoption in the country (13th). Yet the country's macroeconomic environment continues to raise significant concern (134th), showing little improvement since last year. Of related and continuing concern is also Ireland's financial market (85th), although this seems to be tentatively recovering since the trauma faced in recent years, and confidence is slowly being restored.

**Iceland** is ranked at 31st position this year. Despite significant difficulties in recent years, Iceland continues to benefit from a number of clear competitive strengths in moving to a more sustainable economic situation. These include the country's top-notch educational



system at all levels (9th and 12th in the health and primary education and higher education and training pillars, respectively) coupled with a relatively innovative business sector (27th) that is highly adept at adopting new technologies for productivity enhancements (10th). Business activity is further supported by an efficient labor market (17th) and well-developed infrastructure (17th). On the other hand, a weakened macroeconomic environment (118th) and financial markets (80th) remain areas of concern, although these have measurably improved since last year.

**Estonia** remains the best performer within Eastern Europe, up two places this year to 32nd. The country has an excellent educational system and highly efficient and well-developed goods and financial markets, as well as a strong commitment to advancing technological readiness. In addition, Estonia's 22nd rank in macroeconomic stability reflects its relatively well managed public finances. The country's margin ahead of the rest of the region also reflects its more flexible and efficient labor markets (12th), which continue to be rigid in other countries throughout much of Europe as a whole.

Despite the current difficult conditions, **Spain** goes up one notch in the rankings to 35th place. The country continues to leverage its traditional competitiveness strengths in terms of a world-class transport infrastructure (6th), a good use of ICTs (23rd), and—despite the high unemployment rate—a large and skilled labor force, thanks to one of the highest tertiary education enrollment rates in the world (8th). Moreover, the country has started to address some of its most pressing challenges. In the past year, Spain undertook sharp public budget cuts that will help improve its still-weak macroeconomic situation; it also implemented a series of structural reforms to improve the functioning of its goods, labor, and financial markets. The liberalization of certain services, the implementation of a labor market reform to mitigate the rigidities of a dual labor market, and the restructuring of the banking system are all measures aimed at improving the efficiency in the allocation of resources, whose full effects are likely to become more visible in the medium term. As a result of these and other measures at the European level, the country has obtained access to international financing markets at a more affordable cost than it had at the time the previous edition of this *Report* was released. However, this situation has not translated in an improvement in access to financing for local firms—which still suffer from an important credit crunch—to upgrade or transform their production facilities. Access to financing is regarded as the most problematic factor for doing business, and the country ranks very low in terms of the ease of accessing loans (138th) or other sources of financing, either through equity markets (101th) or venture capital (105th). In addition,

the reduction of both public and private budgets for research and innovation could hamper the capacity of local firms to innovate (57th) and contribute to the economic transformation of the country. Addressing these weaknesses will be crucial in order to bridge the competitiveness gap with Northern European economies the country continues to suffer.

**Poland** is ranked 42nd, with a relatively stable performance since last year and a fairly even performance across all 12 pillars of competitiveness. Notable strengths include its large market size (20th) and high educational standards, in particular its high enrollment rates (it is ranked 18th on the quantity of higher education subpillar). The financial sector is well developed (38th), and banks are assessed as more sound than they were only four years ago, although additional strengthening will be necessary, given the country's still mediocre 54th rank on this indicator. Further enhancing competitiveness will require a significant upgrading of transport infrastructure, which trails international standards by a considerable margin (ranked 92nd). Although some progress has been made over the past few years in this area in the context of the European Football Championships in 2012, it is not sufficient to create the step change necessary to better connect the different parts of the country. The business sector remains very concerned about some aspects of the institutional framework, including the government inefficiencies (121st)—in particular the high burden of government regulation (133rd). As Poland transitions to the innovation-driven stage of development, it will have to focus more strongly on developing capacities in R&D and business sophistication. Stronger R&D orientation of companies, easier access to venture capital, and intensified collaboration between universities and the private sector would help the country to move toward a more future-oriented development path.

**Turkey** falls by one position to 44th, following its significant improvement last year. The macroeconomic environment has deteriorated slightly, with a rising fiscal deficit and inflation nearing double digits, although the situation remains better than in many other European economies. Turkey's vibrant business sector derives important efficiency gains from its large domestic market (ranked 16th), which is characterized by intense local competition (15th). Turkey also benefits from its reasonably developed infrastructure (49th), particularly roads and air transport, although ports and the electricity supply require additional upgrading. In order to further enhance its competitiveness, Turkey must focus on building up its human resources base through better primary education and healthcare (59th) and higher education and training (65th), increasing the efficiency of its labor market (130th), and reinforcing the efficiency and transparency of its public institutions (58th).

**The Czech Republic** falls by seven places this year to 46th position. Concerns remain about the quality of the country's public institutions, with public trust in politicians ranked an extremely low 146th, ahead of only Argentina and Lebanon globally. The macroeconomic environment has worsened slightly with rising deficits and debt, although (at 55th) it remains more stable than in much of the rest of Europe. Czech businesses are relatively sophisticated and innovative, buttressed by a strong uptake of new technologies. The country's competitiveness would be further enhanced by improvements to the educational system and by injecting greater flexibility into the labor market.

After a slight improvement last year, **Italy** falls back seven places to 49th position this year, with a deterioration across the board and with the lack of clear political direction over the past year increasing business uncertainty and weighing down on the country's competitiveness. Italy continues to do well in some of the more complex areas measured by the GCI, particularly the sophistication of its businesses, where it is ranked 27th, producing goods high on the value chain with one of the world's best business clusters (2nd). Italy also benefits from its large market size—the 10th largest in the world—which allows for significant economies of scale. However, Italy's overall competitiveness performance continues to be hampered by some critical structural weaknesses in its economy. Its labor market remains extremely rigid—it is ranked 137th for its labor market efficiency, hindering employment creation. Italy's financial markets are not sufficiently developed to provide needed finance for business development (124th). Other institutional weaknesses include high levels of corruption and organized crime and a perceived lack of independence within the judicial system, which increase business costs and undermine investor confidence—IItaly is ranked 102nd overall for its institutional environment. Greater political stability in the country and stronger efforts to address structural rigidities are critical for boosting the country's competitiveness. The institutional reforms that are presently being proposed by the government would be an important step toward addressing some of these challenges.

**Kazakhstan** improves by one position to rank 50th this year. The country benefits from a flexible and efficient labor market (15th) and a stable macroeconomic environment (23rd) at a time when many countries are struggling in these areas. Kazakhstan's main challenges relate to its health and primary education systems (97th), its lack of business sophistication (94th), and its low innovation (84th).

**Portugal** continues to fall in the rankings, coming in at 51st place, two places down since last year. An unstable macroeconomic environment (124th), similar to other Southern European economies; a certain loss of trust in politicians (77th) and in government efficiency

(116th); and, above all, increasing difficulties in accessing financing—either through the equity market (108th) or loans (121st)—have contributed to this drop. Despite this slight decline, the country is striving to regain productivity and competitiveness by increasing liberalization of the markets and labor market reforms. These are expected to bear fruit in the medium term, helping the country bridge the competitiveness divide with other European economies. In this effort, Portugal will be able to leverage its world-class transport infrastructure (19th) and its well-prepared labor force thanks to high levels of university education (26th), although it must be said that the quality of this education (58th) is not always in line with the productive needs of the country. In addition to the recently undertaken reforms, the country should not neglect strengthening its innovation potential through efficient investments in science, technology, and other intangible assets, such as advanced management techniques. These factors will be crucial in allowing the Portuguese economy to move toward higher-value-added activities.

The **Russian Federation**, at 64th place, improves by three positions since last year. The country's macroeconomic environment has continued to improve—up from 44th two years ago to 19th this year because of low government debt and a government budget that has maintained a surplus. Other strengths include its high level of education enrollment, especially at the tertiary level; its fairly good infrastructure; and its large domestic market (8th), all of which represent areas that can be leveraged to improve Russia's competitiveness. On the other hand, the country continues to receive a poor assessment of its public institutions (118th) and shows a lack of innovation capacity (78th). Russia suffers from inefficiencies in the goods (126th), labor (72nd), and financial (121st) markets. The weak level of competition (135th)—caused by inefficient anti-monopoly policies (116th) and high restrictions on trade and foreign ownership as well as a lack of trust in the financial system (132nd)—contributes to this inefficient allocation of Russia's vast resources, hampering higher levels of productivity in the economy. Moreover, as the country moves toward a more advanced stage of economic development, its lack of business sophistication (107th) and low rates of technological adoption (127th) will become increasingly important challenges for its sustained progress.

After improving somewhat last year, **Ukraine** falls back by 11 places to 84th position in this year's GCI. Overall, Ukraine maintains its competitive strengths. These result from its large market size (38th) and a solid educational system that provides easy access to all levels of education (ranked 43rd on higher education and training and 57th on primary education). Putting economic growth on a more stable footing in future will require Ukraine to address important challenges.

Arguably, the country's most important challenge is the needed overhaul of its institutional framework, which suffers from red tape, a lack of transparency, and favoritism. Ukraine could realize further efficiency gains from instilling more competition into its goods and services markets (124th) and continuing the reform of its financial and banking sector (117th).

This year **Greece**, after falling over the past several years, improves in the rankings to 91st place. Although it remains the lowest-ranked country of the European Union and the results in the macroeconomic environment pillar continue to raise concern (second to last at 147th position this year), Greece has started to show improvements in a number of other areas, perhaps indicating that the reform efforts are beginning to bear fruit. Slight improvements are seen in the country's institutional environment, the efficiency of its labor markets, and technological adoption, although continued efforts in these areas are still needed. Although some progress is being made, public institutions (e.g., government efficiency, corruption, undue influence) continue to receive a poor evaluation (102nd) and confidence has not returned to financial markets in the country (138th). The country's inefficient labor market (127th) continues to constrain Greece's ability to emerge from the crisis, although this has improved somewhat since last year, perhaps reflecting recent efforts to increase both the retirement age and labor market flexibility. In working to overcome its present difficulties, Greece has a number of strengths on which it can build, including a reasonably well educated workforce that is adept at adopting new technologies for productivity enhancements. With continued efforts toward growth-enhancing reforms, there is every reason to believe that Greece will continue to improve its competitiveness in the coming years.

### Asia and the Pacific

The competitiveness landscape in Asia and the Pacific remains very mixed. The region is home to some of the most competitive nations, including three members of the top 10 (Singapore, Hong Kong SAR, and Japan) and some of the most dynamic and rapidly improving economies in terms of competitiveness, such as Indonesia and the Philippines. On the other hand, a number of Asian countries, including Pakistan and Timor-Leste, have been unable to improve their competitiveness. This year, we cover three new Asian countries: Bhutan (109th), Lao PDR (81st), and Myanmar (139th). With the latter two additions, the GCI now offers a full coverage of the Association of Southeast Nations (ASEAN) and its 10 members. Box 5 discusses ASEAN's competitiveness landscape and trends and the impact the region's deep competitiveness divide may have on the planned ASEAN Economic Community.

Advancing one position, **Taiwan (China)** ranks 12th this year with a score of 5.3. Its performance has been very stable and consistently strong over the past five years. Notable strengths include the capacity of Taiwanese businesses to innovate (8th), its highly efficient goods markets (7th), and its world-class primary education (9th) and higher education (11th). In order to enhance its competitiveness, Taiwan will need to further strengthen its institutional framework (26th), whose quality is undermined by some inefficiency within the government (28th) and various forms of corruption (30th), and will also need to address some inefficiencies and rigidities in its labor market (33rd).

This edition marks the first time that **Australia** (21st, down one) exits the top 20 and is overtaken by **New Zealand** (18th), which jumps five places. Australia delivers a consistent—and essentially unchanged—performance across the board, the highlight of which is its 7th rank in the financial market development pillar, the only pillar where it features in the top 10. The country also earns very good marks for higher education and training, placing 15th. Australia's favorable macroeconomic situation is improving further (25th, up one place). Its budget deficit was reduced in 2012 and inflation brought to under 2 percent, while the public debt-to-GDP ratio, though on the rise, is the third lowest among advanced economies, behind only Estonia and Luxembourg. The main area of concern for Australia is the rigidity of its labor market (54th, down 12), where the situation has deteriorated further. Australia ranks 137th for the rigidity of the hiring and firing practices and 135th for the rigidity of wage setting. The quality of Australia's public institutions is excellent except when it comes to the burden of government regulation, where the country ranks a poor 128th. Indeed, the business community cites labor regulations and bureaucratic red tape as being, respectively, the first and second most problematic factor for doing business in their country.

**Malaysia** advances one position to 24th. Second among ASEAN countries, behind Singapore, Malaysia ranks no lower than 51st in any of the 12 pillars of the GCI and features in the top 10 of two of them. Its most notable advantages are its efficient and competitive market for goods and services (10th), its well-developed and sound financial market (6th), and its business-friendly institutional framework (29th). In a region plagued by corruption and red tape, Malaysia stands out as one of the very few countries that have been relatively successful at tackling these two issues, as part of its economic and government transformation programs. The country, for instance, ranks an impressive 8th for the burden of government regulation, although the score differential with the leader, Singapore, remains large. Malaysia ranks a satisfactory 33rd in the ethics and corruption component of the Index, but room for improvement remains. Furthermore, Malaysia ranks 15th

### Box 5: ASEAN's competitiveness landscape: A mixed picture with encouraging trends

To any observer of the region, the developmental gap within the Association of Southeast Asian Nations (ASEAN) is striking. No other regional integration initiative has deeper disparities among participating members. Founded in 1967 by Indonesia, Malaysia, Singapore, Thailand, and the Philippines, the subsequent accession of Brunei Darussalam, Vietnam, Lao PDR, Myanmar, and Cambodia have made ASEAN's developmental landscape even more disparate. For example, Singapore is 80 times richer than Myanmar, where infant mortality rate is 25 times higher. Singapore's population also lives 20 years longer than Cambodia's.

Despite this diversity, ASEAN has embarked on an ambitious journey toward regional integration. The ASEAN Economic Community (AEC) is one of the three pillars of this integration effort, alongside the ASEAN Political-Security Community and the ASEAN Socio-Cultural Community. The AEC vision is for ASEAN to become, by 2015, a single market and production base, a highly competitive economic region, a region of equitable economic development, and a region fully integrated into the global economy. Progress is real. By its own account, ASEAN has implemented nearly 80 percent of the measures set out in the AEC Blueprint of 2007.<sup>1</sup>

Although it remains to be seen whether the AEC vision will be fully realized by 2015, the fast-approaching deadline should motivate ASEAN leaders, and boosting competitiveness should be a priority. Competitiveness will foster economic development, which in turn will reduce disparities and accelerate regional and global integration—the other goals of the AEC.

This year for the first time, with the inclusion of Lao PDR and Myanmar, the Global Competitiveness Index (GCI) offers a complete picture of ASEAN's competitiveness landscape, and it is a landscape that demonstrates much greater contrast than exhibited in earlier GCI editions. Lao PDR comes in 81st and Myanmar ranks 139th, some 50 places behind Cambodia, which at 88th place is ranked second lowest in ASEAN. Table 1 allows for a more granular analysis of the GCI results by reporting the rank achieved by ASEAN Member States in the overall GCI and its 12 pillars. The different shadings allow for a ready identification of strengths and weaknesses and of regional patterns. Plain white and dark blue colors correspond to the 1st and 148th rank, respectively.

The table reveals that Singapore is in a league of its own. Malaysia performs consistently well, although room for improvement remains. Myanmar is ASEAN's lowest ranked nation on all the pillars except market size. In technological readiness, it even ranks last among the 148 economies studied. The table also reveals that the competitiveness of most ASEAN countries is still impeded by poor transport, inadequate energy and communication infrastructures, low enrollment rates and/or mediocre quality in education, and low levels of technological readiness. With the exception of Singapore and Myanmar, performance tends to be inconsistent across the different pillars of the Index. Finally, the macroeconomic environment (3rd pillar) is rather sound in a majority of ASEAN countries, much more so than in many troubled advanced economies. In fact, Brunei Darussalam—an oil-rich economy—tops this pillar. More prudent and sustainable macroeconomic management is probably one of

the positive consequences of the 1997 Asian financial crisis, which created havoc across ASEAN nations and inspired reforms.

All in all, the assessment is very mixed. Much remains to be done for ASEAN to become a more competitive, prosperous, and harmonious group. Although ASEAN economies have enjoyed brisk economic growth over the past decade, the foundations remain relatively shaky for a number of countries. Yet there is reason for optimism.

First, since the 2006–2007 edition of the GCI, the competitiveness trends for ASEAN have been overwhelmingly positive, as seen in Figure 1, which depicts the evolution in rank of selected developing Asian countries within a constant sample of 118 economies.<sup>2</sup> The seven ASEAN members (identified by solid blue lines) covered since 2006 have either improved or maintained their standing over the eight-year period to 2013.<sup>3</sup> Cambodia has leapfrogged 23 ranks, the fourth largest gain within the entire sample. Indonesia and the Philippines each progress 19 places. Indonesia posts the biggest progression among the group of 20 major economies (G20). It is all the more encouraging that these two nations are also the most populous in ASEAN, accounting for more than half of the group's population. Furthermore, Singapore has improved steadily from 8th in 2006 to 2nd in 2011—behind Switzerland—and has retained its rank since then. Malaysia and Thailand have slightly declined, losing four and five places, respectively, but they have done so from a relatively high base and both countries have progressed in the last year. Meanwhile, Vietnam has seen important improvements followed by similar declines—partly reflecting the fragility of its economy—and now sits just one notch below its 2006 rank.

Second, in terms of competitiveness levels and trends, the ASEAN nations fare much better than most developing Asian nations, especially when compared with South Asian Association for Regional Cooperation (SAARC) countries (identified by solid black lines in Figure 1). With the notable exception of Sri Lanka, which has gained 19 ranks, the historical performance of other SAARC countries is disappointing. India has lost 15 places since 2006. The Philippines, once 40 places behind, is now ahead of India, and its rank differential with China—the other BRIC in the region—is 29, up from just 8 in 2006. Meanwhile Pakistan, the second largest country in South Asia, has slumped 28 positions, the fourth biggest decline out of all economies in the sample, over the 2006–2013 period. Mongolia, like Vietnam, exhibits erratic trends, owing to an unstable macroeconomic environment and investment climate, and posts a net loss of six places over the period.

Third, the fact that ASEAN membership spans the entire development ladder and includes competitiveness champions can benefit the less competitive countries in the group. Indeed, there are many stories of member countries successfully addressing key competitiveness issues in ways that could be emulated by others. For instance, Singapore is a competitiveness champion. Its administration is one of the world's least corrupt and most efficient. Malaysia has been tackling excessive regulation as part of its Government Transformation Programme, and the Philippines—where a national competitiveness council was set up in 2006—has made significant strides against corruption. Furthermore, a

(Cont'd.)

## Box 5: ASEAN's competitiveness landscape: A mixed picture with encouraging trends (cont'd.)

Table 1: Performance of ASEAN members in the 2013–14 GCI and the 12 composing pillars, rank out of 148 economies

		INNOVATION AND SOPHISTICATION FACTORS											
		BASIC REQUIREMENTS				EFFICIENCY ENHANCERS							
Country/economy	GLOBAL COMPETITIVENESS INDEX	1st pillar: Institutions	2nd pillar: Infrastructure	3rd pillar: Macroeconomic environment	4th pillar: Health and primary education	5th pillar: Higher education and training	6th pillar: Goods market efficiency	7th pillar: Labor market efficiency	8th pillar: Financial market development	9th pillar: Technological readiness	10th pillar: Market size	11th pillar: Business sophistication	12th pillar: Innovation
Singapore	2	3	2	18	2	2	1	1	2	7	34	17	9
Malaysia	24	29	29	38	33	46	10	25	6	51	26	20	25
Brunei Darussalam	26	25	58	1	23	55	42	10	56	71	131	56	59
Thailand	37	78	47	31	81	66	34	62	32	78	22	40	66
Indonesia	38	67	61	26	72	64	50	103	60	75	15	37	33
Philippines	59	79	96	40	96	67	82	100	48	77	33	49	69
Vietnam	70	98	82	87	67	95	74	56	93	102	36	98	76
Lao PDR	81	63	84	93	80	111	54	44	91	113	122	78	68
Cambodia	88	91	101	83	99	116	55	27	65	97	92	86	91
Myanmar	139	141	141	125	111	139	135	98	144	148	79	146	143

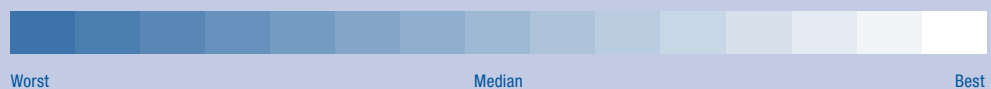
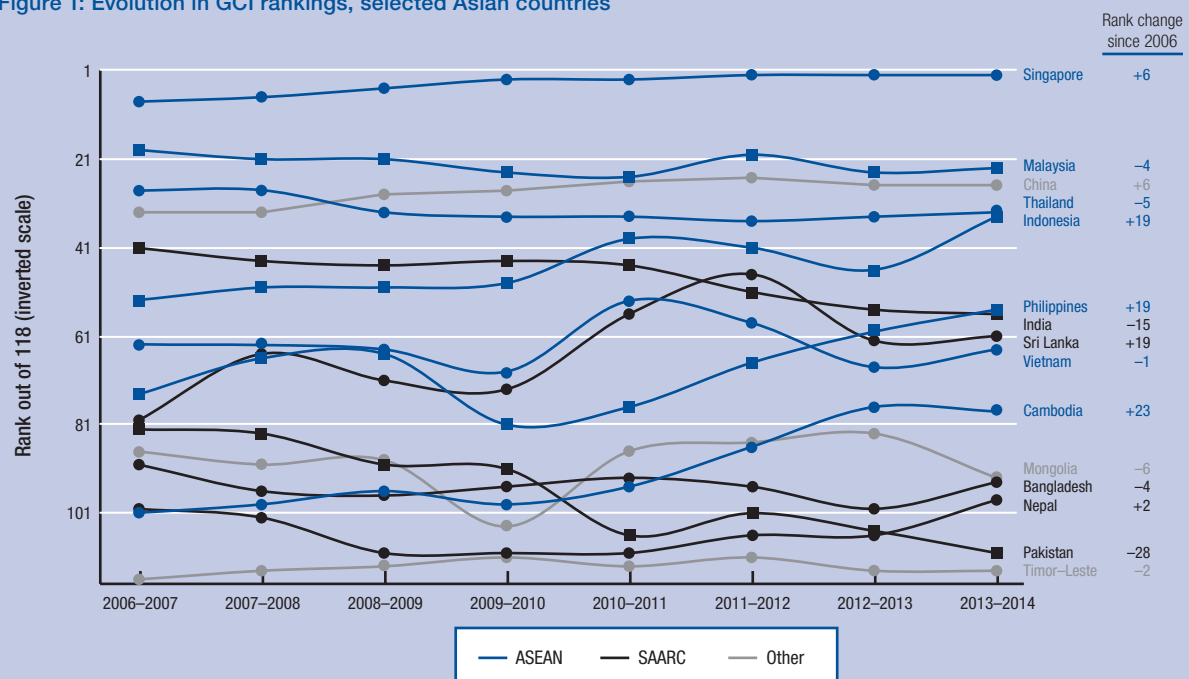


Figure 1: Evolution in GCI rankings, selected Asian countries

Source: World Economic Forum, *The Global Competitiveness Report*, various years.

Notes: The ranks are among the 118 countries covered in every edition since 2006–2007. SAARC = South Asian Association for Regional Cooperation.

(Cont'd.)



**Box 5: ASEAN's competitiveness landscape: A mixed picture with encouraging trends** *(cont'd.)*

number of regional initiatives, launched in the 1990s following the accession of less developed members and aimed at reducing the developmental gap, have proven quite effective. These include the Initiative for ASEAN Integration and the Master Plan on ASEAN connectivity.

Although the responsibility for addressing the structural issues described above lies primarily with national actors, regional cooperation is critical. Efforts at the country and regional levels are complementary and reinforce each other. They enable Member States to leverage growth opportunities and strengthen their respective competitive advantages to

move up the value chain, thus reducing the intra-ASEAN developmental gap.

**Notes**

- 1 See ASEAN 2013
- 2 The ranking based on the constant sample of 118 countries differs from the ranking of the 2013–2014 edition of the GCI, which comprises 148 economies.
- 3 For the sake of readability, we refer only to the first year (e.g., 2006 instead of 2006–2007) of the Index edition that corresponds to the release year.

for the quality of its transport infrastructure, a remarkable feat in this part of the world, where insufficient infrastructure and poor connectivity are major obstacles to development for many countries. Finally, Malaysia's private sector is highly sophisticated (20th) and already fairly innovative (25th). All this bodes well for a country that aims to become a high-income, knowledge-based economy by the end of the decade. Amid this largely positive assessment, the government budget deficit, which represented 4.3 percent of GDP in 2012 (103rd); the low level of female participation in the workforce (121st); and the still comparatively low technological readiness (51st) stand out as some of Malaysia's major competitive weaknesses.

The **Republic of Korea** drops six positions to 25th. Its performance is uneven across the different dimensions of the Index. Korea possesses a remarkably sound macroeconomic environment (9th, second only to Norway among OECD countries). The country also boasts excellent infrastructure (11th) and educational systems. Enrollment rates at all levels of education are among the highest in the world (Korea has the highest tertiary enrollment in the sample, with a 103 percent gross rate of enrollment). These factors, combined with the country's high degree of technological adoption (22nd) and relatively strong business sophistication (24th), contribute to explaining the country's remarkable capacity for innovation (17th). However, Korea's assessment is considerably weakened by the average quality of its public and private institutions (74th, down 12 positions), the extreme rigidity and the inefficiencies of its labor market (78th), and its poorly functioning financial market (81st). Korea falls sharply in those three areas, and without tackling these issues decisively, the country will not be able to close the competitiveness gap with the three other Asian Tigers.<sup>24</sup>

**China** remains stable at 29th position this year. The country posts small gains in certain areas of the Index but loses ground in others, resulting in an overall

performance virtually unchanged since last year. China leads the BRICS economies by a wide margin, well ahead of South Africa (53rd), Brazil (56th), India (60th), and Russia (64th).<sup>25</sup> The Chinese institutional framework is improving slightly (47th), but weaknesses—including corruption (68th), security issues (75th), and low levels of accountability (82nd) and ethical standards (54th) among businesses—remain. In addition, problems endure in those areas that are becoming increasingly important for China as it becomes wealthier and can no longer rely on cheap labor: its financial market (54th) is undermined by the relative fragility of the banking sector; technological adoption by firms (86th) and by the population at large (79th) remains very low; and the efficiency of its goods market (61st) is seriously undermined by various barriers to entry and investment rules, which greatly limit competition.

On a more positive note, China's macroeconomic situation remains favorable (10th). Inflation was back down to below 3 percent in 2012 (from 5.4 percent the previous year), the budget deficit is moderate, China's public debt-to-GDP ratio at 22.9 percent is among the lowest in the world, and the gross savings rate represents a staggering 50 percent of GDP. However, this rate is probably too high in light of the need for China to rebalance its economy away from investment and toward more consumption. Although China receives good marks in health and basic education (40th), the assessment is more negative when it comes to higher education (70th) because of China's low tertiary education enrollment, the average quality of teaching, and an apparent disconnect between educational content and business needs (54th). Finally, China's innovation capacity has been improving recently, but much remains done for it to become an innovation powerhouse.

Posting a one-notch gain for the second year in a row, **Thailand** ranks 37th as a result of a very small improvement in its performance, but the competitiveness

challenges remain considerable. Political and policy instability, excessive red tape, omnipresent corruption and clientelism, security concerns, low reliability and high uncertainty around property rights protection seriously undermine the quality of Thai public institutions (85th). Poor public health (74th) and education, two other critical building blocks of competitiveness, require urgent attention. For instance, Thailand displays one of the highest HIV prevalence rates outside Africa, while enrollment in and the quality of higher education remain abnormally low.

Turning to more sophisticated areas, which are just as important given Thailand's stage of development, technological readiness remains low (78th) when considering technologies beyond mobile telephony. Only a quarter of the population accesses the Internet on a regular basis, and only a small fraction does so at broadband speeds, but the growth is rapid. On a more positive note, Thailand ranks high on the macroeconomic environment pillar (31st, its best showing among the 12 pillars) owing to a very favorable fiscal situation, its high savings rate, an inflation rate under control at around 3 percent, and—in international comparison—a relatively good debt-to-GDP ratio of about 44 percent in 2012. In addition, the country continues to improve in the financial development (32nd) and the market efficiency pillars (34th), having progressed 17 and 10 places, respectively, in the past four years. Room for improvement remains, however, especially when it comes to promoting domestic competition (60th).

After three years of gradual decline, **Indonesia** (38th) bounces back, posting one of the largest improvements in this year's rankings. This positive development will contribute to sustaining Indonesia's impressive growth momentum—GDP grew by 5.2 percent annually over the past decade. The country progresses in 10 of the 12 pillars of the Index, but its overall performance remains uneven. Indonesia improves the most in the infrastructure pillar, where it leapfrogs 17 places to 61st. After years of neglect, Indonesia has been boosting infrastructure spending to upgrade roads, ports, water facilities, and power plants, and our results suggest that these improvements have started to bear fruit. The efficiency of its labor market (103rd) has also improved considerably, although from a very low base. Rigidities in terms of wage setting and hiring and firing procedures, along with the weak participation of women in the workforce (115th), continue to undermine Indonesia's performance in this pillar. But the quality of public and private institutions is improving (67th, up 5), with all indicators pointing in the right direction in this category. In particular, Indonesia ranks a satisfactory 45th in government efficiency and 54th for undue influence. The two main dark spots in this pillar remain bribery (106th) and security (104th). The country's macroeconomic environment (26th) is characterized by

a very small deficit (equivalent to 1.3 percent of GDP) and gross government debt representing 24 percent of GDP (30th), an inflation rate that is low by historical standards, and a savings rate exceeding 30 percent of GDP. Turning to the more sophisticated drivers of competitiveness, Indonesia's technological readiness is also improving (75th, up 10), led by the private sector, which is increasingly aggressive in adopting the latest technologies (51st, up 13). The use of ICTs by the population at large remains comparatively low, but this is spreading rapidly (84th, up seven). One of the few areas where the situation has deteriorated is health (103rd). In particular, the incidence of communicable diseases and infant mortality rate are among the highest outside sub-Saharan Africa.

Advancing six positions, the **Philippines** ranks 59th overall. The trends are positive across most dimensions of the Index. In the institutions pillar (79th), the Philippines has leapfrogged over the past years. The current government, which came into power in 2010, has made the fight against corruption an absolute priority; corruption had historically been one of the country's biggest drags on competitiveness. There are signs that these efforts are producing results: in the ethics and corruption category, the country has jumped from 135th in 2010 to 87th this year. A similar trend has been observed in the government efficiency category (75th) and elsewhere in the Index. But improvements are coming from such a low base that the country cannot afford to be complacent. For instance, transport infrastructure has improved but remains in a dire state (84th), especially with respect to airport (113th) and seaport facilities (116th). Similarly, the labor market has become more flexible and efficient over the years, but the Philippines still ranks a low 100th. The recent successes of the government in tackling some of the most pressing structural issues are encouraging and proof that bold reforms and measures can yield positive results.

Down one position, **India** now ranks 60th, continuing its downward trend that began in 2009. With a GCI score essentially unchanged since then, India has been overtaken by a number of countries. Once ahead of Brazil and South Africa, it now trails them by several places and is behind China by a margin of 31 positions, while Russia (64th) has almost closed the gap. India continues to be penalized for its very disappointing performance in the basic drivers underpinning competitiveness, the very ones that matter the most for India given its stage of development. The country's supply of transport, ICTs, and energy infrastructure remains largely insufficient and ill-adapted to the needs of the economy (85th), despite the steady improvement that has been made since 2006. The Indian business community repeatedly cites infrastructure as the single biggest hindrance to doing business, ahead of corruption

and cumbersome bureaucracy. Notwithstanding improvements across the board over the past few years, very poor public health and education levels (102nd) remain a prime cause of India's low productivity. The quality of higher education is better, but enrollment rates at that level remain very low, even by developing-country standards. Turning to the country's institutions (72nd, down two places), discontent within the business community remains high about the lack of reforms and the perceived inability of the government to push them through. Public trust in politicians has been eroding since 2009 and has now reached an all-time low at 115th, while bribery remains deeply rooted (110th). Indeed, India has lost almost 30 ranks on this indicator since 2010. Meanwhile, the situation has deteriorated further on the macroeconomic front, with India now 110th in this pillar. The inflation rate and public deficit-to-GDP ratio were dangerously close to double digits in 2012, and the debt-to-GDP ratio is the second highest among the BRICS. Indeed, a March 2013 survey of sovereign debt analysts reveals an increased risk of sovereign debt default over the previous year. Another major concern is the country's low level of technological readiness (98th). Although businesses adopt new technologies relatively promptly (47th), penetration rates of fixed and mobile Internet and telephony among the population remain among the lowest in developing Asia. Furthermore, the situation has worsened in terms of labor market efficiency (99th), where the most salient problem remains the dismally low participation of women in the workforce. With a ratio women-to-men of 0.36 (137th), India has the lowest percentage of working women outside the Arab world.

Up five positions, **Vietnam** ranks 70th, regaining half of the ground it lost last year. This progression is mainly the result of a slightly better macroeconomic environment (87th, up 19 positions)—after jumping to almost 20 percent, inflation was back to single-digit levels in 2012—and improvements to the quality of transport and energy infrastructures, albeit from a very low base (82nd, up 13). Vietnam also advances in the goods market efficiency pillar (74th, up 17), thanks to lower trade barriers and a less heavy tax rate on businesses. Despite these encouraging developments, the foundation of Vietnam's economy and prosperity remain fragile. The country ranks no higher than 57th in any of the pillars except the market size pillar (36th). It loses ground in several areas of the Index, including labor market efficiency (56th, down five) and financial market development (93rd, down five). Another area of concern is technological readiness (102nd, down four): although new technologies are spreading among the population, Vietnamese businesses are particularly slow to adopt the latest technologies for their business use (128th), thus forfeiting significant productivity gains through technological transfer.

**Mongolia** falls to 107th position this year, almost entirely the result of a significant deterioration of its macroeconomic environment (130th) as captured by data from the IMF. In 2012, Mongolia's budget deficit doubled to 7 percent of GDP, inflation surged to 15 percent, the gross savings rate plummeted to 28 percent of GDP, and public debt increased slightly. The country's performance in most other dimensions of the Index remains stable, suggesting that a great deal remains to be done for Mongolia to live up to its significant economic potential. In order to create opportunities for its citizens and build up the confidence of businesses and investors, the country must urgently upgrade its institutional framework (113th), develop its transport and energy infrastructure (113th), improve the functioning and efficiency of its goods markets (96th), establish clear rules for foreign investment, and develop its fledgling financial sector (129th).

Dropping a further nine places, **Pakistan** ranks 133th overall. Its performance continues to deteriorate in some of the most critical and basic areas of competitiveness. Pakistan's public institutions (126th) are crippled by inefficiencies, corruption, patronage, and lack of property rights protection. The security situation, already alarming, is worsening, with violence and terrorism taking a huge toll not only on the population, but also on businesses. The macroeconomic situation is also worrisome (145th). In 2012, the public deficit widened to near 10 percent of GDP, inflation remains in double-digit territory, and the savings rate dwindled to just 10 percent of GDP. Pakistan's infrastructure (121st)—particularly for electricity (135th)—remains in a dire state. Moreover, the country displays some of the lowest education enrollment rates in the world and basic education is poor (137th). Pakistan's competitiveness is further penalized by the many rigidities and inefficiencies of its labor market (138th, down eight), with female participation in the labor force among the lowest in the world (144th). Finally, the potential of ICTs is not sufficiently leveraged in Pakistan, where access to ICTs remains the privilege of a few (118th). On a slightly more positive note, Pakistan does comparatively better in the more advanced areas captured by the GCI. It ranks 67th in the financial development pillar, 85th business sophistication pillar, and 77th in innovation.

**Myanmar** enters the rankings at 139th among 148 economies, right behind Timor-Leste (138th). After decades of political and economic isolation, the March 2011 elections have brought profound changes to the country. The government has embarked on an ambitious process of reforms to improve the country's economic landscape and prospects, notably by leveraging Myanmar's extraordinary assets, which include an abundance of natural resources, very favorable demographics, and a strategic location at the heart of Asia. Competitiveness is at the core of this strategy.

Indeed, the government's *Framework for Economic and Social Reforms*, which sets the policy priorities through 2015, mirrors the 12 pillars of the GCI, thus making the Index a useful tool to monitor progress.

The country's performance in the GCI confirms that it is starting from a very low base and that the road toward prosperity will be long and dauntingly arduous. Myanmar owes its presence at the very bottom of the GCI rankings to major weaknesses across the board. The country ranks 111th or worse in 10 of the 12 pillars of the Index, and is among the 10 worst performers in seven pillars. The two exceptions are the market size pillar (79th) and labor market efficiency pillar (98th). Given the extent of the task ahead, and in order to have the biggest impact in creating a more conducive environment for business to flourish, Myanmar needs to focus on the basic determinants of its competitiveness, namely the institutional framework (141st), transport, energy, and communication infrastructures (141st), health and primary education (111th), and the banking sector, as well as access to technology. Myanmar is among the world's least connected countries and ranks last (148th) in the technological readiness pillar of the Index. There are just 11 mobile subscriptions for every 100 population, compared with 80 for developing Asia; only 1 percent of the population accesses the Internet on a regular basis; broadband access is almost nonexistent; and firms are extremely slow at adopting technologies for doing business (148th).

### Latin America and the Caribbean

In 2012, Latin America and the Caribbean grew by 3 percent, a slower pace than in previous years. Despite this moderate deceleration, the region has exhibited resilience with a projected growth rate of 3 percent for 2013 and 3.4 percent for 2014, outperforming other regions in the world, especially advanced economies. A recovery in several export markets and robust internal demand based on fairly good access to financing are driving this growth.

Notwithstanding this positive economic outlook, the region continues to suffer from low levels of productivity and slow productivity growth rates.<sup>26</sup> Overall, after a few years of general improvement, the results of this edition of *The Global Competitiveness Report* show that most countries are stagnating in their competitiveness performance. These results point to a certain exhaustion of the traditional sources of competitiveness gains utilized by several countries in past years. These gains were based on sound macroeconomic management, improvements in credit conditions, and, in certain cases, better functioning of the goods, labor, and financial markets.

In order to support the transition of Latin America toward higher productivity levels, urgent actions will be needed to improve the functioning of the institutions;

the quality of infrastructure; the allocation of production factors through enhanced competition; and, very importantly, the skills, technology, and innovation base. This will require a series of overdue reforms that have been repeatedly postponed, along with significant and sustained investments to support the rapid economic growth of the past years.

**Chile**, at 34th, one position down from last year, remains the most competitive economy in Latin America. The country owes this privileged position to its traditional strengths: a strong institutional setup (28th) with low levels of corruption (26th) and an efficient government (18th); solid macroeconomic stability (17th) with a balanced public budget and low levels of public debt; and well-functioning markets with high levels of domestic competition (32nd) and openness to foreign trade (29th), which allows for an efficient allocation of available resources. In addition, Chile has made great efforts to develop ICTs, almost doubling its international Internet bandwidth capacity from 20 to 40 kb/s per user (43rd) over the past year and expanding its number of Internet users (45th). Notwithstanding these strengths, the lack of substantive progress in the recent GCI rankings suggests a certain stagnation in the country's competitiveness model and the need to tap into new sources of productivity gains in order to diversify its economy and move toward higher-value-added activities. Important weaknesses in the educational system, notably in terms of its quality (74th)—especially in math and science (107th)—do not provide companies with a workforce with the necessary skills to upgrade their production or embark on innovative projects. This, linked to low innovation investments, especially in the private sector (58th), result in an overall poor innovation capacity (63rd), which can jeopardize Chile's necessary transition toward a knowledge-based economy.

After three years of sharp rises in the competitiveness rankings, **Panama** consolidates its position at 40th place as the most competitive economy in Central America, and second in Latin America, behind Chile. In the past year, Panama has continued to improve its competitiveness edge by reinforcing its strengths. The country has been relentlessly improving its infrastructure (37th), with one of the best port (6th) and airport (5th) networks, closely aligning with its overall economic development strategy of becoming a major transport hub for the region. Its financial market (16th) and an assessment of its technological adoption (11th) are also persistently improving, especially via foreign multinational corporations setting up operations in the country. In addition, Panama has also made progress in addressing some of its most pressing challenges, notably in terms of improving the quality of education, where it has moved to 75th place from 112th last year. Notwithstanding these positive dynamics, the country still faces important challenges in terms of strengthening the functioning



of its institutions (66th), fighting corruption (80th) and crime (115th), and improving trust in politicians (94th) and the independence of the judiciary system (118th). Also important will be to continue improving the quality of education, notably in terms of math and science (114th), which will be necessary in order to better develop local technological capacity.

Despite a slight improvement in score, **Barbados** falls three positions in the rankings to 47th place. This drop is driven by the persistence of the credit crunch that is hindering the capacity of local businesses to finance their activities by raising new equity (92nd), loans (89th), or venture capital (98th) to support innovative projects. In addition, and closely related to this concern, macroeconomic conditions (121st), although slowly improving, are still worrisome, and the capacity to innovate remains low (81st). On a more positive note, Barbados continues to benefit from a fairly skilled labor force thanks to a high-quality educational system (6th) and high enrollment rates in secondary (23rd) and tertiary education (33rd), well-functioning institutions (30th), and solid infrastructure (24th).

**Costa Rica** continues to rise in the rankings this year, improving three positions to 54th place. Although the competitiveness profile of the country remains fairly stable, slight improvements in its innovation capacity (37th) have driven this progress. Overall, the country continues to benefit from a fairly open economy (44th) and strong institutions (50th), despite rising concerns about the wastefulness of government spending (114th) and fairly high costs associated with crime and violence (106th). It also has a high-quality educational system (20th) that provides a skilled labor force, as well as a relatively high rate of technological adoption (36th) and business sophistication (31st). Notwithstanding these strengths, Costa Rica still suffers from poor transport infrastructure (110th); difficulty in accessing finance, either through equity (118th) or loans (106th), and from an only moderate capacity to innovate (37th), which will be crucial for the country's economy to move up toward higher-value-added activities.

**Mexico** depicts a stable competitiveness profile this year, and is ranked 55th overall. The country continues to benefit from a relatively stable macroeconomic environment (49th), a sound banking system (30th), a large and deep internal market allowing for important economies of scale (11th), reasonably good transport infrastructure (39th), and a number of sophisticated businesses (55th), particularly for a country at its stage of development. At the same time, under the political consensus achieved through the *Pacto for Mexico* agreements, the country has started to undertake some important and long-overdue reforms in the labor market and education. Moreover, further reforms in the goods and service market intended to increase levels of competition in key strategic sectors, notably in the

energy sector, are foreseen before the end of the year. A full and efficient implementation of these reforms after a period of political transition is expected to improve some of the most pressing challenges the country currently faces in terms of domestic competition (100th), a skills gap due to a poor-quality educational system (119th), and labor market rigidities (99th). In addition, the competitiveness agenda for Mexico must include actions oriented toward strengthening the functioning of its institutions, notably in the fight against corruption (99th), and increasing the level of security (135th). To support its transition toward higher-value-added economic activities, it will be critical to foster the use of ICTs (83rd) and boost its innovation capacity (75th), which remain low.

**Brazil** comes in at 56th place this year. A slight deterioration in some of the macroeconomic indicators (75th), a tightening of access to financing, and the lack of sufficient progress in some of the most pressing challenges the country faces has driven this drop. More precisely, the functioning of institutions (80th), with increasing concerns about government efficiency (124th), corruption (114th), and low trust in politicians (136th) persist as a source of concern. Moreover, the lack of progress in improving the quality of overall infrastructure (114th) and education (121st), coupled with an economy fairly closed to foreign competition (144th), also hinder Brazil's competitive edge. Notwithstanding these challenges, the country still benefits from important strengths, especially its large market size and its fairly sophisticated business community (39th), with pockets of innovation excellence (36th) in many research-driven, high-value-added activities. Going forward, Brazil should not delay the necessary reforms to boost its competitiveness, and should further leverage its numerous and important strengths.

**Peru** remains stable at 61st place following a strongly positive trend that led the country up in the rankings more than 20 places in recent years. The results suggest a consolidation of the competitiveness profile of the country and a certain exhaustion of the sources of competitiveness gains of the past years: a very strong macroeconomic performance (20th) and high levels of efficiency in the goods (52nd), financial (40th), and labor (48th) markets, despite some rigidity in the hiring and firing practices (129th). In order to move forward and continue advancing up the rankings, Peru will have to address some of its most long-lasting challenges by strengthening the robustness of its public institutions (124th) by increasing government efficiency (107th), fighting corruption (109th), and improving infrastructure (91st). In addition, poor educational quality (134th) has generated a deep skills gap in the economy. Coupled with a low capacity to innovate (106th) caused by limited R&D investment (124th) and a weak scientific research system (119th), this hinders Peru's capacity to



diversify its economy and move up toward new, more knowledge-rich activities.

As in the past two years, **Colombia**, at 69th place, presents a very stable competitiveness profile with results similar to those of previous editions of this *Report* across all dimensions. The country continues to exhibit very positive macroeconomic conditions (33rd), with a balanced public budget, low levels of public debt and inflation that is under control at around 3 percent, financial services that are relatively sophisticated by regional standards (52nd), a considerable market size (31st), and fairly high levels of education enrollment compared with those of other countries in the region. Notwithstanding these strengths, Colombia continues to suffer from weak institutions (110th) and considerable corruption. The country's low-quality transport infrastructure (111th) is largely the result of a complex topography. Moreover, despite the rapid economic growth from high oil revenues in recent years, the need to diversify its economy will require improving the quality of the educational system (86th), which does not yet respond to the productive needs of an increasingly sophisticated business environment, and its innovation capacity (83rd), which is pulled down by low private R&D investment (73rd) and the poor quality of scientific research institutions (95th).

Close behind Colombia, **Ecuador** at 71st place improves by 15 places in the ranking. Major advances in infrastructure development (79th), education quality (62nd), and innovation (58th) have resulted in this positive result, although these areas remain challenging. In addition, despite a low country credit rating (121st), Ecuador benefits from stable macroeconomic conditions (44th) that has facilitated access to finance through equity (54th) and loans (31st), allowing local companies to undertake investment projects. In spite of this positive trend, the country still faces significant challenges that are hindering its competitiveness potential. Notably, the functioning of institutions is still weak (92nd): concerns about a lack of independence within the judicial system (100th) create mistrust in the overall legal framework. The inefficient functioning of the goods (106th), labor (111th), and financial (89th) markets because of insufficient competition, as well as high rigidities and mistrust in the banking system, remain problematic.

In the bottom half of the rankings, we find a series of Central and South American economies. In Central America, **Guatemala** (86th) follows Panama and Costa Rica in the subregional rankings. Despite fairly well-functioning goods (66th) and financial (43rd) markets, thanks to its openness to trade and a sound banking system (17th), the country continues to suffer from security-related and corruption costs that hinder the functioning of institutions. In addition, the combination of a poorly performing educational system (35th) and a scientific (107th) and digital gap (106th),

even with increasing efforts to raise the information technology profile of the country, persist in hindering the national capacity to move toward higher-value-added activities. **El Salvador** (96th) and **Nicaragua** (99th), rising four and nine positions, respectively, thanks to some improvements in their innovation capacity, albeit from a low base, follow Guatemala, while **Honduras** plummets 21 positions to 111th place.

In South America, **Bolivia** improves its competitiveness performance by six notches to 98th place, while Uruguay, Argentina, **Paraguay** (119th), and Venezuela drop in this edition of the rankings.

**Uruguay** drops 11 positions to 85th place, the result of a combined series of factors that include a deterioration in macroeconomic conditions (85th), with a high inflation rate that is affecting the access to financing in the country, restrictive labor conditions (139th), and weaknesses in the quality of education (120th) and capacity to innovate (88th). These latter factors are gaining importance in Uruguay as the country moves toward more advanced stages of development, where the need for a skilled labor force and higher innovation capacity become more crucial for increasing the productivity of the national economy. Notwithstanding these weaknesses, Uruguay continues to leverage its strong and transparent institutional setup (36th) and its fairly high degree of digital connectivity (46th), thanks to the continued efforts to narrow the digital divide with more advanced economies.

Continuing its fall of previous years, **Argentina** drops 10 positions to 104th place. A persistent deterioration across the board—notably in the macroeconomic conditions (111th) that affect access to financing (143rd) and in the institutional framework, with one of the lowest scores in terms of corruption (145th), government inefficiency (147th), and government favoritism (146th)—have contributed to this disappointing result. These factors, coupled with inefficient goods (145th), labor (144th), and financial (133rd) markets offsets the enormous potential the country has to offer. More precisely, its relatively large market size (24th), with the potential for important economies of scale and scope, its decent digital readiness (62nd), and high university enrollment (15th) of 75 percent are not being fully utilized amid the negative framework conditions that hinder the potential of the Argentine economy.

**Venezuela**, immersed in a deep macroeconomic (143rd) and institutional (148th) crisis, drops eight positions to 134th place. The country's continued deterioration in most of the dimensions analyzed—notably the macroeconomic conditions, with a large public deficit and inflation rates and very weak institutions, with the poorest evaluation of government efficiency, corruption, and judicial independence among all countries—do not provide the right conditions for companies to develop their economic activity. In

### Box 6: Mineral resource abundance: Blessing or curse?

The availability of abundant natural resources, especially minerals such as oil, gas, copper, and gold, has traditionally been regarded as an important input into economic growth and higher levels of prosperity in many economies. Many oil- and gas-rich countries in the Middle East have benefited from some of the highest gross domestic product per capita in the world, for example. More recently, several Latin American economies—including Chile, Colombia, and Peru—have experienced rapid economic growth thanks to robust demand for their mineral resources, even in a global context of uncertainty.

However, an abundance of mineral resources does not necessarily directly equate with higher rates of sustained productivity and overall competitiveness, and thus with rising prosperity in the long term. From the 17th century, when a resource-poor Netherlands managed to flourish in sharp contrast to gold- and silver-abundant Spain, to more recent cases—such as the rapid economic development of mineral-poor newly industrialized countries of Southeast Asia, which stand in contrast to some oil-rich nations such as Venezuela—history is full of examples where mineral endowments have not proved to be a blessing for long-term economic growth. Instead, such endowments have been a curse that has held countries back from making investments to support future, long-term economic development.

In the end, the relationship between mineral abundance and levels of prosperity depends on the use that nations make of the revenues accruing from mineral exports. Those countries that use such revenues for current spending rather than on productive investments will most likely not

benefit from high growth rates in the long run. In those countries, national investments are driven toward mineral-extraction activities that affect the level of productivity of other activities, such as manufacturing and services. This leads to an increase in the country's exposure to fluctuations of mineral prices in international markets. In order to avoid these negative effects, known in the academic literature as the “Dutch disease,” countries should invest their mineral revenues carefully in productive activities such as infrastructure, education, and innovation. By doing so, they will enhance their overall productivity and support a progressive diversification of their economies, becoming more resilient and ensuring more sustainable patterns of economic growth.

One crucial factor that allows countries to effectively channel mineral revenues toward productive investments is the presence of strong, transparent, and efficient institutions. The absence of corruption, along with high levels of transparency and accountability and a strong commitment to a long-term economic agenda that is based on steady productivity gains and independent from the political cycle, are necessary, if not always sufficient, conditions to ensure that natural resources support long-term growth. Chile, Norway, and the United Arab Emirates are examples of countries that are managing their mineral revenues smartly. These countries are creating national funds that avoid overheating their economies and that invest in growth-enhancing activities related to education and innovation, thus supporting more diversification and preparing the ground for longer-lasting and more sustainable economic growth.

addition, poorly functioning goods (148th), labor (148th), and financial (135th) markets result in sub-optimal allocation of available resources and hinder the strong potential of a country with the particularly high university enrollment (13th) of 78 percent.

### The Middle East and North Africa

The Middle East and North African region continues to be affected by political turbulence that has impacted individual countries' competitiveness. Economies that are significantly affected by unrest and political transformation within their own borders or those of neighboring countries tend to drop or stagnate in terms of national competitiveness. At the same time, some small, energy-rich economies in the region perform well in the rankings (see Box 6 on mineral resource abundance). This underlines the fact that, contrary to the situation found in previous energy price booms, these countries have managed to contain the effects of rising energy prices on their economies and have used the window of opportunity to embark on structural reforms and invest in competitiveness-enhancing measures.

**Qatar** reaffirms once again its position as the most competitive economy in the region at 13th position.<sup>27</sup> The country's strong performance in terms of competitiveness rests on solid foundations made up of a high-quality institutional framework (4th), a stable macroeconomic environment (6th), and an efficient goods market (3rd). Low levels of corruption and undue influence on government decisions, high efficiency of government institutions, and strong security are the cornerstones of the country's solid institutional framework, which provides a good basis for heightening efficiency. Going forward, as noted in previous editions of this *Report*, reducing the country's vulnerability to commodity price fluctuations will require diversification into other sectors of the economy and reinforcing some areas of competitiveness. As a high-income economy, Qatar will have to continue to pay significant attention to developing into a knowledge- and innovation-driven economy. The country's patenting activity remains low by international standards, at 60th, although some elements that could contribute to fostering innovation are in place. The government drives innovation by procuring high-technology products, universities collaborate with

the private sector, and scientists and engineers are readily available. To become a truly innovative economy, Qatar will have to continue to promote a greater use of the latest technologies (31st), ensure universal primary education, and foster more openness to foreign competition—currently ranked at 30th, a ranking that reflects barriers to international trade and investment and red tape when starting a business.

The **United Arab Emirates** moves up in the rankings to take second place in the region at 19th. Higher oil prices have buoyed the budget surplus and allowed the country to reduce public debt and raise the savings rate. The country has also been aggressive at adopting technologies and in particular using ICTs, which contributes to enhancing the country's productivity. Overall, the country's competitiveness reflects the high quality of its infrastructure, where it ranks a solid 5th, as well as its highly efficient goods markets (4th). Strong macroeconomic stability (7th) and some positive aspects of the country's institutions—such as strong public trust in politicians (3rd) and high government efficiency (9th)—round up the list of competitive advantages. Going forward, putting the country on a more stable development path will require further investment to boost health and educational outcomes (49th on the health and primary education pillar). Raising the bar with respect to education will require not only measures to improve the quality of teaching and the relevance of curricula, but also measures to provide incentives for the population to attend schools at the primary and secondary levels.

**Saudi Arabia** remains rather stable with a small drop of two places to 20th position overall. The country has seen a number of improvements to its competitiveness in recent years that have resulted in more efficient markets and sophisticated businesses. High macroeconomic stability (4th) and strong, albeit falling, use of ICTs for productivity improvements contribute to maintaining Saudi Arabia's strong position in the GCI. As much as the recent developments are commendable, the country faces important challenges going forward. Health and education do not meet the standards of other countries at similar income levels. Although some progress is visible in health and primary education, improvements are being made from a low level. As a result, the country continues to occupy low ranks in the health and primary education pillar (53rd). Room for improvement also remains on the higher education and training pillar (48th), where the assessment has weakened over the past year. Labor market efficiency also declines, to a low 70th position, in this edition. Reform in this area will be of great significance to Saudi Arabia given the growing number of young people who will enter the labor market over the next several years. More efficient use of talent—in particular, enabling the increasing share of educated women to work—and better education outcomes will

increase in importance as global talent shortages loom on the horizon and the country attempts to diversify its economy, which will require a more skilled and educated workforce. Last but not least, although some progress has been recorded recently, the use of the latest technologies can be enhanced further (41st), especially as this is an area where Saudi Arabia continues to trail other Gulf economies.

**Israel** drops by one to place 27th in this year's GCI. The country's main strengths remain its world-class capacity for innovation (3rd), which rests on highly innovative businesses that benefit from the presence of some of the world's best research institutions geared toward the needs of the business sector. Israel's excellent innovation capacity, supported by the government's public procurement policies, is reflected in the country's large number of patents (6th). Its favorable financial environment, particularly evident in the ease of access to venture capital (8th), contributes to making Israel an innovation powerhouse. Challenges to maintaining and improving national competitiveness relate to the need for the continued upgrading of institutions (40th) and a renewed focus on raising the bar in terms of the quality of education. If not addressed, poor educational outcomes—particularly in math and science (78th)—could undermine the country's innovation-driven competitiveness strategy over the longer term. As in previous years, the security situation remains fragile and imposes an increasingly high cost on business (83rd). Room for improvement also remains with respect to the macroeconomic environment (72nd), where increased budgetary discipline with a view to reducing debt levels (123rd) would help the country maintain stability and support economic growth going into the future.

**Jordan** loses four positions to 68th rank after a significant improvement in the previous year. The drop mainly reflects the country's macroeconomic challenges. The economic crisis resulted in wider fiscal deficits and higher public debt levels that will undermine growth over the medium term if they remain unaddressed. Boosting growth over the longer term to levels that would result in sustainable job creation will require Jordan's policymakers to address a number of challenges. Stabilizing the macroeconomic environment should be accompanied by growth-enhancing structural reforms. According to the GCI, there is significant room for improvement in boosting labor market efficiency (101st), and the full potential of ICTs for improving productivity has not yet been exploited (90th). Jordan could also benefit from more openness to international trade and investment, which would trigger efficiency gains in the domestic economy as well as the transfer of knowledge and technology. Tariff barriers remain high in international comparison (108th) and regulatory barriers to FDI remain in place (72nd). And although financing appears to

be more easily available than in many other countries (Jordan comes in at 34th on ease of access to loans) efforts to further stabilize the banking sector should be continued (114th).

**Tunisia** places 83rd in this year's *Report*. The country's positioning reflects the important challenges Tunisia will have to tackle in order to put its economy onto a sustainable growth path and resolve its daunting unemployment problem. The country's macroeconomic fundamentals need to be brought back on track by narrowing the budget deficit and further reducing inflation. Ensuring that the labor market contributes to more efficiently using talent is crucial to raising competitiveness. The country currently ranks very low at 132nd overall on the labor market efficiency pillar. At the same time, financial markets do not efficiently fulfill their role in providing the business sector with financial means to grow. Moreover, the banking system needs to be stabilized further to build trust and confidence, which at present is ranked a low 129th.

**Egypt** drops by 11 positions to reach 118th place in this year's GCI. This assessment is likely influenced by the country's continued transition since the events of the Arab Spring. The deteriorating security situation and tenacious political instability are undermining the country's competitiveness and its growth potential going forward. Although resolving political friction needs to remain the priority as this *Report* goes to print, many of the underlying factors that will be decisive about the sustainability of the country and the cohesion of the society over the medium to longer term are economic in nature. Establishing confidence through a credible and far-reaching reform program will be vital to the country's future and to realizing the considerable potential of the country's large market size and proximity to key global markets. According to the GCI, three areas are of particular importance. First, the macroeconomic environment has deteriorated over recent years to reach 140th position mainly because of widening fiscal deficit, rising public indebtedness, and persisting inflationary pressures. A credible fiscal consolidation plan, accompanied by structural reforms, will be necessary in order to maintain macroeconomic stability in the country. This may prove difficult in times of rising energy prices, as energy subsidies account for a considerable share of public expenditure. However, better targeting of subsidies could allow for fiscal consolidation while protecting the most vulnerable. Second, measures to intensify domestic competition would result in efficiency gains and contribute to energizing the economy by providing access to new entrants. This, in turn, would make the country's private sector more dynamic, thereby contributing to job creation. And third, making labor markets flexible (141st) and more efficient (145th) would allow the country to increase employment in the medium term.

## Sub-Saharan Africa

Sub-Saharan Africa continues its impressive growth rate of close to 5 percent in 2012 (with similar projections for the next two years), providing something of a silver lining in an otherwise uncertain global economy. Indeed, only emerging Asia registers higher growth. Growth has largely taken place on the backs of strong investment, favorable commodity prices, and a prudent macroeconomic stance.

There are, however, some regional variations, and in fact, in terms of underlying competitiveness, sub-Saharan Africa continues to reflect one of significant regional variations in the GCI, ranging from Mauritius (overtaking South Africa and coming in at 45th this year) to the lowest ranked Chad at 148th. Economies with closer ties to advanced economies, such as South Africa, have not yet returned to pre-crisis growth rates. More generally, sub-Saharan Africa as a whole trails the rest of the world in competitiveness, requiring efforts across many areas to place the region on a firmly sustainable growth and development path going forward: the region continues to register a profound infrastructure deficit. In addition, sub-Saharan Africa overall continues to underperform significantly in providing health and basic education (only Mauritius and Seychelles rank in the upper half of the rankings). Higher education and training also need to be further developed. The region's poor performance across all basic requirements for competitiveness stands in stark contrast to its comparatively stronger performance in market efficiency, where particularly the region's middle-income economies fare relatively well (South Africa, Mauritius, and Kenya rank in the top 20 percent in financial market development). Moving forward, technological uptake continues to remain weak, with only three economies (South Africa, Mauritius, and Seychelles) featuring in the top half of the overall GCI rankings on this pillar.

**Mauritius** moves up by nine places this year to 45th place, becoming the highest ranked country in the region. The country benefits from relatively strong and transparent public institutions (39th), with clear property rights, strong judicial independence, and an efficient government (29th). Private institutions are rated as highly accountable (14th), with effective auditing and accounting standards and strong investor protection. The country's infrastructure is well developed by regional standards (50th), particularly its ports, air transport, and roads. Furthermore, notable improvements have taken place in the areas of market efficiency. Financial markets have deepened, lifting Mauritius' rank up to 26th on the back of improved access to different modes of financing and financial services. This is further reflected in company spending on R&D—which seems to be increasing, albeit from low levels—thus somewhat enhancing Mauritius' innovative capacity. Furthermore, the country boasts an efficient goods market (25th) driven by greater foreign



prevalence and more competition. The labor market is relatively flexible (55th), although the country does not deploy its talent efficiently: Mauritius ranks 92nd in its capacity to retain talent, and the share of women in the labor force remains low at 118th. This is further reflected in the low availability of scientists and engineers (102nd).

**South Africa** is ranked 53rd this year, overtaking Brazil to place second among the BRICS. South Africa does well on measures of the quality of its institutions (41st), including intellectual property protection (18th), property rights (20th), and in the efficiency of the legal framework in challenging and settling disputes (13th and 12th, respectively). The high accountability of its private institutions (2nd) further supports the institutional framework. Furthermore, South Africa's financial market development remains impressive at 3rd place. The country also has an efficient market for goods and services (28th), and it does reasonably well in more complex areas such as business sophistication (35th) and innovation (39th). But the country's strong ties to advanced economies, notably the euro area, make it more vulnerable to their economic slowdown and likely have contributed to the deterioration of fiscal indicators: its performance in the macroeconomic environment has dropped sharply (from 69th to 95th). Low scores for the diversion of public funds (99th), the perceived wastefulness of government spending (79th), and a more general lack of public trust in politicians (98th) remain worrisome, and security continues to be a major area of concern for doing business (at 109th). Building a skilled labor force and creating sufficient employment also present considerable challenges. The health of the workforce is ranked 133rd out of 148 economies—the result of high rates of communicable diseases and poor health indicators more generally. The quality of the educational system is very poor (146th), with low primary and tertiary enrollment rates. Labor market efficiency is poor (116th), hiring and firing practices are extremely rigid (147th), companies cannot set wages flexibly (144th), and significant tensions in labor-employer relations exist (148th). Raising educational standards and making the labor market more efficient will thus be critical in view of the country's high unemployment rate of over 20 percent, with the rate of youth unemployment estimated at close to 50 percent.

**Rwanda** is ranked 66th this year, retaining its third place in the sub-Saharan African region. As do the other comparatively successful African countries, Rwanda benefits from strong and relatively well-functioning institutions, with very low levels of corruption (an outcome that is certainly related to the government's no-tolerance policy, and a good security environment). Its labor markets are efficient, its financial markets are relatively well developed, and Rwanda is characterized by a capacity for innovation that is quite good for a country at its stage of development.

The greatest challenges facing Rwanda in improving its competitiveness are the state of the country's infrastructure, its low secondary and university enrollment rates, and the poor health of its workforce.

**Botswana** moves up five places to 74th, taking fourth spot in the region. Improvements are driven in large part by a sounder macroeconomic environment. Among the country's strengths are its relatively reliable and transparent institutions (34th), with efficient government spending, strong public trust in politicians, and low levels of corruption. Botswana's primary weaknesses continue to be related to its human resources base. Educational enrollment rates at all levels remain low by international standards, and the quality of the educational system receives mediocre marks. Yet it is clear that by far the biggest obstacle facing Botswana in its efforts to improve its competitiveness remains its health situation. The rates of disease in the country remain very high, and health outcomes are poor despite improvements in recent years. For a middle-income country in transition to an efficiency-driven economy, the goods market must become more efficient (92nd). Going forward, combined efforts across all areas will be needed if the country was to reduce its heavy dependence on the mining sector and to set its economy on a more diversified growth path.

**Seychelles** ranks 80th overall, rounding out the top five countries in the region. The country registers a solid performance in the basic requirements for competitiveness: It benefits from strong and well-functioning institutions by regional standards (45th), with strong public trust in politicians (32nd) and a government that is seen as efficient (37th). Infrastructure is also relatively well developed (43rd) and the Seychelles do well in regional comparison when it comes to health and primary education (55th). As the country is now approaching the innovation-driven stage of development, it needs to lay the fundamentals for higher-value added growth. This will require improvements in higher education and training (79th) particularly in view of its very low tertiary enrollment rates (2.6 percent), its weak math and science education and limited availability of research and training services (93rd).

**Namibia** reverses its downward trend of recent years slightly, improving by two places to reach 90th place. The country continues to benefit from a relatively well-functioning institutional environment (48th), with well-protected property rights, an independent judiciary, and reasonably strong public trust in politicians. The country's transport infrastructure is also good by regional standards (47th). Financial markets are reasonably developed (39th) and buttressed by solid confidence in financial institutions (21st), although their overall assessment has weakened for three years in a row. In order to improve its competitiveness, as in much of the region, Namibia must improve its health and educational



systems. The country is ranked a low 123rd on the health subpillar (down five places), with high infant mortality and low life expectancy—the result, in large part, of the high rates of communicable diseases. On the educational side, enrollment rates remain low and the quality of the educational system remains poor (124th). In addition, Namibia could do more to harness new technologies to improve its productivity levels (90th).

**Kenya** moves up by an impressive 10 places and is ranked 96th this year on the back of greater confidence in institutions (88th). The country's strengths continue to be found in the more complex areas measured by the GCI. Kenya's innovative capacity is ranked an impressive 46th, with high company spending on R&D and good scientific research institutions that collaborate well with the business sector in research activities. Supporting this innovative potential is an educational system that—although educating a relatively small proportion of the population compared with most other countries—gets relatively good marks for quality (44th) as well as for on-the-job training (49th). The economy is also supported by financial markets that are well developed by international standards (31st) and a relatively efficient labor market (35th). On the other hand, Kenya's overall competitiveness is held back by a number of factors. Health remains an area of serious concern (121st), with a high prevalence of communicable diseases contributing to the low life expectancy of fewer than 58 years and reducing the productivity of the workforce. The security situation in Kenya also remains worrisome (131st).

**Senegal** comes in at 113th place this year. Although the country's institutions rank still relatively low at 82nd, our data suggest an improvement across a range of indicators since the 2012 elections, albeit from low levels. Senegal also benefits from relatively efficient goods and labor markets (59th and 65th, respectively), red tape to start a business is low even in international comparison, FDI faces relatively few barriers, and labor-employer relations are reasonably good (57th). Moreover, Senegal hosts good ports (47th), although all other modes of transport require significant upgrades (95th overall). The country's competitiveness is further pulled down by the poor health and basic education of its population (131st). Indeed, only three out of four children receive primary education, which is very low compared with its middle-income peers, and communicable diseases continue to erode at the health of the general population.

**Ghana** declines this year to 114th in large part as a result of a deterioration in its macroeconomic indicators (reversing last year's trend). With regard to strengths, the country seems to be improving its public institutions, which are already somewhat strong by regional standards (up by five places to 70th), with relatively high government efficiency (57th). In addition, some aspects of its infrastructure are good for the region, particularly the state of its ports, and its financial

and goods markets are also relatively well developed (52nd and 70th, respectively). On the other hand, Ghana must do much more to develop and deploy talent in the country. Education levels continue to trail international standards at all levels, labor markets are characterized by inefficiencies, and the country is not sufficiently harnessing new technologies for productivity enhancements (ICT adoption rates continue to be very low).

**Nigeria** is ranked 120th this year. The country continues to benefit from its relatively large market size (32nd), which has the potential for significant economies of scale and is an important factor for attracting investment. Nigeria also benefits from an efficient labor market, and the financial market has been recovering gradually from the 2009 crisis. Yet efforts need to be taken to diversify its economy into the non-oil sector and increase long-term competitiveness. Institutions remain weak (129th) with insufficiently protected property rights, high corruption, and undue influence. The security situation in the country, already seriously worrisome, continues last year's downward trend to 142nd. Additionally, Nigeria must continue to upgrade its infrastructure (135th) as well as improve health and primary education (146th). Furthermore, the country is not harnessing the latest technologies for productivity enhancements, as demonstrated by its low rates of ICT penetration.

**Tanzania** is ranked 125th this year. Its institutions have been deteriorating over the past years—although government regulation is not seen as overly burdensome (53rd), corruption has been worsening (106th) and policymaking has become less transparent. In addition, some aspects of the labor market—such as the country's strong female participation in the labor force (5th) and reasonable redundancy costs—lend themselves to efficiency. On the other hand, infrastructure in Tanzania is underdeveloped (134th), with poor roads and ports and an unreliable electricity supply (131st). And although primary education enrollment is commendably high, providing universal access, enrollment rates at the secondary and university levels are among the lowest in the world (at 134th and 138th place, respectively), while the quality of the educational system needs upgrading. A related area of concern is the country's low level of technological readiness (126th), with very low uptake of ICTs such as the Internet and mobile telephony. The basic health of its workforce is also a serious concern: the country is ranked 125th in this area, with poor health indicators and high levels of communicable diseases.

**Côte d'Ivoire** is ranked 126th this year. Like many of its sub-Saharan peers, the country's labor market is relatively efficient (68th), a ranking that is primarily driven by its high flexibility (36th). Furthermore, the country does well in attracting FDI—prevalence of foreign ownership is perceived as very high by the business community.

Going forward, however, critical challenges remain. Institutional quality remains low (104th) despite a gradual improvement over recent years, and infrastructure is underdeveloped (107th). Moreover, the country does not meet primary needs in terms of health and basic education (142nd), ranking among the lowest 10 countries worldwide on the related pillar. Only 60 percent of all children are enrolled in primary education, and the burden of communicable diseases—particularly the high incidence of malaria and HIV—weighs heavily on the workforce. Furthermore, technological adoption is very low across private users and the business sector, with only 2 percent of the population using the Internet.

**Ethiopia** falls six places to 127th this year, facing challenges across all pillars. The country ranks above 100th only for its market size (67th) and the quality of its institutions (95th), although it should be noted that the assessment of institutions has been falling over recent years across almost all indicators, including property rights, ethics and corruption, undue influence, and government efficiency. Furthermore, the country's goods (136th) and labor markets (108th) seem to be deteriorating, with more procedures and time required to start a business along with increasing concerns about the quality of labor-employer relations (121st), hiring and firing practices (99th), and the alignment between pay and productivity (125th). Ethiopia also requires significant improvements in the areas of infrastructure (124th), higher education and training (137th), and technological readiness (139th). On a more positive note, security—ranked 55th—is better than in many of its sub-Saharan peers, primary education with a net enrollment rate of 87 percent is comparatively good (although the quality of primary education is very low), and women account for a high percentage of the country's labor force.

**Liberia** ranks 128th in this year's GCI. The country features a well-developed goods and labor market by regional standards (47th and 60th, respectively), with few procedures and low cost to start a business in the country, and a taxation regime that is not overly distortive to economic decision making. In order to enhance its competitiveness, Liberia must focus on improving its physical infrastructure (131st) and enhancing human resources by improving the health and education levels of its workforce (144th).

**Zimbabwe** remains relatively stable at 131st position. Public institutions continue to receive a weak assessment, particularly related to corruption, security, and government favoritism, although overall the assessment of this pillar has improved somewhat since a few years ago. Yet major concerns remain with regard to the protection of property rights (137th), where Zimbabwe is among the lowest-ranked countries, reducing the incentive for businesses to invest. And despite efforts to improve its macroeconomic environment—including the dollarization of its economy

in early 2009, which brought down inflation and interest rates—Zimbabwe still receives a low rank in this pillar (114th), demonstrating the extent of efforts still needed to ensure its macroeconomic stability. Weaknesses in other areas include health (132nd in the health subpillar), low education enrollment rates, and formal markets that continue to function with difficulty (particularly with regard to goods and labor markets, ranked 130th and 140th, respectively).

**Mozambique** ranks 137th this year, with efforts required across many areas to lift the economy onto a sustainable growth and development path, particularly in view of its natural resource potential. The country's public institutions receive a weak assessment on the basis of low public trust in politicians, significant red tape faced by companies in their business dealings, and the perceived wastefulness of government spending. Macroeconomic stability is still weak (98th) although recent efforts seem to be bearing some fruit in containing price rises (inflation is down to 2 percent from double-digits last year). Looking ahead, significant reform will be needed to advance the country's long-term competitiveness, including making critical investments across all modes of infrastructure (ranked 130th), establishing a regulatory framework that encourages competition to foster economic diversification, and developing a sound financial market (132nd). Also critical, in view of the country's rapidly growing population and high unemployment, are investing in the healthcare system and primary education (138th) as well as higher education and training (143rd).

**Angola** re-enters the GCI this year at 142nd place. As with its oil-exporting peers, a positive fiscal balance and low public debt contribute to a comparatively stable macroeconomic environment (54th), but much remains to be done across the board to build out the country's competitiveness. Given its favorable fiscal stance, the country has a unique opportunity to invest revenues in competitiveness-enhancing measures. In this context, its poor performance across all governance indicators is worrisome: Both public and private institutions are characterized by widespread corruption, and inefficient government spending casts doubt on the country's ability to spend resource receipts in the most important areas. Furthermore, the country's infrastructure is one of the least developed globally (145th), and its population would be well served by improvements in the educational and health systems (137th).

## CONCLUSIONS

This chapter has presented and analyzed the results of Global Competitiveness Index 2013–2014, a tool that assesses the competitiveness of 148 economies across all geographies and stages of development. The GCI aims to capture the complexity of the phenomenon of national competitiveness, which can be improved only

through an array of efforts in different areas that affect the longer-term productivity of a country, which is the key factor affecting economic growth performance of economies.

Against the backdrop of the cautious and still-fragile global recovery, the results this year stress the importance of competitiveness as a key dimension of economic policymaking across all regions and stages of development. The top 10 of the overall CGI rankings are dominated by economies that display strong institutions and ample innovative capacity, reflecting the paramount importance of these elements. However, with the rise of emerging markets, the distinction between advanced and emerging economies is becoming more and more blurred, as demonstrated by several emerging markets that are higher in the rankings than advanced economies.

Since its introduction in 2005, the GCI has been used by a growing number of countries and institutions to benchmark national competitiveness. The clear and intuitive structure of the GCI framework is useful for prioritizing policy reforms because it allows each country to identify the strengths and weaknesses of its national competitiveness environment and pinpoint those factors most constraining its economic development. More specifically, the GCI provides a platform for dialogue among government, business, and civil society that can serve as a catalyst for productivity-improving reforms, with the aim of boosting the living standards of the world's citizens. Over the years, the GCI has proved to be a very useful tool for advancing competitiveness across countries.

## NOTES

- 1 The first version of the Global Competitiveness Index was published in 2004. See Sala-i-Martin and Artadi 2004.
- 2 Schumpeter 1942; Solow 1956; and Swan 1956.
- 3 See, for example, Sala-i-Martin et al. 2004 for an extensive list of potential robust determinants of economic growth.
- 4 See Easterly and Levine 1997; Acemoglu et al. 2001, 2002; Rodrik et al. 2002; and Sala-i-Martin and Subramanian 2003.
- 5 See de Soto 2000.
- 6 See de Soto and Abbot 1990.
- 7 See Shleifer and Vishny 1997; Zingales 1998.
- 8 See Kaufmann and Vishwanath 2001.
- 9 See Aschauer 1989; Canning et al. 1994; Gramlich 1994; and Easterly 2002.
- 10 See Fischer 1993.
- 11 See Sachs 2001.
- 12 See Schultz 1961; Lucas 1988; Becker 1993; and Kremer 1993.
- 13 See Almeida and Carneiro 2009; Amin 2009; and Kaplan 2009 for country studies demonstrating the importance of flexible labor markets for higher employment rates and, therefore, economic performance.
- 14 See Aghion and Howitt 1992 and Barro and Sala-i-Martin 2003 for a technical exposition of technology-based growth theories.

- 15 A general purpose technology (GPT), according to Trajtenberg (2005), is one that, in any given period, gives a particular contribution to an overall economy's growth thanks to its ability to transform the methods of production in a wide array of industries. Examples of GPTs have been the invention of the steam engine and the electric dynamo.
- 16 See Sachs and Warner 1995; Frenkel and Romer 1999; Rodrik and Rodríguez 1999; Alesina et al. 2005; and Feyrer 2009. The case of the European Union illustrates the importance of the market size for competitiveness. Although the reduction of trade barriers and the harmonization of standards within the European Union have contributed to raising exports within the region, many barriers to a true single market, in particular in services, remain in place and lead to important border effects. Therefore we continue to use the size of the national domestic and foreign market in the Index.
- 17 This is particularly important in a world in which economic borders are not as clearly delineated as political ones. In other words, when Belgium sells goods to the Netherlands, the national accounts register the transaction as an export (so the Netherlands is a foreign market for Belgium), but when California sells the same kind of output to Nevada, the national accounts register the transaction as domestic (so Nevada is a domestic market for California).
- 18 See Romer 1990; Grossman and Helpman 1991; and Aghion and Howitt 1992.
- 19 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). Please see Chapter 1.1 of *The Global Competitiveness Report 2007–2008* (Sala-i-Martin et al. 2007) for a complete description of how we have adapted Michael Porter's theory for the present application.
- 20 Some restrictions were imposed on the coefficients estimated. For example, the three coefficients for each stage had to add up to one, and all the weights had to be non-negative.
- 21 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 2005 through 2009. Further information on these data can be found at <http://www.intracen.org/menus/countries.htm>.  
All countries that export more than 70 percent 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).
- 22 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.
- 23 We have retained the geographical classifications used in past editions of the *Report* while changing the groupings in the country/economy profiles. The groupings in the profiles are based on IMF data, and use the IMF classifications.
- 24 The four Asian Tigers are Hong Kong SAR, Singapore, the Republic of Korea, and Taiwan (China).
- 25 The BRICS countries are Brazil, Russia, India, China, and South Africa.
- 26 Busso et al. 2012.

- 27 Qatar ranked 11th in the GCR 2012–2013. The drop in the rankings reflects the higher weight put on innovation and business sophistication this year, as Qatar is being assessed as an innovation-driven economy. See methodology section of this chapter for a description of the new criteria introduced.

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## Appendix:

# Computation and structure of the Global Competitiveness Index 2013–2014

This appendix presents the structure of the Global Competitiveness Index 2013–2014 (GCI). The numbering of the variables matches the numbering of the data tables. The number preceding the period indicates to which pillar the variable belongs (e.g., variable **1.11** belongs to the 1st pillar and variable **9.04** belongs to the 9th pillar).

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 variables within a category.<sup>a</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 9th pillar accounts for 17 percent of this country's score in the *efficiency enhancers* 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>b</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 Algeria, currently in transition from stage 1 to stage 2, the weight on each subindex is 59.1 percent, 35.7 percent, and 5.2 percent, respectively, as reported in the country profile on page 102.

Variables that are not derived from the Executive Opinion Survey (the Survey) are identified by an asterisk (\*) in the following pages. The Technical Notes and

Sources section at the end of the *Report* provides detailed information about these indicators. To make the aggregation possible, these variables 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>c</sup>

Indicators that are followed by the designation “1/2” enter the GCI in two different pillars. In order to avoid double counting, we assign a half-weight to each instance.<sup>d</sup>

Weight (%) within  
immediate parent category

## BASIC REQUIREMENTS

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

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

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

- 1.01 Property rights
- 1.02 Intellectual property protection<sup>1/2</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. Government efficiency.....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>g</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>i</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>g</sup>
- 4.02 Malaria incidence\*<sup>g</sup>
- 4.03 Business impact of tuberculosis<sup>g</sup>
- 4.04 Tuberculosis incidence\*<sup>g</sup>
- 4.05 Business impact of HIV/AIDS<sup>g</sup>
- 4.06 HIV prevalence\*<sup>g</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****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>h</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>i</sup>
- 6.07 Time required to start a business\*<sup>i</sup>
- 6.08 Agricultural policy costs

**2. Foreign competition .....variable<sup>h</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>j</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 attract talent
- 7.09 Country capacity to retain 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>\*k</sup>**B. Foreign market size .....25%**10.02 Foreign market size index<sup>\*l</sup>**INNOVATION AND SOPHISTICATION FACTORS****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>1/2</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&amp;D

12.04 University-industry collaboration in R&amp;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>1/2</sup>**NOTES**a Formally, for a category  $i$  composed of  $K$  indicators, we have:

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

b As described in the chapter, the weights are as specified below. Refer to Table 2 of the chapter for country classification according to stage of development:

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

\* 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.

c 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:

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

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

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

e “n/appl.” is used for economies where the railroad network totals less than 50 kilometers.

f 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.

g 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 they have been classified as non-endemic by the World Health Organization (WHO).

h The *competition* subpillar is the weighted average of two components: *domestic competition* and *foreign competition*. In both components, the included variables 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*.

i Variables 6.06 and 6.07 combine to form one single variable.

j For variable 6.14, imports as a percentage of GDP, we first apply a log-transformation and then a min-max transformation.

k 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) 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-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. The underlying data are reported in the data tables section (see Tables 10.03, 6.14, and 10.04).

l 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 and GDP valued at PPP. The underlying data are reported in the data tables.



# Assessing the Sustainable Competitiveness of Nations

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The concept of competitiveness aims at capturing the economic development process as a necessary condition for improved living standards. During most of the post-World War II period, economic growth was accompanied by an improvement in living conditions for large parts of the world's population. More recently, toward the end of the last century, economic growth in developing and emerging markets has helped millions of people escape poverty.

Recent projections and studies point out that the rates of progress seen in the past may not be sustainable going forward.<sup>1</sup> As income levels have risen and more and more emerging markets have entered rapid growth paths, pressures on the environment have become more palpable and concerns over the distribution of the benefits of economic progress within countries have grown. This has led many to question whether the prevalent growth model is sustainable over time.

The perception that economic growth is not translating into the desired results for society at large was given further support by the recent financial crisis and the ensuing economic slowdown, which brought social tensions to light. These manifested themselves in multiple ways, including the events related to the Arab Spring; the rise of unemployment in many Western economies, particularly in segments of the population such as the young and the less skilled; and increasing inequalities of income and socioeconomic opportunities in both Western countries and fast-growing Asian economies. Diminishing economic prospects, sometimes combined with demand for more political participation, have also sparked protests in several countries including, for example, the recent events in Brazil and Turkey.

At the same time, pressures on the natural environment resulting from economic activity have grown over recent decades. Pollution has increased and the loss of biodiversity is more and more problematic, while climate change and its unpredictable consequences raise concerns. The world is also facing a progressive scarcity of water, energy, and mineral resources, for which demand continues to climb. Despite some efforts to address these issues, the undesirable environmental consequences of human activity are leading to a less habitable world.

As a result, social and environmental sustainability increasingly influence economic policy decisions and can have an impact on economic performance. At the same time, these challenges bring into question whether well-established ideas and models that take a narrow view of economic growth and do not take into account the use of natural resources or social concerns can still provide adequate solutions. The relationships between these challenges need to be better understood and measured in order to inform policies that will set and achieve the desired objectives, and in order to better track progress toward higher levels of sustainable prosperity.



### Box 1: Public-private collaboration to achieve sustainable competitiveness

The World Economic Forum is taking an important step forward to inform the discussion on competitiveness by creating a Competitiveness Repository. This new initiative aims at bridging a knowledge gap in the current literature by compiling relevant information about the content and process of building public-private collaboration practices that have improved competitiveness.

Public private collaborations have also been used to reinforce environmental and social sustainability over the last 20 years to achieve enduring results. For example, areas such as health and education—two crucial pillars of competitiveness and also of social sustainability—have long been areas of multi-stakeholder collaboration. As early as 1993, the World Health Organization recognized that achieving health for all would require partnerships with the private sector and civil society, and subsequently made such partnerships part of the organization's strategy.<sup>1</sup> Nowadays, most international organizations systematically include the private sector in their strategies. This approach was evident at the latest United Nations Conference on Sustainable Development, where heads of state recognized that “[Sustainable Development] can only be achieved with a broad alliance of people, governments, civil society and the private sector, all working together to secure the future we want for present and future generations.”<sup>2</sup>

Achieving sustainable competitiveness requires funding and expertise that cannot come from the public sector alone—especially in the context of cash-strapped governments and austerity measures. Involving the private sector in a collaborative way (through shared visions and deep engagement in planning and decision making) can have many benefits:

1. Typically, the most obvious reason for involving the private sector in environmental and social sustainability national projects has been **financial**: it is a way for governments to add investment to underfunded projects in public infrastructure and services. For instance, the Green Growth Action Alliance is a group that supports the scaling-up in green infrastructure investment through the collaboration of more than 50 leading financial institutions, corporations, governments, and nongovernmental organizations.<sup>3</sup> In Vietnam, the Alliance will support the government's efforts to transform the country's agricultural sector with the goal of delivering a 20 percent reduction in emissions, a 20 percent reduction in poverty, and a 20 percent increase in growth.
2. In some sectors of the economy, initiatives can also greatly benefit from the **skills and expertise of the private sector**, which the public sector may lack. For instance, in the context of water management (which, beyond being an infrastructure matter, also has a strong social and environmental impact), the responsibility of providing water often rests solely with the Ministry of Agriculture or a similar department. However, key industries—such as food and beverage, mining and metals, and energy—have developed skills and expertise that can be used to ensure a more equitable and sustainable use of water resources. The Water Resource Group is an example of an innovative public-private platform for collaboration that mobilizes stakeholders from the public and private sectors, civil society, centers of academic expertise, and financing institutions to help governments manage the water sector sustainably in support of their economic growth plans.<sup>4</sup> In South Africa, the Water Resource Group has led to improvement in

(Cont'd.)

## COMPETITIVENESS AND SUSTAINABILITY

The relationship between some aspects of sustainability and economic growth has been studied extensively by academics, policy practitioners, and international organizations.<sup>2</sup> Public interest in sustainable development has also increased over the past few decades, driven by influential work such as the report *Our Common Future*, which was published under the auspices of the United Nations by the Brundtland Commission in 1987. In this seminal report, sustainable development was defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”<sup>3</sup> The breadth of the definition was meant to capture the several dimensions of development that go beyond the usual boundaries of economic growth in order to include both the tangible and intangible necessities of life. This initial concept mainly focused on environmental aspects of development. However, it has evolved significantly over time and today it is widely

accepted that sustainability also includes an economic and a social dimension.

Despite mounting interest in sustainable development, the relationship between environmental or social sustainability and national competitiveness has been only marginally explored. So far, economists have devoted most of their efforts to trying to understand the way economic growth impacts the quality of the environment or income distribution within a country and vice versa. However, little is known about how these aspects of sustainability relate to competitiveness and productivity.

Against this background, the World Economic Forum has engaged in a series of activities to expand our knowledge about sustainability and its relationship to competitiveness. More precisely, the Forum has been at the forefront of the discussion on environmental sustainability, working to shape the agenda by catalyzing public-private platforms that help governments draw on private-sector expertise to identify and implement

**Box 1: Public-private collaboration to achieve sustainable competitiveness (cont'd.)**

effluent and wastewater management, water efficiency and leakage reduction, and agriculture and supply chains.

3. Public-private collaboration might also allow the public sector to **reach remote communities**. A recent paper from the International Institute for Sustainable Development highlights the importance of public-private collaboration for sustainable development. Indeed, the private sector's involvement can help "deliver a range of essential public services to even the most remote areas and marginalized communities."<sup>5</sup> For instance, in Nepal the Public Private Partnership for Urban Environment (PPUE)<sup>6</sup>—a collaboration among the Federation of Nepalese Chambers of Commerce & Industry, the Municipal Association of Nepal, the United Nations Development Programme, and the Asian Development Bank—aims to boost the coverage and quality of basic urban services to the urban poor while increasing the participation of the local population in the process of service delivery. The project has already supported its partner municipalities to implement 88 projects that demonstrate this way of providing services and developing infrastructure. In 2010 and 2011, most of the projects were in solid waste management, mobile toilets, sewage-attached biogas, solar street lighting, the management of recreational areas and city markets, and building and operating slaughterhouses. Most of these initiatives are improving the urban environment and services for urban dwellers as well as providing new employment for local residents by hiring them for the new projects.
4. Finally, and very importantly, public-private collaboration may contribute to **long-term acceptance**, especially

in the context of environmental regulations. Indeed, by studying a series of examples, researchers from Harvard University's Kennedy School came to the conclusion that regulations on environmental policies that are negotiated with industries and citizens are more likely to be successful in the long term.<sup>7</sup>

The Competitiveness Repository will continue to highlight cases of public-private collaboration in the domain of social and environmental sustainability and bring them into the multi-stakeholder discussions that the World Economic Forum regularly organizes at global and regional summits and at targeted roundtables. The purpose of these discussions is to catalyze action and commitment from different stakeholders.

**Notes**

- 1 Buse and Waxman 2001.
- 2 United Nations Sustainable Development Knowledge Platform. Future We Want: Outcome document, I. Our common vision, Item 13. Available at <http://sustainabledevelopment.un.org/futurewewant.html>.
- 3 For more information about the Green Growth Action Alliance, see [www.weforum.org/issues/climate-change-and-green-growth](http://www.weforum.org/issues/climate-change-and-green-growth).
- 4 For further information about the 2030 Water Resources Group, see [www.2030wrg.org](http://www.2030wrg.org).
- 5 Colverson and Perera 2012, p. 21.
- 6 For information about the organization Public-Private Partnerships for Urban Environment, see [www.pppue.org.np](http://www.pppue.org.np).
- 7 Pande et al. 2012.

solutions to the most pressing issues. As a key convening platform for the international community, national policymakers, and business leaders, the World Economic Forum has found itself at the center of the discussion on the nature of the relationship between competitiveness and sustainability. Issues of economic, social, and environmental sustainability have been showcased and discussed at many of the Forum's regional and annual meetings and, more recently, the Forum has embarked on a new initiative to identify and showcase public-private collaborations that can support sustainable competitiveness, as described in Box 1.

In addition, the World Economic Forum—in collaboration with a multi-stakeholder Advisory Board of international experts (Box 2)—embarked on an effort to integrate the concept of sustainability into its competitiveness work. The results of our preliminary work were released in last two editions of *The Global Competitiveness Report*.

In this edition, we continue our ongoing efforts to build a more robust narrative of the concept of sustainable competitiveness. These efforts aim to better understand the complex relationship between competitiveness and sustainability and to provide a working definition of the concept, thereby contributing to the intellectual debate. The chapter also updates the results for the preliminary measurement of sustainable competitiveness, the sustainability-adjusted Global Competitiveness Index, which was introduced for discussion in last year's edition of this *Report*.

The sections that follow explore the relationships among competitiveness, environmental sustainability, and social sustainability. The discussion will provide the building blocks to explain how we have arrived at the overall definition of *sustainable competitiveness*, which is *the set of institutions, policies and factors that make a nation remain productive over the longer term while ensuring social and environmental sustainability*.

## Box 2: Consultation with external experts

The Advisory Board on Sustainability and Competitiveness advises the World Economic Forum on integrating the concept of sustainability more fully into its competitiveness work. Members are drawn from the network of Global Agenda Councils, the World Economic Forum's knowledge backbone. They represent voices from key business sectors, government, and civil society.

The members of the Advisory Board are:

**James Cameron**, Chairman, Climate Change Capital, United Kingdom

**Dan Esty**, Commissioner, Connecticut Department of Energy and Environmental Protection, USA

**Clément Gignac**, Chief Economist and Senior Vice-President, Industrial Alliance Insurance and Financial Services, Canada

**Jeni Klugman**, Director for Gender, The World Bank, USA

**Marc A. Levy**, Deputy Director, Center for International Earth Science Information Network, Columbia University, USA

**John W. McArthur**, Senior Fellow, UN Foundation & Nonresident Senior Fellow, Brookings Institution

**Kevin X. Murphy**, President and Chief Executive Officer, J.E. Austin Associates Inc., USA

**Mari Elka Pangestu**, Minister of Tourism and Creative Economy, Indonesia

**Xavier Sala-i-Martin**, Professor, Economics Department, Columbia University, USA

**Mark Spelman**, Global Head, Strategy, Accenture, United Kingdom

**Simon Zadek**, Senior Visiting Fellow, Global Green Growth Institute (GGGI), Switzerland

Two new members joined the Advisory Board in the course of the past year:

**Lindene Patton**, Chief Climate Product Officer, Zurich Insurance Group, Ltd., Switzerland

**Anthony O'Sullivan**, Head Private Sector Development, Organisation for Economic Co-operation and Development (OECD), France

In addition to frequent consultations with the Advisory Board (including a face-to-face meeting in Dubai in November 2012 during the Summit on the Global Agenda), The Global Competitiveness and Benchmarking Network team regularly consults with international experts in order to ensure that our work on sustainable competitiveness remains at the forefront of the research in this domain. Accordingly, in the last 18 months, three workshops were organized to:

1. Define sustainable competitiveness and review the rationale for the social pillar. This workshop was held in Geneva in April 2012 with experts from the World Health Organization, the United Nations Economic Commission for Europe, the International Labour Organization, and the International Organization for Migration.
2. Review the concept of environmental sustainability and discuss how it can be measured in our context. This workshop was held in New York in September 2012 with experts from the Center for International Earth Science Information Network at Columbia University, the United Nations Sustainable Development Department, the World Bank, and Zurich Insurance.
3. Discuss the impact that social and environmental sustainability have on one another. This workshop was held in Geneva in April 2013 with experts from the World Health Organization, the International Labour Organization, the United Nations Development Programme, the United Nations Environment Programme, the United Nations Research Institute for Social Development, the Overseas Development Institute, the Organisation for Economic Co-operation and Development, Deloitte, and KPMG.

In the upcoming year, The Global Competitiveness and Benchmarking Network team will hold further multi-stakeholder consultations in order to strengthen the relevance of the Sustainable Competitiveness Project.

## Competitiveness and environmental sustainability

For decades, economists, strategists, and business leaders were skeptical about the compatibility between environmental goals and industrial competitiveness.<sup>4</sup> In most of the macroeconomic literature,<sup>5</sup> nature has traditionally been regarded as a constraint. Because natural resources on the planet are either limited or they renew at a specific physical rate, they are usually viewed as a major source of "limits to growth."<sup>6</sup> Consequently, natural resources are modeled as an additional input in the production process or as an additional cost that must be incurred to abate unwanted byproducts such

as pollution. Another limitation to growth, according to this strand of literature, can be traced back to nature's decreasing ability to dissipate waste from production as pollution accumulates. Once pollution reaches a critical limit, ecosystems will not be able to function properly and cannot absorb additional waste from production.

Although environmental limitations to growth are important, empirical evidence of development dynamics shows that the state of the environment tends to worsen at the initial stages of industrialization but to then improve as income increases—a concept known in the literature as the *Environmental Kuznets Curve*.<sup>7</sup> Many advanced

economies have adopted pollution control measures that have improved the state of the natural environment, yet this should not lead to the conclusion that environmental sustainability will be automatically achieved at a certain income level.<sup>8</sup> In order to preserve future generations' ability to benefit from nature's resources and services and increase standards of living, policies and measures that ensure an efficient use of natural resources as well as the adoption of clean industrial processes are significant.<sup>9</sup>

Taking into account all aspects described above, it emerges that the relationship between environmental sustainability and competitiveness is multifaceted and affects an economy in different ways. Multiple channels support a positive relationship between environmentally sustainable practices and productivity gains. Here we identify and describe the main ones:

- **Efficient use of natural resources.** The efficient use of natural resources includes both managing exhaustible raw materials and using renewable resources within their regenerative capacity in order to minimize production costs, ensure the legacy for future generations, and reduce pollution. As described by the literature on public goods, welfare increases once the negative externality generated by pollution is corrected.<sup>10</sup> It follows that environmental sustainability can bring about a better economic outcome if it is associated with formal or informal institutions that define property rights and result in the adoption of sustainable processes over the use of scarce resources.
- **Improved health.** A high-quality natural environment improves the productivity of the workforce by reducing health damage caused by pollution or environmental degradation. According to some studies,<sup>11</sup> in the Asia Pacific region alone about 2.5 million people die every year because of air pollution, unsafe water, and poor sanitation, creating a vicious circle of poverty, low-quality environmental conditions, and dismal economic performance. Since health affects productivity and pollution affects health, efforts to reduce pollution may be interpreted as an investment in human capital. Recent empirical evidence has indicated that, in the United States, ozone levels below federal air quality standards have a positive impact on productivity (a 10 parts per billion decrease in ozone concentrations raises worker productivity by 4.2 percent).<sup>12</sup> Finally, environment-driven health problems lead to resource misallocation, forcing governments to fund additional, and otherwise unnecessary, health programs and diverting resources that would otherwise go into productivity-enhancing investments in, for example, education or innovation.

- **Biodiversity for innovation.** Ultimately, environmental degradation can impact the way ecosystems work and reduce biodiversity. Biodiversity supports the productivity of the workforce by providing food, fiber, shelter, and natural medicines, and it regulates the water supply and air quality. According to the Convention on Biodiversity,<sup>13</sup> more than 1.3 billion people in the world depend on biodiversity and on basic ecosystem goods for their livelihoods. Biodiversity losses caused by deforestation or significant land-use changes—which today are estimated to be 100 to 1,000 times greater than is considered to occur naturally—increase the vulnerability of terrestrial and aquatic ecosystems and induce changes in climate and ocean acidity.<sup>14</sup> Biodiversity is also a key driver of economic growth, especially in developing countries, because it provides the basis for many innovations in areas such as pharmaceutical or cosmetic products. At the same time, interfering with ecosystems may make living conditions for humans more difficult and perhaps engender additional costs. Last but not least, biodiversity restoration and protection can create profitable business opportunities, incentivizing the development of new technologies and products for their utilization, in still-unexplored markets.<sup>15</sup>

In addition to these general sources of potential competitiveness gains for an economy, environmental sustainability can have more marked impacts in particular economic sectors such as agriculture,<sup>16</sup> fishery, and forestry. More precisely, in the absence of any technological change, a reduction in the cultivable area for staple crops would lead to a decrease in overall production, an increase in the price of staples, a fall in consumption, and widespread malnutrition. According to United Nations Environment Programme (UNEP)'s *Green Economy Report*, green agriculture is capable of nourishing a growing world population at higher nutritional levels, switching from today's 2,800 Kcal availability per-person per-day to around 3,200 Kcal by 2050. Furthermore, investing in the greening of tourism can reduce the cost of energy, water, and waste and thus enhance the value of biodiversity, ecosystems, and cultural heritage.<sup>17</sup> A degraded environment would reduce tourist inflows, which increasingly depend on the quality of a country's environment.<sup>18</sup>

Finally, human activities that are respectful of the environment help to reduce the likelihood of extreme weather events such as floods, windstorms, and droughts. Natural disasters negatively affect the competitiveness of an economy by impacting the life and health of the local workforce and by diverting available resources from productivity-enhancing investments, such as education or innovation, for rescue and

reconstruction purposes. At the same time, disasters destroy tangible assets such as infrastructure, public facilities, and industrial stocks, and they interrupt the regular flows of goods and services both within and between countries. According to an estimate of the 2007/2008 UN *Human Development Report*, to reach the Millennium Development Goals by 2015, the additional cost associated with coping with more a hostile climate will amount to approximately US\$85 billion per year. An example is the unprecedented floods in Thailand in 2011, which, according to the World Bank, cost its economy US\$45 billion and triggered the disruption of many global supply chains.<sup>19</sup> Also in 2011, China experienced its worst drought in 50 years, with over 4 million farmers facing severe water shortages. And recent floods in the Philippines have claimed at least 1,500 lives, with corresponding negative impacts to infrastructure and land.

In terms of empirical evidence, a body of research supporting the positive relationship between competitiveness and environmental sustainability is slowly emerging. Jaffe and Palmer (1997) suggest a positive relationship between the intensity of environmental regulation and innovation as measured by the amount of R&D expenditure,<sup>20</sup> which contributes to productivity, at a country level. In the *Green Economy Report*,<sup>21</sup> the UNEP argues that a green economy, which invests a considerable amount of resources in the preservation of the environment and in the restoration of natural capital, tends to grow faster than a brown economy, which underinvests in natural capital and overinvests in activities that cause its degradation. Moreover, over the longer term, the green growth path starts off lower than the brown one but eventually surpasses it, when environmental damage begins to constrain growth. In this context, green growth leads to higher energy and resource efficiency, reduces greenhouse gas emissions, enhances ecosystem services, and creates additional jobs in the medium term.

At the firm level, the impact of environmental standards on productivity has become more and more controversial. Some recent studies suggest that the relationship between higher environmental standards and productivity could be positive, contrary to the traditional analysis that finds this relationship to be negative. For instance, refineries in the Los Angeles area of California, where environmental regulation tended to be stricter than in other US states, have enjoyed higher productivity than refineries located elsewhere in the country. Other studies on the Mexican food-processing industry have found that productivity is positively correlated with the intensity of environmental regulation.<sup>22</sup>

Based on the analysis and the relationship between different elements of environmental sustainability and competitiveness, we define *environmentally sustainable competitiveness* as the institutions, policies, and factors

that ensure an efficient management of resources to enable prosperity for present and future generations.

### Competitiveness and social sustainability

The body of research on social sustainability is growing, but remains limited. Because of the sometimes intangible nature of the social dimension of growth that is often the result of deliberate political choice, the concept of social sustainability tends to be under-theorized.<sup>23</sup> The social dimension of development, which had been considered in works such as the recommendations from the Stiglitz-Sen-Fitoussi Commission and by the *Brundtland Report*, has only recently gained greater recognition both in academic and policymaking circles.

Overall, there is no widely accepted definition of social sustainability. Each branch of social science tends to approach it from a different perspective, applying different criteria. However, it is possible to identify recurring themes in the different definitions that have been proposed so far. Human rights, equity, and social justice are among the most relevant.

Both the theoretical underpinnings of the relationship between social sustainability and development and empirical evidence to support such a theory remain somewhat unclear, although a series of recent events in different parts of the world seems to suggest that an unbalanced social model can undermine the stability of the growth process for both current and future generations. The recent wave of protests in Brazil, the several chapters of social revolts in the Arab World, and the Occupy Wall-Street Movement in the United States are some examples of how, if economic benefits are perceived to be unevenly redistributed within a society, riots or social discontent can affect the capacity of individuals to contribute to and benefit from higher rates of economic growth.

In what follows, we will individually analyze those dimensions of social sustainability that are likely to fuel productivity and long-term prosperity while at the same time preserving social stability. Our aim is to unbundle the most relevant elements, even if they are often interrelated and not always clearly distinct:

- **Inclusion.** An inclusive social system ensures that all citizens contribute to and benefit from the economic prosperity of their country. Inclusion is a prerequisite for social cohesion because, if some members of the community are marginalized, the society will lack the necessary coherence of goals to accomplish common purposes. Typical examples of social exclusion that have a considerable negative impact on the competitiveness of a nation are the lack of access to basic necessities, discrimination according to gender, youth marginalization, and extreme polarization of income. Any type of social exclusion that prevents people from



fully participating in the labor market reduces the availability of talent to a country's firms and organizations, thereby reducing competitiveness. Lack of access to sanitation, drinkable water, or healthcare can dramatically impair labor productivity, reducing the ability of the economy to compete globally. At the same time, when young people are marginalized by the labor market and have access only to short-term and highly volatile jobs, they remain vulnerable, especially during downturns. These workers usually receive less on-the-job training than their counterparts in stable positions, with a reduction in the overall level of human capital. Finally, the participation and empowerment of women is key to ensuring a large talent pool and tends to bring about other positive effects, such as reducing infant mortality, reducing poverty, improving the management of scarce resources, reducing conflict, and guaranteeing food security.<sup>24</sup>

- **Equity and cohesion.** An equitable society guarantees the same opportunities to its members, rewarding them according to their talents and fairly redistributing the benefits of growing wealth,<sup>25</sup> creating a cohesive society with no excessive income disparities across different groups. Inequality is a multidimensional concept. For the purposes of this *Report* we are mainly interested in income inequality, which certainly represents one of the biggest challenges for policymakers globally and which is highly correlated with access to other opportunities. According to the literature,<sup>26</sup> some of the main arguments suggesting that inequality may be harmful for growth are, first, that it can potentially distort the political process; second, it could suppress aggregate demand; third, it requires more redistributive efforts, thus potentially introducing more market distortions; and, finally, it may trigger economically harmful social tensions, especially in the context of a weak institutional setup. Persistent inequalities tend to limit upward social mobility, preventing gifted and hard-working individuals from being rewarded according to their talents. However, it can be argued that some degree of disparity—provided it is not driven by rent positions—is actually beneficial for growth because it incentivizes people to invest in education, work harder, and be more innovative and productive.
- **Resilience.** A social system is resilient when it can absorb temporary or permanent shocks and adapt to quickly changing conditions without compromising its stability. Formal or informal institutions usually perform the role of shock absorber, reducing the vulnerability of the society as a whole. In advanced economies, welfare states promote the economic and social well-being of the

society by protecting its members from excessive loss of income during old age and during periods of unemployment or illness. Although welfare systems represent a source of stability for the economy, they can turn into a hurdle for its competitiveness since overly generous social security programs increase labor costs, can undermine the stability of public finances and limit macro-stabilization policies, and can hamper the incentives to work, innovate, and excel. In order to be sustainable, a social protection system needs to be well balanced and affordable.

The resilience of a social system also depends on the features of its labor market and on the extent of the black economy. When workers have access only to short-term contracts or vulnerable employment, they are exposed to negative shocks and to all the costs associated with unemployment. Moreover, a widespread black economy may affect the resilience of a social system, since informal workers are more vulnerable to concerns related to job loss, old age, maternity, disability, or illness.

Based on the above analysis, our definition of *social sustainability* is *the institutions, policies, and factors that enable all members of society to experience the best possible health, participation, and security; and that maximize their potential to contribute to and benefit from the economic prosperity of the country in which they live.*

### Relationship between environmental and social sustainability

The third and final relationship we would like to explore is the one between environmental and social sustainability. The quality of the environment and the structure of a society are strictly correlated. On the one hand, well-managed natural resources increase the quality of life, reduce tensions within and between generations, provide better opportunities to the whole community, and improve the resilience of the society. Moreover, the management of natural resources might translate into “in-kind” income distribution, as resource scarcity may leave the poorest of the population unable to access basic necessities. On the other hand, widespread prosperity, which facilitates a high quality of life, requires a functioning economy that, by definition, uses natural resources. For this reason, although the academic literature tends to focus on these two dimensions individually, the World Economic Forum is interested in exploring the way environmental and social sustainability interact with one another. In this chapter, we focus on selected channels that have been extensively highlighted by the literature:

- **Health and environmental degradation.** As discussed in the previous section, a degraded environment negatively affects the health, and thus the productivity, of the workforce. It also reduces

the overall quality of life of members of the society. Each year, air pollution, unsafe drinking water, and exposure to chemical products contribute to a number of often-lethal diseases both in the developed and developing world. According to the Organisation for Economic Co-operation and Development (OECD),<sup>27</sup> unsafe water supplies, lack of sanitation, and poor hygiene are responsible for 3 percent of all deaths worldwide, of which 90 percent are children. An unhealthy environment dampens economic opportunities, prevents people from participating in the life of the community, diverts resources from productive uses, and contributes to urban decline.

- **Demography, poverty, and the environment.**

The relationship between demography and environmental/social sustainability is extremely intricate. Rapidly growing populations might be a source of environmental stress, leading to greenhouse gas emissions, high rates of soil erosion, and the extinction of species. If rapid population growth is not accompanied by environmental management, it can give rise to tensions between groups for the control of scarce resources and can therefore be a source of further social instability, creating a vicious circle. Persistent poverty may also affect the environment and may lead to massive unplanned urbanization, such as slums, where large segments of the population are without access to basic services. Such living conditions can have significant repercussions on the environment, including damage via deforestation and the pollution of water resources as a result of a lack of waste management.

- **Energy and social stability.** The consumption of carbon-based fuel is one of the major causes of global warming. According to the International Energy Agency,<sup>28</sup> in order to limit the rise of global temperature to 2°C, a number of measures need to be adopted to limit greenhouse gas emissions; these measures would consequently reduce the demand and therefore also the price of oil and gas. A study by HSBC estimates that a drop in demand of fossil fuel could cause the price of oil to remain below US\$50 per barrel.<sup>29</sup> This would mean that only a third of current fossil fuel reserves would be burned before 2050 because the cost of extraction would outweigh the associated value. Reduced volumes and lower values for fossil fuel would impact the stock value of extractive companies and tax revenues from fossil fuel–related levies. Consequently, public revenues would be reduced, putting pressure on the affordability of several social programs. For energy-driven countries, a stark reduction in revenues from mineral resources may

pose particular challenges to their welfare systems.

An additional link between energy, environment, and social sustainability is the use of alternative energy sources, such as ethanol and biodiesel. Although these energy sources help to reduce CO<sub>2</sub> emissions, they also use wide land areas, contributing to the increase in food prices that led to a food crisis in 2008. Moreover, these alternatives also have significant environmental impact in the form of additional pressure on water resources, for example.<sup>30</sup>

- **Climate change, food security and conflict.**<sup>31</sup>

In the future, rising sea levels and more extreme weather conditions may force millions of people to migrate, adding pressure on the use of natural resources—especially water—in the destination areas. Rising competition over these resources could eventually result in military conflict. Adverse changes in temperature and precipitation are likely to influence the capacity of many areas to produce food, thus increasing the vulnerability of the population. According to some studies, at present 1.7 billion people live in water-stressed countries. Industrialization and demographic forces are likely to further aggravate the situation, and climate change may exacerbate the situation even more by decreasing stream-flow and groundwater recharge.

Pressure on water resources and land, combined with a growing world population and rising poverty in some regions, may also aggravate food security concerns, which already represent a major problem today.<sup>32</sup> At present, in the developing world there are at least 800 million individuals without sufficient access to food. In less-developed countries, decreasing crop yields may lead to further exploiting degraded land, while globally, changing environmental conditions are reducing crop productivity. This constellation of pressures may increase food insecurity in the long term, even in areas where food availability is relatively secure today.

- **Climate change and women's empowerment.**<sup>33</sup>

According to a growing body of research, climate change is not gender neutral. In many rural and traditional societies in Africa, women are responsible for securing water, food, and energy for cooking and heating. But the effects of climate change such as droughts, heat waves, infections encouraged by rising temperatures, deforestation, and uncertain rainfall make it harder for these women to secure the resources they need. This, in turn, further weakens their position in society and reduces opportunities to better their lives and that of their families.

## DEFINITION OF SUSTAINABLE COMPETITIVENESS

Given all these forces and interrelationships, and as already mentioned at the beginning of the chapter, we define *sustainable competitiveness* as *the set of institutions, policies, and factors that make a nation remain productive over the longer term while ensuring social and environmental sustainability*. Fundamental to this concept is the notion that, although competitiveness can be equated with productivity and economic performance, sustainable competitiveness can be linked to a broader concept that focuses on aspects that go beyond mere economic well-being to include other important elements that render societies sustainably prosperous by ensuring high-quality growth. Another way of looking at the concept of sustainable competitiveness is that it aims to gauge not only whether a country has the potential to grow over the medium and long term, but whether the national development process is producing the kind of society in which we want to live.

## THE MEASUREMENT OF SUSTAINABLE COMPETITIVENESS

In order to assess where we stand today and to provide meaningful insights about how we want to proceed on these inter-related issues, we need to be able to measure sustainability. The following sections lay out the key existing approaches to measuring sustainability and describe the methodology of the sustainability-adjusted Global Competitiveness Index, which is the World Economic Forum's ongoing contribution to these efforts.

### Efforts to measure sustainability

Over recent decades, significant efforts have been made to devise methods and metrics for capturing the concept of sustainability. For example, the concept of *triple bottom line accounting*, which emerged in the 1980s, was a major attempt at expanding the traditional reporting framework for companies and countries to take into account environmental and social performance as well as financial and economic performance. The work of the Stiglitz-Sen-Fitoussi Commission in 2009 also reflects a remarkable attempt to expand the measurement of prosperity in societies "beyond measures of market activity to measure wellbeing." International organizations have also embraced these efforts. The European Commission, for example, has integrated sustainability objectives into its growth strategy: "The Europe 2020 Strategy, for smart, inclusive and sustainable growth."<sup>34</sup> The OECD is undertaking the Better Life Initiative, measured by the Better Life Index,<sup>35</sup> which includes social and environmental sustainability metrics; and, finally, the United Nations Development Programme (UNDP) has also included the concepts of environmental sustainability and equity in its human development assessment.<sup>36</sup>

All these efforts to better integrate environmental and social sustainability metrics into mainstream development thinking have been possible thanks to the ongoing attempts to improve the indicators in these fields, which are still not widely available. In terms of metrics on environmental sustainability, the Environmental Performance Index (EPI) and its predecessor the Environmental Sustainability Index, developed by researchers at Yale and Columbia universities;<sup>37</sup> the Ecological Footprint,<sup>38</sup> developed by the Global Footprint Network; and the Global Adaptation Index,<sup>39</sup> created by the Global Adaptation Institute, have been pioneers in measuring the ecological resource use and resource capacity of countries.

For social sustainability, fewer attempts have been made. Among others are the World Bank's *Worldwide Governance Indicators Framework*, which measures different aspects of governance such as political instability, voice, and accountability;<sup>40</sup> and the International Labour Organization's Decent Work initiative, which aims at measuring various elements relevant for labor conditions.<sup>41</sup>

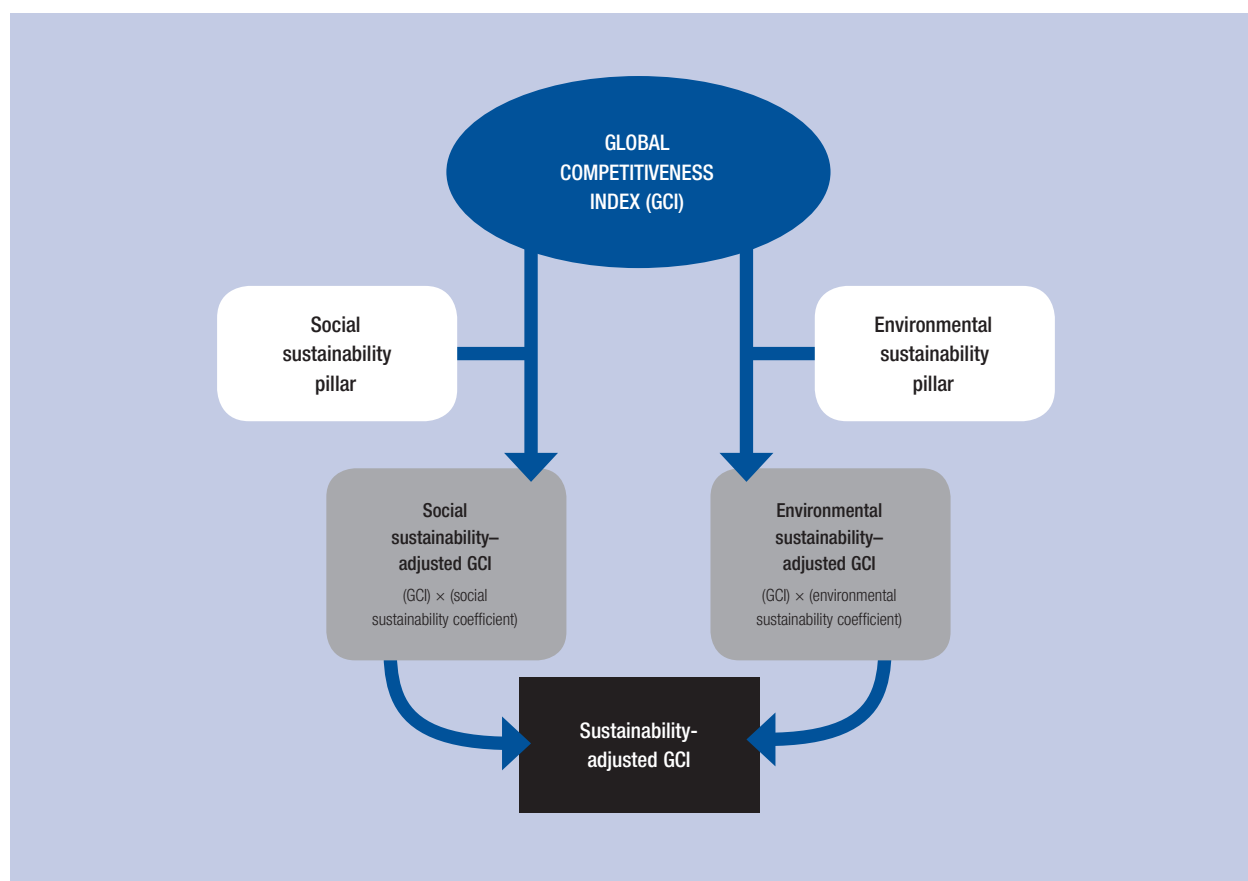
Despite this progress, a generalized lack of high-quality data that would allow countries to fully understand how they fare in these critical areas persists. Without an improvement in the quality and availability of key data on social and environmental sustainability, countries will continue to have trouble assessing the situation and monitoring their evolution in key dimensions. It will therefore be difficult for them to determine and implement appropriate policies and measures to ensure that their development model leads to the desired outcomes.

### Sustainable competitiveness: The analytical framework

Based on our definition of sustainable competitiveness, we have developed a framework that aims to create a common ground to develop policies that balance economic prosperity with social inclusion and environmental stewardship. This conceptual model is represented in Figure 1, which presents a framework where the Forum's index for measuring competitiveness, the Global Competitiveness Index (GCI), is adjusted by factors that encompass social and environmental sustainability.

This framework highlights the central position of competitiveness as the key driver of prosperity in society. High levels of competitiveness are crucial to sustained prosperity. The GCI measures the level of competitiveness of an economy, as discussed in Chapter 1.1, defined as *the set of institutions, policies, and factors that determine the level of productivity of an economy*. The GCI is a comprehensive index that takes into account 12 pillars or drivers: institutions, infrastructure, macroeconomic environment, health and primary

Figure 1: The structure of the sustainability-adjusted GCI



Note: Refer to appendix A for a detail explanation of the methodology.

education, higher education and training, goods market efficiency, labor market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. The variables that are analyzed in each of these 12 pillars are well known and benefit from more than 30 years of ongoing work on competitiveness at the World Economic Forum as well as a rich literature on growth and development.

However, the framework presented in Figure 1 indicates that competitiveness on its own may not lead to sustainable levels of prosperity. While the attainment of a certain level of economic prosperity is essential for achieving high standards of living, within this exercise, countries are assessed also for their ability to generate this long-lasting prosperity for their citizens in a sustainable way. In other words, competitiveness is a necessary but not sufficient condition for continued prosperity—hence the need for social sustainability-adjusted and environmental sustainability-adjusted measures of competitiveness.

As described in the first half of this chapter, defining the functional relationship between competitiveness and sustainability and identifying and measuring the pillars and variables that are driving environmental and social sustainability are complex tasks from both a conceptual and a measurement point of view. Sufficient

evidence does not yet exist that would lead to a solid functional relationship among them; we therefore opt for the simple approach of defining a linear relationship among the three dimensions. As a result, the final overall sustainability-adjusted Global Competitiveness Index is an average of the two sustainability-adjusted indexes: the social sustainability-adjusted GCI and the environmental sustainability-adjusted GCI.<sup>42</sup>

### **Social sustainability pillar**

For **social sustainability**, the Forum identifies three conceptual elements (Figure 2). The first category aims to assess a *population's access to basic necessities*.<sup>43</sup> It includes three indicators: *Access to sanitation*, *Access to improved drinking water*, and *Access to healthcare services*. This category is thus a measure of inclusion as well as a measure of the fulfillment of basic physical needs. Other indicators that we would have liked to incorporate but could not because of the lack of data include access to decent housing and food security. A population with poor access to water, food, shelter, healthcare, and sanitation cannot develop to its full capacity.

The second category is linked to the concept of perceived economic security. Hence it aims to evaluate a *population's vulnerability to economic exclusion*.

Figure 2: Summary of indicators for social sustainability

Access to basic necessities	Vulnerability to shocks	Social cohesion
<ul style="list-style-type: none"> <li>• Access to sanitation</li> <li>• Access to improved drinking water</li> <li>• Access to healthcare</li> </ul>	<ul style="list-style-type: none"> <li>• Vulnerable employment</li> <li>• Extent of informal economy</li> <li>• Social safety net protection</li> </ul>	<ul style="list-style-type: none"> <li>• Income Gini index</li> <li>• Social mobility</li> <li>• Youth unemployment</li> </ul>

Figure 3: Summary of indicators for environmental sustainability

Environmental policy	Use of renewable resources	Degradation of the environment
<ul style="list-style-type: none"> <li>• Environmental regulations (stringency and enforcement)</li> <li>• Number of ratified international environmental treaties</li> <li>• Terrestrial biome protection</li> </ul>	<ul style="list-style-type: none"> <li>• Agricultural water intensity</li> <li>• Forest cover change</li> <li>• Fish stocks' overexploitation</li> </ul>	<ul style="list-style-type: none"> <li>• Level of particulate matter concentration</li> <li>• CO<sub>2</sub> intensity</li> <li>• Quality of the natural environment</li> </ul>

Three indicators have been chosen for this evaluation: *Vulnerable employment as a percentage of total employment*, *The extent of informal economy*, and *Social safety net protection*. The vulnerable employment indicator measures the percentage of people who are self-employed in a small business or are in a small family business that may provide income levels insufficient to meet the living standards of the country of residence and can prove unstable in times of economic difficulties. The extent of the informal economy provides a sense of how well integrated the workforce is into official structures. A workforce that is less integrated leaves workers more vulnerable to concerns related to job loss, old age, maternity, disability, or illness. Third, the social safety net is a complementary measure of protection: in times of financial and economic instability, it helps households to maintain their access to basic needs and weather crises without falling into poverty traps. Providing protection also leads to a sense of financial security that enables individuals to undertake investments and entrepreneurial risk, which can in turn translate into the creation of new jobs and innovative ideas, thus benefitting the economy.

A third category can be thought of as an assessment of *social cohesion* including the following indicators: the *Income Gini index*, *Social mobility*, and *Youth unemployment*. We include the income Gini index as a measure of income inequality, but keeping in mind that—from a normative approach—excessive inequality may hide relative poverty that would prevent lower-income families from accessing the same opportunities as those with incomes at the high end of the range in the society. Linked to this idea, we include an indicator on social mobility, which was introduced last year into the World Economic Forum's Executive Opinion Survey.<sup>44</sup> In

the context of sustainable competitiveness, it is crucial that subsequent generations can improve their condition regardless of the socioeconomic status of their parents.

From a purely economic perspective, the absence of such social mobility can be detrimental to human capital development because talented individuals, in a society that does not allow them to access education and move ahead, will not be leveraged for economic advancement and they may leave the country to pursue opportunities abroad. Additionally, low expectations for the future in a context of high unemployment and persistent inequality can spark political instability. On a broader conceptual level, social mobility is also a direct measure of the freedom to pursue human development. Finally, high youth unemployment can reduce social cohesion and incur significant economic and social costs. It depresses lifetime earnings for unemployed workers, taking a toll on their health and reducing the potential of the next generation to succeed. From an economic standpoint, high youth unemployment reflects a failure to mobilize existing resources and build productive skills.

#### **Environmental sustainability pillar**

To develop the **environmental sustainability** pillar, the Forum has worked closely with experts at Yale's Center for Environmental Law and Policy (YCELP) and with the Center for International Earth Science Information Network (CIESIN) at Columbia University's Earth Institute to define the best existing indicators to use in this area and to understand the shortcomings of these data. The measures captured here and presented in the environmental sustainability pillar are meant to complement the analysis carried out through the Environmental Performance Index (EPI) produced by these two organizations, which provides



a much more comprehensive indication of national performance on a variety of environmental indicators.

In this pillar, indicators have been selected according to three categories (see Figure 3) aimed at covering the most relevant aspects of environmental sustainability.

The first area measured in the environmental sustainability pillar is *environmental policy*, which is composed of a gauge of the stringency and enforcement of environmental regulations along with the extent to which land areas are protected, providing an assessment of a country's commitment to protecting natural capital. We also include a measure of the number of key international environmental treaties, out of a total of 25, in which the country is a participant. This variable demonstrates the country's level of engagement with environmental issues and thus its willingness to become involved in international efforts toward addressing global environmental challenges. Together these variables capture to some extent the political will of countries to respond to environmental issues in a structured and consistent way and indicate their importance in the government agenda.

The second area relates to the *use of renewable resources*. These indicators comprise measures of water withdrawal intensity of agriculture in an economy, which considers the extent to which the agriculture sector is efficient in its use of water; forest cover change, which takes into account reported information about the percentage of total land area that is deforested (or afforested) over time; and the exploitation of fishing grounds. A diminishing regeneration capacity is one of the major environmental issues for which a simple solution is not easily identified. Although the data in this area are among the most difficult to collect and interpret, it is crucial for a country to manage these resources in order to ensure that they remain available for future generations.

The third area takes into consideration the *degradation of the environment*, which can cause serious damage to human health while destroying the ecosystem. The specific indicators used to measure this concept are the level of particulate matter concentration, the quality of the natural environment, and CO<sub>2</sub> intensity. Particulate matter concentration is a proxy for air pollution, which has proven negative effects on human health and is monitored by local authorities in many countries. The quality of the natural environment is a perception-based assessment of the local status of the environment that measures the observation of local business leaders on the ground. CO<sub>2</sub> intensity is a measure of the efficiency of energy use in relation to the emissions it produces. It is important to note that, although CO<sub>2</sub> intensity also provides a sense of national contributions to climate change, at present, the decision was taken not to include climate change as a specific

factor in this pillar. This is because there is currently no agreement on how to attribute emission responsibilities to particular countries. For example, in a world of globalized markets, should emissions be allocated to the country producing the goods that created the emissions, or to the consuming country? Also it is not yet clear what impact countries' contributions to climate change would have on national competitiveness, particularly in the absence of an international agreement that would impose costs on large emitters.

While the variables described in this and the previous sections capture a number of important aspects of social and environmental sustainability, additional variables would be needed to obtain a more complete measure of the concept. These indicators include measurements of social participation and respect for core human rights, as well as discrimination and the treatment of minority populations and additional environmental indicators. However, as noted in Box 3, because of the lack of quality indicators in these areas we are unable to include them for the time being.

### Calculation of the sustainability-adjusted GCI

The two areas of sustainability—social and environmental—are treated as independent adjustments to each country's performance in the GCI. The details behind the aggregation are described in Appendix A; Appendix B provides detailed notes and sources for each indicator. The aggregation leads to three outcomes: an environmental sustainability-adjusted GCI, a social sustainability-adjusted GCI, and an overall sustainability-adjusted GCI that combines the two effects.

Lacking clear theoretical guidelines in assigning weights to the individual elements, each indicator has been given an equal weight within each pillar. As described in detail in Appendix A, each pillar is converted into an "adjustment coefficient" with a range from 0.8 to 1.2, which is then used to adjust the GCI score upward or downward within this range. This result is an adjusted score of a maximum of 20 percent lower or 20 percent higher than the underlying GCI score.

The single indicators are aggregated using a simple average. Although this aggregation method is transparent and simple to replicate, its limitation is that it allows for compensation across the different sustainability dimensions. This needs to be kept in mind when interpreting the results, especially on environmental sustainability. For example, Brazil performs well on a number of environmental indicators but ranks poor in terms of deforestation. By construction, the poor performance on the forest cover change indicator is compensated for by the good results in other areas; consequently Brazil attains an above-average performance for environmental sustainability despite deforestation.

### Box 3: Data limitations and a plea for better sustainability data

High-quality data on the social and the environmental dimensions of sustainability are critical for international benchmarking, tracking progress, and analyzing relationships between the different dimensions. Yet, despite the great effort of many organizations to assess some aspects of sustainability, data availability is not satisfactory and the lack of a complete, high-quality global dataset represents a relevant and severe limitation to the ability to compare data across countries and benchmark progress over time.

Even when data are available, they are in many cases not collected on a regular basis, measure concepts that are either too broad or too narrow, or are not calculated with a consistent methodology across countries. For example, youth unemployment is not measured according to the same methodology across countries and the related datasets are not updated regularly. As a result, figures are in some cases more than five years old and hence are incapable of reflecting the rapidly changing reality on the ground, for example following the most recent financial crisis. Using out-of-date figures can be misleading for policymakers, who require statistics that accurately reflect the current situation in order to gain a sense of the effectiveness of their reform efforts.

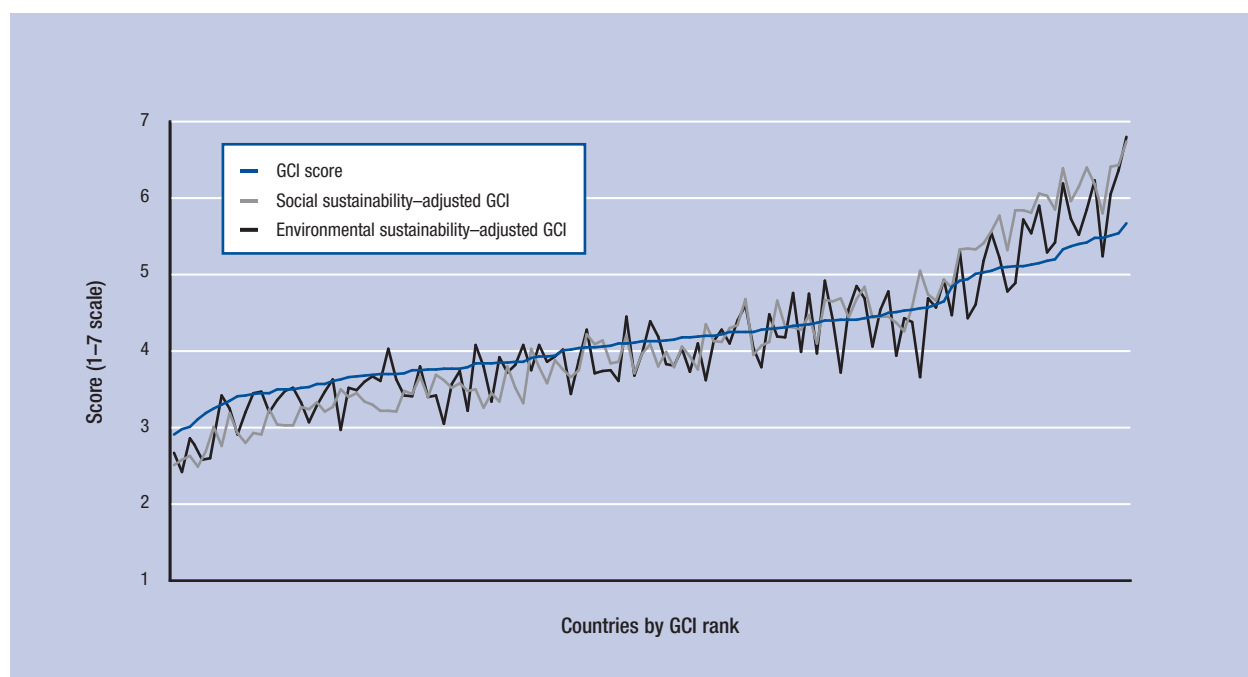
At the same time, for a number of key concepts of sustainability, indicators are simply not available. The absence of such indicators is reflected in our assessment of sustainable competitiveness: a number of measures that we recognize as relevant and would like to include in our methodology are missing, and hence the results reflect an "omitted variables" bias.

Some of the most relevant missing indicators include:

- *Inclusion of minorities.* A measure of how homogenous and how well integrated the social fabric is would provide a relevant component of social sustainability. Although there is no evidence that the exclusion of minorities can cause instability, it is widely recognized that this can be a source of tensions and political polarization.
- *Civil and political rights.* Political and civil rights, such as freedom of speech and freedom of association, facilitate higher levels of transparency and support a system of checks and balances. They generally result in more inclusive governance systems that ensure that the benefits of progress are distributed more widely within the society. Although some indicators in this domain exist, the intangible nature of the topic does not easily allow for a quantitative assessment of the level of political rights present in a country.
- *Real purchasing power of households.* In the context of social sustainability, it is desirable to ensure that salaries allow for a sufficient and secure income and full participation in the country's prosperity and opportunities. Although several studies at the local level highlight the erosion of the purchasing power of households in several advanced economies, this phenomenon does not emerge in our analysis because it cannot be captured by the indicators used in our methodology. Despite the efforts of the International Labour Organization, which has published statistics on labor rights and productive work, the data available cover only a limited number of economies. Until such data are available for a wide range of countries, they cannot be considered for a global assessment.
- *Welfare schemes.* Although preferences for the generosity of welfare schemes may differ across countries, these schemes should be affordable in the long run without placing a major burden on public finance. A measure of the financial sustainability of social protection for a large number of countries would allow us to better assess the balance of social protection and public finance.
- *Water stress.* As water is one of the most critical resources for human life as well as for economic activity, sound water indicators are of primary importance. Currently such indicators are not available for a large number of countries because their measurement is very complex. One challenge comes from the fact that water is unevenly distributed on the planet, it flows through national borders, and it can be used for more than one purpose. Another difficulty originates from the fact that water is used differently according to its availability. For example, agricultural products change in different climates: water-intensive products such as paddy rice are most likely produced in areas with abundant water. Consequently, a relevant indicator should measure the actual level of net water available compared with the needs of the population and businesses. The Forum is in contact with the World Research Institute (Aquaduct) program to develop a water stress indicator to be included in the sustainable competitiveness framework in future iterations.
- *Water pollution.* The availability of clean water determines the health of the population and indirectly affects migration patterns. Managing water efficiently requires minimizing water use as well as keeping the water tables fully usable. Internationally comparable data on water quality could contribute to further highlighting the issue.
- *Recycling.* Being able to re-use material is critical to the ability to continue producing new goods without depleting the mineral and natural resources available. An assessment of how much of the material incorporated in consumer goods is actually re-used would constitute a good benchmark for countries' exposure to resource scarcity.
- *Waste management.* Directly linked to recycling, managing waste is essential for establishing a culture of recycling as well as for avoiding the careless disposal of dangerous materials that affect the health of the population. Unfortunately, cross-country data that can measure the management of waste are not yet available.

In order to bridge the gap in measuring sustainability, a wider international effort is required. This challenge can be met by pooling resources to produce and collect the data and by defining global measurement standards. To contribute to data production and collection, in 2012 the World Economic Forum created the Global Agenda Council on Measuring Sustainability. One of the main objectives of the Council is to create a platform to enable and incentivize data collection from different sources and make them available for researchers and the public at large. Additionally, the Council aims to bring scientists and policymakers together to develop new sustainability indicators.

Figure 4: Country performance on the GCI and the components of the sustainability-adjusted GCI



Nowithstanding extensive research efforts, we were not able to identify new metrics of appropriate quality to be included in the index. At the same time, based on a detailed review of the structure of the two pillars, the indicator *Forest loss* has been dropped because of its overlap with the indicator *Forest cover change*.

In this year's Sustainable Competitiveness exercise, we are able to increase the country coverage to 121 economies, up from 79 in the previous edition of the *Report*. This significant increase in coverage is mainly the result of dropping the indicator *Forest loss*, which was not available for a number of countries. Yet coverage remains lower than for the GCI, which includes 148 economies this year.

### Results of the sustainability-adjusted GCI analysis

In this section, the results from the sustainability-adjusted GCI analysis are presented. Table 1 shows how the GCI score is adjusted once sustainability indicators are taken into account. An upward arrow shows that sustainability results drive a better score than the GCI itself; a downward arrow points to a situation of vulnerability in terms of social and/or environmental sustainability that lowers the GCI score. A "flat" arrow indicates that GCI results do not change substantially once sustainability aspects are taken into account.

As Figure 4 shows, the results indicate that there is no clear trade-off between being competitive and being sustainable. Countries attain results on the two elements of sustainability that are above or below the

competitiveness score at all levels of competitiveness. However, countries in the top half of the competitiveness rankings tend to perform better on sustainability as well. This is particularly true for the social sustainability dimension, which is, not surprisingly, highly correlated with the level of development. Developed economies tend to have more mature institutions that ensure that citizens have access to basic infrastructure, health, and welfare. At the same time, countries that face challenges related to their competitiveness fare even more poorly in terms of social sustainability.

In terms of environmental sustainability, the picture is more complex. Countries toward the lower end of the competitiveness scale tend to fare better than advanced economies in terms of emissions such as CO<sub>2</sub>, as well as manufacturing-related pollution such as waste and by-products of industrial processes.<sup>45</sup> However, these economies are currently facing problems that advanced economies have already experienced in their own earlier stages of development, such as biodiversity loss caused by deforestation, urbanization, and the expansion of agricultural land as well as air pollution (measured here through particulate matter, or PM<sub>2.5</sub>, emissions) triggered by the use of older combustion technologies, especially in the transport sector. Therefore, not surprisingly, cities in countries such as Bangladesh, Brazil, China, India, and Nigeria are among some of the most polluted areas on the planet.

## RESULTS FOR SELECTED ECONOMIES

**Switzerland** remains at top of the sustainability-adjusted GCI and shows a high level of sustainability on both the social and environmental dimensions of the index. Low unemployment combined with relatively good social protection enables Switzerland to perform well on the social dimension. In terms of environmental sustainability, although results are positive in comparison with other countries, the treatment of chemicals and air pollutant emissions appear to be areas for improvement. The performance of Switzerland demonstrates that there is no necessary trade-off between being environmentally and socially sustainable on the one hand and being competitive on the other. In general terms, countries that are close to the innovation frontier can innovate and manage their resources effectively, and in fact these countries are often keener to monitor possible sustainability concerns and to put in place policies to address them. Although Switzerland does not yet attain the maximum possible score, indicating there are still areas for improvement, the country's leadership and population are certainly aware of the pressures on environmental resources and social issues and do much to address them.

Similarly, **Nordic** countries perform well in terms of sustainability. **Norway** is the only other country (besides Switzerland) that attains very strong results in both aspects of sustainability, being the only country in the Nordics with youth unemployment below 10 percent and wide-ranging social protection combined with low emissions and good land management on the environmental side. One area for improvement is Norway's depleting fish stock. **Finland** attains a similar performance, scoring well especially on the social dimension with a high level of social protection and universal access to healthcare; however, these good results are partially offset by a relatively high youth unemployment figure (20.3 percent). In terms of environmental sustainability, Finland is also relatively sustainable with strict regulations, low water stress, and low emissions. However, little protected land area and some pressure on fish stocks prevent the country from attaining an even better result. **Sweden** also performs well both in terms of social and environmental sustainability, but at a lower level than other Nordic countries, especially on the social pillar where the country's persistently high youth unemployment rate continues to weigh heavily. In terms of environmental sustainability, Sweden attains a result similar to Finland, with generally responsible management of resources; limitations are seen, however, in some concerns over depleting fish stocks and very little protected land area.

**Germany** performs relatively well on both aspects of sustainability. On the social sustainability pillar, relatively low youth unemployment, wide access to healthcare, and the presence of a social safety net are the main

drivers of the positive assessment. Some emerging social difficulties, such as the increasing number of employed people who rely on the welfare state, may put the country's social sustainability at risk.<sup>46</sup> Environmental sustainability is also relatively positive. Stringent and well-enforced regulations and the existence of a large amount of protected land indicate Germany's particular attention to environmental issues. However, despite the country's efforts, some areas for improvement remain. CO<sub>2</sub> intensity is still relatively high, although slowly diminishing, and fish stocks appear somewhat overexploited.

The performance of the **United States** in terms of sustainable competitiveness is, as in the previous edition, modest, with somewhat better results for social than environmental sustainability. The country's social sustainability score is somewhat lower than that of other advanced economies because of high income inequality and relatively high youth unemployment (17.3 percent). According to the 2012 assessment from the US Census Bureau, more than 16 percent of the population lived in poverty in the United States—a worse result than the 14.3 percent of 2009 and a sign of increasing polarization within the income structure. In terms of environmental sustainability, the below-par performance of the United States is the consequence of several factors that include the country's lack of commitment to joining international treaties, its limited political will to firmly improve on critical environmental issues, the high pressure on its water resources for agriculture, its relatively high CO<sub>2</sub> emissions, and limited protected land area. This aligns with the concerns highlighted by the US Environmental Protection Agency (EPA) on the need to protect habitats, especially on the coasts where urbanization is moving faster. The EPA recognizes that the loss of open land and forest because of its conversion to urban areas or agricultural uses is a significant threat to natural habitats.<sup>47</sup> On a more positive note, air quality is improving somewhat in several areas in the country.

**Japan** receives a relatively positive assessment in the social sustainability component, performing better than other economies thanks to low youth unemployment, a small informal economy, and a sound social safety net. However, the country also displays a relatively high level of income inequality. On the environmental side, Japan's performance is more mixed. The country is doing well in terms of environmental policies (with high commitment to ensuring that regulations and standards are in place), yet it continues to face a high level of CO<sub>2</sub> emissions and it faces some pressure on water resources and on fish stocks.

Among other countries performing well in terms of environmental sustainability, **New Zealand** emerges as an economy with a strongly articulated political commitment to environmental stewardship. It performs

Table 1: Adjustment to the GCI scores by sustainability indicators

Country/Economy	GCI 2013–2014		Social sustainability-adjusted GCI <sup>†</sup>		Environmental sustainability-adjusted GCI <sup>‡</sup>		Sustainability-adjusted GCI <sup>†‡</sup>	
	Rank*	Score	Score	Direction	Score	Direction	Score	Direction
Switzerland	1	5.67	6.74	↑	6.80	↑	6.77	↑
Finland	3	5.54	6.43	↑	6.36	↗	6.40	↑
Germany	4	5.51	6.41	↑	6.05	↗	6.23	↗
United States	5	5.48	5.80	↗	5.24	⇒	5.52	⇒
Sweden	6	5.48	6.18	↗	6.23	↗	6.21	↗
Netherlands	8	5.42	6.40	↑	5.85	↗	6.13	↗
Japan	9	5.40	6.15	↗	5.52	⇒	5.83	↗
United Kingdom	10	5.37	5.96	↗	5.73	↗	5.85	↗
Norway	11	5.33	6.39	↑	6.19	↑	6.29	↑
Canada	14	5.20	5.85	↗	5.42	⇒	5.64	↗
Denmark	15	5.18	6.03	↑	5.29	⇒	5.66	↗
Austria	16	5.15	6.06	↑	5.90	↗	5.98	↑
Belgium	17	5.13	5.81	↗	5.54	↗	5.67	↗
New Zealand	18	5.11	5.84	↗	5.72	↗	5.78	↗
United Arab Emirates	19	5.11	5.84	↗	4.89	⇒	5.37	⇒
Saudi Arabia	20	5.10	5.32	⇒	4.78	↘	5.05	⇒
Australia	21	5.09	5.77	↗	5.22	⇒	5.50	↗
France	23	5.05	5.57	↗	5.54	↗	5.56	↗
Malaysia	24	5.03	5.41	↗	5.18	⇒	5.29	⇒
Korea, Rep.	25	5.01	5.33	↗	4.61	↘	4.97	⇒
Israel	27	4.94	5.34	↗	4.43	↘	4.89	⇒
Ireland	28	4.92	5.33	↗	5.31	↗	5.32	↗
China	29	4.84	4.83	⇒	4.47	↘	4.65	⇒
Estonia	32	4.65	4.93	↗	4.93	↗	4.93	↗
Chile	34	4.61	4.66	⇒	4.57	⇒	4.61	⇒
Spain	35	4.57	4.74	⇒	4.69	⇒	4.71	⇒
Kuwait	36	4.56	5.05	↗	3.66	↓	4.36	⇒
Thailand	37	4.54	4.58	⇒	4.38	⇒	4.48	⇒
Indonesia	38	4.53	4.26	↘	4.43	⇒	4.35	⇒
Azerbaijan	39	4.51	4.37	⇒	3.94	↘	4.15	↘
Panama	40	4.50	4.45	⇒	4.78	↗	4.62	⇒
Poland	42	4.46	4.45	⇒	4.54	⇒	4.50	⇒
Turkey	44	4.45	4.44	⇒	4.06	↘	4.25	⇒
Czech Republic	46	4.43	4.84	↗	4.69	↗	4.77	↗
Lithuania	48	4.41	4.68	↗	4.85	↗	4.76	↗
Italy	49	4.41	4.44	⇒	4.55	⇒	4.50	⇒
Kazakhstan	50	4.41	4.69	↗	3.72	↓	4.20	⇒
Portugal	51	4.40	4.65	↗	4.41	⇒	4.53	⇒
Latvia	52	4.40	4.67	↗	4.92	↗	4.80	↗
South Africa	53	4.37	4.10	↘	3.97	↘	4.03	↘
Costa Rica	54	4.35	4.47	⇒	4.75	↗	4.61	↗
Mexico	55	4.34	4.28	⇒	3.99	↘	4.13	⇒
Brazil	56	4.33	4.31	⇒	4.76	↗	4.53	⇒
Bulgaria	57	4.31	4.32	⇒	4.18	⇒	4.25	⇒
Cyprus	58	4.30	4.66	↗	4.19	⇒	4.42	⇒
Philippines	59	4.29	4.12	⇒	4.48	⇒	4.30	⇒
India	60	4.28	4.07	⇒	3.79	↘	3.93	↘
Peru	61	4.25	3.95	↘	4.04	⇒	4.00	↘
Slovenia	62	4.25	4.68	↗	4.60	↗	4.64	↗
Hungary	63	4.25	4.34	⇒	4.40	⇒	4.37	⇒
Russian Federation	64	4.25	4.30	⇒	4.10	⇒	4.20	⇒
Sri Lanka	65	4.22	4.12	⇒	4.28	⇒	4.20	⇒
Montenegro	67	4.20	4.13	⇒	4.13	⇒	4.13	⇒
Jordan	68	4.20	4.35	⇒	3.62	↘	3.98	⇒
Colombia	69	4.19	3.76	↘	4.10	⇒	3.93	↘
Vietnam	70	4.18	3.93	↘	3.73	↘	3.83	↘
Ecuador	71	4.18	4.06	⇒	4.03	⇒	4.05	⇒
Georgia	72	4.15	3.79	↘	3.81	↘	3.80	↘
Macedonia, FYR	73	4.14	3.99	⇒	3.83	↘	3.91	⇒
Botswana	74	4.13	3.80	↘	4.19	⇒	3.99	⇒
Croatia	75	4.13	4.09	⇒	4.39	↗	4.24	⇒

(Cont'd.)



Table 1: Adjustment to the GCI scores by sustainability indicators (cont'd.)

Country/Economy	GCI 2013–2014		Social sustainability-adjusted GCI†		Environmental sustainability-adjusted GCI‡		Sustainability-adjusted GCI‡‡	
	Rank*	Score	Score	Direction	Score	Direction	Score	Direction
Romania	76	4.13	3.97	⇒	3.98	⇒	3.97	⇒
Morocco	77	4.11	3.71	↘	3.68	↘	3.70	↘
Slovak Republic	78	4.10	4.21	⇒	4.45	↗	4.33	↗
Armenia	79	4.10	3.86	↘	3.61	↘	3.74	↘
Iran, Islamic rep.	82	4.07	3.84	↘	3.75	↘	3.80	↘
Tunisia	83	4.06	4.14	⇒	3.74	↘	3.94	⇒
Ukraine	84	4.05	4.09	⇒	3.71	↘	3.90	⇒
Uruguay	85	4.05	4.22	⇒	4.28	↗	4.25	⇒
Guatemala	86	4.04	3.75	↘	3.88	⇒	3.82	↘
Bosnia and Herzegovina	87	4.02	3.66	↘	3.44	↘	3.55	↘
Cambodia	88	4.01	3.76	↘	4.02	⇒	3.89	⇒
Moldova	89	3.94	3.88	⇒	3.93	⇒	3.91	⇒
Namibia	90	3.93	3.58	↘	3.86	⇒	3.72	⇒
Greece	91	3.93	3.79	⇒	4.08	⇒	3.94	⇒
Trinidad and Tobago	92	3.91	4.03	⇒	3.75	⇒	3.89	⇒
Zambia	93	3.86	3.32	↘	4.08	↗	3.70	⇒
Jamaica	94	3.86	3.52	↘	3.82	⇒	3.67	⇒
Albania	95	3.85	3.80	⇒	3.72	⇒	3.76	⇒
Kenya	96	3.85	3.34	↘	3.92	⇒	3.63	↘
El Salvador	97	3.84	3.45	↘	3.34	↘	3.40	↘
Bolivia	98	3.84	3.26	↓	3.80	⇒	3.53	↘
Nicaragua	99	3.84	3.50	↘	4.08	↗	3.79	⇒
Algeria	100	3.79	3.48	↘	3.22	↓	3.35	↘
Serbia	101	3.77	3.58	↘	3.74	⇒	3.66	⇒
Guyana	102	3.77	3.52	↘	3.57	↘	3.54	↘
Lebanon	103	3.77	3.62	⇒	3.05	↓	3.34	↘
Argentina	104	3.76	3.69	⇒	3.42	↘	3.55	↘
Dominican Republic	105	3.76	3.40	↘	3.40	↘	3.40	↘
Suriname	106	3.75	3.67	⇒	3.80	⇒	3.74	⇒
Mongolia	107	3.75	3.44	↘	3.41	↘	3.43	↘
Bangladesh	110	3.71	3.48	↘	3.42	↘	3.45	↘
Honduras	111	3.70	3.21	↘	3.63	⇒	3.42	↘
Gabon	112	3.70	3.22	↘	4.03	↗	3.62	⇒
Senegal	113	3.70	3.22	↘	3.61	⇒	3.41	↘
Ghana	114	3.69	3.30	↘	3.67	⇒	3.48	↘
Cameroon	115	3.68	3.34	↘	3.60	⇒	3.47	↘
Gambia, The	116	3.67	3.45	↘	3.49	↘	3.47	↘
Nepal	117	3.66	3.40	↘	3.52	⇒	3.46	↘
Egypt	118	3.63	3.50	⇒	2.97	↓	3.23	↘
Paraguay	119	3.61	3.27	↘	3.63	⇒	3.45	⇒
Nigeria	120	3.57	3.21	↘	3.47	⇒	3.34	↘
Kyrgyz Republic	121	3.57	3.33	↘	3.29	↘	3.31	↘
Cape Verde	122	3.53	3.24	↘	3.07	↘	3.15	↘
Swaziland	124	3.52	3.27	↘	3.33	↘	3.30	↘
Tanzania	125	3.50	3.03	↘	3.52	⇒	3.27	↘
Côte d'Ivoire	126	3.50	3.03	↘	3.48	⇒	3.25	↘
Ethiopia	127	3.50	3.04	↘	3.36	⇒	3.20	↘
Liberia	128	3.45	3.24	↘	3.20	↘	3.22	↘
Benin	130	3.45	2.91	↓	3.47	⇒	3.19	↘
Zimbabwe	131	3.44	2.93	↘	3.45	⇒	3.19	↘
Madagascar	132	3.42	2.80	↓	3.20	↘	3.00	↘
Pakistan	133	3.41	2.93	↘	2.91	↘	2.92	↘
Venezuela	134	3.35	3.19	⇒	3.25	⇒	3.22	⇒
Mozambique	137	3.30	2.76	↓	3.42	⇒	3.09	↘
Timor-Leste	138	3.25	3.01	↘	2.60	↓	2.81	↘
Mauritania	141	3.19	2.69	↓	2.58	↓	2.63	↓
Haiti	143	3.11	2.49	↓	2.78	↘	2.63	↓
Sierra Leone	144	3.01	2.63	↘	2.86	↘	2.74	↘
Yemen	145	2.98	2.58	↘	2.42	↓	2.50	↓
Guinea	147	2.91	2.51	↘	2.67	↘	2.59	↘

\* This is the GCI rank, as presented in Chapter 1.1. Only the 121 countries covered by this exercise are included in the table.

† This is the score obtained by multiplying the GCI score by the social sustainability coefficient.

‡ This is the score obtained by multiplying the GCI score by the environmental sustainability coefficient.

‡‡ This is the average of social sustainability-adjusted GCI and environmental sustainability-adjusted GCI scores.

Please refer to the technical appendix of this chapter for a description of how the coefficients are calculated. All the underlying indicators are available at <http://www.weforum.org/content/pages/sustainable-competitiveness>.

#### Key

- ↑ GCI score changes by > +15% to +20%
- ↗ GCI score changes by +5% to +15%
- ⇒ GCI score remains stable between +5% and –5%
- ↘ GCI score changes by –5% to –15%
- ↓ GCI score changes by < –15% to –20%

better than neighboring **Australia**. The main differences between the two countries lie in the lower level of air pollution in New Zealand and the country's efforts to set aside protected land areas. Both countries receive strong assessments for their social sustainability as well.

The **United Arab Emirates** emerges as somewhat socially sustainable, although its environmental performance shows some weaknesses. Low youth unemployment and wide access to basic necessities (sanitation and drinking water) drive these fairly positive results. In terms of environmental sustainability, however, high pressure on water resources (partially the result of geographic conditions) and a high concentration of particulate matter lead to an overall below-par performance. In addition, the country is signatory to fewer international environmental treaties than most countries, and CO<sub>2</sub> emissions, although decreasing, are also relatively high.

**China's** competitiveness is overall less positive once the sustainability measures are taken into account. The environmental sustainability component particularly is less positive. In terms of social sustainability, China's performance is comparable to its overall competitiveness score, although this may be affected by the fact that the country does not report data related to youth unemployment or vulnerable employment. Access to improved drinking water and sanitation are improving slightly, as is the perceived access to healthcare, and there is some access to a social safety net. However, the fraction of the population covered by the welfare system is still relatively small and is restricted mainly to full-time urban workers, and 35 percent of the population still does not have access to improved sanitation facilities. Additionally, income inequality is high, with stark differences across different geographical areas but also within cities; this situation has driven the government to consider raising the national minimum wage to 40 percent of average urban salaries by 2015.

It is, however, the environmental sustainability dimension in which China's competitiveness may encounter the most important challenges. The level of emissions (both CO<sub>2</sub> and PM<sub>2.5</sub> particles) continues to rise, and air pollution is worsening in several cities. The agricultural sector places a great deal of pressure on the environment (e.g., China's water intensity is very high). Water pollution is also pervasive, with the ecosystem of water streams severely damaged. Rapid industrialization has taken a heavy toll on the Chinese natural environment, especially in terms of pollution, and—according to a study from the Beijing-based Chinese Academy for Environmental Planning—this has also resulted in productivity loss. Health issues, crop degradation, and losses from pollution-related accidents have reduced China's productivity, with the total cost arising from pollution estimated at 3.1 percent of GDP.<sup>48</sup> The tangible deterioration of natural capital has induced

the government to plan changes to the way resource use is taxed: according to the Chinese press,<sup>49</sup> the government envisages changing the taxation of coal in a way that would increase coal prices and discourage the use of this fuel. Additionally China may introduce a tax on water use. The Chinese leadership's growing focus on the natural environment will be important for placing the country on a more sustainable path over the next few years.

**Indonesia's** assessment on sustainable competitiveness brings down the country's GCI result. In terms of social sustainability, the primary area of concern is the significant share of the population in vulnerable employment. Additionally, access to sanitation remains low (40 percent of the population does not have regular access to sanitation facilities) and access to healthcare services is inadequate. From an environmental perspective, sustainability is threatened by the high rate of deforestation, which is depleting the country's forests and destroying the habitat of a highly biodiverse ecosystem. Logging and agriculture are taking the highest toll on Indonesia's forests, which could be protected by stricter enforcement of environmental regulations. In addition to deforestation, Indonesia's environmental issues include a rising level of CO<sub>2</sub> emissions and the relatively high intensity of water use for agriculture. Beyond the assessment of this framework, marine pollution is also reported to be severely damaging Indonesia's coral reefs.<sup>50</sup>

**Turkey** attains a middling score on the social sustainability dimension and a lower score in the environmental sustainability-adjusted GCI than it does in the GCI itself. In terms of social sustainability, the country's relatively high youth unemployment, its large informal sector, and its limited social protection continue to represent its main challenges. In terms of environmental sustainability, high CO<sub>2</sub> emissions, intensive water use for agriculture, and limited protected land area together with a lack of commitment to international environmental agreements contribute to diminishing the sustainability of long-term competitiveness.

**South Africa's** social sustainability is undermined by high income inequality and youth unemployment. In addition, the country has not yet achieved universal access to sanitation. On a more positive note, the share of the population in vulnerable employment is relatively low and social mobility is somewhat better than it is in many other countries at a similar stage of development. From an environmental point of view, South Africa's performance is weakened mainly by increasing CO<sub>2</sub> emissions and strained water and fish stock resources. Soil erosion and practices connected with commercial farming, such as the use of pesticides, add to the pressures on the environment.

**Brazil's** results on sustainable competitiveness are in line with its GCI score, and it has a somewhat more positive assessment on environmental sustainability. The size of the country and the richness of its natural assets result in relatively positive aggregate results in areas such as emissions and air quality. In addition, environmental regulation has become stricter following recent efforts to undo the damage inflicted on the natural environment that occurred in the process of industrialization. However, some issues—such as the country's long-running deforestation—do not seem to be improving. The Brazilian government disclosed figures earlier this year pointing toward further deforestation in the Amazon, undoing recent progress in preserving the rainforest.<sup>51</sup> In terms of social sustainability, the population's high income inequality and poor access to health and sanitation is damaging the country's capacity to sustain its competitiveness. Protests recently took place in several of Brazil's cities, and although the causes are complex, some of the country's socioeconomic intricacies play a key role. Inefficient and expensive public transport, rising prices compared to the level of salaries, and poor access to credit, combined with strong income disparities, are undermining social sustainability in the country.

**India's** sustainable competitiveness is also characterized by concerns in both areas of sustainability. On the social sustainability side, India's performance is hindered by lack of access to basic sanitation and health services for many of its citizens (only 35 percent of the population has access to improved sanitation). Also, despite the introduction of the National Social Assistance Programmes (NSAP) in 1995, the share of population covered by the social safety net is still relatively small. This issue, combined with a large informal sector and a high share of the workforce in vulnerable employment, makes it difficult to manage the country's growing income inequality. Altogether these structural issues make India's competitiveness vulnerable to shocks. India's environmental performance also hinders the achievement of sustainable competitiveness. A high level of emissions (especially in terms of particulate matter concentration) and few protected areas are wearing down the quality of the natural environment. Additionally, high agricultural water-use intensity is depleting water tables because usage is above their regenerative capacity. According to the Ministry of Water Resources, "68% of the country is prone to drought in varying degrees of which 33% is chronically drought prone."<sup>52</sup> Agriculture use, industrial use, increasing population, infrastructure gaps, and contamination exacerbate the water scarcity issue. The Ministry of Water Resources reports that: "high incidence of fluoride, arsenic, iron & heavy metals has been found in isolated pockets" in several states.<sup>53</sup>

**Peru's** competitiveness is also reduced once sustainability measures are taken into account in both the social and environmental areas. Regarding social sustainability, Peru is characterized by high income inequality, which is worsened by a large informal economy that leaves many people unprotected. Although the country's strong growth contributes to slowly reducing unemployment, and although measures to improve primary education, nutrition, and childcare have been taken by the government, a weak social safety net exposes workers to shocks and access to healthcare is far from being universal. On the environmental sustainability front, although a high share of Peru's surface is forested—partially thanks to the creation of several protected land areas—the enforcement of environmental regulations is quite lax, to the detriment of efforts to preserve the environment. For example, illegal logging is a menace as authorities struggle to fight the phenomenon effectively. In addition, the level of CO<sub>2</sub> emissions is on the rise, spurred by an increased level of industrial activity, while the fishery sector, one of the key export areas for the country, is registering a depletion of fish stock. Another environmental issue is the pollution of water resources, especially in areas with strong mining development, which has recently spurred several local protests in the country.

The **Russian Federation** attains an intermediate performance with a sustainability score in line with its GCI results across both pillars, although some important challenges may undermine the country's sustainability going forward. In terms of social sustainability, the Russian Federation is characterized by a relatively weak social safety net, high and increasing inequality, and limited social mobility. In terms of environmental sustainability, its lax environmental regulations, resource depletion, and the slowly degrading quality of its natural environment emerge as the most important challenges for the country's leadership. The Russian Federation is endowed with rich natural resources—including some of the largest water reserves in the world and widespread forests. The consequence is that the country still performs relatively well on several environmental indicators in international comparison, despite the depletion of those resources.

**Colombia's** competitiveness is pulled down once sustainability is taken into account. In terms of social sustainability, income inequality is high, over 20 percent of households still do not have access to improved sanitation, and access to healthcare services is fraught with difficulties. Additionally, despite efforts by the government, the social safety net is still not very strong in a country where over 30 percent of the population lives in poverty, although it should be noted that poverty is declining. The difficult economic situation of many households hinders social mobility, which reinforces persistent income inequality. This inequality is further

exacerbated by—according to the OECD—the country's high unemployment and the fact that the majority of those working are employed in informal, and often low-productivity, jobs, which in turn cements labor market segmentation. In terms of environmental sustainability, Colombia's performance is comparable with its competitiveness results. Colombia is one of the most biologically diverse countries on the planet, has little pressure on its water tables, and has several protected land areas. However, a number of factors threaten the country's unique biodiversity. First, the somewhat weak enforcement of environmental regulations limits the effect of establishing protected areas and fails to abate pollution. Additionally, deforestation is occurring because of the country's growing population, infrastructure development, illegal logging in coastal tropical rainforests, small-scale agricultural activities, mining, and the cocaine trade. According to international studies,<sup>54</sup> each year Colombia loses nearly 200,000 hectares of natural forest. According to the World Bank, a 2006 study found that the costs of environmental degradation—including air pollution and inadequate water, sanitation, and hygiene—amounted to 3.7 percent of Colombia's GDP,<sup>55</sup> limiting Colombia's long-term sustainable competitiveness.

**Vietnam's** GCI performance is weakened once sustainability measures are considered. In terms of social sustainability, the main issues are the country's lack of access to healthcare services, its insufficient social mobility, and the large segments of its population in vulnerable employment. Although Vietnam's social sustainability is not very strong, the challenges are even more significant in the environmental domain. First, regulations are assessed as lax and not well enforced, an attitude that is also reflected in the country's low level of commitment to international treaties. In addition, Vietnam has a high level of particulate matter concentration and CO<sub>2</sub> emissions. Moreover, the pressure on water resources and fish stocks is relatively high. Overall, the rapid industrialization of the country is having a strong negative impact on the environment, including air and water pollution (not fully measured by this framework), which together may put the country's long-term competitiveness and the living conditions of the citizens in jeopardy if more sustainable processes are not adopted.

**Zambia's** competitiveness is weakened especially by social sustainability issues, while on the environmental front, despite some ongoing concerns, its performance is in line with its competitiveness. Access to sanitation, improved drinking water, and healthcare services are still very limited, which—together with the large portion of the population working in vulnerable employment—explains the negative performance on the social dimension. In addition, income is unevenly distributed, and the country has one of the highest income Gini coefficients

in the world. In terms of environmental sustainability, Zambia protects a large portion of its land, has relatively stringent regulations, and manages to keep the level of CO<sub>2</sub> emissions low, which together contribute to its above-average performance on this dimension. However, issues such as the net loss of forests and water pollution connected especially with the lead processing and mining industry still need to be addressed. Because of high levels of lead in some areas, Zambian children average a lead concentration in their blood that is between five and ten times greater than what is considered safe by the US Environmental Protection Agency. The World Bank has allocated approximately US\$40 million toward a clean-up project in these areas.<sup>56</sup>

**Kenya's** sustainable competitiveness is similarly weakened especially by the social dimension, while environmental sustainability is not presently affecting its score. The data point to a need for developing certain areas of social sustainability. Access to improved drinking water, healthcare services, and sanitation facilities are limited (the latter are available for less than 30 percent of the population). A significant share of the population still relies on vulnerable employment, and widespread poverty is exacerbated by a lack of social mobility. In terms of environmental sustainability, Kenya has put into place a relatively well enforced regulatory framework, is committed to international treaties, and has created several protected land areas. In addition, in line with its position in the industrialization process, the country's level of emissions (both CO<sub>2</sub> and particulate matter) is low, limiting such damage to the natural environment. Yet protection of forests and habitats remains an issue, with logging related to timber production and agriculture reducing the stock of forests faster than their natural regenerative capacity. Water scarcity also needs to be addressed, as intense agriculture use and pollution are limiting the availability of water to the population.

In **Senegal**, the main areas of vulnerability are found in social sustainability. Although somewhat better than other sub-Saharan African countries, access to improved sanitation is limited (only 51 percent of the population has access) while access to improved drinking water is broader (73.4 percent), yet still needs to be improved. In addition, large portions of the population do not have access to healthcare services and are not protected by a social safety net. This is partly the result of the large informal economy and the fact that almost 80 percent of the total employed population works in vulnerable employment. On a more positive note, Senegal appears to be somewhat less unequal than some rapidly growing economies. Its income Gini coefficient is 40.3 (a level similar to that of Turkey)—better, for example, than those of Ghana or Kenya. The environmental sustainability pillar, despite an overall performance that is in line with the GCI, also presents some areas of concern.

Overexploited fish stocks, deforestation, and air and water pollution are the main problems that Senegalese authorities need to manage. These issues, which emerge from the indicators assessed in the sustainable competitiveness framework, are also mentioned by the World Wildlife Fund (WWF)—with the addition of water pollution and overgrazing—as being among the most prominent environmental problems in Senegal.<sup>57</sup> However, the country is attempting to protect the environment by, for example, creating several protected land areas and committing to most of the international environment treaties. Additionally, and partly because of its level of development, its CO<sub>2</sub> emissions are relatively low. By focusing on these dimensions, Senegal could achieve a more sustainable development path.

**Ghana's** sustainability assessment unveils particular pressures on the social sustainability pillar where, despite continued growth, access to improved sanitation is still very low and the development process has not yet benefitted large portions of the population that have vulnerable jobs or work in the informal economy and do not have access to social security. Additionally, and partially as a result of this structure, income inequality is relatively high and on the rise,<sup>58</sup> highlighting the non-inclusive economic growth in the country. This in turn could lead to social tensions in the longer term. In terms of environmental sustainability, Ghana attains a better result with low CO<sub>2</sub> emissions and relatively sustainable fishing practices. However, some concerns remain. First, deforestation is depleting natural resources at a rapid rate. According to the WWF,<sup>59</sup> Ghana can sustainably produce about 1 million cubic meters of timber from its forest reserves and agricultural lands; however, it is currently producing much more, and reached a peak in 2002 when the harvested timber was about four times the regenerating capacity. In addition to logging, commercial agriculture is damaging the country's forest by clearing the land by means of burning and cutting wooded areas. Second, mining activity and the use of agricultural pesticide impacts groundwater by polluting water streams and aquifers. Third, the pressure on water resources in areas where the population is growing quickly is high, while water is not steadily available throughout the year. This results in water rationing, and in some cases creates tensions for water access among citizens. More efficient resource management would enable Ghana to preserve its natural wealth and improve the living conditions of its citizens.

## CONCLUSIONS AND NEXT STEPS

Sustainable competitiveness is a nascent area of research. Our initial work has shown that progress on the conceptual side as well as advances with respect to data for measuring key concepts will be necessary to better inform decisions that have implications for the economic, social, and environmental dimensions of sustainable

competitiveness. In an effort to proceed toward a better understanding of sustainable competitiveness, this chapter develops further the conceptual framework for sustainable competitiveness introduced by the World Economic Forum in 2011. By combining social and environmental indicators with the GCI, we have been able to develop a preliminary framework for measuring the concept and to carry out a preliminary analysis of national sustainable competitiveness.

The most important finding of this analysis is that there is no necessary trade-off between being competitive and being sustainable. Many countries at the top of the competitiveness rankings are also the best performers in many areas of sustainability. Going forward, economies that are able to balance economic progress with social inclusion and good and effective environmental stewardship will most likely experience higher rates of human progress and prosperity.

Given the complexity of the issue at hand and important gaps in data to measure key elements of sustainable competitiveness, the endeavor to measure sustainable competitiveness has been designed as a multi-year process. The World Economic Forum will continue to serve the international community by providing a neutral multi-stakeholder platform to advance the understanding and analysis of this important concept.

One crucial element of this strand of work will focus on obtaining more and better metrics to fully assess sustainable competitiveness, as a number of key concepts still cannot be captured. The World Economic Forum's Global Agenda Council on Measuring Sustainability will work to develop better and more complete datasets. And as in previous years, the Advisory Board on Sustainability and Competitiveness will contribute to improving the conceptual foundations of sustainable competitiveness and the measurement methodology going forward.

## NOTES

- 1 See UNDP 2011 for an overview of trends and patterns related to growth and social and environmental sustainability.
- 2 References to studies on growth and environment are provided in note 6 and for studies on growth and inequality in note 26.
- 3 This definition is from the World Commission on Environment and Development's (the Brundtland Commission) report *Our Common Future*. This report is commonly known as "the Brundtland Report."
- 4 Porter and van der Linde 1995.
- 5 Brock and Taylor 2004; Nordhaus 2002; Bovenberg and Smulders 1996; and Acemoglu 2009.
- 6 Nordhaus 1992.
- 7 See, for example, Barbier 1997 and Yandle et al. 2000.



- 8 This conclusion would be misleading for at least three reasons: (1) the cumulated level of damage and resource scarcity may reach a critical point before the economy cleans up without interventions, (2) early damage to the environment might not be reversible and is not completely neutralized in any case, and (3) a higher level of income may not be achievable because of a lack of environmental sustainability.
- 9 World Bank 2012.
- 10 Luenberger 1995.
- 11 See, for example, Worldwatch Institute 2006, issue xxiv.
- 12 Zivin and Neidell 2011.
- 13 Information on the Convention on Biological Diversity is available at <https://www.cbd.int/development/>.
- 14 See Rockström 2009.
- 15 Brink et al. 2012.
- 16 See, for example, Marshal et al. 1997.
- 17 UNEP 2011.
- 18 Gross and Ringbeck 2008.
- 19 World Bank News 2011.
- 20 Jaffe and Palmer 1997.
- 21 UNEP 2011.
- 22 Alpay et al. 2002.
- 23 For an exhaustive review of the issue, see Colantonio 2011.
- 24 World Economic Forum 2013.
- 25 For an overview on the income inequality problem, see OECD 2011; Mankiw 2013; and Stiglitz 2012.
- 26 See, for example, Perotti 1993; Bertola 1993; Alesina and Rodrik 1994; Persson and Tabellini 1994; and Green et al. 2006.
- 27 OECD 2012.
- 28 IEA 2012.
- 29 Spedding et al. 2013.
- 30 Sexton et al. 2008.
- 31 See Raleigh and Urdal 2009 for further discussion of this topic.
- 32 UNCTAD 2011b.
- 33 See Bähge 2010 for further discussion of climate change and women's empowerment.
- 34 See the World Economic Forum 2012b for an assessment of how Europe is faring in meeting these goals.
- 35 For more information on this index, see [www.oecdbetterlifeindex.org/](http://www.oecdbetterlifeindex.org/).
- 36 See <http://hdr.undp.org/en/>.
- 37 For more information on the EPI, see <http://www.epi.yale.edu/>.
- 38 See <http://www.footprintnetwork.org/en/index.php/GFN/page/methodology/> for information about information about the Global Footprint Network.
- 39 Information about the Global Adaptation Index is available at <http://index.gain.org/>.
- 40 The World Bank's *Worldwide Governance Indicators Framework* is available at <http://info.worldbank.org/governance/wgi/index.asp>.
- 41 Information about the Decent Work initiative is available at <http://www.ilo.org/integration/themes/mdw/lang--en/index.htm>.
- 42 The lack of some additional indicators, especially in the social sustainability dimension, constrains the model and does not allow for a comprehensive measurement of sustainability. For example, Germany performs well on the social sustainability pillar despite an existing trend of decreasing wages in Germany where, according to the Federal Employment Agency, over the past four years the number of individuals who require state support to get by despite full- or part-time jobs has increased steadily. Similarly, in Italy, the Italian National Institute of Statistics (Istat) disseminates the relative and absolute poverty estimations for households in the country, based on 2012 Households Budget Survey data. In 2012 the relative poverty incidence was equal to 12.7 percent, whereas the absolute poverty rate was 6.8 percent. These dimensions, although measured at country level in advanced economies, are not measured worldwide. Additionally, because poverty thresholds change from country to country, it is difficult to establish a cross-country comparison. The Gini index variable does not yet capture similar phenomena in the assessed countries.
- 43 The lack of access to basic necessities indicates a state of poverty.
- 44 For more information about the Executive Opinion Survey, please see Chapter 1.3 of this *Report*.
- 45 These are not covered by this framework; see Box 3.
- 46 This aspect of social sustainability is not fully reflected in the quantitative measurements because of a lack of available data.
- 47 See US Environmental Protection Agency, <http://www.epa.gov/owow/keep/estuaries/pivot/habitat/problem.htm>.
- 48 Wang et al. 2004.
- 49 English.news.cn, China. 2013. "China to Introduce Carbon Tax: Official." February 19. Available at [http://news.xinhuanet.com/english/china/2013-02/19/c\\_132178898.htm](http://news.xinhuanet.com/english/china/2013-02/19/c_132178898.htm).
- 50 See World Resources Institute 2002.
- 51 Another problematic area contributing to environmental degradation is the lack of waste management, which, because of a lack of data, is not captured in the pillars. As landfills are still the most common way to dispose of waste, growing population and growing consumption are leading to an increase in the size of landfills. This in turn hinders natural areas from being able to sustain life.
- 52 See the Government of India, Ministry of Home Affairs, available at <http://mha.nic.in/par2013/pdfs/rs-080513/592.pdf>; this is based on the Manual for Drought Management published by Department of Agriculture and Cooperation, Ministry of Agriculture, available at <http://mha.nic.in/par2013/pdfs/rs-080513/592.pdf>.
- 53 See the Government of India, Ministry of Water Resources 2010.
- 54 Calvani 2007.
- 55 World Bank 2013.
- 56 See SCGH (Sierra Club GreenHome), "The Cleanest and Most Polluted Cities in the World." Available at <http://www.sierraclubgreenhome.com/green-news/the-cleanest-and-the-most-polluted-cities/#sthash.LFwWAd6b.dpuf>.
- 57 See WWF (World Wildlife Fund). "Environmental Problems in Senegal: Fished Out and Running Dry." Available at [http://www.panda.org/who\\_we\\_are/wwf\\_offices/senegal/environmental\\_problems\\_\\_in\\_senegal/](http://www.panda.org/who_we_are/wwf_offices/senegal/environmental_problems__in_senegal/).
- 58 Ghana Business News 2011.
- 59 See [http://www.panda.org/who\\_we\\_are/wwf\\_offices/ghana/problems/](http://www.panda.org/who_we_are/wwf_offices/ghana/problems/).

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## Appendix A:

### Calculation of the sustainability-adjusted GCI

As described in the text, the two areas of sustainability—social and environmental—are treated as independent adjustments to each country's performance in the Global Competitiveness Index (GCI). The adjustment is calculated according to the following steps.

#### AGGREGATION

In the first step, the individual indicators in each area are normalized on a 1-to-7 scale and aggregated by averaging the normalized scores, such that a social sustainability score and an environmental sustainability score are calculated for each country.

In the second step, these scores are normalized again on a 0.8-to-1.2 scale,<sup>a</sup> which is based on the distribution of each of the two sustainability components. The purpose of this methodology is to reward the countries attaining a relatively good performance on the two sustainability components while penalizing those that register a poor performance. Applying this methodology corresponds to transforming actual averages into coefficients ranging from 0.8 to 1.2. For example, the worst performer on the social sustainability pillar obtains a score of 0.8 and the best performer a 1.2. The same calculation is conducted for the environmental sustainability pillar.

Normalizing on a 0.8-to-1.2 scale and using the actual sample maximum and minimum are corroborated by the statistical distribution of the data, so as to ensure that the final data are not skewed. In the absence of empirical evidence, the selection of the impact limits (0.8–1.2) relies on the best judgment of the authors and is based on the assumption that countries can experience either an opportunity if they manage their resources well or a weakness if they do not.

The selection of this methodology is not intended to be scientific, but it represents a normative approach aimed at stimulating discussions on policy priorities and possibly stimulating scientific research in this field.

In the third step, the GCI score of each country is multiplied twice: once by its social sustainability coefficient and once by its environmental sustainability coefficient, to obtain two separate sustainability-adjusted GCI scores. Finally, an average of the two scores provides an overall measure of the sustainability adjustment.

#### STRUCTURE OF THE SUSTAINABILITY PILLARS

The computation of the sustainability components is based on an arithmetic mean aggregation of scores from the indicator level.<sup>b</sup>

Variables that are not derived from the Executive Opinion Survey (the Survey) are identified by an asterisk (\*) in the following pages. To make the aggregation possible, these variables are transformed into 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>c</sup>

Indicators marked with a “(log)” subscript are transformed applying the logarithm (base 10) to the raw score.

#### Social sustainability pillar

- S01 Income Gini index\*
- S02 Youth unemployment\*
- S03 Access to sanitation\*<sup>d</sup><sub>(log)</sub>
- S04 Access to improved drinking water\*<sup>d</sup>
- S05 Access to healthcare<sup>d</sup>
- S06 Social safety net protection
- S07 Extent of informal economy
- S08 Social mobility
- S09 Vulnerable employment\*

#### Environmental sustainability pillar

- S10 Stringency of environmental regulation<sup>e</sup>
- S11 Enforcement of environmental regulation<sup>e</sup>
- S12 Terrestrial biome protection\*
- S13 No. of ratified international environmental treaties\*
- S14 Agricultural water intensity\*
- S15 CO<sub>2</sub> intensity\*<sub>(log)</sub>
- S16 Fish stocks overexploited\*<sub>(log)</sub>
- S17 Forest cover change\*
- S18 Particulate matter (2.5) concentration\*(log)
- S19 Quality of the natural environment

#### NOTES

a Formally we have

$$0.4 \times \left( \frac{\text{country score} - \text{sample minimum}}{\text{sample maximum} - \text{sample minimum}} \right) + 0.8$$

The *sample minimum* and *sample maximum* are, respectively, the lowest and highest country scores in the sample of economies covered by the sustainability-adjusted GCI in each pillar.



b Formally, for a category  $i$  composed of  $K$  indicators, we have:

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

c 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 sustainability-adjusted 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., CO<sub>2</sub> emission, income Gini index), the transformation formula takes the following form, thus ensuring that 1 and 7 still corresponds to the worst and best possible outcomes, best possible outcomes, respectively:

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

d Variables S03, S04, and S05 are combined to form one single variable.

e Variables S10 and S11 are combined to form one single variable.

## Appendix B:

### Technical notes and sources for sustainability indicators

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. Throughout the *Report*, “n/a” denotes that the value is not available or that the available data are unreasonably outdated or do not come from a reliable source. For each indicator, the title appears on the first line, preceded by its number to allow for quick reference. The numbering is the same as the one used in Appendix A. 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.

#### S01 Income Gini coefficient

Measure of income inequality (0 = perfect equality; 100 = perfect inequality) | 2011 or most recent available

This indicator measures the extent to which the distribution of income among individuals or households within an economy deviates from a perfectly equal distribution. A Lorenz curve plots the cumulative percentages of total income received against the cumulative number of recipients, starting with the poorest individual. The Gini index measures the area between the Lorenz curve and a hypothetical line of absolute equality, expressed as a percentage of the maximum area under the line. Thus a Gini index of 0 represents perfect equality, while an index of 100 implies perfect inequality.

Sources: The World Bank, *World Development Indicators Online* (retrieved May 27, 2013); US Central Intelligence Agency, *The World Factbook* (retrieved June 6, 2013); national sources

#### S02 Youth unemployment

Percent of total unemployed youth to total labor force aged 15–24 | 2010 or most recent available

Youth unemployment refers to the share of the labor force aged 15–24 without work but available for and seeking employment.

Sources: International Labour Organization, *Key Indicators of the Labour Markets Net* (retrieved June 5, 2013); The World Bank, *World Development Indicators Online* (retrieved May 27, 2013); national sources

#### S03 Access to sanitation

Percent of total population using improved sanitation facilities | 2011 or most recent available

Share of the population with at least adequate access to excreta disposal facilities that can effectively prevent human, animal, and insect contact with excreta. Improved facilities range from simple but protected pit latrines to flush toilets with a sewerage connection. To be effective, facilities must be correctly constructed and properly maintained.

Source: World Health Organization, *World Health Statistics 2013* (online database, retrieved June 5, 2013)

#### S04 Access to improved drinking water

Percent of the population with access to improved drinking water | 2011 or most recent available

Share of the population with reasonable access to an adequate amount of water from an improved source, such as a household connection, public standpipe, borehole, protected well or spring, or rainwater collection. Unimproved sources include vendors, tanker trucks, and unprotected wells and springs. Reasonable access is defined as the availability of at least 20 liters per person per day from a source within 1 kilometer of the dwelling.

Source: World Health Organization, *World Health Statistics 2013* (online database retrieved June 5, 2013)

#### S05 Accessibility of healthcare services

How accessible is healthcare in your country? [1 = limited, only the privileged have access; 7 = universal, all citizens have access to healthcare] | 2012–2013 weighted average

Source: World Economic Forum, Executive Opinion Survey, 2012 and 2013 editions

#### S06 Social safety net protection

In your country, does a formal social safety net provide protection from economic insecurity due to job loss or disability? [1 = not at all; 7 = fully] | 2012–2013 weighted average

Source: World Economic Forum, Executive Opinion Survey, 2012 and 2013 editions

#### S07 Extent of informal economy

How much economic activity in your country would you estimate to be undeclared or unregistered? [1 = most economic activity is undeclared or unregistered; 7 = most economic activity is declared or registered] | 2012–2013 weighted average

Source: World Economic Forum, Executive Opinion Survey, 2012 and 2013 editions

#### S08 Social mobility

To what extent do individuals in your country have the opportunity to improve their economic situation through their personal efforts regardless of the socioeconomic status of their parents? [1 = little opportunity exists to improve one's economic situation; 7 = significant opportunity exists to improve one's economic situation] | 2012–2013 weighted average

Source: World Economic Forum, Executive Opinion Survey, 2012 and 2013 editions

**S09 Vulnerable employment**

**Proportion of own-account and contributing family workers in total employment | 2011 or most recent year available**

*Vulnerable employment* refers to unpaid family workers and own-account workers as a percentage of total employment—that is, the share of own-account and contributing family workers in total employment. A *contributing family worker* is a person who is self-employed in a market-oriented establishment operated by a related person living in the same household, and who cannot be regarded as a partner because of the degree of his or her commitment to the operation of the establishment, in terms of the working time or other factors to be determined by national circumstances, is not at a level comparable with that of the head of the establishment.

Source: The World Bank, *World Development Indicators Online* (retrieved May 26, 2013)

**S10 Stringency of environmental regulations**

**How would you assess the stringency of your country's environmental regulations? [1 = very lax ; 7 = among the world's most stringent] | 2012–2013 weighted average**

Source: World Economic Forum, Executive Opinion Survey, 2012 and 2013 editions

**S11 Enforcement of environmental regulations**

**How would you assess the enforcement of environmental regulations in your country? [1 = very lax ; 7 = among the world's most rigorous] | 2012–2013 weighted average**

Source: World Economic Forum, Executive Opinion Survey, 2012 and 2013 editions

**S12 Terrestrial biome protection**

**Degree to which a country achieves the target of protecting 17 percent of each terrestrial biome within its borders | 2010 or most recent year available**

This indicator is calculated by CIESIN (Columbia University's Center for International Earth Science Information Network) by overlaying the protected area mask on terrestrial biome data developed by the World Wildlife Fund (WWF)'s Terrestrial Ecoregions of the World for each country. A *biome* is defined as a major regional or global biotic community, such as a grassland or desert, characterized chiefly by the dominant forms of plant life and the prevailing climate. Scores are capped at 17 percent per biome such that higher levels of protection of some biomes cannot be used to offset lower levels of protection of other biomes, hence the maximum level of protection a country can achieve is 17 percent. CIESIN uses time series of the World Database on Protected Areas (WDPA) developed by the United Nations Environment Programme (UNEP) World Conservation Monitoring Centre (WCMC) in 2011, which provides a spatial time series of protected area coverage from 1990 to 2010. The WCMC considers all nationally designated protected areas whose location and extent is known. Boundaries were defined by polygons where available, and where they were not available protected area centroids were buffered to create a circle in accordance with the protected area size. The WCMC removed all overlaps between different protected areas by dissolving the boundaries to create a protected areas mask.

Source: Yale University and Columbia University, Environmental Performance Index (EPI) 2012 edition based on WWF World Wildlife Fund USA and UNEP World Conservation Centre data

**S13 No. of ratified international environmental treaties**

**Total number of ratified environmental treaties | 2012**

This variable measures the total number of international treaties from a set of 25 for which a state is a participant. A state is acknowledged as a "participant" whenever its status for each treaty appears as "Ratified," "Accession," or "In Force." The treaties included are: the International Convention for the Regulation of Whaling, 1948 Washington; the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, as amended in 1962 and 1969, 1954 London; the Convention on Wetlands of International Importance especially as Waterfowl Habitat, 1971 Ramsar; the Convention Concerning the Protection of the World Cultural and Natural Heritage, 1972 Paris; the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972 London, Mexico City, Moscow, Washington; the Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973 Washington; the International Convention for the Prevention of Pollution from Ships (MARPOL) as modified by the Protocol of 1978, 1978 London; the Convention on the Conservation of Migratory Species of Wild Animals, 1979 Bonn; the United Nations Convention on the Law of the Sea, 1982 Montego Bay; the Convention on the Protection of the Ozone Layer, 1985 Vienna; the Protocol on Substances that Deplete the Ozone Layer, 1987 Montreal; the Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 1989 Basel; the International Convention on Oil Pollution Preparedness, Response and Co-operation, 1990 London; the United Nations Framework Convention on Climate Change, 1992 New York; the Convention on Biological Diversity, 1992 Rio de Janeiro; the International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly Africa, 1994 Paris; the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982, 1994 New York; the Agreement relating to the Provisions of the United Nations Convention on the Law of the Sea relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, 1995 New York; the Kyoto Protocol to the United Nations Framework Convention on the Climate Change, Kyoto 1997; the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, 1998 Rotterdam; the Cartagena Protocol of Biosafety to the Convention on Biological Diversity, 2000 Montreal; the Protocol on Preparedness, Response and Co-operation to Pollution Incidents by Hazardous and Noxious Substances, 2000 London; the Stockholm Convention on Persistent Organic Pollutants, 2001 Stockholm; the International Treaty on Plant Genetic Resources for Food and Agriculture, 2001 Rome; the International Tropical Timber Agreement, 2006 Geneva.

Source: The International Union for Conservation of Nature (IUCN) Environmental Law Centre ELIS Treaty Database

**S14 Agricultural water intensity**

**Agricultural water withdrawal as a percent of total renewable water resources | 2009 or most recent year available**

Agricultural water withdrawal as a percent of total renewable water resources is calculated as:  $100 \times \text{agricultural water withdrawal} / \text{total renewable water resources}$ . In turn,  $\text{total renewable} = \text{surface renewable water} + \text{renewable water resources groundwater} - \text{overlap between surface and groundwater}$ . Where available, this indicator includes water resources coming from desalination used for agriculture (as in Kuwait, Saudi Arabia, the United Arab Emirates, Qatar, Bahrain, and Spain).

Source: FAO AQUASTAT database, available at <http://www.fao.org/nr/water/aquastat/main/index.stm> (retrieved May 24, 2013)

**S15 CO<sub>2</sub> intensity**

**CO<sub>2</sub> intensity (kg of CO<sub>2</sub> per kg of oil equivalent energy use) | 2009**

Carbon dioxide (CO<sub>2</sub>) emissions are those stemming from the burning of fossil fuels and the manufacture of cement. They include CO<sub>2</sub> produced during consumption of solid, liquid, and gas fuels and gas flaring. Energy use refers to use of primary energy before transformation to other end-use fuels, which is equal to indigenous production plus imports and stock changes, minus exports and fuels supplied to ships and aircraft engaged in international transport. A logarithm transformation is applied to the ratio of these statistics in order to spread the data distribution.

Source: The World Bank, *World Development Indicators Online* (retrieved May 27, 2013)

**S16 Fish stocks overexploited**

**Fraction of country's exclusive economic zone with overexploited and collapsed stocks | 2006**

The Sea Around Us (SAU) project's Stock Status Plots (SSPs) are created in four steps (Kleisner and Pauly, 2011). In the first step, SAU defines a *stock* as a taxon (at the species, genus, or family level of taxonomic assignment) that occurs in the catch records for at least 5 consecutive years, over a minimum span of 10 years, and that has a total catch in an area of at least 1,000 tonnes over the time span. In the second step, SAU assesses the status of the stock for every year relative to the peak catch. SAU defines five states of stock status for a catch time series. This definition is assigned to every taxon that meets the definition of a stock for a particular spatial area (e.g., exclusive economic zones, or EEZs). These states are: (1) Developing—before the year of peak catch and less than 50 percent of the peak catch; (2) Exploited—before or after the year of peak catch and more than 50 percent of the peak catch; (3) Overexploited—after the year of peak catch and less than 50 percent but more than 10 percent of the peak catch; (4) Collapsed—after the year of peak catch and less than 10 percent of the peak catch; and (5) Rebuilding—after the year of peak catch and after the stock has collapsed, when catch has recovered to between 10 percent and 50 percent of the peak. In the third step, SAU graphs the number of stocks by status in a given year by tallying the number of stocks in a particular state and presenting these as percentages. In the final step, the cumulative catch of stock by status in a given year is summed over all stocks and presented as a percentage in the catch by stock status graph. The combination of these two figures represents the complete Stock Status Plot. The numbers for this indicator are taken from the overexploited and collapsed numbers of stocks over total numbers of stocks per EEZ. A logarithm transformation is applied to these statistics in order to spread the data distribution.

Source: Yale University and Columbia University, Environmental Performance Index (EPI) 2012 edition based on Sea Around Us data

**S17 Forest cover change**

**Average percent change in forest area per year between 1990 and 2010 | 2010**

This measure represents the percent change in forest area, applying a 10 percent crown cover as the definition of forested areas, between time periods. We used total forest extent rather than the extent of primary forest only. The change measure is calculated from forest area data in 1995, 2000, 2005, and 2010. The data are reported by national governments, and therefore methods and data sources may vary from country to country. Positive values indicate afforestation or reforestation, and negative values represent deforestation.

Source: Yale University and Columbia University, Environmental Performance Index (EPI) 2012 edition based on FAO data

**S18 Particulate Matter (2.5) concentration**

**Population-weighted exposure to PM<sub>2.5</sub> in micro-grams per cubic meter, based on satellite data | 2009**

This indicator is based on satellite data that are then converted to ground-level concentrations using the GEOS-Chem global chemical transport model to account for the meteorological and chemical factors that influence the spatially and temporally varying relationship between column and surface concentrations. The 0.1 × 0.1 resolution aerosol optical depth (AOD) values for 2001–05 are derived from the NASA Terra MODIS and MISR sensors, averaged to get a six-year mean AOD for each grid cell, and then population-weighted to better represent human exposure by country. PM<sub>2.5</sub> concentrations were averaged over the period 2001–05 and the grid was resampled to match the Global Rural-Urban Mapping Project 1 kilometer population grid. The weighted average of the values in each grid cell was used to derive a country total exposure to PM<sub>2.5</sub> in micrograms per cubic meter. A logarithm transformation is applied to these statistics in order to spread the data distribution.

Source: Yale University and Columbia University, Environmental Performance Index (EPI) 2012 edition based on NASA MODIS and MISR data (van Donkelaar et al. 2010), Battelle, and CIESIN

**S19 Quality of natural environment**

**How would you assess the quality of the natural environment in your country? [1 = extremely poor; 7 = among the world's most pristine] | 2012–2013 weighted average**

Source: World Economic Forum, Executive Opinion Survey, 2012 and 2013 editions

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

CIARA BROWNE

THIERRY GEIGER

TANIA GUTKNECHT

World Economic Forum

*The Global Competitiveness Report* continues to be a highly respected assessment of national competitiveness. To conduct this work, the World Economic Forum relies on a large set of data sourced from various international organizations and from its own annual Executive Opinion Survey (the Survey).

The Survey, administered each year in over 140 economies, captures valuable information on a broad range of factors that are critical for a country's competitiveness and sustainable development, and for which data sources are scarce or, frequently, nonexistent on a global scale. Among several examples of otherwise-unavailable data are the quality of the educational system, indicators measuring business sophistication, and labor market variables such as flexibility in wage determination.

The Survey results are used in the calculation of the Global Competitiveness Index (GCI) and other Forum indexes, including the Networked Readiness Index, the Enabling Trade Index, the Travel & Tourism Competitiveness Index, the Financial Development Index, and the Gender Gap Index, as well as in regional studies.<sup>1</sup> A truly unique source of information, the Survey data have also long served a number of international and national organizations, government bodies, and academia as well as the private sector to inform policy work, strategies, and investment decisions. For example, Transparency International uses the Survey data for the elaboration of their Corruption Perceptions Index and the Bribe Payers Index. Institutions such as the Organisation for Economic Co-operation and Development, the World Bank, and the International Monetary Fund also refer to these data in their publications, as do a number of academic publications. Finally, an increasing number of national competitiveness reports also draw on or refer to the Survey data.

## THE SURVEY IN NUMBERS

The World Economic Forum has conducted its annual Survey for over 30 years, making it the longest-running and most extensive survey of its kind. This year's Survey captured the opinions of over 13,000 business leaders in 148 economies between January and May 2013.

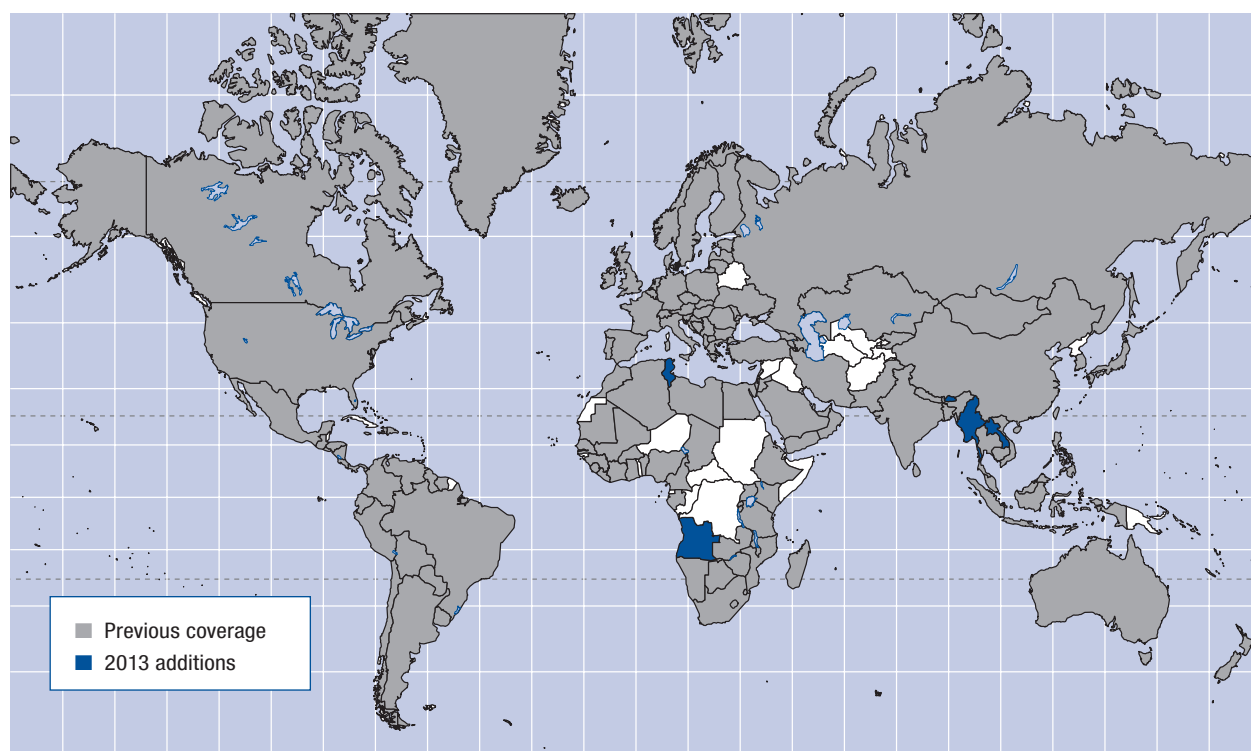
Following the data-editing process (see below), a total of 13,638 surveys were retained for 144 countries.<sup>2</sup> This represents an average of 94.7 respondents per country, while the median country sample size is 85.5 responses. Given the extent of the Survey's country coverage and in order to maximize its outreach, it is available in 41 languages.<sup>3</sup>

## Geographic expansion

Since the first edition of the World Economic Forum report on competitiveness in 1979, country coverage has expanded from 16 European countries to 148 economies worldwide for this edition, together accounting for over



Figure 1: Country/economy coverage of the Executive Opinion Survey 2013



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

In your country, how strong is the protection of intellectual property, including anti-counterfeiting measures?

Extremely weak < 1 2 3 4 5 6 7 > Extremely strong

**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

99 percent of the world's gross domestic product (GDP; see Figure 1). In the 2013 edition, three additional economies are included: Bhutan, Lao PDR, and Myanmar. Furthermore, Angola and Tunisia have been

reinstated following a year of non-inclusion. Tajikistan and Syria, however, are not included in this year's edition owing to the inability to conduct a survey in these two countries.<sup>4</sup> The Forum's Global Competitiveness and Benchmarking Network continues its efforts to increase country coverage year on year.

### SURVEY STRUCTURE, ADMINISTRATION, AND METHODOLOGY

The Survey is divided into 14 sections:

- I. About Your Company
- II. Overall Perceptions of Your Economy
- III. Infrastructure
- IV. Innovation and Technology Infrastructure
- V. Financial Environment
- VI. Foreign Trade and Investment
- VII. Domestic Competition
- VIII. Company Operations and Strategy
- IX. Government and Public Institutions
- X. Education and Human Capital
- XI. Corruption, Ethics and Social Responsibility
- XII. Travel & Tourism
- XIII. Environment
- XIV. Health

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 renowned professional entities and, in some cases, survey consultancies (for the full list, see the Partner Institutes section at the beginning of the *Report*).<sup>5</sup> They are selected on the basis of their capacity to reach out to the business community, their reputation, and their commitment to the issue of competitiveness.

In administering the Survey, Partner Institutes are asked to follow detailed sampling guidelines to ensure that the sample of respondents is the most representative and comparable across the globe and in a specific timeframe. The sampling guidelines have evolved over time and are based on best practices in the field of survey administration and on discussion with survey experts. The Survey sampling guidelines specify that the Partner Institute should 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 stated below. It then applies a dual stratification procedure based on these two criteria of company size and sector. More 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 a second list that includes all other firms (both lists representing the various economic sectors).<sup>6</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>7</sup> Partner Institutes are asked to collect between 80 and 100 surveys, although generally accepted practice in sampling as well as recommendations received from Gallup has led to a cut-off of a minimum of 30 surveys per country. We are working closely with the Partner Institutes to increase the sample size for countries that have collected a number

of surveys just above the cut-off. The administration of the Survey may take a variety of formats, including face-to-face interviews with business executives and mailed or telephone interviews, with an online survey option as an alternative.

For energy, time, and cost considerations, the Forum encourages the use of the online survey tool, which was available this year in 20 languages. The share of online participation has significantly increased over the years and has now reached almost 40 percent of all responses, up by 10 percent in just two years. This year, the Survey was administered entirely via the online tool in 19 economies (Argentina, Barbados, Belgium, Bolivia, the Czech Republic, El Salvador, Estonia, Finland, Georgia, Iceland, Iran, Ireland, Israel, Latvia, Malta, Norway, Puerto Rico, Switzerland, and Venezuela), while the use of the online tool exceeded 90 percent in 18 further economies (see Table 1).

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

Following an initial external audit by a team of survey experts from Gallup in 2008, a second review was conducted by Gallup in 2012, during which the Survey instrument, the sampling guidelines, and the administration process underwent a thorough inspection. After five years of implementing the recommendations from the first audit, it was time to take a further twofold approach by 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 outcome of the review regarding the implementation of the 2008 recommendations was commended. The audit determined that the Executive Opinion Survey process follows best practices and has made the recommended improvements to the Survey tool and translations, as well as to the sampling quality. 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 Benchmarking Network 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 anchoring mechanisms because of the limited effectiveness of such a procedure and to prevent adding further noise to the data. However, and as a step to follow best practices to help minimize possible language-based biases found in data collected via a single language survey, the number of languages for the Executive Opinion Survey is ever increasing, reaching 41 for this edition.

Table 1: Executive Opinion Survey: Descriptive statistics and weightings

Country/Economy	First component*			Second component: 2013 edition*		
	Survey edition	No. of respondents	Weight (%)*	No. of respondents	Online (%)	Weight (%)*
Albania	2012	81	45.0	81	0.0	55.0
Algeria	2012	33	36.8	65	0.0	63.2
Angola <sup>†‡§</sup>	—	—	—	35	40.0	100.0
Argentina	2012	99	42.4	122	100.0	57.6
Armenia	2012	80	45.6	76	1.3	54.4
Australia	2012	68	47.2	57	50.9	52.8
Austria	2012	105	45.7	99	47.5	54.3
Azerbaijan	2012	95	46.4	85	1.2	53.6
Bahrain	2012	65	50.7	41	97.6	49.3
Bangladesh	2012	86	47.4	71	0.0	52.6
Barbados	2012	72	49.3	51	100.0	50.7
Belgium	2012	83	44.6	86	100.0	55.4
Benin	2012	90	43.6	101	0.0	56.4
Bhutan <sup>††</sup>	—	—	—	85	0.0	100.0
Bolivia	2012	72	44.7	74	100.0	55.3
Bosnia and Herzegovina <sup>†</sup>	2012	100	100.0	—	—	—
Botswana	2012	80	44.0	87	41.4	56.0
Brazil	2012	143	49.7	98	82.7	50.3
Brunei Darussalam	2012	44	48.2	34	94.1	51.8
Bulgaria	2012	120	49.9	81	0.0	50.1
Burkina Faso	2012	41	40.9	57	0.0	59.1
Burundi	2012	92	42.8	110	0.0	57.2
Cambodia	2012	77	42.6	93	0.0	57.4
Cameroon	2012	62	41.7	81	0.0	58.3
Canada	2012	103	41.8	133	97.0	58.2
Cape Verde	2012	108	48.7	80	13.8	51.3
Chad	2012	105	45.4	102	0.0	54.6
Chile	2012	78	38.8	130	58.5	61.3
China	2012	371	45.2	364	0.0	54.8
Colombia	2012	286	49.2	204	57.8	50.8
Costa Rica	2012	94	43.0	110	97.3	57.0
Côte d'Ivoire	2012	92	46.6	81	0.0	53.4
Croatia	2012	107	48.6	80	28.8	51.4
Cyprus	2012	79	47.8	63	0.0	52.2
Czech Republic	2012	163	58.3	50	100.0	41.7
Denmark	2012	128	41.3	173	0.0	58.7
Dominican Republic	2012	91	51.0	56	5.4	49.0
Ecuador <sup>†</sup>	2011	134	46.6	118	72.9	53.4
Egypt	2012	73	47.4	60	0.0	52.6
El Salvador	2012	34	41.8	44	100.0	58.2
Estonia	2012	85	44.0	92	100.0	56.0
Ethiopia	2012	60	39.0	98	0.0	61.0
Finland	2012	36	43.7	40	100.0	56.3
France	2012	129	50.9	80	3.8	49.1
Gabon	2012	48	42.4	59	0.0	57.6
Gambia, The	2012	87	46.7	76	0.0	53.3
Georgia <sup>†</sup>	2011	95	48.1	74	100.0	51.9
Germany	2012	127	41.4	170	85.9	58.6
Ghana	2012	79	46.5	70	4.3	53.5
Greece	2012	83	43.9	91	90.1	56.1
Guatemala	2012	83	44.6	86	1.2	55.4
Guinea	2012	60	45.9	56	0.0	54.1
Guyana	2012	89	44.6	92	0.0	55.4
Haiti	2012	67	38.2	117	0.0	61.8
Honduras	2012	86	50.5	55	0.0	49.5
Hong Kong SAR	2012	69	46.7	60	63.3	53.3
Hungary	2012	103	47.0	88	63.6	53.0
Iceland	2012	93	45.3	91	100.0	54.7
India	2012	122	49.5	85	90.6	50.5
Indonesia	2012	88	45.1	87	0.0	54.9
Iran, Islamic Rep.	2012	585	61.4	121	100.0	38.6
Ireland	2012	62	46.5	55	100.0	53.5
Israel	2012	51	43.0	60	100.0	57.0
Italy	2012	87	45.3	85	4.7	54.7
Jamaica	2012	75	47.6	61	0.0	52.4
Japan	2012	111	44.6	115	6.1	55.4
Jordan <sup>†</sup>	2012	156	100.0	—	—	—
Kazakhstan	2012	103	44.5	107	0.0	55.5
Kenya	2012	112	46.4	100	0.0	53.6
Korea, Rep.	2012	98	47.4	81	0.0	52.6
Kuwait <sup>§</sup>	2012	38	45.7	36	47.2	54.3
Kyrgyz Republic	2012	99	44.8	101	0.0	55.3
Lao PDR <sup>††</sup>	—	—	—	62	0.0	100.0
Latvia	2012	98	45.1	97	100.0	54.9
Lebanon <sup>§</sup>	2012	38	44.7	39	94.9	55.3

(Cont'd.)

Table 1: Executive Opinion Survey: Descriptive statistics and weightings (cont'd.)

Country/Economy	First component*			Second component: 2013 edition*		
	Survey edition	No. of respondents	Weight (%)*	No. of respondents	Online (%)	Weight (%)*
Lesotho	2012	89	43.9	97	0.0	56.1
Liberia	2012	85	43.0	100	0.0	57.0
Libya	2012	72	46.7	63	23.8	53.3
Lithuania	2012	153	46.0	141	62.4	54.0
Luxembourg	2012	45	42.1	57	98.2	57.9
Macedonia, FYR	2012	89	46.0	82	0.0	54.0
Madagascar	2012	92	38.5	157	0.0	61.5
Malawi	2012	61	46.3	55	10.9	53.7
Malaysia	2012	79	41.4	106	38.7	58.6
Mali	2012	102	46.0	94	0.0	54.0
Malta	2012	58	49.0	42	100.0	51.0
Mauritania	2012	82	44.1	88	0.0	55.9
Mauritius	2012	91	47.1	77	90.9	52.9
Mexico	2012	278	43.2	320	87.8	56.8
Moldova	2012	112	43.9	122	0.0	56.1
Mongolia	2012	85	44.9	86	0.0	55.1
Montenegro	2012	76	44.7	78	0.0	55.3
Morocco	2012	40	36.4	82	1.2	63.6
Mozambique	2012	91	45.6	87	1.1	54.4
Myanmar <sup>††</sup>	—	—	—	79	0.0	100.0
Namibia	2012	82	45.5	79	0.0	54.5
Nepal	2012	93	45.0	93	4.3	55.0
Netherlands	2012	82	44.3	87	96.6	55.7
New Zealand <sup>§</sup>	2012	55	49.9	37	100.0	50.1
Nicaragua	2012	77	46.4	69	98.6	53.6
Nigeria	2012	104	44.4	109	1.8	55.6
Norway	2012	75	46.2	68	100.0	53.8
Oman <sup>‡</sup>	2012	78	100.0	—	—	—
Pakistan	2012	110	42.9	130	14.6	57.1
Panama	2012	133	45.3	130	72.3	54.7
Paraguay	2012	80	49.0	58	0.0	51.0
Peru	2012	83	45.6	79	22.8	54.4
Philippines	2012	132	49.1	95	1.1	50.9
Poland	2012	206	44.9	208	99.0	55.1
Portugal	2012	115	46.7	100	60.0	53.3
Puerto Rico	2012	71	47.7	57	100.0	52.3
Qatar	2012	123	46.9	106	6.6	53.1
Romania	2012	98	44.4	103	0.0	55.6
Russian Federation	2012	414	49.2	294	4.8	50.8
Rwanda <sup>†</sup>	2011	40	36.5	81	0.0	63.5
Saudi Arabia	2012	95	40.3	139	59.0	59.7
Senegal	2012	94	44.5	98	0.0	55.5
Serbia	2012	99	44.9	100	0.0	55.1
Seychelles <sup>§</sup>	2012	32	45.4	31	0.0	54.6
Sierra Leone	2012	99	45.0	99	0.0	55.0
Singapore	2012	178	47.1	150	63.3	52.9
Slovak Republic	2012	68	38.7	114	78.1	61.3
Slovenia	2012	110	46.4	98	0.0	53.6
South Africa	2012	45	44.5	47	85.1	55.5
Spain	2012	91	46.0	84	69.0	54.0
Sri Lanka <sup>†</sup>	2011	105	45.6	100	0.0	54.4
Suriname	2012	37	41.3	50	0.0	58.7
Swaziland <sup>§</sup>	2012	51	50.7	32	34.4	49.3
Sweden	2012	77	51.6	45	95.6	48.4
Switzerland	2012	79	46.3	71	100.0	53.7
Taiwan, China	2012	70	44.8	71	59.2	55.2
Tanzania	2012	99	45.9	92	0.0	54.1
Thailand	2012	75	43.3	86	97.7	56.7
Timor-Leste <sup>§</sup>	2012	35	45.4	34	0.0	54.6
Trinidad and Tobago	2012	151	46.7	132	92.4	53.3
Tunisia	2012	83	44.9	84	38.1	55.1
Turkey	2012	85	43.7	94	39.4	56.3
Uganda	2012	90	44.6	93	0.0	55.4
Ukraine	2012	109	45.1	108	2.8	54.9
United Arab Emirates <sup>‡</sup>	2012	169	100.0	—	—	—
United Kingdom	2012	102	43.2	118	98.3	56.8
United States	2012	397	39.9	598	99.3	60.1
Uruguay	2012	81	43.4	92	42.4	56.6
Venezuela	2012	39	41.0	54	100.0	59.0
Vietnam	2012	96	43.4	109	0.0	56.6
Yemen	2012	53	41.2	72	0.0	58.8
Zambia	2012	94	46.3	85	0.0	53.7
Zimbabwe	2012	64	46.4	57	42.1	53.6
Grand total/Average				13,638	39.1	

Note: All statistics were computed following the editing process. See text for details. \* The table reports the information about the two Survey editions used in the computation of the two-year weighted average score. See Box 2 for explanation. <sup>§</sup> For these countries, we are working closely with Partner Institutes to increase the sample size. Survey edition(s) used for the computation of country scores are as follows: <sup>†</sup> 2011 and 2013; <sup>‡</sup> 2012; <sup>††</sup> 2013. See Box 2 for details about exceptions.

With the aim of continually improving the Survey tool and processes, and following expert recommendations, the Survey was made shorter and the terminology simplified. An Executive Opinion Survey administration manual is also being developed for the Partner Institutes.

With such ongoing efforts in the realm of survey administration best practice, The Global Competitiveness and Benchmarking Network team continues to improve processes to achieve greater data quality and heightened comparability across economies.

## 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 projects.<sup>8</sup>

### Data editing

Prior to aggregation, the respondent-level data are subjected to a careful editing process. The first editing rule consists of excluding those surveys with a completion rate inferior to 50 percent.<sup>9</sup> This is because a partially completed survey probably demonstrates a lack of sufficient focus on the part of the respondent. In a second step, a multivariate outlier analysis is applied to the data using the Mahalanobis distance technique. This test assesses whether each individual survey is representative, given the overall sample of survey responses in the specific country, and allows for the deletion of clear outliers.

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 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 65 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.

### Data weighting: Sector-weighted country averages

Once the data have been edited, individual answers are aggregated at the country level. We compute sector-weighted country averages to obtain a more representative average that takes into account the structure of a country's economy. The structure is defined by the estimated contributions to a country's GDP of each of the four main economic sectors: agriculture, manufacturing industry, non-manufacturing industry, and services (see Table 2).<sup>10</sup>

An additional step is taken to prevent individual responses within a sample from receiving excessive weight when the structure of the sample and the underlying economy differ greatly. As an extreme example, imagine the case of a country where just 3 percent of responses come from the services sector, but that sector actually represents 90 percent of the country's economy. By applying the above sector-weighting scheme, we would be giving a very high weight to a very few surveys. This is avoided by “trimming” the sector weights. When, for a particular country, the ratio of the weight of one sector in the economy to the percentage of surveys from that sector in the country sample exceeds 5, the sector weight used for the weighted average is capped to five times the percentage of surveys from that sector in the sample. The weights of the other sectors are then adjusted proportionally to their weight in the country's GDP.

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

$$q_{i,c} = \sum_s w_{s,c} \times q_{i,s,c}$$

with

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

where

- $w_{s,c}$  is sector  $s$ 's contribution to the economy of country  $c$ ;
- $q_{i,s,c}$  is the mean of the answers to question  $i$  from sector  $s$  in country  $c$ ;
- $q_{i,j,s,c}$  is the answer to question  $i$  from respondent  $j$  in sector  $s$  in country  $c$ ; and
- $N_{s,c}$  is the number of responses from sector  $s$  in country  $c$ .

When, for a given country, the sample size is too small or the sectoral representation of the sample is too different from the actual structure in the economy, the mechanism described above might not be sufficient to prevent an individual response from receiving a disproportionate weight.<sup>11</sup> In such a case the economic sector stratification average is abandoned and a simple average of the surveys is applied, where all individual responses contribute equally to the country score



Table 2: Sectoral value-added as a share (%) of GDP, most recent year available

Country/Economy	Agriculture	Manu- facturing industry	Non- manufactur- ing industry	Services
Albania	20	19*		61
Algeria	7	7	56	31
Angola	10	6	54	30
Argentina	9	18	9	65
Armenia	21	11	27	42
Australia	2	9	10	78
Austria	2	19	10	69
Azerbaijan	6	6	61	27
Bahrain	0	15	30	54
Bangladesh	18	18	10	53
Barbados	3	7	16	74
Belgium	1	14	8	78
Benin	32	8	6	54
Bhutan	16	9	35	40
Bolivia	12	13	21	54
Bosnia and Herzegovina†	8	13	16	63
Botswana	2	4	43	51
Brazil	5	15	13	67
Brunei Darussalam	1	12	55	32
Bulgaria	5	17	14	63
Burkina Faso	33	14	9	44
Burundi	35	10	9	46
Cambodia	36	16	8	41
Cameroon	19	17	14	50
Canada	2	12	20	66
Cape Verde	10	9	9	72
Chad	14	7	42	38
Chile	3	12	27	57
China	10	30	17	43
Colombia	7	15	17	62
Costa Rica	7	18	9	66
Côte d'Ivoire	24	21	9	45
Croatia	5	18	9	67
Cyprus	2	8	12	78
Czech Republic	2	31	8	60
Denmark	1	12	10	77
Dominican Republic	6	25	8	61
Ecuador	7	11	30	52
Egypt	14	15	22	49
El Salvador	13	20	7	60
Estonia	4	18	12	65
Ethiopia	42	5	8	46
Finland	3	19	10	68
France	2	11	8	79
Gabon	4	3	58	36
Gambia, The	30	4	7	58
Georgia	7	10	8	75
Germany	1	21	7	71
Ghana	27	6	19	47
Greece	6	10	6	79
Guatemala	41	20	10	30
Guinea	13	5	42	39
Guyana	21	4	29	46
Haiti	26	8	11	55
Honduras	12	18	8	61
Hong Kong SAR	0	2	6	93
Hungary	4	23	8	65
Iceland	7	15	10	68
India	17	14	13	56
Indonesia	17	11	34	38
Iran, Islamic Rep.	10	11	34	45
Ireland	1	24	8	67
Israel	3	22	9	67
Italy	2	17	9	73
Jamaica	6	9	12	73
Japan	1	19	8	71
Jordan†	3	19	11	66
Kazakhstan	5	13	32	50
Kenya	23	11	8	58
Korea, Rep.	3	31	9	58
Kuwait	0	2	49	49
Kyrgyz Republic	20	18	11	51
Lao PDR	31	8	27	35
Latvia	4	12	10	74
Lebanon	6	8	13	72
Lesotho	8	12	22	59
Liberia	77	5*		18
Libya	2	4	74	20
Lithuania	4	23	5	68
Luxembourg	0	7	6	86
Macedonia, FYR	11	18	10	61
Madagascar	29	14	2	55
Malawi	31	10	6	53
Malaysia	11	26	18	45
Mali	37	3	21	39
Malta	2	13	19	65
Mauritania	16	4	43	37
Mauritius	4	18	9	70
Mexico	4	18	16	62
Moldova	13	12	0	74
Mongolia	15	8	28	48
Montenegro	10	6	14	70
Morocco	15	15	14	55
Mozambique	32	13	12	44
Myanmar	48	12	5	35
Namibia	7	8	12	73
Nepal	38	6	9	47
Netherlands	2	13	11	74
New Zealand	6	15	10	70
Nicaragua	21	20	11	47
Nigeria	33	4	36	27
Norway	2	9	31	58
Oman†	2	8	47	43
Pakistan	22	15	11	53
Panama	4	6	11	79
Paraguay	22	11	8	59
Peru	8	16	17	58
Philippines	13	19	11	57
Poland	4	18	13	65
Portugal	2	13	10	75
Puerto Rico	1	46	4	49
Qatar	0	4	71	25
Romania	7	21	4	68
Russian Federation	4	16	20	59
Rwanda	32	7	8	53
Saudi Arabia	2	10	50	38
Senegal	18	14	10	58
Serbia	9	16	11	64
Seychelles	2	11	7	80
Sierra Leone	44	4	15	37
Singapore	0	21	6	73
Slovak Republic	4	21	14	61
Slovenia	2	21	11	66
South Africa	2	13	17	67
Spain	3	13	13	71
Sri Lanka	14	17	11	58
Suriname	11	23	15	51
Swaziland	8	41	5	46
Sweden	2	16	10	72
Switzerland	1	19	8	72
Taiwan, China	1	32	4	62
Tanzania	27	10	17	46
Thailand	12	39	5	44
Timor-Leste	27	3	15	56
Trinidad and Tobago	1	5	47	47
Tunisia	8	18	16	58
Turkey	9	18	9	64
Uganda	23	8	17	51
Ukraine	8	18	14	60
United Arab Emirates†	2	12	48	38
United Kingdom	1	11	10	78
United States	1	13	7	79
Uruguay	10	13	12	65
Venezuela	4	15	40	42
Vietnam	20	19	22	40
Yemen	8	6	23	63
Zambia	21	9	28	42
Zimbabwe	13	11	12	64

Sources: World Bank, *World Development Indicators* (accessed December 12, 2012); Economist Intelligence Unit, *CountryData database* (accessed December 13, 2012); US Central Intelligence Agency, *The World Factbook* (accessed December 13, 2012)

\* Combined share of manufacturing and non-manufacturing sectors.

† Figures were collected in December 2011 used for the computation of the 2012 Survey results.

## Box 2: Country score calculation

This box presents the method applied to compute the country scores in *The Global Competitiveness Report 2013–2014*.

For any given Survey question  $i$ , country  $c$ 's final score,  $q_{ic}^{2012-13}$ , is given by:

$$q_{ic}^{2012-13} = w_c^{2012} \times q_{ic}^{2012} + w_c^{2013} \times q_{ic}^{2013} \quad (1)$$

where

$q_{ic}^t$  is country  $c$ 's score on question  $i$  in year  $t$ , with  $t = 2012, 2013$ , as computed following the approach described in the text;

$q_{ic}^t$  is respondent  $n$ 's response (on a 1–7 scale) to question  $i$  in year  $t$ ; 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:

$$w_c^{2012} = \frac{(1-\alpha) + \frac{N_c^{2012}}{N_c^{2012} + N_c^{2013}}}{2} \quad (2a) \quad \text{and} \quad w_c^{2013} = \frac{\alpha + \frac{N_c^{2013}}{N_c^{2012} + N_c^{2013}}}{2} \quad (2b)$$

where  $N_c^t$  is the sample size (i.e., the number of respondents) for country  $c$  in year  $t$ , with  $t = 2012, 2013$ .

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

$$q_{ic}^{2012-13} = \frac{1}{2} \times \underbrace{\left[ (1-\alpha) \times q_{ic}^{2012} + \alpha \times q_{ic}^{2013} \right]}_{\text{discounted-past weighted average}} + \frac{1}{2} \times \underbrace{\left[ \frac{N_c^{2012}}{N_c^{2012} + N_c^{2013}} \times q_{ic}^{2012} + \frac{N_c^{2013}}{N_c^{2012} + N_c^{2013}} \times q_{ic}^{2013} \right]}_{\text{sample-size weighted average}}. \quad (3)$$

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. The value for  $\alpha$  is 0.6, which corresponds to a discount factor of 2/3. That is, the 2012 score of country  $c$  is given 2/3 of the weight given to the 2013 score. 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:

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

### 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 2013, where, by definition, no past data exist, the weight applied is  $w_c^{2012} = 0$  and  $w_c^{2013} = 1$ . Equation (1) simply is  $q_{ic}^{2012-13} = q_{ic}^{2013}$ . The same is true for those countries that are newly covered (Bhutan, Lao PDR, and Myanmar) and reinstated (Angola and Tunisia) in 2013. For these countries too we use  $q_{ic}^{2012-13} = q_{ic}^{2013}$ .

In the case of countries that failed the inter-year robustness check, the weight applied is  $w_c^{2012} = 1$  and  $w_c^{2013} = 0$ , so that Equation (1) simply becomes  $q_{ic}^{2012-13} = q_{ic}^{2012}$ . In the case of countries that failed the inter-year robustness check last year and for which the 2012 data were discarded, we use the Survey data from 2011 instead, and combine them with those of 2013 to compute the scores. Equation (1) then becomes  $q_{ic}^{2011,2013} = w_c^{2011} \times q_{ic}^{2011} + w_c^{2013} \times q_{ic}^{2013}$ .

### Example

For this example, we compute the score of Panama for indicator 7.03 *Hiring and firing practices*, which is derived from the following Survey question: “In your country, how would you characterize the hiring and firing of workers? [1 = heavily impeded by regulations; 7 = extremely flexible].” This question is *not* a new question, and Panama did not fail the inter-year robustness test either this year or last year. Therefore, the general case of Equation (1) applies. Panama's score was 3.57 in 2012 and 3.82 in 2013. The weighting scheme described above indicates how the two scores are combined. In Panama, the size of the sample was 133 in 2012 and 130 in 2013. Using  $\alpha = 0.6$  and applying Equations (2a) and (2b) yields weights of 45.3 percent for 2012 and 54.7 percent for 2013 (see Table 1). The final country score for this question is given by Equation (1):

(Cont'd.)

**Box 2: Country score calculation (cont'd.)**

$$\underbrace{0.453 \times 3.57}_{2012} + \underbrace{0.547 \times 3.82}_{2013} = 3.71.$$

This is the final score used in the computation of the GCI and reported in Table 7.03 (see page 490). Although numbers are rounded to two decimal places in this example and to one decimal place in the data tables, exact figures are used in all calculations.

regardless of the sector of activity of the respondents' companies. In 2013, this was the case for seven countries: Angola, Bahrain, El Salvador, Finland, Kuwait, Seychelles, and Venezuela.

**Data weighting: Moving average**

As a final step, the sector-weighted country averages for 2013 are combined with the 2012 averages to produce the country scores that are used for the computation of the GCI 2013–2014 and for other projects.

This moving average technique, introduced in 2008, 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 2012 and first quarter of 2013 better aligns the Survey data with many of the data indicators from sources other than the Survey, which are often year-average data.

For newly introduced questions, for which no time series exists, the final country score corresponds to the country score in 2013. This year, this is the case for indicators 6.04 *Effect of taxation on incentives to invest*, 7.05 *Effect of taxation on the incentive to work*, 7.08 *Country capacity to retain talent*, and 7.09 *Country capacity to attract talent*, which are derived from four Survey questions introduced in 2013 to replace two double-barreled questions on the capacity to attract and retain talent and on the effect of taxation on incentives to invest and work, respectively.

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 1 reports the exact weights

used in the computation of the scores of each country, while Box 2 details the methodology and provides a clarifying example.

**Inter-year robustness test and trend analysis**

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  $c$  as the average difference in country scores across all the Survey questions. We then compute the inter-quartile range (i.e., the difference between the 25th percentile and the 75th percentile), denoted  $iq$ , of the sample of 148 economies. Any value  $c$  lying outside the range bounded by the 25th percentile minus 1.5 times  $iq$  and the 75th percentile plus 1.5 times  $iq$  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.

In addition to this test, we conduct an analysis of the evolution in the results over the past five editions and also consider the latest developments in all countries displaying large swings.

Based on this quantitative and qualitative analyses, the 2013 Survey data collected in Bosnia and Herzegovina, Jordan, Oman, and the United Arab Emirates appear to deviate significantly from the historical trends, and recent developments in these countries do not seem to provide enough justification for the large swings observed. For these four countries, therefore, we use only the 2012 Survey data in the computation of this year's GCI. Although this remains

a remedial measure, we will continue to investigate the situation over the coming months in an effort to improve the representativeness of the Survey data in these countries. Last year, the same analysis resulted in the Survey data of four countries—Ecuador, Georgia, Rwanda, and Sri Lanka—being removed. 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 2011 for these countries—that is, the edition preceding the problematic one—and 2013.

## CONCLUSION

The World Economic Forum's Executive Opinion Survey remains the largest poll of its kind, capturing the insight of more than 13,000 executives into critical drivers of their respective countries' development. This scale could not be achieved without the tremendous efforts of the Forum's network of over 160 Partner Institutes in carrying out the Survey at a national level. It gathers valuable information on a broad range of variables for which data sources are scarce or nonexistent. For this reason, and for the integrity of our publication and related research, sampling and comparability across the globe remain an essential and ongoing endeavor of The Global Competitiveness and Benchmarking Network.

## NOTES

- 1 For Forum competitiveness publications, please see <http://www.weforum.org/content/pages/competitiveness-library>.
- 2 For a number of countries, 2013 data were not used. Please see the data-editing section for further details.
- 3 The Executive Opinion Survey 2013 is available in the following 41 languages—13 more than last year: Albanian, Arabic, Armenian, Azeri, Bosnian, Brazilian Portuguese, Bulgarian, Burmese, Chinese, Croatian, Czech, Danish, Estonian, English, French, German, Greek, Hebrew, Hungarian, Italian, Japanese, Khmer, Korean, Lao, Latvian, Lithuanian, Macedonian, Mongolian, Montenegrin, Persian, Polish, Portuguese, Romanian, Russian, Serbian, Slovak, Slovenian, Spanish, Turkish, Urdu, and Vietnamese.
- 4 In the case of Tajikistan, the Survey was not conducted because of a lack of clearance for its administration.
- 5 The World Economic Forum's Global Competitiveness and Benchmarking Network would like to acknowledge e-Rewards Market Research for carrying out the Executive Opinion Survey 2013 in the United States, collecting over 670 surveys following the detailed sampling guidelines. Furthermore, e-Rewards supplemented a sample of 128 in Germany as well as 71 in India.
- 6 *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.
- 7 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.
- 8 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.

- 9 The *completion rate* is the proportion of answered questions among the 131 questions in the survey instrument used in the computation of the indexes.
- 10 In some cases, the information about the company's sector of activity is missing. In these cases, for any given country when the sample includes at least one survey without sector information, the average response values across the surveys are apportioned to the other sectors according to the sample sizes in those other sectors. This has the effect of including these surveys on a one-for-one basis as they occur in the sample—that is, with no adjustment for sector.
- 11 Following the computation of the sector-weighted country scores, for each country we compute the weight of each individual response in the sample. For any given country, if the individual weight of a response exceeds 10 percent, we abandon the sector-weighted approach and apply a simple average across all responses.

# Part 2

## Data Presentation





# 2.1

## Country/Economy Profiles



# How to Read the Country/Economy Profiles

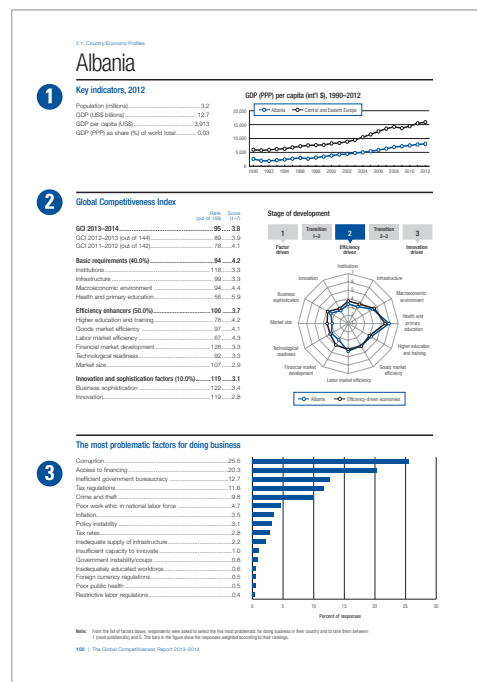
The Country/Economy Profiles section presents a two-page profile for each of the 148 economies covered in *The Global Competitiveness Report 2013–2014*.

## PAGE 1

### 1 Key indicators

The first section presents a selection of key indicators for the economy under review:

- Population figures are from The World Bank, *World Development Indicators* (April 2013 edition). The population figure for Taiwan (China) is sourced from Taiwan's national statistics.
- Gross domestic product (GDP) data come from the April 2013 edition of the International Monetary Fund (IMF)'s *World Economic Outlook (WEO) Database*, with the exception of Puerto Rico, for which figures are sourced from Puerto Rico's national statistics. Reported GDP and GDP per capita are 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 2012 (or the period for which data are available) for the economy under review (blue line). The black 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 used in the April 2013 edition of *WEO*), which divides the world into six regions: *Central and Eastern Europe; the Commonwealth of Independent States (CIS)*, which includes Georgia although it is not a CIS member; *Developing Asia*, which now includes Mongolia; the newly created *Middle East, North Africa, Afghanistan, and Pakistan region (MENAP)*; *Sub-Saharan Africa*; and *Latin America and the Caribbean*. The last group comprises *advanced economies*. GDP figures come from the *WEO* database. For more information regarding the classification and the data, visit [www.imf.org/weo](http://www.imf.org/weo). Note that no data are available for Puerto Rico.



### 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 148 economies, while the second column presents the 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 in the same stage of development (black 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 2013 edition of the World Economic Forum's Executive Opinion Survey (the Survey). 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. For Bosnia and Herzegovina, Jordan, Oman, and the United Arab Emirates we use data from the 2012 edition of the Survey. 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 at 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 units 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/148:** This column reports the country's position among the 148 economies covered by the GCI 2013–2014. 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 2nd rank on indicator 5.07 *Availability of research and training services* 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 31st overall, its rank of 13 on indicator 7.10 *Female participation in 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

2.1 Country/Economy Profiles  
**Albania**

**4 The Global Competitiveness Index in detail**

INDICATOR	VALUE	RANK/148	INDICATOR	VALUE	RANK/148
<b>1st pillar: Basic material efficiency</b>			<b>6th pillar: Financial market efficiency</b>		
1.01 Property rights	2.8	127	6.06 No procedures to start a business	4	20
1.02 Intellectual property protection	3.9	114	6.07 No. of days to start a business	4	8
1.03 Duration of patent process	3.9	112	6.08 Agricultural policy costs	3.4	115
1.04 Public trust in institutions	3.4	89	6.09 Presence of trade barriers	4.1	80
1.05 Inequality payments and bribes	3.1	118	6.10 Trade tariffs, % duty	2.7	39
1.06 Judicial independence	3.3	124	6.11 Presence of foreign ownership	3.6	128
1.07 Functioning of disclosure of government officials	2.7	122	6.12 Business impact of rules on FDI	4.2	81
1.08 Absence of government meddling	3.9	77	6.13 Barriers to customer satisfaction	3.3	117
1.09 Integrity of government registration	3.9	88	6.14 Imports as a percentage of GDP	3.0	163
1.10 Efficiency of legal framework in settling disputes	3.0	120	6.15 Degree of customer satisfaction	4.2	77
1.11 Efficiency of legal framework in settling disputes	3.0	122	6.16 Buyer sophistication	3.2	99
1.12 Transparency of government policymaking	4.1	72			
1.13 Business costs of contracts	3.2	82	<b>7th pillar: Labor market efficiency</b>		
1.14 Business costs of contracts and services	4.3	60	7.01 Cooperation in labor employer relations	4.7	28
1.15 Organized crime	4.4	108	7.02 Feasibility of wage determination	4.3	121
1.16 Reliability of public services	3.7	101	7.03 Hiring and firing practices	4.4	29
1.17 Reliability of public services	3.7	102	7.04 Effect of taxation on incentives to work	3.7	84
1.18 Strength of auditing and reporting standards	3.8	103	7.05 Effect of taxation on incentives to work	3.7	84
1.19 Effectiveness of corporate taxation	4.4	59	7.06 Play and productivity	4.2	74
1.20 Effectiveness of corporate taxation	4.4	59	7.07 Effect of taxation on incentives to work	3.7	84
1.21 Effectiveness of corporate taxation	4.4	59	7.08 Country capacity to retain talent	3.5	83
1.22 Strength of investor protection, 0–10 (best)	7.3	19	7.09 Country capacity to attract talent	3.6	81
			7.10 Women in labor force, ratio to men	0.75	95
			7.11 Labor rights index, 0–10 (best)	3	142
<b>2nd pillar: Infrastructure</b>			<b>8th pillar: Financial market development</b>		
2.01 Quality of overall infrastructure	3.8	82	8.01 Availability of financial services	3.5	129
2.02 Quality of roads	3.9	75	8.02 Affordability of financial services	3.4	127
2.03 Quality of rail infrastructure	3.7	118	8.03 Financing foreign trade credit market	1.7	146
2.04 Quality of port infrastructure	3.5	120	8.04 Ease of access to finance	1.9	145
2.05 Quality of air transport infrastructure	4.3	62	8.05 Venture capital availability	1.9	136
2.06 Availability of roads and bridges, million	3.2	116	8.06 Bank and finance	1.9	146
2.07 Quality of electricity supply	4.5	38	8.07 Regulation of securities exchanges	1.9	146
2.08 Mobile telephone subscriptions/100 pop.	105.2	7	8.08 Legal rights index, 0–10 (best)	3	142
2.09 Fixed telephone lines/100 pop.	8.7	34			
<b>3rd pillar: Macroeconomic environment</b>			<b>9th pillar: Technological readiness</b>		
3.01 Government budget balance, % GDP	-0.1	81	9.01 Availability of latest technologies	4.1	119
3.02 Gross national savings, % GDP	13.9	104	9.02 Firm-level technology absorption	4.4	108
3.03 Inflation, annual % change	2.0	1	9.03 FDI and technology transfer	4.4	108
3.04 General government debt, % GDP	85.6	112	9.04 Innovation and science, % GDP	1.7	146
3.05 Country credit rating, 0–10 (best)	37.9	86	9.05 R&D expenditure as a percentage of GDP	1.7	146
			9.06 R&D expenditure as a percentage of GDP	1.7	146
<b>4th pillar: Health and primary education</b>			<b>10th pillar: Market size</b>		
4.01 Business impact of inflation	3.9	82	10.01 Domestic market size index, 1–7 (best)	2.7	105
4.02 Maternal cases/100,000 pop.	36.1	1	10.02 Foreign market size index, 1–7 (best)	3.5	119
4.03 Business impact of inflation	3.9	82	10.03 GDP PPP per person	36.1	1
4.04 Taxation impact of inflation	3.9	82	10.04 GDP PPP per person	36.1	1
4.05 Quality of post-secondary education	4.3	62	10.05 GDP PPP per person	36.1	1
4.06 Business impact of inflation	3.9	82	10.06 GDP PPP per person	36.1	1
4.07 HIV prevalence, % adult pop.	0.1	1	10.07 GDP PPP per person	36.1	1
4.08 Infant mortality, deaths/1,000 live births	10.8	27	10.08 GDP PPP per person	36.1	1
4.09 Literacy rate, % of population aged 15 and over	93.3	33	10.09 GDP PPP per person	36.1	1
4.10 Quality of primary education	4.3	62	10.10 GDP PPP per person	36.1	1
4.11 Business impact of inflation	3.9	82	10.11 GDP PPP per person	36.1	1
<b>5th pillar: Higher education and training</b>			<b>11th pillar: Business sophistication</b>		
5.01 Secondary education enrollment, gross %	78.2	40	11.01 Business sophistication	2.7	105
5.02 Tertiary education enrollment, gross %	45.2	27	11.02 Local supplier quality	3.7	127
5.03 Quality of the educational system	4.3	62	11.03 State of trade development	2.9	142
5.04 Quality of health and science education	4.3	62	11.04 Nature of competitive advantage	2.8	129
5.05 Quality of management schools	4.3	62	11.05 Market size health	2.8	147
5.06 Managerial research and training services	4.3	62	11.06 Control of international distribution	4.0	74
5.07 Research and training services	4.3	62	11.07 Production process sophistication	3.7	121
5.08 Research and training services	4.3	62	11.08 Export of manufacturing	4.0	74
5.09 Research and training services	4.3	62	11.09 Management of foreign exchange	4.0	74
5.10 Research and training services	4.3	62	11.10 Management of foreign exchange	4.0	74
<b>6th pillar: Goods market efficiency</b>			<b>12th pillar: Innovation</b>		
6.01 Diversity of food consumption	3.4	144	12.01 Capacity for innovation	3.0	121
6.02 Effect of taxation on incentives to invest	3.7	79	12.02 Quality of scientific research institutions	2.8	121
6.03 Effect of taxation on incentives to invest	3.7	79	12.03 Company spending on R&D	2.9	120
6.04 Effect of taxation on incentives to invest	3.7	79	12.04 University-industry collaboration in R&D	2.9	120
6.05 Total tax burden, % GDP	36.7	74	12.05 Government of advanced tech products	3.7	82
			12.06 Availability of scientists and engineers	3.5	106
			12.07 Government of advanced tech products	3.7	82

Note: Values are on a 1–7 scale unless otherwise indicated with an asterisk (\*). For further details and caveats, please refer to the section “Data to Feed the Global Competitiveness Report 2013–2014” on page 81.

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be advantages. For the Philippines, ranked 59th overall, indicator 8.02 *Affordability of financial services*, where the country ranks 31st, constitutes a competitive advantage.

This year, two indicators derived from the Survey were revised. The former indicator 7.07 *Brain drain* was split into two indicators, namely 7.08 *Country capacity to retain talent* and 7.09 *Country capacity to attract talent*. The former indicator 6.04 *Extent and effect of taxation* was split into two new indicators, namely 6.04 *Effect of taxation on incentives to invest* and 7.05 *Effect of taxation on incentives to work*. For those countries for which we discarded the 2013 Survey data (i.e., Bosnia and Herzegovina, Jordan, Oman, and the United Arab Emirates), the 2012 results derived from the Survey questions on brain drain and on the extent and effect of taxation are used in the calculation and reported in the country profiles.

For further analysis, the data tables in the following section of the *Report* provide ranks, values, and the period of each data point, indicator by indicator.

## 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 possibility of downloading portions of the GCI data set.



# Index of Country/Economy Profiles

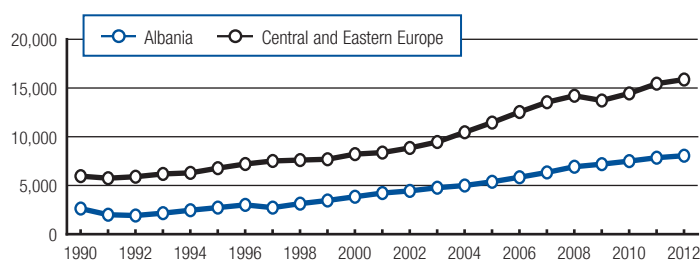
Country/Economy	Page	Country/Economy	Page	Country/Economy	Page
Albania	100	Guatemala	200	Nigeria	300
Algeria	102	Guinea	202	Norway	302
Angola	104	Guyana	204	Oman	304
Argentina	106	Haiti	206	Pakistan	306
Armenia	108	Honduras	208	Panama	308
Australia	110	Hong Kong SAR	210	Paraguay	310
Austria	112	Hungary	212	Peru	312
Azerbaijan	114	Iceland	214	Philippines	314
Bahrain	116	India	216	Poland	316
Bangladesh	118	Indonesia	218	Portugal	318
Barbados	120	Iran, Islamic Rep.	220	Puerto Rico	320
Belgium	122	Ireland	222	Qatar	322
Benin	124	Israel	224	Romania	324
Bhutan	126	Italy	226	Russian Federation	326
Bolivia	128	Jamaica	228	Rwanda	328
Bosnia and Herzegovina	130	Japan	230	Saudi Arabia	330
Botswana	132	Jordan	232	Senegal	332
Brazil	134	Kazakhstan	234	Serbia	334
Brunei Darussalam	136	Kenya	236	Seychelles	336
Bulgaria	138	Korea, Rep.	238	Sierra Leone	338
Burkina Faso	140	Kuwait	240	Singapore	340
Burundi	142	Kyrgyz Republic	242	Slovak Republic	342
Cambodia	144	Lao PDR	244	Slovenia	344
Cameroon	146	Latvia	246	South Africa	346
Canada	148	Lebanon	248	Spain	348
Cape Verde	150	Lesotho	250	Sri Lanka	350
Chad	152	Liberia	252	Suriname	352
Chile	154	Libya	254	Swaziland	354
China	156	Lithuania	256	Sweden	356
Colombia	158	Luxembourg	258	Switzerland	358
Costa Rica	160	Macedonia, FYR	260	Taiwan, China	360
Côte d'Ivoire	162	Madagascar	262	Tanzania	362
Croatia	164	Malawi	264	Thailand	364
Cyprus	166	Malaysia	266	Timor-Leste	366
Czech Republic	168	Mali	268	Trinidad and Tobago	368
Denmark	170	Malta	270	Tunisia	370
Dominican Republic	172	Mauritania	272	Turkey	372
Ecuador	174	Mauritius	274	Uganda	374
Egypt	176	Mexico	276	Ukraine	376
El Salvador	178	Moldova	278	United Arab Emirates	378
Estonia	180	Mongolia	280	United Kingdom	380
Ethiopia	182	Montenegro	282	United States	382
Finland	184	Morocco	284	Uruguay	384
France	186	Mozambique	286	Venezuela	386
Gabon	188	Myanmar	288	Vietnam	388
Gambia, The	190	Namibia	290	Yemen	390
Georgia	192	Nepal	292	Zambia	392
Germany	194	Netherlands	294	Zimbabwe	394
Ghana	196	New Zealand	296		
Greece	198	Nicaragua	298		

# Albania

## Key indicators, 2012

Population (millions).....	3.2
GDP (US\$ billions).....	12.7
GDP per capita (US\$).....	3,913
GDP (PPP) as share (%) of world total.....	0.03

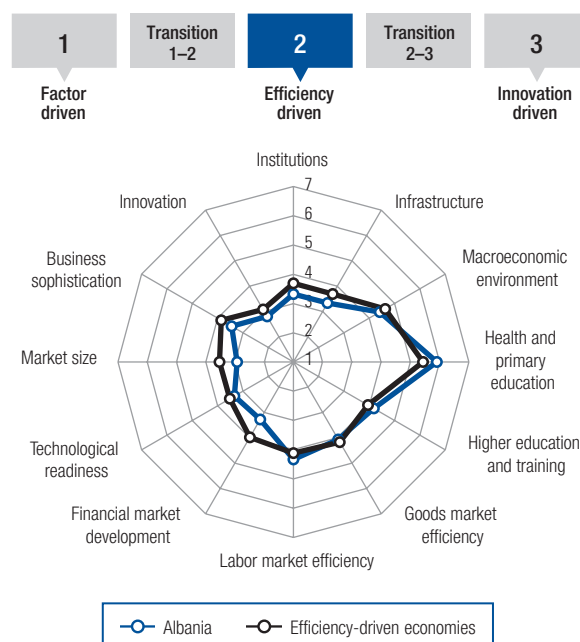
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

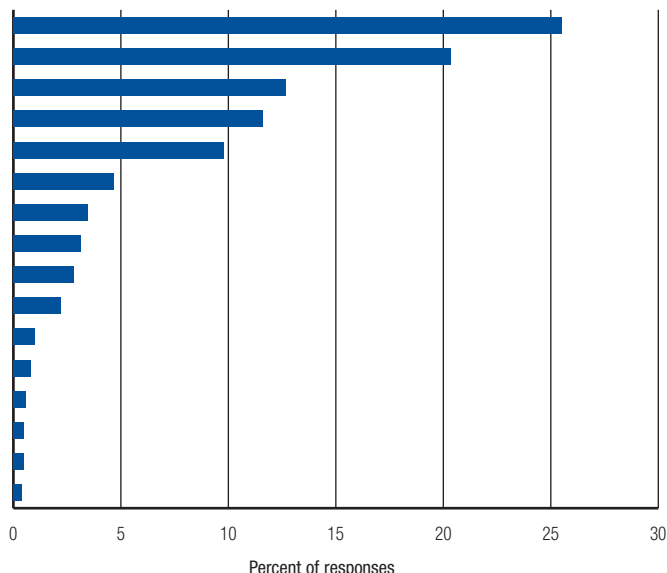
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>95</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	89	3.9
GCI 2011–2012 (out of 142).....	78	4.1
<b>Basic requirements (40.0%)</b> .....	<b>94</b>	<b>4.2</b>
Institutions.....	118	3.3
Infrastructure.....	99	3.3
Macroeconomic environment.....	94	4.4
Health and primary education.....	56	5.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>100</b>	<b>3.7</b>
Higher education and training.....	78	4.2
Goods market efficiency.....	97	4.1
Labor market efficiency.....	67	4.3
Financial market development.....	128	3.3
Technological readiness.....	92	3.3
Market size.....	107	2.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>119</b>	<b>3.1</b>
Business sophistication.....	122	3.4
Innovation.....	119	2.8

## Stage of development



## The most problematic factors for doing business

Corruption.....	25.5
Access to financing.....	20.3
Inefficient government bureaucracy.....	12.7
Tax regulations.....	11.6
Crime and theft.....	9.8
Poor work ethic in national labor force.....	4.7
Inflation.....	3.5
Policy instability.....	3.1
Tax rates.....	2.8
Inadequate supply of infrastructure.....	2.2
Insufficient capacity to innovate.....	1.0
Government instability/coups.....	0.8
Inadequately educated workforce.....	0.6
Foreign currency regulations.....	0.5
Poor public health.....	0.5
Restrictive labor regulations.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Albania

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.8	137
1.02 Intellectual property protection .....	2.9	114
1.03 Diversion of public funds .....	2.5	112
1.04 Public trust in politicians .....	2.4	99
1.05 Irregular payments and bribes .....	3.1	118
1.06 Judicial independence .....	2.3	134
1.07 Favoritism in decisions of government officials .....	2.7	102
1.08 Wastefulness of government spending .....	3.1	77
1.09 Burden of government regulation .....	3.9	33
1.10 Efficiency of legal framework in settling disputes .....	3.0	120
1.11 Efficiency of legal framework in challenging regs. ....	2.9	113
1.12 Transparency of government policymaking .....	4.1	72
1.13 Business costs of terrorism .....	5.2	92
1.14 Business costs of crime and violence .....	4.3	92
1.15 Organized crime .....	4.4	108
1.16 Reliability of police services .....	3.7	101
1.17 Ethical behavior of firms .....	3.3	129
1.18 Strength of auditing and reporting standards .....	4.3	123
1.19 Efficacy of corporate boards .....	4.4	89
1.20 Protection of minority shareholders' interests .....	3.8	95
1.21 Strength of investor protection, 0–10 (best)* .....	7.3	17
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	92
2.02 Quality of roads .....	3.9	76
2.03 Quality of railroad infrastructure .....	1.2	118
2.04 Quality of port infrastructure .....	3.5	109
2.05 Quality of air transport infrastructure .....	4.3	77
2.06 Available airline seat km/week, millions* .....	24.2	119
2.07 Quality of electricity supply .....	4.5	85
2.08 Mobile telephone subscriptions/100 pop.* .....	108.4	75
2.09 Fixed telephone lines/100 pop.* .....	9.7	94
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.1	81
3.02 Gross national savings, % GDP* .....	13.9	105
3.03 Inflation, annual % change* .....	2.0	1
3.04 General government debt, % GDP* .....	60.6	112
3.05 Country credit rating, 0–100 (best)* .....	37.3	88
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.3	34
4.04 Tuberculosis cases/100,000 pop.* .....	13.0	32
4.05 Business impact of HIV/AIDS .....	6.3	23
4.06 HIV prevalence, % adult pop.* .....	<0.1	1
4.07 Infant mortality, deaths/1,000 live births* .....	12.8	67
4.08 Life expectancy, years* .....	77.0	38
4.09 Quality of primary education .....	4.3	53
4.10 Primary education enrollment, net %* .....	93.0	83
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	78.2	95
5.02 Tertiary education enrollment, gross %* .....	43.9	57
5.03 Quality of the educational system .....	4.0	52
5.04 Quality of math and science education .....	4.3	54
5.05 Quality of management schools .....	4.1	84
5.06 Internet access in schools .....	4.2	73
5.07 Availability of research and training services .....	3.6	113
5.08 Extent of staff training .....	4.4	36
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.4	144
6.02 Extent of market dominance .....	3.0	131
6.03 Effectiveness of anti-monopoly policy .....	3.4	125
6.04 Effect of taxation on incentives to invest .....	3.7	75
6.05 Total tax rate, % profits* .....	38.7	74

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	4	8
6.08 Agricultural policy costs .....	3.4	115
6.09 Prevalence of trade barriers .....	4.1	99
6.10 Trade tariffs, % duty* .....	2.7	39
6.11 Prevalence of foreign ownership .....	3.6	128
6.12 Business impact of rules on FDI .....	4.5	81
6.13 Burden of customs procedures .....	3.3	117
6.14 Imports as a percentage of GDP* .....	52.6	60
6.15 Degree of customer orientation .....	4.5	77
6.16 Buyer sophistication .....	3.2	89
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.7	39
7.02 Flexibility of wage determination .....	4.3	123
7.03 Hiring and firing practices .....	4.4	29
7.04 Redundancy costs, weeks of salary* .....	20.8	99
7.05 Effect of taxation on incentives to work .....	3.7	69
7.06 Pay and productivity .....	4.5	24
7.07 Reliance on professional management .....	3.9	95
7.08 Country capacity to retain talent .....	3.5	60
7.09 Country capacity to attract talent .....	3.6	63
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 .....	3.5	129
8.02 Affordability of financial services .....	3.4	127
8.03 Financing through local equity market .....	1.7	146
8.04 Ease of access to loans .....	1.9	135
8.05 Venture capital availability .....	1.9	136
8.06 Soundness of banks .....	3.9	129
8.07 Regulation of securities exchanges .....	1.9	146
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.1	119
9.02 Firm-level technology absorption .....	4.2	108
9.03 FDI and technology transfer .....	4.4	91
9.04 Individuals using Internet, %* .....	54.7	58
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	5.0	78
9.06 Int'l Internet bandwidth, kb/s per user* .....	17.0	75
9.07 Mobile broadband subscriptions/100 pop.* .....	18.4	70
<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)* .....	26.1	108
10.04 Exports as a percentage of GDP* .....	31.8	92
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.7	135
11.02 Local supplier quality .....	3.7	127
11.03 State of cluster development .....	2.5	145
11.04 Nature of competitive advantage .....	2.8	129
11.05 Value chain breadth .....	2.6	147
11.06 Control of international distribution .....	4.0	74
11.07 Production process sophistication .....	3.7	73
11.08 Extent of marketing .....	4.0	81
11.09 Willingness to delegate authority .....	3.8	71
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0	121
12.02 Quality of scientific research institutions .....	2.8	121
12.03 Company spending on R&D .....	3.0	82
12.04 University-industry collaboration in R&D .....	2.6	135
12.05 Gov't procurement of advanced tech products .....	3.7	52
12.06 Availability of scientists and engineers .....	3.5	106
12.07 PCT patents, applications/million pop.* .....	0.2	91

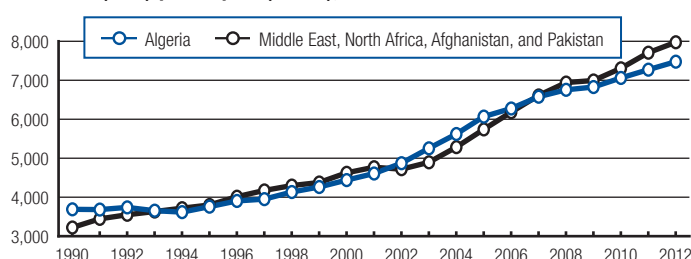
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Algeria

## Key indicators, 2012

Population (millions).....	36.0
GDP (US\$ billions).....	207.8
GDP per capita (US\$).....	5,694
GDP (PPP) as share (%) of world total.....	0.33

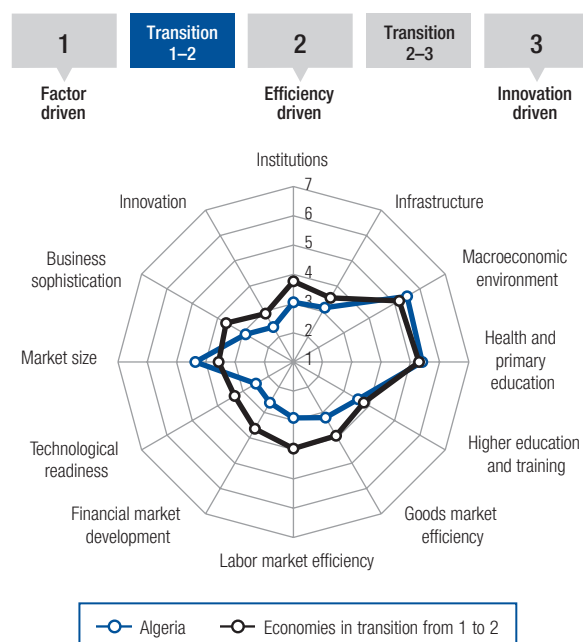
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

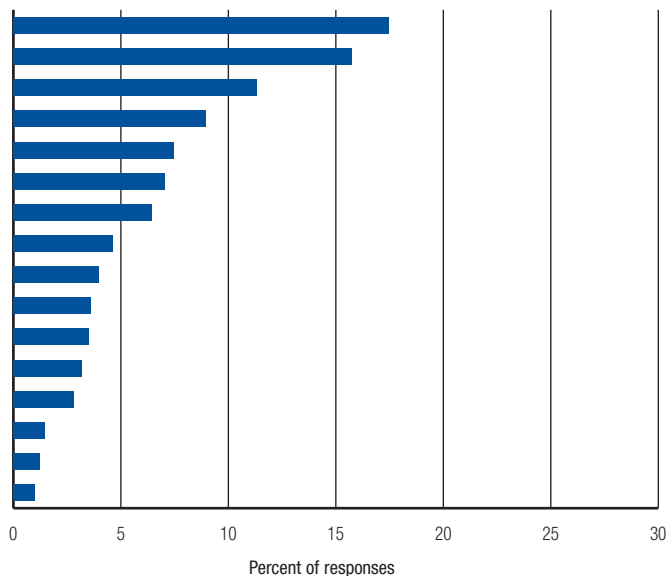
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>100</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	110	3.7
GCI 2011–2012 (out of 142).....	87	4.0
<b>Basic requirements (59.1%)</b> .....	<b>92</b>	<b>4.3</b>
Institutions.....	135	3.0
Infrastructure.....	106	3.1
Macroeconomic environment.....	34	5.5
Health and primary education.....	92	5.4
<b>Efficiency enhancers (35.7%)</b> .....	<b>133</b>	<b>3.2</b>
Higher education and training.....	101	3.5
Goods market efficiency.....	142	3.2
Labor market efficiency.....	147	2.9
Financial market development.....	143	2.6
Technological readiness.....	136	2.5
Market size.....	48	4.4
<b>Innovation and sophistication factors (5.2%)</b> .....	<b>143</b>	<b>2.6</b>
Business sophistication.....	144	2.9
Innovation.....	141	2.4

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	17.5
Access to financing.....	15.8
Corruption.....	11.3
Inadequately educated workforce.....	9.0
Policy instability.....	7.5
Foreign currency regulations.....	7.0
Inadequate supply of infrastructure.....	6.5
Restrictive labor regulations.....	4.6
Poor work ethic in national labor force.....	4.0
Tax rates.....	3.6
Tax regulations.....	3.5
Inflation.....	3.2
Insufficient capacity to innovate.....	2.8
Crime and theft.....	1.5
Poor public health.....	1.2
Government instability/coups.....	1.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Algeria

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.2	128
1.02 Intellectual property protection .....	2.2	145
1.03 Diversion of public funds .....	2.3	131
1.04 Public trust in politicians .....	2.3	108
1.05 Irregular payments and bribes .....	2.6	133
1.06 Judicial independence .....	3.2	95
1.07 Favoritism in decisions of government officials .....	2.6	110
1.08 Wastefulness of government spending .....	2.8	101
1.09 Burden of government regulation .....	2.5	138
1.10 Efficiency of legal framework in settling disputes .....	3.1	116
1.11 Efficiency of legal framework in challenging regs. ....	2.3	139
1.12 Transparency of government policymaking .....	3.4	133
1.13 Business costs of terrorism .....	3.7	138
1.14 Business costs of crime and violence .....	4.1	102
1.15 Organized crime .....	3.8	131
1.16 Reliability of police services .....	3.7	97
1.17 Ethical behavior of firms .....	3.1	138
1.18 Strength of auditing and reporting standards .....	3.0	141
1.19 Efficacy of corporate boards .....	3.5	143
1.20 Protection of minority shareholders' interests .....	3.0	138
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	89
2.02 Quality of roads .....	3.3	99
2.03 Quality of railroad infrastructure .....	2.3	83
2.04 Quality of port infrastructure .....	2.7	132
2.05 Quality of air transport infrastructure .....	3.0	132
2.06 Available airline seat km/week, millions* .....	183.9	65
2.07 Quality of electricity supply .....	4.2	90
2.08 Mobile telephone subscriptions/100 pop.* .....	103.3	86
2.09 Fixed telephone lines/100 pop.* .....	8.8	98
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.7	71
3.02 Gross national savings, % GDP* .....	42.4	<b>11</b>
3.03 Inflation, annual % change* .....	8.9	124
3.04 General government debt, % GDP* .....	9.9	<b>8</b>
3.05 Country credit rating, 0–100 (best)* .....	50.0	68
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.1	105
4.02 Malaria cases/100,000 pop.* .....	0.1	75
4.03 Business impact of tuberculosis .....	4.3	115
4.04 Tuberculosis cases/100,000 pop.* .....	90.0	92
4.05 Business impact of HIV/AIDS .....	4.3	118
4.06 HIV prevalence, % adult pop.* .....	0.10	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	25.6	100
4.08 Life expectancy, years* .....	73.1	85
4.09 Quality of primary education .....	2.5	131
4.10 Primary education enrollment, net %* .....	96.2	53
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	101.6	<b>31</b>
5.02 Tertiary education enrollment, gross %* .....	32.1	76
5.03 Quality of the educational system .....	2.7	133
5.04 Quality of math and science education .....	2.7	132
5.05 Quality of management schools .....	3.0	135
5.06 Internet access in schools .....	2.2	138
5.07 Availability of research and training services .....	3.1	136
5.08 Extent of staff training .....	3.0	139
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.6	141
6.02 Extent of market dominance .....	3.1	130
6.03 Effectiveness of anti-monopoly policy .....	3.1	136
6.04 Effect of taxation on incentives to invest .....	3.6	84
6.05 Total tax rate, % profits* .....	72.0	141

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	14	140
6.07 No. days to start a business* .....	25	97
6.08 Agricultural policy costs .....	3.2	123
6.09 Prevalence of trade barriers .....	3.4	143
6.10 Trade tariffs, % duty* .....	14.4	134
6.11 Prevalence of foreign ownership .....	3.2	135
6.12 Business impact of rules on FDI .....	3.3	134
6.13 Burden of customs procedures .....	2.7	143
6.14 Imports as a percentage of GDP* .....	29.8	123
6.15 Degree of customer orientation .....	3.1	144
6.16 Buyer sophistication .....	2.8	119
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.4	137
7.02 Flexibility of wage determination .....	4.4	116
7.03 Hiring and firing practices .....	2.7	142
7.04 Redundancy costs, weeks of salary* .....	17.3	85
7.05 Effect of taxation on incentives to work .....	3.3	107
7.06 Pay and productivity .....	2.8	140
7.07 Reliance on professional management .....	2.3	145
7.08 Country capacity to retain talent .....	2.1	137
7.09 Country capacity to attract talent .....	2.0	139
7.10 Women in labor force, ratio to men* .....	0.21	148
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.0	141
8.02 Affordability of financial services .....	2.7	144
8.03 Financing through local equity market .....	2.1	138
8.04 Ease of access to loans .....	2.7	86
8.05 Venture capital availability .....	2.0	123
8.06 Soundness of banks .....	3.3	140
8.07 Regulation of securities exchanges .....	2.0	142
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.2	144
9.02 Firm-level technology absorption .....	3.2	147
9.03 FDI and technology transfer .....	3.6	128
9.04 Individuals using Internet, %* .....	15.2	114
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	3.0	90
9.06 Int'l Internet bandwidth, kb/s per user* .....	8.1	100
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.1	<b>49</b>
10.02 Foreign market size index, 1–7 (best)* .....	5.0	<b>49</b>
10.03 GDP (PPP\$ billions)* .....	272.9	<b>48</b>
10.04 Exports as a percentage of GDP* .....	38.8	76
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.0	123
11.02 Local supplier quality .....	3.3	140
11.03 State of cluster development .....	3.2	119
11.04 Nature of competitive advantage .....	2.7	132
11.05 Value chain breadth .....	2.6	145
11.06 Control of international distribution .....	3.0	146
11.07 Production process sophistication .....	2.5	142
11.08 Extent of marketing .....	2.4	146
11.09 Willingness to delegate authority .....	2.6	144
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.3	147
12.02 Quality of scientific research institutions .....	2.5	133
12.03 Company spending on R&D .....	2.0	147
12.04 University-industry collaboration in R&D .....	2.1	146
12.05 Gov't procurement of advanced tech products .....	2.7	127
12.06 Availability of scientists and engineers .....	4.1	68
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 97.

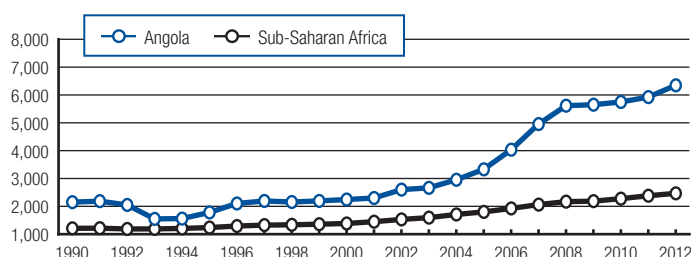


# Angola

## Key indicators, 2012

Population (millions).....	19.6
GDP (US\$ billions).....	118.7
GDP per capita (US\$).....	5,873
GDP (PPP) as share (%) of world total.....	0.15

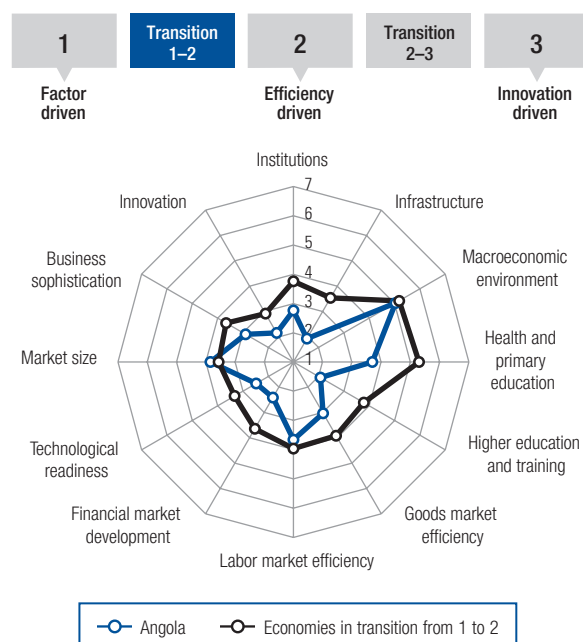
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

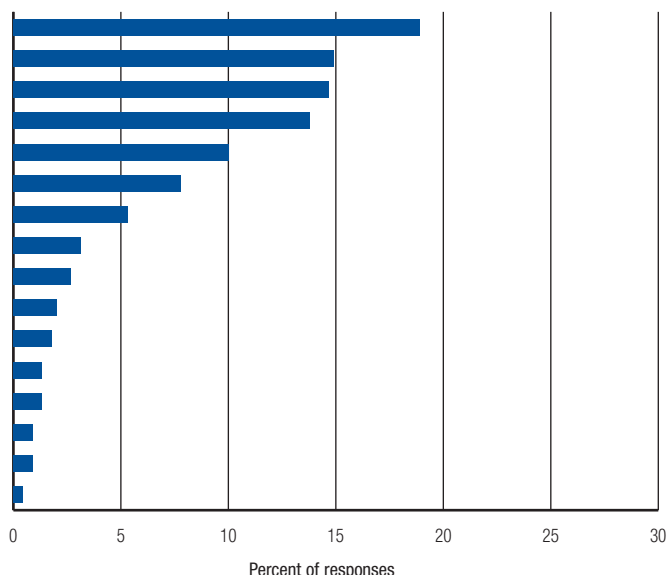
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>142</b>	<b>3.1</b>
GCI 2012–2013 (out of 144).....	n/a	n/a
GCI 2011–2012 (out of 142).....	139	3.0
<b>Basic requirements (58.7%)</b> .....	<b>139</b>	<b>3.4</b>
Institutions.....	145	2.8
Infrastructure.....	145	1.9
Macroeconomic environment.....	54	5.0
Health and primary education.....	137	3.7
<b>Efficiency enhancers (36.0%)</b> .....	<b>143</b>	<b>2.9</b>
Higher education and training.....	147	2.1
Goods market efficiency.....	146	3.0
Labor market efficiency.....	134	3.7
Financial market development.....	145	2.4
Technological readiness.....	138	2.5
Market size.....	65	3.8
<b>Innovation and sophistication factors (5.3%)</b> .....	<b>148</b>	<b>2.5</b>
Business sophistication.....	143	2.9
Innovation.....	147	2.1

## Stage of development



## The most problematic factors for doing business

Corruption.....	18.9
Inadequately educated workforce.....	14.9
Inefficient government bureaucracy.....	14.7
Access to financing.....	13.8
Inadequate supply of infrastructure.....	10.0
Poor work ethic in national labor force.....	7.8
Restrictive labor regulations.....	5.3
Foreign currency regulations.....	3.1
Poor public health.....	2.7
Tax rates.....	2.0
Inflation.....	1.8
Crime and theft.....	1.3
Tax regulations.....	1.3
Government instability/coups.....	0.9
Policy instability.....	0.9
Insufficient capacity to innovate.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Angola

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.8	140
1.02 Intellectual property protection .....	2.4	137
1.03 Diversion of public funds .....	2.2	137
1.04 Public trust in politicians .....	2.1	123
1.05 Irregular payments and bribes .....	2.4	141
1.06 Judicial independence .....	2.4	127
1.07 Favoritism in decisions of government officials .....	2.2	140
1.08 Wastefulness of government spending .....	2.4	120
1.09 Burden of government regulation .....	2.8	129
1.10 Efficiency of legal framework in settling disputes .....	2.7	129
1.11 Efficiency of legal framework in challenging regs. ....	2.2	144
1.12 Transparency of government policymaking .....	2.9	144
1.13 Business costs of terrorism .....	4.7	115
1.14 Business costs of crime and violence .....	3.4	125
1.15 Organized crime .....	3.9	128
1.16 Reliability of police services .....	3.0	127
1.17 Ethical behavior of firms .....	2.8	145
1.18 Strength of auditing and reporting standards .....	2.3	147
1.19 Efficacy of corporate boards .....	2.6	148
1.20 Protection of minority shareholders' interests .....	2.7	145
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.0	148
2.02 Quality of roads .....	2.4	139
2.03 Quality of railroad infrastructure .....	1.7	107
2.04 Quality of port infrastructure .....	2.9	125
2.05 Quality of air transport infrastructure .....	3.4	118
2.06 Available airline seat km/week, millions* .....	117.8	78
2.07 Quality of electricity supply .....	1.7	143
2.08 Mobile telephone subscriptions/100 pop.* .....	48.6	138
2.09 Fixed telephone lines/100 pop.* .....	1.5	124
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	8.5	9
3.02 Gross national savings, % GDP* .....	23.1	57
3.03 Inflation, annual % change* .....	10.3	134
3.04 General government debt, % GDP* .....	29.3	39
3.05 Country credit rating, 0–100 (best)* .....	36.2	89
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	1.8	148
4.02 Malaria cases/100,000 pop.* .....	19,796.1	129
4.03 Business impact of tuberculosis .....	3.2	146
4.04 Tuberculosis cases/100,000 pop.* .....	310.0	134
4.05 Business impact of HIV/AIDS .....	3.0	141
4.06 HIV prevalence, % adult pop.* .....	2.10	128
4.07 Infant mortality, deaths/1,000 live births* .....	96.4	145
4.08 Life expectancy, years* .....	51.1	141
4.09 Quality of primary education .....	2.1	144
4.10 Primary education enrollment, net %* .....	85.7	120
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	31.3	138
5.02 Tertiary education enrollment, gross %* .....	3.7	140
5.03 Quality of the educational system .....	2.2	144
5.04 Quality of math and science education .....	2.1	147
5.05 Quality of management schools .....	2.2	148
5.06 Internet access in schools .....	2.6	127
5.07 Availability of research and training services .....	2.5	146
5.08 Extent of staff training .....	3.3	124
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	2.8	148
6.02 Extent of market dominance .....	2.0	148
6.03 Effectiveness of anti-monopoly policy .....	2.2	148
6.04 Effect of taxation on incentives to invest .....	3.9	55
6.05 Total tax rate, % profits* .....	53.2	123

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	68	137
6.08 Agricultural policy costs .....	3.7	85
6.09 Prevalence of trade barriers .....	3.7	130
6.10 Trade tariffs, % duty* .....	8.9	97
6.11 Prevalence of foreign ownership .....	3.6	129
6.12 Business impact of rules on FDI .....	2.5	145
6.13 Burden of customs procedures .....	2.2	146
6.14 Imports as a percentage of GDP* .....	40.9	87
6.15 Degree of customer orientation .....	2.4	148
6.16 Buyer sophistication .....	2.7	127
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.1	145
7.02 Flexibility of wage determination .....	4.3	121
7.03 Hiring and firing practices .....	2.9	133
7.04 Redundancy costs, weeks of salary* .....	31.0	132
7.05 Effect of taxation on incentives to work .....	4.1	37
7.06 Pay and productivity .....	2.9	136
7.07 Reliance on professional management .....	2.2	147
7.08 Country capacity to retain talent .....	3.5	67
7.09 Country capacity to attract talent .....	3.8	47
7.10 Women in labor force, ratio to men* .....	0.82	66
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	2.4	148
8.02 Affordability of financial services .....	3.1	137
8.03 Financing through local equity market .....	1.4	148
8.04 Ease of access to loans .....	1.7	140
8.05 Venture capital availability .....	2.1	119
8.06 Soundness of banks .....	3.9	128
8.07 Regulation of securities exchanges .....	1.3	148
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.5	139
9.02 Firm-level technology absorption .....	3.3	145
9.03 FDI and technology transfer .....	4.3	95
9.04 Individuals using Internet, %* .....	16.9	110
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.2	126
9.06 Int'l Internet bandwidth, kb/s per user* .....	0.6	142
9.07 Mobile broadband subscriptions/100 pop.* .....	1.5	115
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.5	67
10.02 Foreign market size index, 1–7 (best)* .....	4.9	55
10.03 GDP (PPP\$ billions)* .....	128.3	63
10.04 Exports as a percentage of GDP* .....	65.1	30
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.0	147
11.02 Local supplier quality .....	2.8	148
11.03 State of cluster development .....	3.1	123
11.04 Nature of competitive advantage .....	3.0	111
11.05 Value chain breadth .....	2.7	144
11.06 Control of international distribution .....	3.2	138
11.07 Production process sophistication .....	2.7	138
11.08 Extent of marketing .....	3.2	127
11.09 Willingness to delegate authority .....	2.7	140
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.5	146
12.02 Quality of scientific research institutions .....	2.1	146
12.03 Company spending on R&D .....	2.0	145
12.04 University-industry collaboration in R&D .....	2.2	144
12.05 Gov't procurement of advanced tech products .....	2.6	133
12.06 Availability of scientists and engineers .....	2.5	148
12.07 PCT patents, applications/million pop.* .....	0.0	119

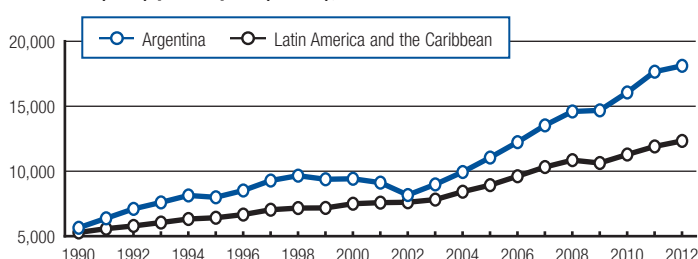
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Argentina

## Key indicators, 2012

Population (millions).....	40.8
GDP (US\$ billions).....	475.0
GDP per capita (US\$).....	11,576
GDP (PPP) as share (%) of world total.....	0.89

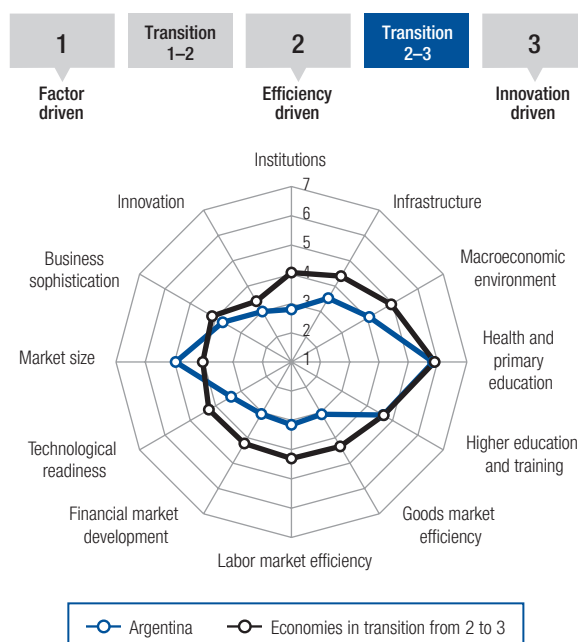
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

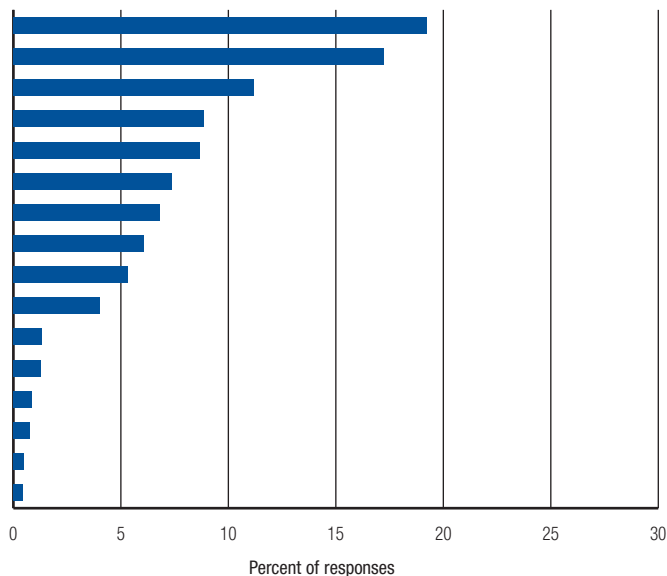
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>104</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	94	3.9
GCI 2011–2012 (out of 142).....	85	4.0
<b>Basic requirements (33.6%)</b> .....	<b>102</b>	<b>4.1</b>
Institutions.....	143	2.8
Infrastructure.....	89	3.5
Macroeconomic environment.....	111	4.1
Health and primary education.....	61	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>97</b>	<b>3.7</b>
Higher education and training.....	49	4.6
Goods market efficiency.....	145	3.1
Labor market efficiency.....	144	3.1
Financial market development.....	133	3.1
Technological readiness.....	88	3.4
Market size.....	24	5.0
<b>Innovation and sophistication factors (16.4%)</b> .....	<b>98</b>	<b>3.4</b>
Business sophistication.....	95	3.7
Innovation.....	104	3.0

## Stage of development



## The most problematic factors for doing business

Inflation.....	19.2
Foreign currency regulations.....	17.2
Corruption.....	11.2
Access to financing.....	8.9
Inefficient government bureaucracy.....	8.7
Policy instability.....	7.4
Restrictive labor regulations.....	6.8
Tax regulations.....	6.1
Tax rates.....	5.3
Inadequate supply of infrastructure.....	4.0
Insufficient capacity to innovate.....	1.3
Inadequately educated workforce.....	1.3
Crime and theft.....	0.9
Poor work ethic in national labor force.....	0.8
Government instability/coups.....	0.5
Poor public health.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Argentina

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.5	145
1.02 Intellectual property protection .....	2.3	139
1.03 Diversion of public funds .....	1.8	145
1.04 Public trust in politicians .....	1.5	147
1.05 Irregular payments and bribes .....	2.8	127
1.06 Judicial independence .....	2.4	132
1.07 Favoritism in decisions of government officials .....	1.8	146
1.08 Wastefulness of government spending .....	1.7	147
1.09 Burden of government regulation .....	2.3	141
1.10 Efficiency of legal framework in settling disputes .....	2.6	133
1.11 Efficiency of legal framework in challenging regs. ....	1.9	147
1.12 Transparency of government policymaking .....	3.0	141
1.13 Business costs of terrorism .....	6.2	<b>24</b>
1.14 Business costs of crime and violence .....	3.6	118
1.15 Organized crime .....	4.4	107
1.16 Reliability of police services .....	2.8	139
1.17 Ethical behavior of firms .....	2.9	143
1.18 Strength of auditing and reporting standards .....	2.8	126
1.19 Efficacy of corporate boards .....	4.1	118
1.20 Protection of minority shareholders' interests .....	3.3	129
1.21 Strength of investor protection, 0–10 (best)* .....	4.7	100
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.2	120
2.02 Quality of roads .....	3.1	103
2.03 Quality of railroad infrastructure .....	1.7	106
2.04 Quality of port infrastructure .....	3.7	99
2.05 Quality of air transport infrastructure .....	3.6	111
2.06 Available airline seat km/week, millions* .....	808.3	<b>30</b>
2.07 Quality of electricity supply .....	3.1	116
2.08 Mobile telephone subscriptions/100 pop.* .....	142.5	<b>26</b>
2.09 Fixed telephone lines/100 pop.* .....	24.3	<b>48</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.3	104
3.02 Gross national savings, % GDP* .....	21.8	62
3.03 Inflation, annual % change* .....	10.0	133
3.04 General government debt, % GDP* .....	44.9	82
3.05 Country credit rating, 0–100 (best)* .....	29.8	105
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.7	74
4.02 Malaria cases/100,000 pop.* .....	0.2	78
4.03 Business impact of tuberculosis .....	6.3	<b>33</b>
4.04 Tuberculosis cases/100,000 pop.* .....	26.0	56
4.05 Business impact of HIV/AIDS .....	5.6	67
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	12.6	65
4.08 Life expectancy, years* .....	75.8	<b>48</b>
4.09 Quality of primary education .....	3.3	102
4.10 Primary education enrollment, net %* .....	99.1	<b>19</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	90.2	69
5.02 Tertiary education enrollment, gross %* .....	74.8	<b>15</b>
5.03 Quality of the educational system .....	3.2	104
5.04 Quality of math and science education .....	3.2	116
5.05 Quality of management schools .....	4.9	<b>33</b>
5.06 Internet access in schools .....	4.0	79
5.07 Availability of research and training services .....	4.4	60
5.08 Extent of staff training .....	3.7	100
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.0	134
6.02 Extent of market dominance .....	3.2	123
6.03 Effectiveness of anti-monopoly policy .....	3.0	142
6.04 Effect of taxation on incentives to invest .....	2.1	147
6.05 Total tax rate, % profits* .....	108.3	145

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	14	140
6.07 No. days to start a business* .....	26	99
6.08 Agricultural policy costs .....	2.9	140
6.09 Prevalence of trade barriers .....	2.5	148
6.10 Trade tariffs, % duty* .....	10.6	117
6.11 Prevalence of foreign ownership .....	4.6	77
6.12 Business impact of rules on FDI .....	2.0	147
6.13 Burden of customs procedures .....	2.1	147
6.14 Imports as a percentage of GDP* .....	18.1	144
6.15 Degree of customer orientation .....	3.6	138
6.16 Buyer sophistication .....	3.3	77
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.3	140
7.02 Flexibility of wage determination .....	2.7	145
7.03 Hiring and firing practices .....	2.7	140
7.04 Redundancy costs, weeks of salary* .....	30.3	129
7.05 Effect of taxation on incentives to work .....	2.1	147
7.06 Pay and productivity .....	2.8	144
7.07 Reliance on professional management .....	4.4	63
7.08 Country capacity to retain talent .....	3.2	84
7.09 Country capacity to attract talent .....	2.4	125
7.10 Women in labor force, ratio to men* .....	0.67	103
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.1	136
8.02 Affordability of financial services .....	2.9	142
8.03 Financing through local equity market .....	2.3	130
8.04 Ease of access to loans .....	1.7	143
8.05 Venture capital availability .....	1.7	142
8.06 Soundness of banks .....	4.4	99
8.07 Regulation of securities exchanges .....	3.5	112
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.0	123
9.02 Firm-level technology absorption .....	4.1	115
9.03 FDI and technology transfer .....	3.1	147
9.04 Individuals using Internet, %* .....	55.8	54
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	10.9	57
9.06 Int'l Internet bandwidth, kb/s per user* .....	22.0	68
9.07 Mobile broadband subscriptions/100 pop.* .....	12.4	80
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.9	<b>21</b>
10.02 Foreign market size index, 1–7 (best)* .....	5.2	<b>39</b>
10.03 GDP (PPP\$ billions)* .....	743.1	<b>22</b>
10.04 Exports as a percentage of GDP* .....	20.1	132
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.2	112
11.02 Local supplier quality .....	3.9	112
11.03 State of cluster development .....	3.2	117
11.04 Nature of competitive advantage .....	2.6	134
11.05 Value chain breadth .....	3.5	93
11.06 Control of international distribution .....	3.9	86
11.07 Production process sophistication .....	3.8	69
11.08 Extent of marketing .....	4.4	53
11.09 Willingness to delegate authority .....	3.5	91
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.3	91
12.02 Quality of scientific research institutions .....	4.0	<b>49</b>
12.03 Company spending on R&D .....	2.8	105
12.04 University-industry collaboration in R&D .....	3.7	61
12.05 Gov't procurement of advanced tech products .....	2.5	140
12.06 Availability of scientists and engineers .....	3.9	83
12.07 PCT patents, applications/million pop.* .....	1.2	66

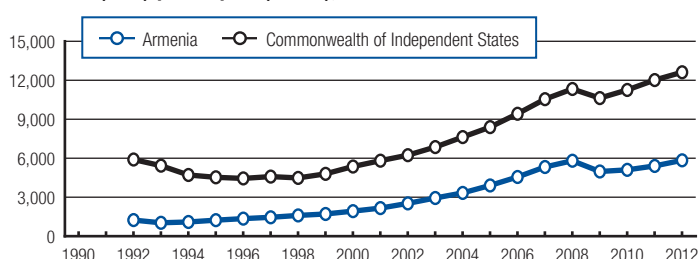
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Armenia

## Key indicators, 2012

Population (millions).....	3.1
GDP (US\$ billions).....	10.1
GDP per capita (US\$).....	2,991
GDP (PPP) as share (%) of world total.....	0.02

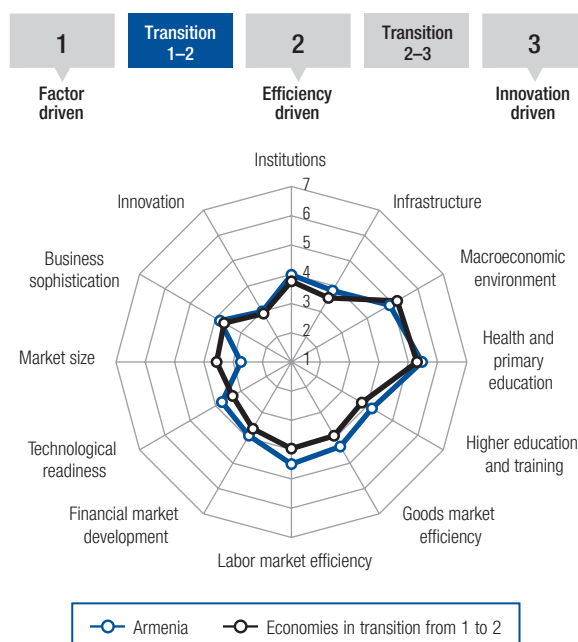
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

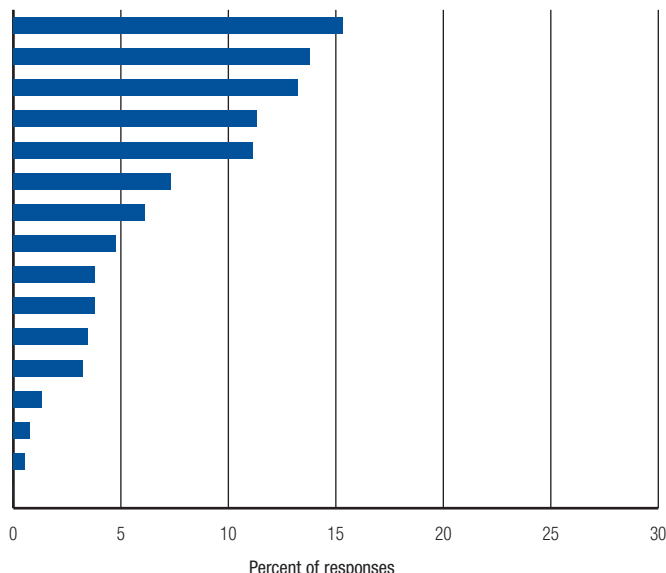
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>79</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	82	4.0
GCI 2011–2012 (out of 142).....	92	3.9
<b>Basic requirements (40.2%)</b> .....	<b>73</b>	<b>4.5</b>
Institutions.....	65	4.0
Infrastructure.....	80	3.8
Macroeconomic environment.....	64	4.9
Health and primary education.....	85	5.5
<b>Efficiency enhancers (49.9%)</b> .....	<b>85</b>	<b>3.9</b>
Higher education and training.....	77	4.2
Goods market efficiency.....	58	4.3
Labor market efficiency.....	50	4.5
Financial market development.....	76	3.9
Technological readiness.....	72	3.7
Market size.....	117	2.7
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>88</b>	<b>3.4</b>
Business sophistication.....	87	3.8
Innovation.....	103	3.0

## Stage of development



## The most problematic factors for doing business

Corruption.....	15.4
Access to financing.....	13.8
Inefficient government bureaucracy.....	13.2
Tax regulations.....	11.3
Tax rates.....	11.1
Inadequate supply of infrastructure.....	7.3
Inadequately educated workforce.....	6.1
Foreign currency regulations.....	4.8
Insufficient capacity to innovate.....	3.8
Policy instability.....	3.8
Inflation.....	3.4
Poor work ethic in national labor force.....	3.2
Restrictive labor regulations.....	1.3
Government instability/coups.....	0.8
Poor public health.....	0.6
Crime and theft.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Armenia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.6	54
1.02 Intellectual property protection .....	3.6	75
1.03 Diversion of public funds .....	3.1	84
1.04 Public trust in politicians .....	3.0	71
1.05 Irregular payments and bribes .....	3.8	75
1.06 Judicial independence .....	3.0	110
1.07 Favoritism in decisions of government officials .....	3.1	68
1.08 Wastefulness of government spending .....	3.4	60
1.09 Burden of government regulation .....	3.9	34
1.10 Efficiency of legal framework in settling disputes .....	3.7	74
1.11 Efficiency of legal framework in challenging regs. ....	3.4	76
1.12 Transparency of government policymaking .....	5.0	24
1.13 Business costs of terrorism .....	6.1	38
1.14 Business costs of crime and violence .....	5.7	20
1.15 Organized crime .....	5.4	57
1.16 Reliability of police services .....	4.0	76
1.17 Ethical behavior of firms .....	3.8	81
1.18 Strength of auditing and reporting standards .....	4.4	87
1.19 Efficacy of corporate boards .....	4.3	96
1.20 Protection of minority shareholders' interests .....	3.8	100
1.21 Strength of investor protection, 0–10 (best)* .....	6.7	25
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.4	67
2.02 Quality of roads .....	3.7	82
2.03 Quality of railroad infrastructure .....	2.6	69
2.04 Quality of port infrastructure .....	3.0	122
2.05 Quality of air transport infrastructure .....	4.5	66
2.06 Available airline seat km/week, millions* .....	43.4	106
2.07 Quality of electricity supply .....	5.2	60
2.08 Mobile telephone subscriptions/100 pop.* .....	106.9	80
2.09 Fixed telephone lines/100 pop.* .....	18.8	65
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.5	50
3.02 Gross national savings, % GDP* .....	17.3	84
3.03 Inflation, annual % change* .....	2.5	1
3.04 General government debt, % GDP* .....	39.5	66
3.05 Country credit rating, 0–100 (best)* .....	34.5	95
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	0.0	1
4.03 Business impact of tuberculosis .....	5.4	76
4.04 Tuberculosis cases/100,000 pop.* .....	55.0	76
4.05 Business impact of HIV/AIDS .....	5.8	50
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	15.6	78
4.08 Life expectancy, years* .....	73.9	71
4.09 Quality of primary education .....	3.8	77
4.10 Primary education enrollment, net %* .....	87.1	115
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	92.0	61
5.02 Tertiary education enrollment, gross %* .....	48.9	51
5.03 Quality of the educational system .....	3.7	69
5.04 Quality of math and science education .....	4.2	67
5.05 Quality of management schools .....	3.4	120
5.06 Internet access in schools .....	4.0	78
5.07 Availability of research and training services .....	3.5	119
5.08 Extent of staff training .....	3.6	114
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6	102
6.02 Extent of market dominance .....	3.7	75
6.03 Effectiveness of anti-monopoly policy .....	3.8	97
6.04 Effect of taxation on incentives to invest .....	3.5	96
6.05 Total tax rate, % profits* .....	38.8	76

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	8	34
6.08 Agricultural policy costs .....	4.1	45
6.09 Prevalence of trade barriers .....	4.1	94
6.10 Trade tariffs, % duty* .....	2.8	40
6.11 Prevalence of foreign ownership .....	4.4	89
6.12 Business impact of rules on FDI .....	4.3	94
6.13 Burden of customs procedures .....	3.3	123
6.14 Imports as a percentage of GDP* .....	53.3	59
6.15 Degree of customer orientation .....	4.6	63
6.16 Buyer sophistication .....	3.5	69
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.8	35
7.02 Flexibility of wage determination .....	5.4	38
7.03 Hiring and firing practices .....	4.8	12
7.04 Redundancy costs, weeks of salary* .....	11.0	47
7.05 Effect of taxation on incentives to work .....	3.6	78
7.06 Pay and productivity .....	4.3	36
7.07 Reliance on professional management .....	3.9	96
7.08 Country capacity to retain talent .....	2.6	121
7.09 Country capacity to attract talent .....	2.6	116
7.10 Women in labor force, ratio to men* .....	0.74	91
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.6	63
8.02 Affordability of financial services .....	4.4	50
8.03 Financing through local equity market .....	2.5	115
8.04 Ease of access to loans .....	2.6	88
8.05 Venture capital availability .....	2.4	93
8.06 Soundness of banks .....	5.3	53
8.07 Regulation of securities exchanges .....	3.5	110
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.5	97
9.02 Firm-level technology absorption .....	4.4	98
9.03 FDI and technology transfer .....	4.9	50
9.04 Individuals using Internet, %* .....	39.2	84
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	6.6	74
9.06 Int'l Internet bandwidth, kb/s per user* .....	38.6	47
9.07 Mobile broadband subscriptions/100 pop.* .....	27.6	57
<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)* .....	3.2	127
10.03 GDP (PPP\$ billions)* .....	19.6	119
10.04 Exports as a percentage of GDP* .....	22.1	130
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	74
11.02 Local supplier quality .....	4.2	85
11.03 State of cluster development .....	3.6	84
11.04 Nature of competitive advantage .....	3.8	55
11.05 Value chain breadth .....	3.6	88
11.06 Control of international distribution .....	3.9	85
11.07 Production process sophistication .....	3.5	92
11.08 Extent of marketing .....	3.8	100
11.09 Willingness to delegate authority .....	3.3	115
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	77
12.02 Quality of scientific research institutions .....	3.1	106
12.03 Company spending on R&D .....	2.8	109
12.04 University-industry collaboration in R&D .....	3.2	107
12.05 Gov't procurement of advanced tech products .....	3.0	111
12.06 Availability of scientists and engineers .....	4.0	74
12.07 PCT patents, applications/million pop.* .....	1.7	58

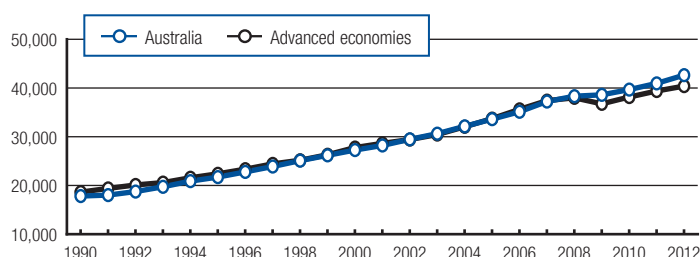
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Australia

## Key indicators, 2012

Population (millions).....	22.3
GDP (US\$ billions).....	1,541.8
GDP per capita (US\$).....	67,723
GDP (PPP) as share (%) of world total.....	1.17

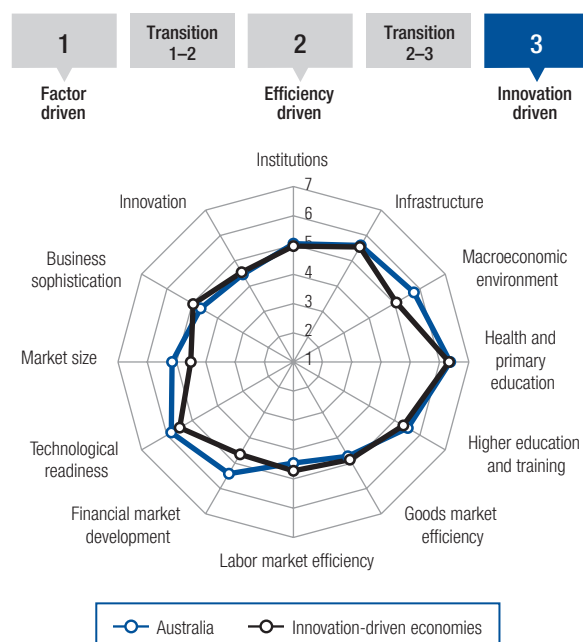
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

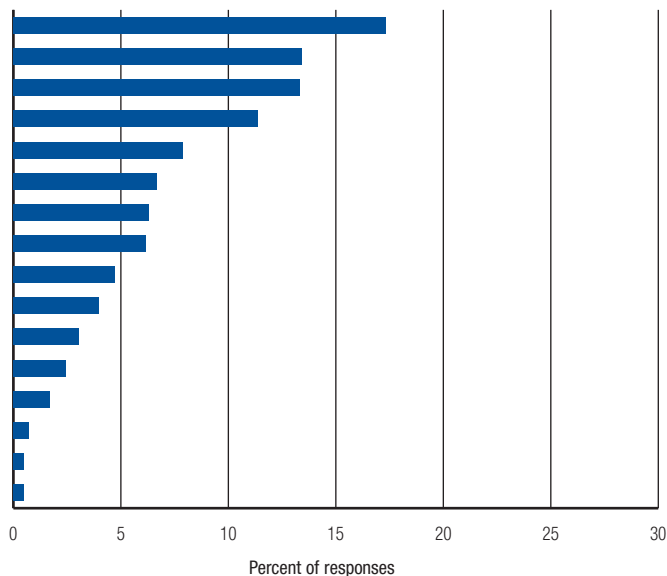
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>21</b>	<b>5.1</b>
GCI 2012–2013 (out of 144).....	20	5.1
GCI 2011–2012 (out of 142).....	20	5.1
<b>Basic requirements (20.0%)</b> .....	<b>17</b>	<b>5.7</b>
Institutions.....	23	5.0
Infrastructure.....	18	5.6
Macroeconomic environment.....	25	5.8
Health and primary education.....	22	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>13</b>	<b>5.2</b>
Higher education and training.....	15	5.5
Goods market efficiency.....	31	4.7
Labor market efficiency.....	54	4.5
Financial market development.....	7	5.4
Technological readiness.....	12	5.8
Market size.....	18	5.1
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>26</b>	<b>4.6</b>
Business sophistication.....	30	4.7
Innovation.....	22	4.5

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	17.3
Inefficient government bureaucracy.....	13.4
Tax rates.....	13.3
Tax regulations.....	11.4
Inadequate supply of infrastructure.....	7.9
Access to financing.....	6.7
Poor work ethic in national labor force.....	6.3
Policy instability.....	6.2
Foreign currency regulations.....	4.7
Insufficient capacity to innovate.....	4.0
Government instability/coups.....	3.0
Inadequately educated workforce.....	2.4
Inflation.....	1.7
Poor public health.....	0.7
Corruption.....	0.5
Crime and theft.....	0.5



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Australia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.2	30
1.02 Intellectual property protection .....	5.3	21
1.03 Diversion of public funds .....	5.2	21
1.04 Public trust in politicians .....	3.8	36
1.05 Irregular payments and bribes .....	5.7	20
1.06 Judicial independence .....	5.7	16
1.07 Favoritism in decisions of government officials .....	4.0	27
1.08 Wastefulness of government spending .....	3.4	56
1.09 Burden of government regulation .....	2.8	128
1.10 Efficiency of legal framework in settling disputes .....	4.6	30
1.11 Efficiency of legal framework in challenging regs. ....	4.3	30
1.12 Transparency of government policymaking .....	4.4	51
1.13 Business costs of terrorism .....	5.9	46
1.14 Business costs of crime and violence .....	5.4	37
1.15 Organized crime .....	5.9	27
1.16 Reliability of police services .....	6.0	16
1.17 Ethical behavior of firms .....	5.5	19
1.18 Strength of auditing and reporting standards .....	5.8	14
1.19 Efficacy of corporate boards .....	5.5	7
1.20 Protection of minority shareholders' interests .....	4.9	24
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.2	34
2.02 Quality of roads .....	4.9	40
2.03 Quality of railroad infrastructure .....	4.1	33
2.04 Quality of port infrastructure .....	5.0	42
2.05 Quality of air transport infrastructure .....	5.6	30
2.06 Available airline seat km/week, millions* .....	4,334.3	6
2.07 Quality of electricity supply .....	6.2	29
2.08 Mobile telephone subscriptions/100 pop.* .....	106.2	82
2.09 Fixed telephone lines/100 pop.* .....	45.7	16
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.9	75
3.02 Gross national savings, % GDP* .....	25.2	45
3.03 Inflation, annual % change* .....	1.8	1
3.04 General government debt, % GDP* .....	27.2	34
3.05 Country credit rating, 0–100 (best)* .....	90.2	10
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	24
4.04 Tuberculosis cases/100,000 pop.* .....	6.0	16
4.05 Business impact of HIV/AIDS .....	6.1	33
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	4.1	26
4.08 Life expectancy, years* .....	81.8	9
4.09 Quality of primary education .....	5.0	22
4.10 Primary education enrollment, net %* .....	97.1	44
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	131.3	1
5.02 Tertiary education enrollment, gross %* .....	79.9	11
5.03 Quality of the educational system .....	4.8	23
5.04 Quality of math and science education .....	4.6	37
5.05 Quality of management schools .....	5.1	29
5.06 Internet access in schools .....	5.9	17
5.07 Availability of research and training services .....	5.1	23
5.08 Extent of staff training .....	4.5	30
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.8	13
6.02 Extent of market dominance .....	4.3	36
6.03 Effectiveness of anti-monopoly policy .....	4.6	33
6.04 Effect of taxation on incentives to invest .....	3.7	80
6.05 Total tax rate, % profits* .....	47.5	109

INDICATOR	VALUE	RANK/148
<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	2
6.08 Agricultural policy costs .....	4.5	20
6.09 Prevalence of trade barriers .....	4.8	25
6.10 Trade tariffs, % duty* .....	4.1	53
6.11 Prevalence of foreign ownership .....	5.8	8
6.12 Business impact of rules on FDI .....	4.9	41
6.13 Burden of customs procedures .....	5.2	16
6.14 Imports as a percentage of GDP* .....	21.2	140
6.15 Degree of customer orientation .....	5.1	36
6.16 Buyer sophistication .....	3.8	40
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0	103
7.02 Flexibility of wage determination .....	3.7	135
7.03 Hiring and firing practices .....	2.8	137
7.04 Redundancy costs, weeks of salary* .....	11.3	49
7.05 Effect of taxation on incentives to work .....	3.8	59
7.06 Pay and productivity .....	3.5	113
7.07 Reliance on professional management .....	5.7	11
7.08 Country capacity to retain talent .....	4.1	37
7.09 Country capacity to attract talent .....	4.7	17
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 .....	5.6	21
8.02 Affordability of financial services .....	4.9	36
8.03 Financing through local equity market .....	5.0	8
8.04 Ease of access to loans .....	3.5	28
8.05 Venture capital availability .....	3.6	19
8.06 Soundness of banks .....	6.4	9
8.07 Regulation of securities exchanges .....	5.5	11
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.1	23
9.02 Firm-level technology absorption .....	5.8	14
9.03 FDI and technology transfer .....	5.2	17
9.04 Individuals using Internet, %* .....	82.3	18
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	25.1	23
9.06 Int'l Internet bandwidth, kb/s per user* .....	69.5	34
9.07 Mobile broadband subscriptions/100 pop.* .....	96.2	6
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.1	17
10.02 Foreign market size index, 1–7 (best)* .....	5.4	32
10.03 GDP (PPP\$ billions)* .....	970.8	18
10.04 Exports as a percentage of GDP* .....	20.1	133
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	72
11.02 Local supplier quality .....	5.3	22
11.03 State of cluster development .....	4.3	37
11.04 Nature of competitive advantage .....	4.2	34
11.05 Value chain breadth .....	3.4	105
11.06 Control of international distribution .....	4.2	55
11.07 Production process sophistication .....	5.1	24
11.08 Extent of marketing .....	5.4	14
11.09 Willingness to delegate authority .....	4.9	15
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.5	23
12.02 Quality of scientific research institutions .....	5.7	8
12.03 Company spending on R&D .....	3.8	30
12.04 University-industry collaboration in R&D .....	5.1	15
12.05 Gov't procurement of advanced tech products .....	3.6	57
12.06 Availability of scientists and engineers .....	4.6	34
12.07 PCT patents, applications/million pop.* .....	81.7	19

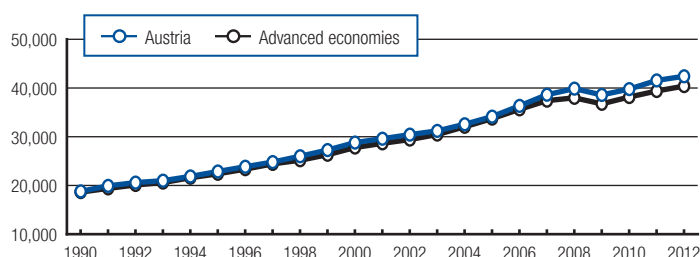
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Austria

## Key indicators, 2012

Population (millions).....	8.4
GDP (US\$ billions).....	398.6
GDP per capita (US\$).....	47,083
GDP (PPP) as share (%) of world total.....	0.43

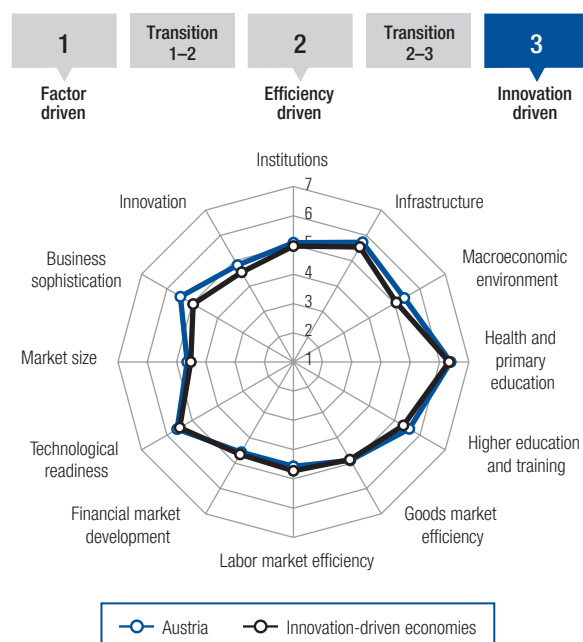
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

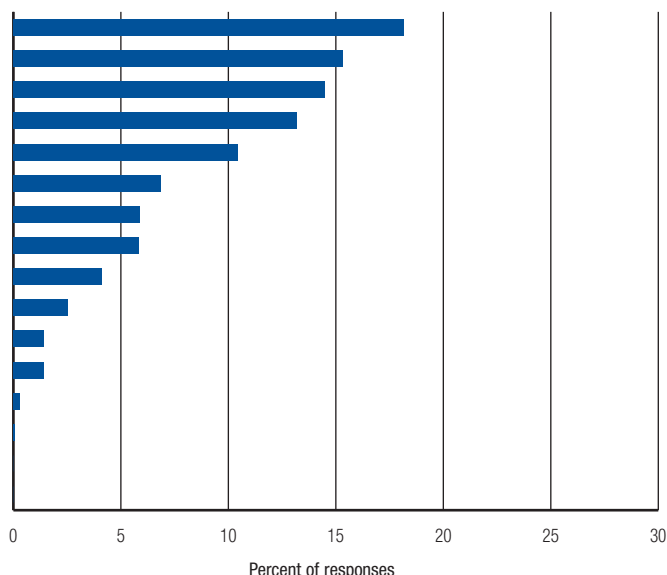
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>16</b>	<b>5.2</b>
GCI 2012–2013 (out of 144).....	16	5.2
GCI 2011–2012 (out of 142).....	19	5.1
<b>Basic requirements (20.0%)</b> .....	<b>19</b>	<b>5.6</b>
Institutions.....	21	5.1
Infrastructure.....	16	5.7
Macroeconomic environment.....	37	5.4
Health and primary education.....	19	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>21</b>	<b>5.0</b>
Higher education and training.....	13	5.6
Goods market efficiency.....	23	4.9
Labor market efficiency.....	42	4.6
Financial market development.....	37	4.6
Technological readiness.....	20	5.6
Market size.....	37	4.6
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>12</b>	<b>5.1</b>
Business sophistication.....	8	5.5
Innovation.....	15	4.8

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	18.1
Tax rates.....	15.3
Tax regulations.....	14.5
Inefficient government bureaucracy.....	13.2
Inadequately educated workforce.....	10.4
Access to financing.....	6.8
Insufficient capacity to innovate.....	5.9
Policy instability.....	5.8
Poor work ethic in national labor force.....	4.1
Corruption.....	2.5
Inadequate supply of infrastructure.....	1.4
Inflation.....	1.4
Poor public health.....	0.3
Foreign currency regulations.....	0.1
Crime and theft.....	0.0
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Austria

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.9	<b>13</b>
1.02 Intellectual property protection .....	5.5	17
1.03 Diversion of public funds .....	4.5	37
1.04 Public trust in politicians .....	3.3	49
1.05 Irregular payments and bribes .....	5.4	31
1.06 Judicial independence .....	5.1	30
1.07 Favoritism in decisions of government officials .....	3.9	33
1.08 Wastefulness of government spending .....	3.6	48
1.09 Burden of government regulation .....	3.4	88
1.10 Efficiency of legal framework in settling disputes .....	4.8	24
1.11 Efficiency of legal framework in challenging regs. ....	4.4	25
1.12 Transparency of government policymaking .....	5.0	18
1.13 Business costs of terrorism .....	6.6	<b>6</b>
1.14 Business costs of crime and violence .....	6.0	<b>10</b>
1.15 Organized crime .....	6.5	<b>9</b>
1.16 Reliability of police services .....	5.9	20
1.17 Ethical behavior of firms .....	5.6	17
1.18 Strength of auditing and reporting standards .....	5.7	17
1.19 Efficacy of corporate boards .....	5.0	37
1.20 Protection of minority shareholders' interests .....	5.0	22
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.2	<b>8</b>
2.02 Quality of roads .....	6.2	<b>6</b>
2.03 Quality of railroad infrastructure .....	5.2	<b>12</b>
2.04 Quality of port infrastructure .....	4.7	48
2.05 Quality of air transport infrastructure .....	5.4	39
2.06 Available airline seat km/week, millions* .....	416.1	45
2.07 Quality of electricity supply .....	6.7	<b>4</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	161.2	<b>13</b>
2.09 Fixed telephone lines/100 pop.* .....	39.6	27
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.5	67
3.02 Gross national savings, % GDP* .....	24.8	48
3.03 Inflation, annual % change* .....	2.6	<b>1</b>
3.04 General government debt, % GDP* .....	73.7	122
3.05 Country credit rating, 0–100 (best)* .....	88.6	<b>13</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.7	<b>7</b>
4.04 Tuberculosis cases/100,000 pop.* .....	3.7	<b>5</b>
4.05 Business impact of HIV/AIDS .....	6.6	<b>6</b>
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	3.5	20
4.08 Life expectancy, years* .....	81.0	<b>15</b>
4.09 Quality of primary education .....	4.9	28
4.10 Primary education enrollment, net %* .....	98.4	30
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	98.3	42
5.02 Tertiary education enrollment, gross %* .....	70.5	23
5.03 Quality of the educational system .....	4.8	24
5.04 Quality of math and science education .....	4.6	39
5.05 Quality of management schools .....	4.7	40
5.06 Internet access in schools .....	5.7	25
5.07 Availability of research and training services .....	6.1	<b>4</b>
5.08 Extent of staff training .....	4.9	16
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.8	<b>11</b>
6.02 Extent of market dominance .....	5.5	<b>5</b>
6.03 Effectiveness of anti-monopoly policy .....	4.7	28
6.04 Effect of taxation on incentives to invest .....	3.9	65
6.05 Total tax rate, % profits* .....	53.1	122

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	25	97
6.08 Agricultural policy costs .....	4.2	38
6.09 Prevalence of trade barriers .....	4.8	27
6.10 Trade tariffs, % duty* .....	0.8	<b>4</b>
6.11 Prevalence of foreign ownership .....	5.0	53
6.12 Business impact of rules on FDI .....	4.7	59
6.13 Burden of customs procedures .....	5.2	17
6.14 Imports as a percentage of GDP* .....	55.6	50
6.15 Degree of customer orientation .....	5.8	<b>5</b>
6.16 Buyer sophistication .....	4.0	31
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.5	<b>10</b>
7.02 Flexibility of wage determination .....	2.4	147
7.03 Hiring and firing practices .....	3.3	115
7.04 Redundancy costs, weeks of salary* .....	2.0	<b>5</b>
7.05 Effect of taxation on incentives to work .....	3.2	112
7.06 Pay and productivity .....	3.9	69
7.07 Reliance on professional management .....	5.4	22
7.08 Country capacity to retain talent .....	4.5	23
7.09 Country capacity to attract talent .....	4.2	30
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 .....	5.7	16
8.02 Affordability of financial services .....	5.3	21
8.03 Financing through local equity market .....	3.9	45
8.04 Ease of access to loans .....	3.0	53
8.05 Venture capital availability .....	2.8	55
8.06 Soundness of banks .....	5.2	60
8.07 Regulation of securities exchanges .....	4.5	47
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.1	24
9.02 Firm-level technology absorption .....	5.8	17
9.03 FDI and technology transfer .....	4.7	63
9.04 Individuals using Internet, %* .....	81.0	21
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	25.2	22
9.06 Int'l Internet bandwidth, kb/s per user* .....	108.5	17
9.07 Mobile broadband subscriptions/100 pop.* .....	55.5	23
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.4	37
10.02 Foreign market size index, 1–7 (best)* .....	5.4	31
10.03 GDP (PPP\$ billions)* .....	359.0	37
10.04 Exports as a percentage of GDP* .....	57.0	36
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.5	<b>6</b>
11.02 Local supplier quality .....	6.1	<b>3</b>
11.03 State of cluster development .....	4.8	17
11.04 Nature of competitive advantage .....	6.0	<b>7</b>
11.05 Value chain breadth .....	5.7	<b>3</b>
11.06 Control of international distribution .....	5.0	<b>8</b>
11.07 Production process sophistication .....	5.9	<b>6</b>
11.08 Extent of marketing .....	5.5	<b>12</b>
11.09 Willingness to delegate authority .....	4.6	25
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.0	<b>14</b>
12.02 Quality of scientific research institutions .....	5.0	23
12.03 Company spending on R&D .....	4.7	<b>14</b>
12.04 University-industry collaboration in R&D .....	4.8	23
12.05 Gov't procurement of advanced tech products .....	3.7	47
12.06 Availability of scientists and engineers .....	4.4	47
12.07 PCT patents, applications/million pop.* .....	157.7	<b>10</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 97.

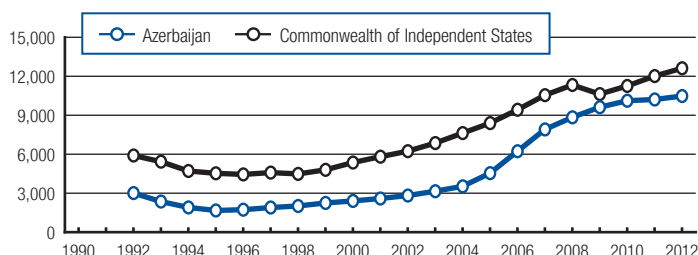


# Azerbaijan

## Key indicators, 2012

Population (millions).....	9.2
GDP (US\$ billions).....	68.8
GDP per capita (US\$).....	7,450
GDP (PPP) as share (%) of world total.....	0.12

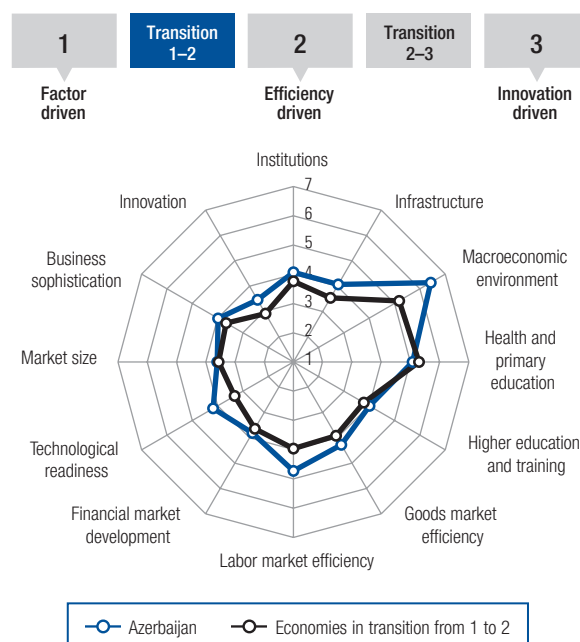
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

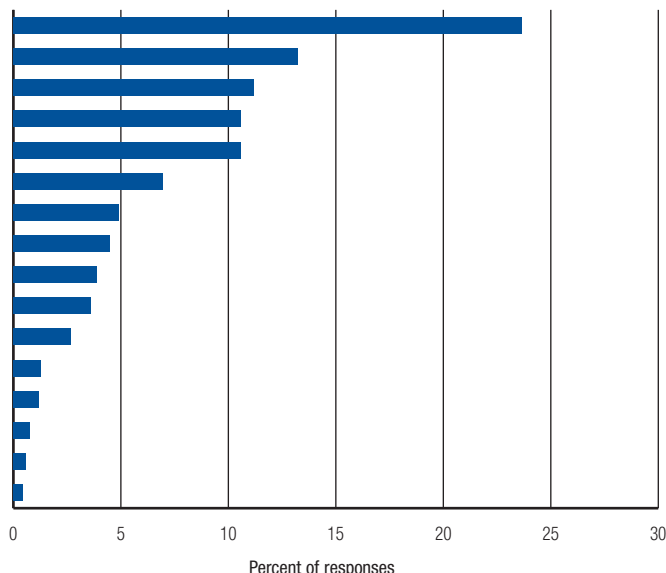
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>39</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	46	4.4
GCI 2011–2012 (out of 142).....	55	4.3
<b>Basic requirements (54.9%)</b> .....	<b>44</b>	<b>4.9</b>
Institutions.....	59	4.1
Infrastructure.....	69	4.1
Macroeconomic environment.....	8	6.4
Health and primary education.....	109	5.1
<b>Efficiency enhancers (38.8%)</b> .....	<b>66</b>	<b>4.1</b>
Higher education and training.....	87	4.0
Goods market efficiency.....	71	4.3
Labor market efficiency.....	30	4.7
Financial market development.....	88	3.8
Technological readiness.....	50	4.2
Market size.....	72	3.6
<b>Innovation and sophistication factors (6.3%)</b> .....	<b>60</b>	<b>3.7</b>
Business sophistication.....	70	4.0
Innovation.....	51	3.5

## Stage of development



## The most problematic factors for doing business

Corruption.....	23.6
Tax rates.....	13.2
Inadequately educated workforce.....	11.2
Access to financing.....	10.6
Tax regulations.....	10.6
Inefficient government bureaucracy.....	7.0
Poor work ethic in national labor force.....	4.9
Inadequate supply of infrastructure.....	4.5
Insufficient capacity to innovate.....	3.9
Inflation.....	3.6
Poor public health.....	2.7
Restrictive labor regulations.....	1.3
Crime and theft.....	1.2
Policy instability.....	0.8
Foreign currency regulations.....	0.6
Government instability/coups.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Azerbaijan

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.0 .....	81
1.02 Intellectual property protection .....	3.7 .....	69
1.03 Diversion of public funds .....	3.1 .....	83
1.04 Public trust in politicians .....	3.4 .....	43
1.05 Irregular payments and bribes .....	3.6 .....	87
1.06 Judicial independence .....	3.3 .....	93
1.07 Favoritism in decisions of government officials .....	3.6 .....	41
1.08 Wastefulness of government spending .....	3.7 .....	41
1.09 Burden of government regulation .....	4.2 .....	21
1.10 Efficiency of legal framework in settling disputes .....	3.8 .....	64
1.11 Efficiency of legal framework in challenging regs. ....	3.7 .....	53
1.12 Transparency of government policymaking .....	4.5 .....	43
1.13 Business costs of terrorism .....	5.8 .....	53
1.14 Business costs of crime and violence .....	5.7 .....	21
1.15 Organized crime .....	5.6 .....	47
1.16 Reliability of police services .....	4.3 .....	65
1.17 Ethical behavior of firms .....	4.0 .....	66
1.18 Strength of auditing and reporting standards .....	4.2 .....	99
1.19 Efficacy of corporate boards .....	4.6 .....	66
1.20 Protection of minority shareholders' interests .....	3.9 .....	84
1.21 Strength of investor protection, 0–10 (best)* .....	6.7 .....	25
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.7 .....	55
2.02 Quality of roads .....	4.0 .....	74
2.03 Quality of railroad infrastructure .....	3.9 .....	36
2.04 Quality of port infrastructure .....	4.5 .....	60
2.05 Quality of air transport infrastructure .....	5.1 .....	48
2.06 Available airline seat km/week, millions* .....	88.4 .....	84
2.07 Quality of electricity supply .....	4.8 .....	75
2.08 Mobile telephone subscriptions/100 pop.* .....	107.5 .....	78
2.09 Fixed telephone lines/100 pop.* .....	18.4 .....	67
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	3.1 .....	15
3.02 Gross national savings, % GDP* .....	43.2 .....	10
3.03 Inflation, annual % change* .....	1.1 .....	1
3.04 General government debt, % GDP* .....	11.6 .....	13
3.05 Country credit rating, 0–100 (best)* .....	51.3 .....	65
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.1 .....	83
4.02 Malaria cases/100,000 pop.* .....	0.6 .....	81
4.03 Business impact of tuberculosis .....	5.2 .....	85
4.04 Tuberculosis cases/100,000 pop.* .....	113.0 .....	100
4.05 Business impact of HIV/AIDS .....	6.0 .....	38
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	11
4.07 Infant mortality, deaths/1,000 live births* .....	38.5 .....	111
4.08 Life expectancy, years* .....	70.7 .....	94
4.09 Quality of primary education .....	3.0 .....	111
4.10 Primary education enrollment, net %* .....	86.6 .....	117
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	99.5 .....	39
5.02 Tertiary education enrollment, gross %* .....	19.6 .....	93
5.03 Quality of the educational system .....	3.1 .....	114
5.04 Quality of math and science education .....	3.3 .....	110
5.05 Quality of management schools .....	3.1 .....	134
5.06 Internet access in schools .....	4.2 .....	72
5.07 Availability of research and training services .....	4.2 .....	69
5.08 Extent of staff training .....	3.9 .....	80
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.2 .....	128
6.02 Extent of market dominance .....	3.6 .....	83
6.03 Effectiveness of anti-monopoly policy .....	3.3 .....	127
6.04 Effect of taxation on incentives to invest .....	3.7 .....	76
6.05 Total tax rate, % profits* .....	40.0 .....	78

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6 .....	47
6.07 No. days to start a business* .....	8 .....	34
6.08 Agricultural policy costs .....	4.1 .....	49
6.09 Prevalence of trade barriers .....	4.3 .....	81
6.10 Trade tariffs, % duty* .....	7.5 .....	86
6.11 Prevalence of foreign ownership .....	3.9 .....	116
6.12 Business impact of rules on FDI .....	4.6 .....	68
6.13 Burden of customs procedures .....	3.3 .....	119
6.14 Imports as a percentage of GDP* .....	26.0 .....	133
6.15 Degree of customer orientation .....	4.7 .....	59
6.16 Buyer sophistication .....	4.1 .....	26
<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 .....	36
7.03 Hiring and firing practices .....	4.9 .....	8
7.04 Redundancy costs, weeks of salary* .....	21.7 .....	101
7.05 Effect of taxation on incentives to work .....	3.7 .....	70
7.06 Pay and productivity .....	4.6 .....	23
7.07 Reliance on professional management .....	3.9 .....	100
7.08 Country capacity to retain talent .....	3.5 .....	64
7.09 Country capacity to attract talent .....	4.1 .....	34
7.10 Women in labor force, ratio to men* .....	0.92 .....	23
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8 .....	108
8.02 Affordability of financial services .....	4.1 .....	73
8.03 Financing through local equity market .....	3.4 .....	78
8.04 Ease of access to loans .....	3.0 .....	54
8.05 Venture capital availability .....	2.9 .....	52
8.06 Soundness of banks .....	4.2 .....	112
8.07 Regulation of securities exchanges .....	3.7 .....	98
8.08 Legal rights index, 0–10 (best)* .....	6 .....	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0 .....	65
9.02 Firm-level technology absorption .....	4.9 .....	59
9.03 FDI and technology transfer .....	4.7 .....	65
9.04 Individuals using Internet, %* .....	54.2 .....	59
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	13.8 .....	47
9.06 Int'l Internet bandwidth, kb/s per user* .....	40.1 .....	45
9.07 Mobile broadband subscriptions/100 pop.* .....	33.3 .....	50
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.3 .....	77
10.02 Foreign market size index, 1–7 (best)* .....	4.6 .....	66
10.03 GDP (PPP\$ billions)* .....	96.8 .....	69
10.04 Exports as a percentage of GDP* .....	52.3 .....	46
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6 .....	88
11.02 Local supplier quality .....	4.2 .....	94
11.03 State of cluster development .....	3.8 .....	75
11.04 Nature of competitive advantage .....	3.4 .....	75
11.05 Value chain breadth .....	3.7 .....	69
11.06 Control of international distribution .....	4.2 .....	56
11.07 Production process sophistication .....	4.1 .....	50
11.08 Extent of marketing .....	4.1 .....	68
11.09 Willingness to delegate authority .....	3.7 .....	77
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.1 .....	35
12.02 Quality of scientific research institutions .....	3.6 .....	78
12.03 Company spending on R&D .....	3.3 .....	56
12.04 University-industry collaboration in R&D .....	3.4 .....	84
12.05 Gov't procurement of advanced tech products .....	4.4 .....	14
12.06 Availability of scientists and engineers .....	4.4 .....	49
12.07 PCT patents, applications/million pop.* .....	0.4 .....	79

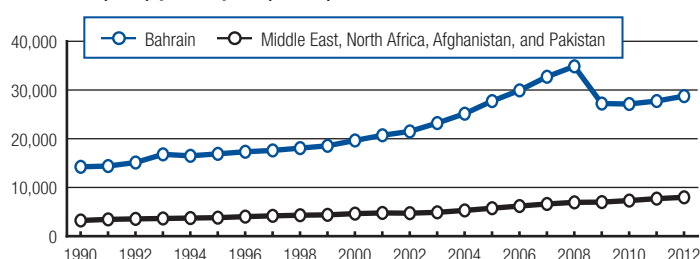
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Bahrain

## Key indicators, 2012

Population (millions).....	1.3
GDP (US\$ billions).....	27.0
GDP per capita (US\$).....	23,477
GDP (PPP) as share (%) of world total.....	0.04

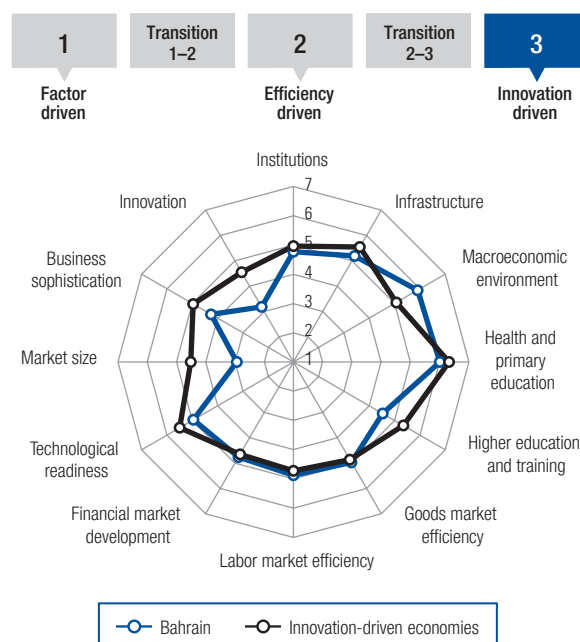
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

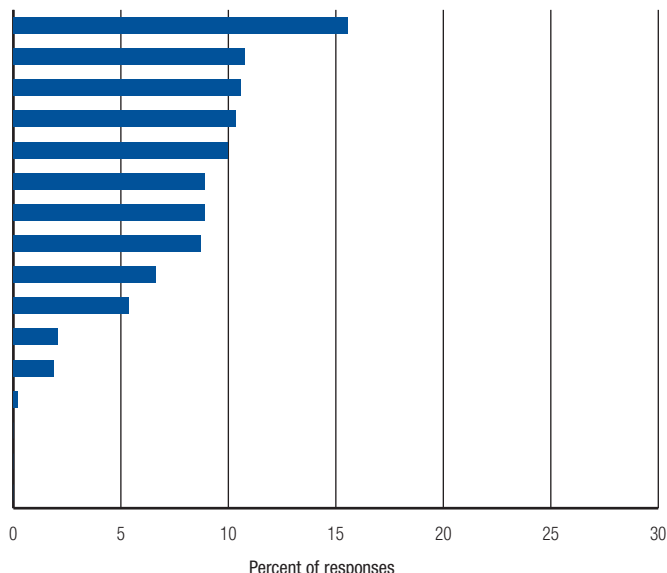
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>43</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	35	4.6
GCI 2011–2012 (out of 142).....	37	4.5
<b>Basic requirements (20.0%)</b> .....	<b>25</b>	<b>5.5</b>
Institutions.....	32	4.8
Infrastructure.....	30	5.2
Macroeconomic environment.....	21	5.9
Health and primary education.....	44	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>38</b>	<b>4.5</b>
Higher education and training.....	53	4.5
Goods market efficiency.....	19	5.0
Labor market efficiency.....	19	4.9
Financial market development.....	25	4.8
Technological readiness.....	32	4.9
Market size.....	106	2.9
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>59</b>	<b>3.7</b>
Business sophistication.....	53	4.2
Innovation.....	73	3.2

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	15.6
Insufficient capacity to innovate.....	10.8
Poor work ethic in national labor force.....	10.6
Policy instability.....	10.4
Inadequately educated workforce.....	10.0
Inadequate supply of infrastructure.....	8.9
Restrictive labor regulations.....	8.9
Access to financing.....	8.7
Corruption.....	6.6
Government instability/coups.....	5.4
Inflation.....	2.1
Crime and theft.....	1.9
Poor public health.....	0.2
Foreign currency regulations.....	0.0
Tax rates.....	0.0
Tax regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Bahrain

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.5	23
1.02 Intellectual property protection .....	4.8	32
1.03 Diversion of public funds .....	4.5	32
1.04 Public trust in politicians .....	3.8	31
1.05 Irregular payments and bribes .....	5.5	29
1.06 Judicial independence .....	4.5	46
1.07 Favoritism in decisions of government officials .....	4.0	28
1.08 Wastefulness of government spending .....	4.3	19
1.09 Burden of government regulation .....	4.4	9
1.10 Efficiency of legal framework in settling disputes .....	4.2	41
1.11 Efficiency of legal framework in challenging regs. ....	3.9	43
1.12 Transparency of government policymaking .....	5.0	22
1.13 Business costs of terrorism .....	4.4	125
1.14 Business costs of crime and violence .....	4.5	84
1.15 Organized crime .....	6.2	19
1.16 Reliability of police services .....	5.0	39
1.17 Ethical behavior of firms .....	5.0	31
1.18 Strength of auditing and reporting standards .....	5.8	15
1.19 Efficacy of corporate boards .....	4.7	56
1.20 Protection of minority shareholders' interests .....	5.2	17
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.7	20
2.02 Quality of roads .....	5.4	24
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	5.8	11
2.05 Quality of air transport infrastructure .....	5.6	25
2.06 Available airline seat km/week, millions* .....	174.8	68
2.07 Quality of electricity supply .....	6.3	27
2.08 Mobile telephone subscriptions/100 pop.* .....	156.2	16
2.09 Fixed telephone lines/100 pop.* .....	21.3	54
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.6	68
3.02 Gross national savings, % GDP* .....	42.0	12
3.03 Inflation, annual % change* .....	1.2	1
3.04 General government debt, % GDP* .....	33.7	51
3.05 Country credit rating, 0–100 (best)* .....	58.3	49
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.9	54
4.04 Tuberculosis cases/100,000 pop.* .....	18.0	42
4.05 Business impact of HIV/AIDS .....	5.9	49
4.06 HIV prevalence, % adult pop.* .....	<0.1	1
4.07 Infant mortality, deaths/1,000 live births* .....	8.6	51
4.08 Life expectancy, years* .....	75.2	51
4.09 Quality of primary education .....	4.0	64
4.10 Primary education enrollment, net %* .....	97.8	36
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	103.1	25
5.02 Tertiary education enrollment, gross %* .....	29.8	78
5.03 Quality of the educational system .....	4.1	48
5.04 Quality of math and science education .....	4.0	77
5.05 Quality of management schools .....	4.1	85
5.06 Internet access in schools .....	5.0	45
5.07 Availability of research and training services .....	4.4	52
5.08 Extent of staff training .....	4.3	41
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	40
6.02 Extent of market dominance .....	3.8	65
6.03 Effectiveness of anti-monopoly policy .....	4.6	35
6.04 Effect of taxation on incentives to invest .....	6.4	1
6.05 Total tax rate, % profits* .....	13.9	4

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	9	43
6.08 Agricultural policy costs .....	4.2	37
6.09 Prevalence of trade barriers .....	4.9	19
6.10 Trade tariffs, % duty* .....	4.6	61
6.11 Prevalence of foreign ownership .....	5.5	20
6.12 Business impact of rules on FDI .....	5.7	6
6.13 Burden of customs procedures .....	4.9	29
6.14 Imports as a percentage of GDP* .....	56.1	49
6.15 Degree of customer orientation .....	4.6	69
6.16 Buyer sophistication .....	4.2	24
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.9	30
7.02 Flexibility of wage determination .....	5.9	8
7.03 Hiring and firing practices .....	4.3	40
7.04 Redundancy costs, weeks of salary* .....	4.3	9
7.05 Effect of taxation on incentives to work .....	6.2	2
7.06 Pay and productivity .....	4.3	37
7.07 Reliance on professional management .....	4.5	49
7.08 Country capacity to retain talent .....	4.6	22
7.09 Country capacity to attract talent .....	5.0	13
7.10 Women in labor force, ratio to men* .....	0.46	133
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.7	19
8.02 Affordability of financial services .....	5.6	9
8.03 Financing through local equity market .....	4.3	32
8.04 Ease of access to loans .....	4.4	7
8.05 Venture capital availability .....	3.8	15
8.06 Soundness of banks .....	5.6	44
8.07 Regulation of securities exchanges .....	5.3	21
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.0	26
9.02 Firm-level technology absorption .....	5.5	30
9.03 FDI and technology transfer .....	5.3	10
9.04 Individuals using Internet, %* .....	88.0	10
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	12.7	50
9.06 Int'l Internet bandwidth, kb/s per user* .....	17.6	73
9.07 Mobile broadband subscriptions/100 pop.* .....	67.1	16
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.5	116
10.02 Foreign market size index, 1–7 (best)* .....	4.3	78
10.03 GDP (PPP\$ billions)* .....	33.1	99
10.04 Exports as a percentage of GDP* .....	87.7	14
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	38
11.02 Local supplier quality .....	4.6	57
11.03 State of cluster development .....	4.3	32
11.04 Nature of competitive advantage .....	3.5	69
11.05 Value chain breadth .....	3.9	53
11.06 Control of international distribution .....	4.5	33
11.07 Production process sophistication .....	4.2	44
11.08 Extent of marketing .....	4.3	61
11.09 Willingness to delegate authority .....	3.8	67
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	82
12.02 Quality of scientific research institutions .....	3.0	114
12.03 Company spending on R&D .....	2.9	99
12.04 University-industry collaboration in R&D .....	2.9	121
12.05 Gov't procurement of advanced tech products .....	4.1	24
12.06 Availability of scientists and engineers .....	4.1	69
12.07 PCT patents, applications/million pop.* .....	1.9	56

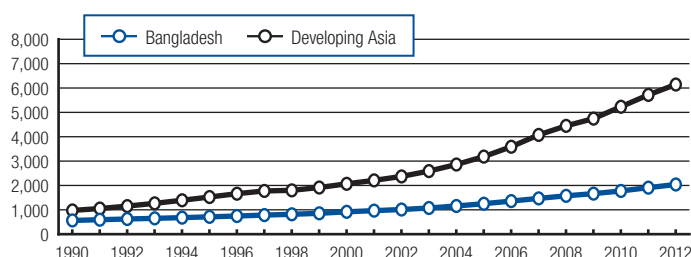
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Bangladesh

## Key indicators, 2012

Population (millions).....	150.5
GDP (US\$ billions).....	122.7
GDP per capita (US\$).....	818
GDP (PPP) as share (%) of world total.....	0.37

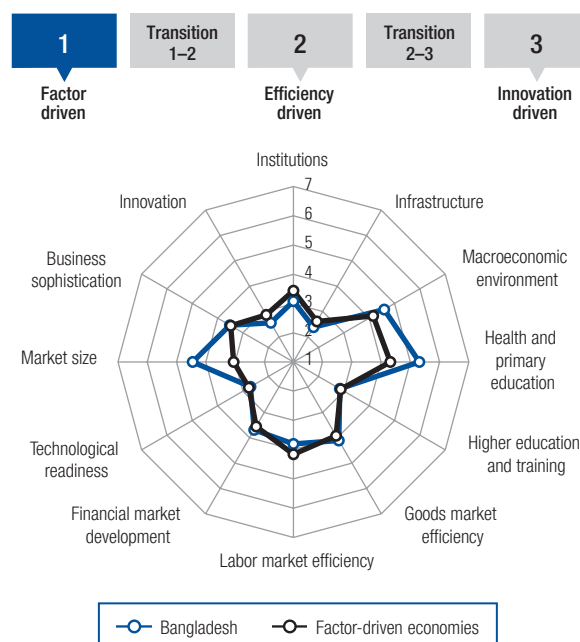
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

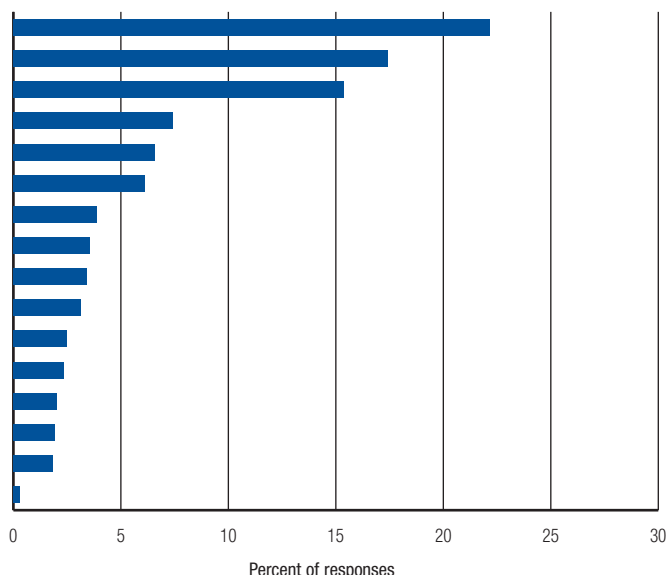
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>110</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	118	3.6
GCI 2011–2012 (out of 142).....	108	3.7
<b>Basic requirements (60.0%)</b> .....	<b>113</b>	<b>3.8</b>
Institutions.....	131	3.1
Infrastructure.....	132	2.4
Macroeconomic environment.....	79	4.6
Health and primary education.....	104	5.3
<b>Efficiency enhancers (35.0%)</b> .....	<b>108</b>	<b>3.6</b>
Higher education and training.....	127	2.8
Goods market efficiency.....	89	4.1
Labor market efficiency.....	124	3.8
Financial market development.....	102	3.7
Technological readiness.....	127	2.7
Market size.....	45	4.4
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>124</b>	<b>3.0</b>
Business sophistication.....	113	3.5
Innovation.....	131	2.5

## Stage of development



## The most problematic factors for doing business

Corruption.....	22.2
Inadequate supply of infrastructure.....	17.4
Inefficient government bureaucracy.....	15.4
Access to financing.....	7.4
Government instability/coups.....	6.6
Inadequately educated workforce.....	6.1
Foreign currency regulations.....	3.9
Policy instability.....	3.5
Tax regulations.....	3.4
Poor work ethic in national labor force.....	3.1
Inflation.....	2.5
Tax rates.....	2.4
Insufficient capacity to innovate.....	2.0
Crime and theft.....	1.9
Restrictive labor regulations.....	1.8
Poor public health.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Bangladesh

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.4 .....	122
1.02 Intellectual property protection .....	2.6 .....	130
1.03 Diversion of public funds .....	2.7 .....	107
1.04 Public trust in politicians .....	1.9 .....	132
1.05 Irregular payments and bribes .....	2.2 .....	146
1.06 Judicial independence .....	2.4 .....	129
1.07 Favoritism in decisions of government officials .....	2.2 .....	134
1.08 Wastefulness of government spending .....	2.9 .....	92
1.09 Burden of government regulation .....	3.2 .....	97
1.10 Efficiency of legal framework in settling disputes .....	3.1 .....	114
1.11 Efficiency of legal framework in challenging regs. ....	3.3 .....	81
1.12 Transparency of government policymaking .....	3.9 .....	95
1.13 Business costs of terrorism .....	4.6 .....	118
1.14 Business costs of crime and violence .....	3.9 .....	110
1.15 Organized crime .....	4.4 .....	103
1.16 Reliability of police services .....	2.6 .....	141
1.17 Ethical behavior of firms .....	2.8 .....	146
1.18 Strength of auditing and reporting standards .....	3.6 .....	133
1.19 Efficacy of corporate boards .....	3.9 .....	134
1.20 Protection of minority shareholders' interests .....	3.1 .....	135
1.21 Strength of investor protection, 0–10 (best)* .....	6.7 .....	<b>25</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.8 .....	134
2.02 Quality of roads .....	2.8 .....	118
2.03 Quality of railroad infrastructure .....	2.4 .....	78
2.04 Quality of port infrastructure .....	3.5 .....	104
2.05 Quality of air transport infrastructure .....	3.2 .....	125
2.06 Available airline seat km/week, millions* .....	203.2 .....	62
2.07 Quality of electricity supply .....	2.2 .....	133
2.08 Mobile telephone subscriptions/100 pop.* .....	63.8 .....	128
2.09 Fixed telephone lines/100 pop.* .....	0.6 .....	135
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.4 .....	88
3.02 Gross national savings, % GDP* .....	29.9 .....	<b>27</b>
3.03 Inflation, annual % change* .....	8.7 .....	123
3.04 General government debt, % GDP* .....	42.9 .....	74
3.05 Country credit rating, 0–100 (best)* .....	29.2 .....	107
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.6 .....	92
4.02 Malaria cases/100,000 pop.* .....	392.0 .....	110
4.03 Business impact of tuberculosis .....	5.6 .....	69
4.04 Tuberculosis cases/100,000 pop.* .....	225.0 .....	125
4.05 Business impact of HIV/AIDS .....	6.0 .....	<b>41</b>
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	36.7 .....	109
4.08 Life expectancy, years* .....	68.9 .....	102
4.09 Quality of primary education .....	2.9 .....	115
4.10 Primary education enrollment, net %* .....	94.4 .....	70
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	51.9 .....	118
5.02 Tertiary education enrollment, gross %* .....	13.6 .....	107
5.03 Quality of the educational system .....	3.3 .....	98
5.04 Quality of math and science education .....	3.3 .....	112
5.05 Quality of management schools .....	3.7 .....	105
5.06 Internet access in schools .....	2.8 .....	122
5.07 Availability of research and training services .....	3.2 .....	132
5.08 Extent of staff training .....	3.1 .....	137
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9 .....	74
6.02 Extent of market dominance .....	3.3 .....	116
6.03 Effectiveness of anti-monopoly policy .....	3.8 .....	99
6.04 Effect of taxation on incentives to invest .....	3.6 .....	92
6.05 Total tax rate, % profits* .....	35.0 .....	61

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7 .....	74
6.07 No. days to start a business* .....	19 .....	82
6.08 Agricultural policy costs .....	4.5 .....	<b>18</b>
6.09 Prevalence of trade barriers .....	4.4 .....	62
6.10 Trade tariffs, % duty* .....	13.5 .....	132
6.11 Prevalence of foreign ownership .....	3.7 .....	123
6.12 Business impact of rules on FDI .....	4.9 .....	<b>44</b>
6.13 Burden of customs procedures .....	3.4 .....	113
6.14 Imports as a percentage of GDP* .....	32.0 .....	117
6.15 Degree of customer orientation .....	4.2 .....	109
6.16 Buyer sophistication .....	3.3 .....	81
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1 .....	96
7.02 Flexibility of wage determination .....	4.8 .....	95
7.03 Hiring and firing practices .....	4.5 .....	<b>25</b>
7.04 Redundancy costs, weeks of salary* .....	31.0 .....	131
7.05 Effect of taxation on incentives to work .....	3.6 .....	74
7.06 Pay and productivity .....	3.6 .....	101
7.07 Reliance on professional management .....	3.6 .....	118
7.08 Country capacity to retain talent .....	2.6 .....	124
7.09 Country capacity to attract talent .....	2.4 .....	123
7.10 Women in labor force, ratio to men* .....	0.69 .....	100
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.9 .....	101
8.02 Affordability of financial services .....	3.7 .....	109
8.03 Financing through local equity market .....	3.9 .....	<b>41</b>
8.04 Ease of access to loans .....	2.3 .....	114
8.05 Venture capital availability .....	2.0 .....	125
8.06 Soundness of banks .....	4.3 .....	103
8.07 Regulation of securities exchanges .....	3.0 .....	125
8.08 Legal rights index, 0–10 (best)* .....	7 .....	<b>42</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.4 .....	101
9.02 Firm-level technology absorption .....	4.2 .....	111
9.03 FDI and technology transfer .....	3.9 .....	119
9.04 Individuals using Internet, %* .....	6.3 .....	129
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.3 .....	117
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.9 .....	128
9.07 Mobile broadband subscriptions/100 pop.* .....	0.2 .....	128
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.3 .....	<b>38</b>
10.02 Foreign market size index, 1–7 (best)* .....	4.7 .....	61
10.03 GDP (PPP\$ billions)* .....	306.0 .....	<b>43</b>
10.04 Exports as a percentage of GDP* .....	21.7 .....	131
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7 .....	76
11.02 Local supplier quality .....	4.1 .....	95
11.03 State of cluster development .....	3.9 .....	66
11.04 Nature of competitive advantage .....	2.3 .....	147
11.05 Value chain breadth .....	3.3 .....	106
11.06 Control of international distribution .....	3.8 .....	89
11.07 Production process sophistication .....	3.3 .....	110
11.08 Extent of marketing .....	3.4 .....	119
11.09 Willingness to delegate authority .....	2.7 .....	142
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0 .....	120
12.02 Quality of scientific research institutions .....	2.6 .....	130
12.03 Company spending on R&D .....	2.4 .....	134
12.04 University-industry collaboration in R&D .....	2.6 .....	134
12.05 Gov't procurement of advanced tech products .....	2.4 .....	142
12.06 Availability of scientists and engineers .....	3.8 .....	91
12.07 PCT patents, applications/million pop.* .....	0.0 .....	120

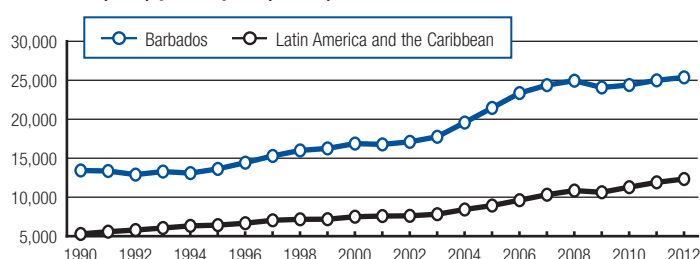
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Barbados

## Key indicators, 2012

Population (millions).....	0.3
GDP (US\$ billions).....	4.5
GDP per capita (US\$).....	16,152
GDP (PPP) as share (%) of world total.....	0.01

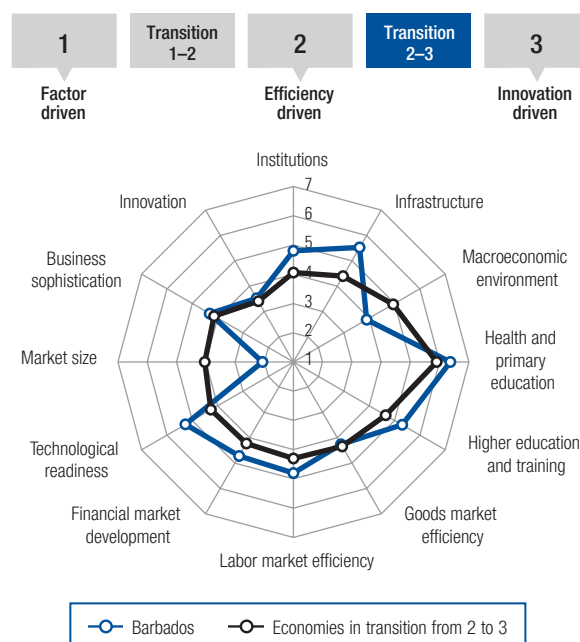
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

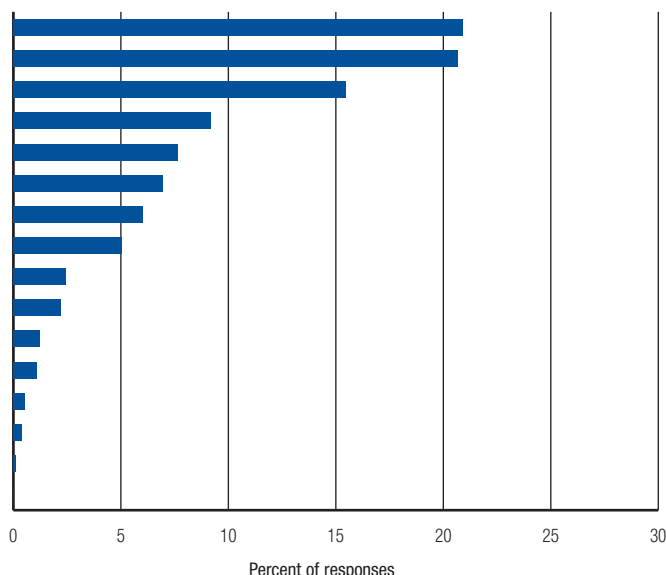
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>47</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	44	4.4
GCI 2011–2012 (out of 142).....	42	4.4
<b>Basic requirements (22.1%)</b> .....	<b>35</b>	<b>5.1</b>
Institutions.....	30	4.8
Infrastructure.....	24	5.5
Macroeconomic environment.....	121	3.9
Health and primary education.....	20	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>43</b>	<b>4.4</b>
Higher education and training.....	20	5.3
Goods market efficiency.....	75	4.2
Labor market efficiency.....	24	4.8
Financial market development.....	28	4.7
Technological readiness.....	25	5.3
Market size.....	138	2.1
<b>Innovation and sophistication factors (27.9%)</b> .....	<b>48</b>	<b>3.9</b>
Business sophistication.....	46	4.3
Innovation.....	48	3.5

## Stage of development



## The most problematic factors for doing business

Access to financing.....	20.9
Inefficient government bureaucracy.....	20.7
Poor work ethic in national labor force.....	15.5
Insufficient capacity to innovate.....	9.2
Restrictive labor regulations.....	7.7
Tax rates.....	7.0
Foreign currency regulations.....	6.0
Inflation.....	5.1
Inadequate supply of infrastructure.....	2.5
Tax regulations.....	2.2
Inadequately educated workforce.....	1.2
Crime and theft.....	1.1
Policy instability.....	0.5
Corruption.....	0.4
Poor public health.....	0.1
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Barbados

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.0	<b>38</b>
1.02 Intellectual property protection .....	4.5	<b>37</b>
1.03 Diversion of public funds .....	4.8	<b>28</b>
1.04 Public trust in politicians .....	4.2	<b>21</b>
1.05 Irregular payments and bribes .....	5.1	<b>35</b>
1.06 Judicial independence .....	5.5	<b>21</b>
1.07 Favoritism in decisions of government officials .....	3.6	<b>42</b>
1.08 Wastefulness of government spending .....	3.9	<b>28</b>
1.09 Burden of government regulation .....	4.2	<b>19</b>
1.10 Efficiency of legal framework in settling disputes .....	4.5	<b>34</b>
1.11 Efficiency of legal framework in challenging regs. ....	4.2	<b>32</b>
1.12 Transparency of government policymaking .....	4.7	<b>28</b>
1.13 Business costs of terrorism .....	6.0	<b>42</b>
1.14 Business costs of crime and violence .....	4.4	<b>85</b>
1.15 Organized crime .....	6.2	<b>17</b>
1.16 Reliability of police services .....	5.7	<b>25</b>
1.17 Ethical behavior of firms .....	5.1	<b>25</b>
1.18 Strength of auditing and reporting standards .....	5.6	<b>18</b>
1.19 Efficacy of corporate boards .....	5.0	<b>32</b>
1.20 Protection of minority shareholders' interests .....	4.6	<b>39</b>
1.21 Strength of investor protection, 0–10 (best)* .....	3.0	<b>134</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.6	<b>24</b>
2.02 Quality of roads .....	5.1	<b>33</b>
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	5.6	<b>18</b>
2.05 Quality of air transport infrastructure .....	6.0	<b>15</b>
2.06 Available airline seat km/week, millions* .....	71.4	<b>91</b>
2.07 Quality of electricity supply .....	6.3	<b>26</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	126.4	<b>44</b>
2.09 Fixed telephone lines/100 pop.* .....	52.5	<b>10</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-6.2	<b>129</b>
3.02 Gross national savings, % GDP* .....	10.6	<b>125</b>
3.03 Inflation, annual % change* .....	4.6	<b>85</b>
3.04 General government debt, % GDP* .....	72.6	<b>121</b>
3.05 Country credit rating, 0–100 (best)* .....	57.3	<b>52</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	5.8	<b>58</b>
4.04 Tuberculosis cases/100,000 pop.* .....	1.2	<b>2</b>
4.05 Business impact of HIV/AIDS .....	4.1	<b>122</b>
4.06 HIV prevalence, % adult pop.* .....	0.90	<b>106</b>
4.07 Infant mortality, deaths/1,000 live births* .....	17.7	<b>82</b>
4.08 Life expectancy, years* .....	76.7	<b>43</b>
4.09 Quality of primary education .....	6.0	<b>4</b>
4.10 Primary education enrollment, net %* .....	95.0	<b>63</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	103.7	<b>23</b>
5.02 Tertiary education enrollment, gross %* .....	61.8	<b>33</b>
5.03 Quality of the educational system .....	5.3	<b>6</b>
5.04 Quality of math and science education .....	5.5	<b>9</b>
5.05 Quality of management schools .....	5.1	<b>26</b>
5.06 Internet access in schools .....	5.1	<b>38</b>
5.07 Availability of research and training services .....	4.7	<b>41</b>
5.08 Extent of staff training .....	4.5	<b>32</b>
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	<b>50</b>
6.02 Extent of market dominance .....	3.5	<b>91</b>
6.03 Effectiveness of anti-monopoly policy .....	4.2	<b>62</b>
6.04 Effect of taxation on incentives to invest .....	3.8	<b>68</b>
6.05 Total tax rate, % profits* .....	45.4	<b>103</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	<b>88</b>
6.07 No. days to start a business* .....	18	<b>78</b>
6.08 Agricultural policy costs .....	4.1	<b>51</b>
6.09 Prevalence of trade barriers .....	4.8	<b>31</b>
6.10 Trade tariffs, % duty* .....	26.4	<b>146</b>
6.11 Prevalence of foreign ownership .....	5.6	<b>15</b>
6.12 Business impact of rules on FDI .....	5.0	<b>34</b>
6.13 Burden of customs procedures .....	4.2	<b>64</b>
6.14 Imports as a percentage of GDP* .....	54.2	<b>57</b>
6.15 Degree of customer orientation .....	4.5	<b>82</b>
6.16 Buyer sophistication .....	3.7	<b>51</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.2	<b>20</b>
7.02 Flexibility of wage determination .....	4.9	<b>90</b>
7.03 Hiring and firing practices .....	4.1	<b>60</b>
7.04 Redundancy costs, weeks of salary* .....	16.0	<b>80</b>
7.05 Effect of taxation on incentives to work .....	4.1	<b>35</b>
7.06 Pay and productivity .....	3.5	<b>104</b>
7.07 Reliance on professional management .....	5.0	<b>29</b>
7.08 Country capacity to retain talent .....	4.3	<b>30</b>
7.09 Country capacity to attract talent .....	4.7	<b>21</b>
7.10 Women in labor force, ratio to men* .....	0.90	<b>30</b>
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.9	<b>50</b>
8.02 Affordability of financial services .....	4.4	<b>54</b>
8.03 Financing through local equity market .....	3.1	<b>92</b>
8.04 Ease of access to loans .....	2.6	<b>89</b>
8.05 Venture capital availability .....	2.4	<b>98</b>
8.06 Soundness of banks .....	6.3	<b>11</b>
8.07 Regulation of securities exchanges .....	5.2	<b>25</b>
8.08 Legal rights index, 0–10 (best)* .....	9	<b>12</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.9	<b>28</b>
9.02 Firm-level technology absorption .....	5.2	<b>44</b>
9.03 FDI and technology transfer .....	5.0	<b>35</b>
9.04 Individuals using Internet, %* .....	73.3	<b>32</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	23.8	<b>27</b>
9.06 Int'l Internet bandwidth, kb/s per user* .....	69.5	<b>33</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	36.4	<b>44</b>
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.7	<b>139</b>
10.02 Foreign market size index, 1–7 (best)* .....	3.0	<b>135</b>
10.03 GDP (PPP\$ billions)* .....	7.1	<b>138</b>
10.04 Exports as a percentage of GDP* .....	46.3	<b>60</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	<b>83</b>
11.02 Local supplier quality .....	4.8	<b>45</b>
11.03 State of cluster development .....	3.8	<b>76</b>
11.04 Nature of competitive advantage .....	4.9	<b>23</b>
11.05 Value chain breadth .....	3.9	<b>56</b>
11.06 Control of international distribution .....	4.1	<b>68</b>
11.07 Production process sophistication .....	4.0	<b>61</b>
11.08 Extent of marketing .....	4.3	<b>58</b>
11.09 Willingness to delegate authority .....	4.0	<b>43</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	<b>81</b>
12.02 Quality of scientific research institutions .....	4.2	<b>45</b>
12.03 Company spending on R&D .....	3.0	<b>78</b>
12.04 University-industry collaboration in R&D .....	4.3	<b>39</b>
12.05 Gov't procurement of advanced tech products .....	3.6	<b>54</b>
12.06 Availability of scientists and engineers .....	4.3	<b>63</b>
12.07 PCT patents, applications/million pop.* .....	11.3	<b>32</b>

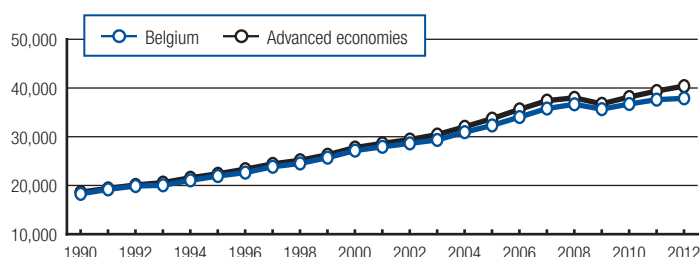
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Belgium

## Key indicators, 2012

Population (millions).....	11.0
GDP (US\$ billions).....	484.7
GDP per capita (US\$).....	43,686
GDP (PPP) as share (%) of world total.....	0.51

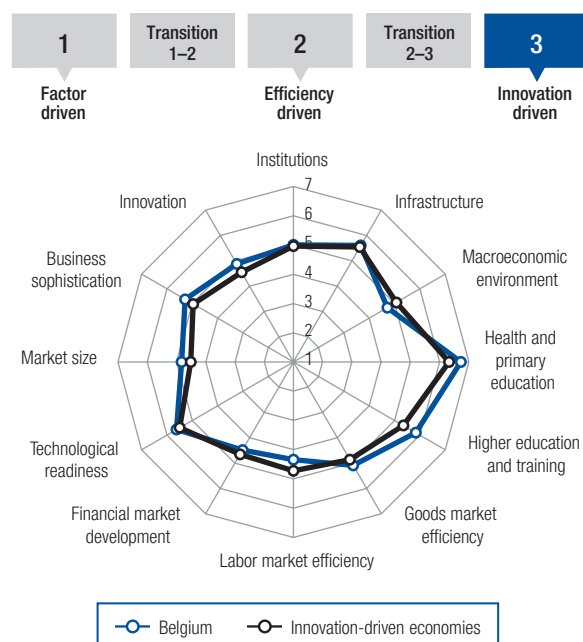
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

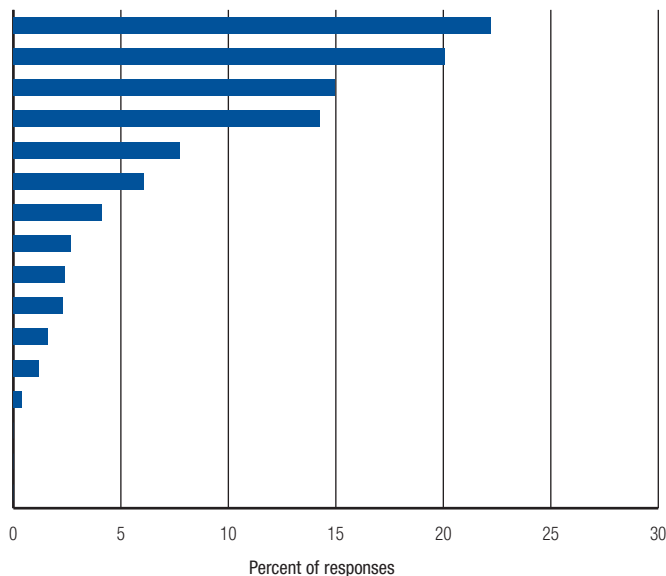
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>17</b>	<b>5.1</b>
GCI 2012–2013 (out of 144).....	17	5.2
GCI 2011–2012 (out of 142).....	15	5.2
<b>Basic requirements (20.0%)</b> .....	<b>22</b>	<b>5.5</b>
Institutions.....	24	5.0
Infrastructure.....	19	5.6
Macroeconomic environment.....	69	4.7
Health and primary education.....	3	6.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>17</b>	<b>5.0</b>
Higher education and training.....	5	5.8
Goods market efficiency.....	13	5.1
Labor market efficiency.....	64	4.3
Financial market development.....	44	4.5
Technological readiness.....	18	5.6
Market size.....	28	4.8
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>15</b>	<b>5.1</b>
Business sophistication.....	12	5.3
Innovation.....	14	4.9

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	22.2
Tax rates.....	20.1
Inefficient government bureaucracy.....	15.0
Tax regulations.....	14.2
Access to financing.....	7.8
Policy instability.....	6.1
Insufficient capacity to innovate.....	4.1
Inflation.....	2.7
Poor work ethic in national labor force.....	2.4
Inadequately educated workforce.....	2.3
Government instability/coups.....	1.6
Inadequate supply of infrastructure.....	1.2
Corruption.....	0.4
Crime and theft.....	0.0
Foreign currency regulations.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Belgium

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.4	25
1.02 Intellectual property protection .....	5.2	22
1.03 Diversion of public funds .....	5.2	20
1.04 Public trust in politicians .....	3.9	29
1.05 Irregular payments and bribes .....	5.6	23
1.06 Judicial independence .....	5.4	24
1.07 Favoritism in decisions of government officials .....	4.0	26
1.08 Wastefulness of government spending .....	3.5	51
1.09 Burden of government regulation .....	2.6	134
1.10 Efficiency of legal framework in settling disputes .....	4.2	40
1.11 Efficiency of legal framework in challenging regs. ....	4.0	36
1.12 Transparency of government policymaking .....	4.3	57
1.13 Business costs of terrorism .....	6.1	33
1.14 Business costs of crime and violence .....	5.5	27
1.15 Organized crime .....	6.0	24
1.16 Reliability of police services .....	5.6	27
1.17 Ethical behavior of firms .....	5.3	22
1.18 Strength of auditing and reporting standards .....	5.4	29
1.19 Efficacy of corporate boards .....	5.3	16
1.20 Protection of minority shareholders' interests .....	4.8	30
1.21 Strength of investor protection, 0–10 (best)* .....	7.0	19
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.8	16
2.02 Quality of roads .....	5.4	26
2.03 Quality of railroad infrastructure .....	5.0	15
2.04 Quality of port infrastructure .....	6.3	7
2.05 Quality of air transport infrastructure .....	6.0	16
2.06 Available airline seat km/week, millions* .....	557.0	37
2.07 Quality of electricity supply .....	6.4	21
2.08 Mobile telephone subscriptions/100 pop.* .....	119.4	53
2.09 Fixed telephone lines/100 pop.* .....	42.9	21
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.0	99
3.02 Gross national savings, % GDP* .....	20.8	69
3.03 Inflation, annual % change* .....	2.6	1
3.04 General government debt, % GDP* .....	99.6	138
3.05 Country credit rating, 0–100 (best)* .....	80.1	19
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	20
4.04 Tuberculosis cases/100,000 pop.* .....	8.1	28
4.05 Business impact of HIV/AIDS .....	6.1	31
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	3.5	20
4.08 Life expectancy, years* .....	80.5	25
4.09 Quality of primary education .....	6.3	2
4.10 Primary education enrollment, net %* .....	98.9	24
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	110.5	11
5.02 Tertiary education enrollment, gross %* .....	70.6	22
5.03 Quality of the educational system .....	5.3	7
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 .....	5.7	26
5.07 Availability of research and training services .....	5.9	5
5.08 Extent of staff training .....	4.9	19
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	6.0	6
6.02 Extent of market dominance .....	5.3	8
6.03 Effectiveness of anti-monopoly policy .....	5.1	13
6.04 Effect of taxation on incentives to invest .....	3.3	110
6.05 Total tax rate, % profits* .....	57.7	127

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	4	8
6.08 Agricultural policy costs .....	4.2	35
6.09 Prevalence of trade barriers .....	5.0	12
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.5	18
6.12 Business impact of rules on FDI .....	5.1	27
6.13 Burden of customs procedures .....	5.1	21
6.14 Imports as a percentage of GDP* .....	108.3	6
6.15 Degree of customer orientation .....	5.5	12
6.16 Buyer sophistication .....	4.4	18
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	79
7.02 Flexibility of wage determination .....	3.8	134
7.03 Hiring and firing practices .....	2.8	139
7.04 Redundancy costs, weeks of salary* .....	7.2	20
7.05 Effect of taxation on incentives to work .....	2.3	142
7.06 Pay and productivity .....	3.7	92
7.07 Reliance on professional management .....	5.5	20
7.08 Country capacity to retain talent .....	4.4	26
7.09 Country capacity to attract talent .....	3.9	46
7.10 Women in labor force, ratio to men* .....	0.84	62
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.8	15
8.02 Affordability of financial services .....	5.3	19
8.03 Financing through local equity market .....	3.9	47
8.04 Ease of access to loans .....	3.5	29
8.05 Venture capital availability .....	3.3	26
8.06 Soundness of banks .....	4.3	109
8.07 Regulation of securities exchanges .....	4.9	32
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.3	12
9.02 Firm-level technology absorption .....	5.6	26
9.03 FDI and technology transfer .....	5.1	24
9.04 Individuals using Internet, % .....	82.0	19
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	34.1	8
9.06 Int'l Internet bandwidth, kb/s per user* .....	184.9	11
9.07 Mobile broadband subscriptions/100 pop.* .....	33.7	48
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.5	31
10.02 Foreign market size index, 1–7 (best)* .....	5.9	18
10.03 GDP (PPP\$ billions)* .....	420.3	32
10.04 Exports as a percentage of GDP* .....	111.4	4
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.6	4
11.02 Local supplier quality .....	5.8	5
11.03 State of cluster development .....	4.8	20
11.04 Nature of competitive advantage .....	5.9	10
11.05 Value chain breadth .....	5.0	13
11.06 Control of international distribution .....	4.3	49
11.07 Production process sophistication .....	5.8	12
11.08 Extent of marketing .....	5.3	20
11.09 Willingness to delegate authority .....	4.8	17
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.1	10
12.02 Quality of scientific research institutions .....	6.0	4
12.03 Company spending on R&D .....	4.6	16
12.04 University-industry collaboration in R&D .....	5.5	6
12.05 Gov't procurement of advanced tech products .....	3.7	45
12.06 Availability of scientists and engineers .....	4.6	30
12.07 PCT patents, applications/million pop.* .....	109.6	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 97.

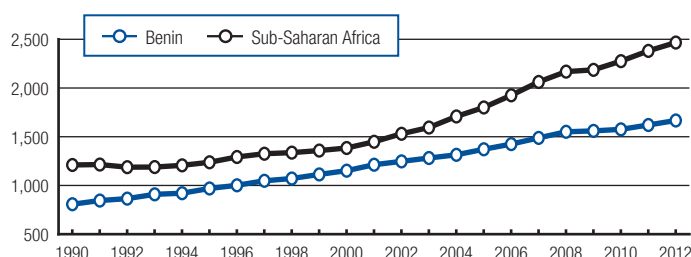


# Benin

## Key indicators, 2012

Population (millions).....	9.1
GDP (US\$ billions).....	7.4
GDP per capita (US\$).....	794
GDP (PPP) as share (%) of world total.....	0.02

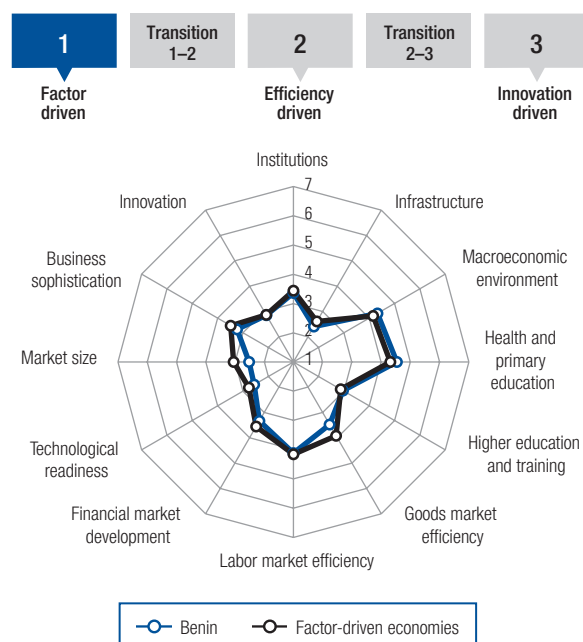
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

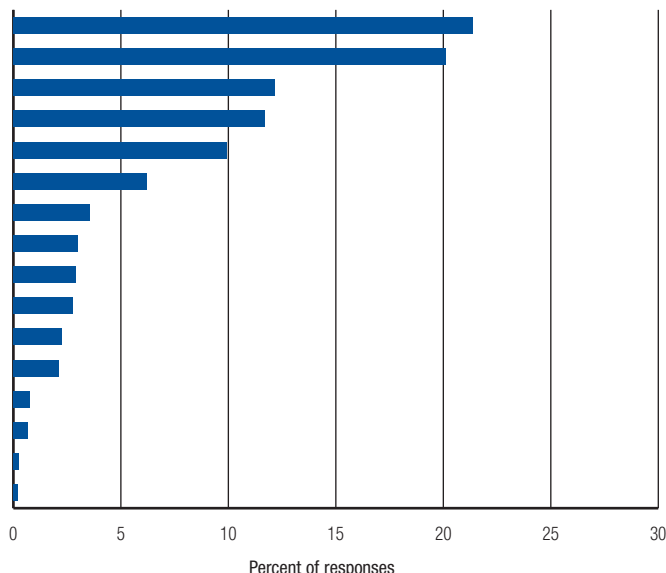
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>130</b>	<b>3.4</b>
GCI 2012–2013 (out of 144).....	119	3.6
GCI 2011–2012 (out of 142).....	104	3.8
<b>Basic requirements (60.0%)</b> .....	<b>125</b>	<b>3.7</b>
Institutions.....	108	3.4
Infrastructure.....	129	2.4
Macroeconomic environment.....	99	4.3
Health and primary education.....	117	4.5
<b>Efficiency enhancers (35.0%)</b> .....	<b>134</b>	<b>3.2</b>
Higher education and training.....	123	3.0
Goods market efficiency.....	139	3.5
Labor market efficiency.....	94	4.1
Financial market development.....	125	3.3
Technological readiness.....	134	2.5
Market size.....	125	2.5
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>123</b>	<b>3.0</b>
Business sophistication.....	132	3.2
Innovation.....	113	2.8

## Stage of development



## The most problematic factors for doing business

Corruption.....	21.4
Access to financing.....	20.1
Inefficient government bureaucracy.....	12.2
Tax regulations.....	11.7
Tax rates.....	9.9
Inadequate supply of infrastructure.....	6.2
Restrictive labor regulations.....	3.5
Inadequately educated workforce.....	3.0
Inflation.....	2.9
Insufficient capacity to innovate.....	2.8
Policy instability.....	2.2
Poor work ethic in national labor force.....	2.1
Crime and theft.....	0.7
Foreign currency regulations.....	0.7
Government instability/coups.....	0.3
Poor public health.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Benin

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.4	118
1.02 Intellectual property protection .....	3.1	101
1.03 Diversion of public funds .....	2.4	119
1.04 Public trust in politicians .....	2.3	107
1.05 Irregular payments and bribes .....	2.5	140
1.06 Judicial independence .....	2.7	116
1.07 Favoritism in decisions of government officials .....	2.8	98
1.08 Wastefulness of government spending .....	3.2	70
1.09 Burden of government regulation .....	2.8	124
1.10 Efficiency of legal framework in settling disputes .....	3.3	104
1.11 Efficiency of legal framework in challenging regs. ....	3.2	91
1.12 Transparency of government policymaking .....	3.6	122
1.13 Business costs of terrorism .....	5.0	103
1.14 Business costs of crime and violence .....	4.2	98
1.15 Organized crime .....	4.6	92
1.16 Reliability of police services .....	4.4	60
1.17 Ethical behavior of firms .....	3.7	99
1.18 Strength of auditing and reporting standards .....	3.8	124
1.19 Efficacy of corporate boards .....	4.5	77
1.20 Protection of minority shareholders' interests .....	3.4	127
1.21 Strength of investor protection, 0–10 (best)* .....	3.3	129
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.8	135
2.02 Quality of roads .....	2.8	121
2.03 Quality of railroad infrastructure .....	1.4	115
2.04 Quality of port infrastructure .....	3.7	95
2.05 Quality of air transport infrastructure .....	3.0	133
2.06 Available airline seat km/week, millions* .....	20.2	127
2.07 Quality of electricity supply .....	2.2	132
2.08 Mobile telephone subscriptions/100 pop.* .....	89.9	106
2.09 Fixed telephone lines/100 pop.* .....	1.7	123
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.8	39
3.02 Gross national savings, % GDP* .....	8.2	135
3.03 Inflation, annual % change* .....	6.7	110
3.04 General government debt, % GDP* .....	32.5	43
3.05 Country credit rating, 0–100 (best)* .....	24.2	120
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.4	132
4.02 Malaria cases/100,000 pop.* .....	28,228.7	141
4.03 Business impact of tuberculosis .....	3.9	130
4.04 Tuberculosis cases/100,000 pop.* .....	70.0	84
4.05 Business impact of HIV/AIDS .....	3.9	129
4.06 HIV prevalence, % adult pop.* .....	1.20	116
4.07 Infant mortality, deaths/1,000 live births* .....	67.9	135
4.08 Life expectancy, years* .....	56.0	128
4.09 Quality of primary education .....	3.3	100
4.10 Primary education enrollment, net %* .....	92.1	92
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	51.4	119
5.02 Tertiary education enrollment, gross %* .....	10.6	115
5.03 Quality of the educational system .....	3.2	101
5.04 Quality of math and science education .....	4.2	66
5.05 Quality of management schools .....	4.3	73
5.06 Internet access in schools .....	2.0	140
5.07 Availability of research and training services .....	3.8	95
5.08 Extent of staff training .....	3.1	136
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	89
6.02 Extent of market dominance .....	3.4	104
6.03 Effectiveness of anti-monopoly policy .....	3.2	134
6.04 Effect of taxation on incentives to invest .....	2.5	141
6.05 Total tax rate, % profits* .....	65.9	135

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	26	99
6.08 Agricultural policy costs .....	2.8	143
6.09 Prevalence of trade barriers .....	3.4	144
6.10 Trade tariffs, % duty* .....	10.5	112
6.11 Prevalence of foreign ownership .....	3.2	138
6.12 Business impact of rules on FDI .....	3.2	138
6.13 Burden of customs procedures .....	3.0	138
6.14 Imports as a percentage of GDP* .....	38.1	96
6.15 Degree of customer orientation .....	4.2	107
6.16 Buyer sophistication .....	2.2	144
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.7	127
7.02 Flexibility of wage determination .....	5.3	46
7.03 Hiring and firing practices .....	3.7	89
7.04 Redundancy costs, weeks of salary* .....	11.6	53
7.05 Effect of taxation on incentives to work .....	3.2	110
7.06 Pay and productivity .....	3.0	134
7.07 Reliance on professional management .....	3.1	139
7.08 Country capacity to retain talent .....	2.5	128
7.09 Country capacity to attract talent .....	2.6	114
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 .....	3.3	134
8.02 Affordability of financial services .....	3.2	132
8.03 Financing through local equity market .....	2.6	114
8.04 Ease of access to loans .....	2.2	117
8.05 Venture capital availability .....	2.2	113
8.06 Soundness of banks .....	4.5	96
8.07 Regulation of securities exchanges .....	2.7	132
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.8	131
9.02 Firm-level technology absorption .....	4.0	122
9.03 FDI and technology transfer .....	3.6	136
9.04 Individuals using Internet, %* .....	3.8	136
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.1	133
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.5	123
9.07 Mobile broadband subscriptions/100 pop.* .....	0.3	125
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.3	124
10.02 Foreign market size index, 1–7 (best)* .....	3.1	130
10.03 GDP (PPP\$ billions)* .....	15.6	123
10.04 Exports as a percentage of GDP* .....	23.8	127
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.4	142
11.02 Local supplier quality .....	3.5	132
11.03 State of cluster development .....	2.9	134
11.04 Nature of competitive advantage .....	3.1	101
11.05 Value chain breadth .....	3.6	80
11.06 Control of international distribution .....	3.0	144
11.07 Production process sophistication .....	3.3	108
11.08 Extent of marketing .....	3.2	126
11.09 Willingness to delegate authority .....	3.1	132
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0	114
12.02 Quality of scientific research institutions .....	2.9	118
12.03 Company spending on R&D .....	2.7	118
12.04 University-industry collaboration in R&D .....	2.7	131
12.05 Gov't procurement of advanced tech products .....	3.2	100
12.06 Availability of scientists and engineers .....	4.3	59
12.07 PCT patents, applications/million pop.* .....	0.0	112

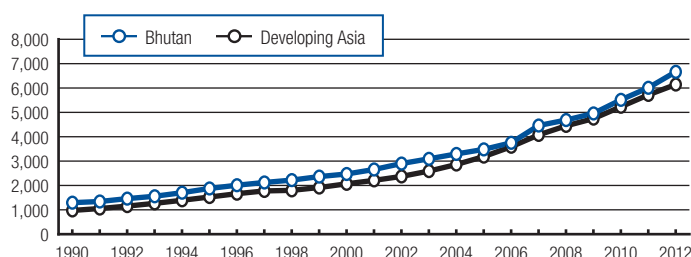
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Bhutan

## Key indicators, 2012

Population (millions).....	0.7
GDP (US\$ billions).....	2.2
GDP per capita (US\$).....	2,954
GDP (PPP) as share (%) of world total.....	0.01

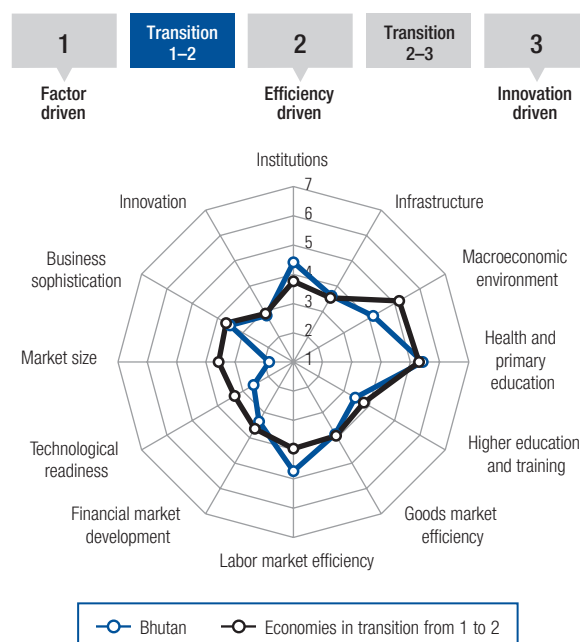
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

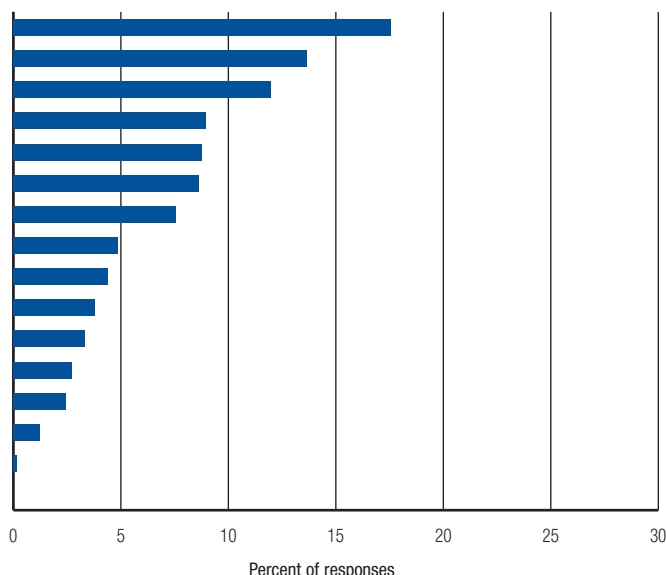
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>109</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	n/a	n/a
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (40.9%)</b> .....	<b>84</b>	<b>4.4</b>
Institutions.....	44	4.4
Infrastructure.....	87	3.6
Macroeconomic environment.....	109	4.1
Health and primary education.....	91	5.4
<b>Efficiency enhancers (49.3%)</b> .....	<b>125</b>	<b>3.3</b>
Higher education and training.....	107	3.4
Goods market efficiency.....	121	3.9
Labor market efficiency.....	29	4.7
Financial market development.....	123	3.3
Technological readiness.....	132	2.6
Market size.....	143	1.8
<b>Innovation and sophistication factors (9.8%)</b> .....	<b>117</b>	<b>3.2</b>
Business sophistication.....	117	3.5
Innovation.....	114	2.8

## Stage of development



## The most problematic factors for doing business

Access to financing.....	17.6
Restrictive labor regulations.....	13.6
Foreign currency regulations.....	12.0
Poor work ethic in national labor force.....	8.9
Inefficient government bureaucracy.....	8.8
Inadequate supply of infrastructure.....	8.6
Insufficient capacity to innovate.....	7.6
Inadequately educated workforce.....	4.8
Corruption.....	4.4
Policy instability.....	3.8
Inflation.....	3.3
Tax regulations.....	2.7
Tax rates.....	2.4
Government instability/coups.....	1.2
Crime and theft.....	0.2
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Bhutan

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3	63
1.02 Intellectual property protection .....	4.1	44
1.03 Diversion of public funds .....	4.5	36
1.04 Public trust in politicians .....	4.2	24
1.05 Irregular payments and bribes .....	4.6	48
1.06 Judicial independence .....	4.8	38
1.07 Favoritism in decisions of government officials .....	3.9	32
1.08 Wastefulness of government spending .....	4.5	16
1.09 Burden of government regulation .....	3.5	65
1.10 Efficiency of legal framework in settling disputes .....	4.0	51
1.11 Efficiency of legal framework in challenging regs. ....	3.3	87
1.12 Transparency of government policymaking .....	3.7	107
1.13 Business costs of terrorism .....	5.4	73
1.14 Business costs of crime and violence .....	5.2	42
1.15 Organized crime .....	5.9	35
1.16 Reliability of police services .....	4.9	41
1.17 Ethical behavior of firms .....	4.4	44
1.18 Strength of auditing and reporting standards .....	4.7	67
1.19 Efficacy of corporate boards .....	4.7	57
1.20 Protection of minority shareholders' interests .....	4.1	72
1.21 Strength of investor protection, 0–10 (best)* .....	3.7	123
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.9	47
2.02 Quality of roads .....	4.3	57
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	2.2	146
2.05 Quality of air transport infrastructure .....	3.5	115
2.06 Available airline seat km/week, millions* .....	2.2	146
2.07 Quality of electricity supply .....	5.9	35
2.08 Mobile telephone subscriptions/100 pop.* .....	74.7	120
2.09 Fixed telephone lines/100 pop.* .....	3.6	113
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.0	98
3.02 Gross national savings, % GDP* .....	29.1	29
3.03 Inflation, annual % change* .....	9.7	132
3.04 General government debt, % GDP* .....	72.1	119
3.05 Country credit rating, 0–100 (best)* .....	28.2	112
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.4	116
4.02 Malaria cases/100,000 pop.* .....	102.5	100
4.03 Business impact of tuberculosis .....	4.3	118
4.04 Tuberculosis cases/100,000 pop.* .....	192.0	119
4.05 Business impact of HIV/AIDS .....	4.4	114
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	42.0	114
4.08 Life expectancy, years* .....	67.3	108
4.09 Quality of primary education .....	4.5	48
4.10 Primary education enrollment, net %* .....	89.0	104
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	75.3	99
5.02 Tertiary education enrollment, gross %* .....	8.8	120
5.03 Quality of the educational system .....	4.3	41
5.04 Quality of math and science education .....	4.1	71
5.05 Quality of management schools .....	3.6	111
5.06 Internet access in schools .....	3.8	88
5.07 Availability of research and training services .....	3.3	126
5.08 Extent of staff training .....	3.4	119
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	96
6.02 Extent of market dominance .....	3.2	121
6.03 Effectiveness of anti-monopoly policy .....	4.2	60
6.04 Effect of taxation on incentives to invest .....	3.9	59
6.05 Total tax rate, % profits* .....	40.8	83

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	36	118
6.08 Agricultural policy costs .....	4.3	28
6.09 Prevalence of trade barriers .....	4.0	103
6.10 Trade tariffs, % duty* .....	22.3	145
6.11 Prevalence of foreign ownership .....	2.7	146
6.12 Business impact of rules on FDI .....	4.4	85
6.13 Burden of customs procedures .....	4.3	56
6.14 Imports as a percentage of GDP* .....	52.5	62
6.15 Degree of customer orientation .....	4.0	119
6.16 Buyer sophistication .....	2.7	126
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	75
7.02 Flexibility of wage determination .....	5.2	66
7.03 Hiring and firing practices .....	3.9	78
7.04 Redundancy costs, weeks of salary* .....	8.3	25
7.05 Effect of taxation on incentives to work .....	4.0	45
7.06 Pay and productivity .....	4.2	51
7.07 Reliance on professional management .....	4.0	88
7.08 Country capacity to retain talent .....	4.2	35
7.09 Country capacity to attract talent .....	3.7	58
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 .....	3.8	115
8.02 Affordability of financial services .....	3.9	92
8.03 Financing through local equity market .....	3.3	80
8.04 Ease of access to loans .....	2.5	95
8.05 Venture capital availability .....	2.2	107
8.06 Soundness of banks .....	4.3	107
8.07 Regulation of securities exchanges .....	3.6	106
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.7	135
9.02 Firm-level technology absorption .....	3.7	138
9.03 FDI and technology transfer .....	3.5	139
9.04 Individuals using Internet, %* .....	25.4	100
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.2	96
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.2	126
9.07 Mobile broadband subscriptions/100 pop.* .....	2.5	110
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.6	143
10.02 Foreign market size index, 1–7 (best)* .....	2.6	142
10.03 GDP (PPP\$ billions)* .....	5.0	143
10.04 Exports as a percentage of GDP* .....	31.3	95
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.6	138
11.02 Local supplier quality .....	3.7	126
11.03 State of cluster development .....	3.5	97
11.04 Nature of competitive advantage .....	4.0	42
11.05 Value chain breadth .....	3.2	108
11.06 Control of international distribution .....	3.4	127
11.07 Production process sophistication .....	3.1	121
11.08 Extent of marketing .....	3.2	129
11.09 Willingness to delegate authority .....	3.6	89
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	78
12.02 Quality of scientific research institutions .....	2.6	131
12.03 Company spending on R&D .....	2.8	106
12.04 University-industry collaboration in R&D .....	2.7	130
12.05 Gov't procurement of advanced tech products .....	3.7	48
12.06 Availability of scientists and engineers .....	3.0	138
12.07 PCT patents, applications/million pop.* .....	0.4	80

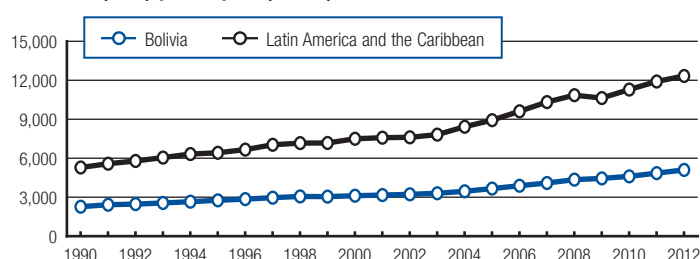
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Bolivia

## Key indicators, 2012

Population (millions).....	10.1
GDP (US\$ billions).....	27.4
GDP per capita (US\$).....	2,532
GDP (PPP) as share (%) of world total.....	0.07

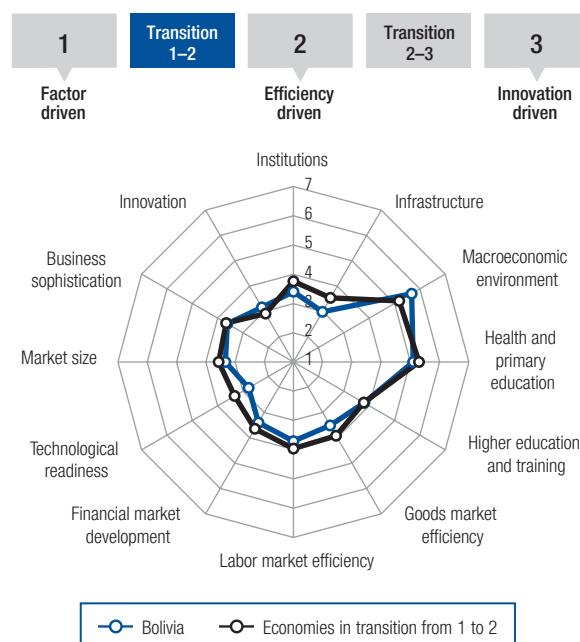
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

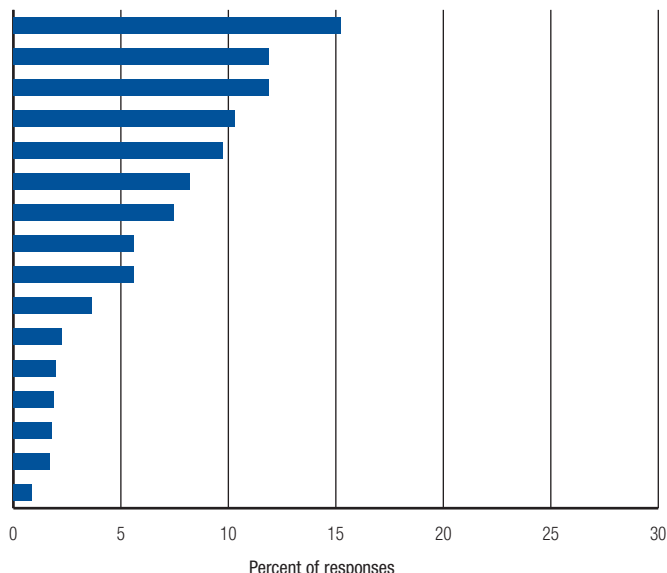
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>98</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	104	3.8
GCI 2011–2012 (out of 142).....	103	3.8
<b>Basic requirements (49.6%)</b> .....	<b>90</b>	<b>4.3</b>
Institutions.....	105	3.4
Infrastructure.....	111	3.0
Macroeconomic environment.....	28	5.7
Health and primary education.....	108	5.1
<b>Efficiency enhancers (42.8%)</b> .....	<b>120</b>	<b>3.4</b>
Higher education and training.....	93	3.8
Goods market efficiency.....	138	3.5
Labor market efficiency.....	131	3.7
Financial market development.....	120	3.4
Technological readiness.....	122	2.8
Market size.....	86	3.3
<b>Innovation and sophistication factors (7.6%)</b> .....	<b>93</b>	<b>3.4</b>
Business sophistication.....	103	3.6
Innovation.....	75	3.2

## Stage of development



## The most problematic factors for doing business

Access to financing.....	15.2
Inefficient government bureaucracy.....	11.9
Restrictive labor regulations.....	11.9
Corruption.....	10.3
Foreign currency regulations.....	9.7
Policy instability.....	8.2
Inadequate supply of infrastructure.....	7.5
Inadequately educated workforce.....	5.6
Poor work ethic in national labor force.....	5.6
Crime and theft.....	3.6
Insufficient capacity to innovate.....	2.2
Poor public health.....	2.0
Inflation.....	1.9
Tax regulations.....	1.8
Tax rates.....	1.7
Government instability/coups.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.2	129
1.02 Intellectual property protection .....	3.2	98
1.03 Diversion of public funds .....	3.2	72
1.04 Public trust in politicians .....	3.2	57
1.05 Irregular payments and bribes .....	2.4	142
1.06 Judicial independence .....	3.1	102
1.07 Favoritism in decisions of government officials .....	3.4	<b>45</b>
1.08 Wastefulness of government spending .....	3.2	69
1.09 Burden of government regulation .....	3.6	57
1.10 Efficiency of legal framework in settling disputes .....	3.6	82
1.11 Efficiency of legal framework in challenging regs. ....	3.3	88
1.12 Transparency of government policymaking .....	3.5	127
1.13 Business costs of terrorism .....	4.1	130
1.14 Business costs of crime and violence .....	3.8	113
1.15 Organized crime .....	3.7	132
1.16 Reliability of police services .....	3.2	117
1.17 Ethical behavior of firms .....	3.6	104
1.18 Strength of auditing and reporting standards .....	3.7	131
1.19 Efficacy of corporate boards .....	4.1	111
1.20 Protection of minority shareholders' interests .....	3.9	94
1.21 Strength of investor protection, 0–10 (best)* .....	4.0	116
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	107
2.02 Quality of roads .....	3.4	92
2.03 Quality of railroad infrastructure .....	2.8	61
2.04 Quality of port infrastructure .....	2.5	142
2.05 Quality of air transport infrastructure .....	3.5	117
2.06 Available airline seat km/week, millions* .....	70.4	92
2.07 Quality of electricity supply .....	3.8	102
2.08 Mobile telephone subscriptions/100 pop.* .....	92.6	104
2.09 Fixed telephone lines/100 pop.* .....	8.6	99
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	1.8	<b>20</b>
3.02 Gross national savings, % GDP* .....	30.0	<b>26</b>
3.03 Inflation, annual % change* .....	4.5	83
3.04 General government debt, % GDP* .....	33.1	<b>46</b>
3.05 Country credit rating, 0–100 (best)* .....	37.7	86
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.9	125
4.02 Malaria cases/100,000 pop.* .....	197.2	104
4.03 Business impact of tuberculosis .....	3.2	145
4.04 Tuberculosis cases/100,000 pop.* .....	131.0	106
4.05 Business impact of HIV/AIDS .....	3.1	140
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	39.3	113
4.08 Life expectancy, years* .....	66.6	110
4.09 Quality of primary education .....	3.3	101
4.10 Primary education enrollment, net %* .....	88.0	110
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	81.0	91
5.02 Tertiary education enrollment, gross %* .....	38.6	67
5.03 Quality of the educational system .....	3.4	89
5.04 Quality of math and science education .....	3.6	98
5.05 Quality of management schools .....	3.3	126
5.06 Internet access in schools .....	3.5	100
5.07 Availability of research and training services .....	3.6	110
5.08 Extent of staff training .....	3.6	112
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.8	137
6.02 Extent of market dominance .....	3.8	72
6.03 Effectiveness of anti-monopoly policy .....	3.4	121
6.04 Effect of taxation on incentives to invest .....	3.7	79
6.05 Total tax rate, % profits* .....	83.4	144

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	15	142
6.07 No. days to start a business* .....	50	129
6.08 Agricultural policy costs .....	3.6	94
6.09 Prevalence of trade barriers .....	3.6	140
6.10 Trade tariffs, % duty* .....	8.5	94
6.11 Prevalence of foreign ownership .....	3.6	126
6.12 Business impact of rules on FDI .....	3.5	125
6.13 Burden of customs procedures .....	3.7	93
6.14 Imports as a percentage of GDP* .....	35.7	100
6.15 Degree of customer orientation .....	3.5	141
6.16 Buyer sophistication .....	3.7	<b>48</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.9	115
7.02 Flexibility of wage determination .....	4.0	130
7.03 Hiring and firing practices .....	3.6	100
7.04 Redundancy costs, weeks of salary* .....	not possible	145
7.05 Effect of taxation on incentives to work .....	3.5	86
7.06 Pay and productivity .....	3.8	83
7.07 Reliance on professional management .....	3.8	106
7.08 Country capacity to retain talent .....	3.9	<b>45</b>
7.09 Country capacity to attract talent .....	3.3	82
7.10 Women in labor force, ratio to men* .....	0.80	75
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.7	117
8.02 Affordability of financial services .....	3.8	93
8.03 Financing through local equity market .....	3.5	66
8.04 Ease of access to loans .....	3.8	<b>19</b>
8.05 Venture capital availability .....	3.2	<b>32</b>
8.06 Soundness of banks .....	4.0	126
8.07 Regulation of securities exchanges .....	3.9	86
8.08 Legal rights index, 0–10 (best)* .....	1	145
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.8	130
9.02 Firm-level technology absorption .....	3.9	125
9.03 FDI and technology transfer .....	3.6	133
9.04 Individuals using Internet, %* .....	34.2	92
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.1	108
9.06 Int'l Internet bandwidth, kb/s per user* .....	5.3	112
9.07 Mobile broadband subscriptions/100 pop.* .....	6.7	92
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.1	91
10.02 Foreign market size index, 1–7 (best)* .....	4.1	84
10.03 GDP (PPP\$ billions)* .....	55.2	86
10.04 Exports as a percentage of GDP* .....	42.7	65
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.8	133
11.02 Local supplier quality .....	3.8	119
11.03 State of cluster development .....	3.5	89
11.04 Nature of competitive advantage .....	3.3	86
11.05 Value chain breadth .....	3.6	90
11.06 Control of international distribution .....	3.8	99
11.07 Production process sophistication .....	3.4	99
11.08 Extent of marketing .....	3.6	114
11.09 Willingness to delegate authority .....	3.7	80
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	70
12.02 Quality of scientific research institutions .....	3.3	97
12.03 Company spending on R&D .....	3.5	<b>44</b>
12.04 University-industry collaboration in R&D .....	3.5	71
12.05 Gov't procurement of advanced tech products .....	3.5	74
12.06 Availability of scientists and engineers .....	3.8	93
12.07 PCT patents, applications/million pop.* .....	0.1	100

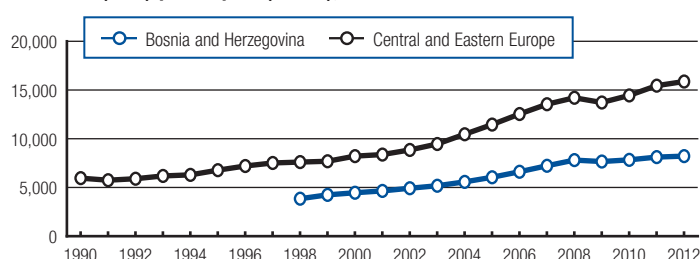
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Bosnia and Herzegovina

## Key indicators, 2012

Population (millions).....	3.8
GDP (US\$ billions).....	17.3
GDP per capita (US\$).....	4,461
GDP (PPP) as share (%) of world total.....	0.04

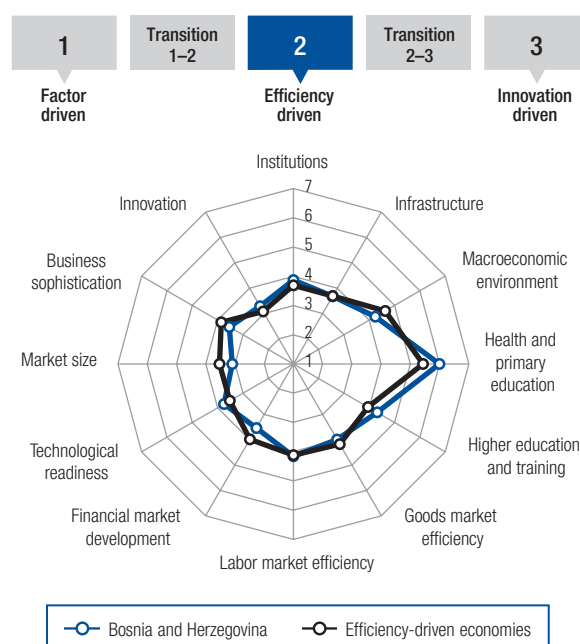
GDP (PPP) per capita (int'l \$), 1990–2012



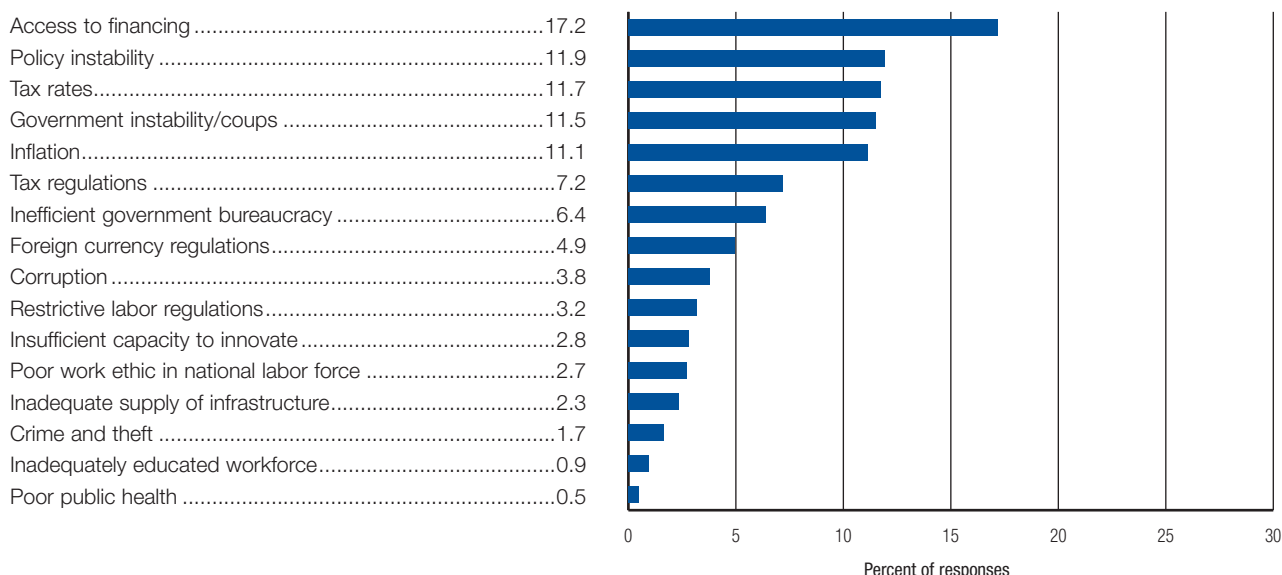
## Global Competitiveness Index

	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>87</b>	<b>4.0</b>
GCI 2012–2013 (out of 144).....	88	3.9
GCI 2011–2012 (out of 142).....	100	3.8
<b>Basic requirements (40.0%)</b> .....	<b>81</b>	<b>4.4</b>
Institutions.....	71	3.9
Infrastructure.....	83	3.7
Macroeconomic environment.....	104	4.2
Health and primary education.....	46	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>89</b>	<b>3.8</b>
Higher education and training.....	63	4.3
Goods market efficiency.....	104	4.0
Labor market efficiency.....	88	4.2
Financial market development.....	113	3.5
Technological readiness.....	73	3.7
Market size.....	98	3.1
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>89</b>	<b>3.4</b>
Business sophistication.....	110	3.5
Innovation.....	63	3.3

## Stage of development



## The most problematic factors for doing business



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Bosnia and Herzegovina

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	105
1.02 Intellectual property protection .....	2.5	135
1.03 Diversion of public funds .....	3.9	<b>47</b>
1.04 Public trust in politicians .....	2.6	85
1.05 Irregular payments and bribes .....	4.5	52
1.06 Judicial independence .....	3.9	64
1.07 Favoritism in decisions of government officials .....	3.1	73
1.08 Wastefulness of government spending .....	1.7	146
1.09 Burden of government regulation .....	3.6	61
1.10 Efficiency of legal framework in settling disputes .....	3.5	85
1.11 Efficiency of legal framework in challenging regs. ....	3.7	54
1.12 Transparency of government policymaking .....	4.2	64
1.13 Business costs of terrorism .....	6.5	<b>8</b>
1.14 Business costs of crime and violence .....	6.2	<b>7</b>
1.15 Organized crime .....	6.0	<b>22</b>
1.16 Reliability of police services .....	5.4	<b>30</b>
1.17 Ethical behavior of firms .....	3.2	135
1.18 Strength of auditing and reporting standards .....	3.9	115
1.19 Efficacy of corporate boards .....	4.7	59
1.20 Protection of minority shareholders' interests .....	3.3	130
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.1	127
2.02 Quality of roads .....	3.1	104
2.03 Quality of railroad infrastructure .....	3.0	55
2.04 Quality of port infrastructure .....	1.8	147
2.05 Quality of air transport infrastructure .....	2.0	148
2.06 Available airline seat km/week, millions* .....	7.6	140
2.07 Quality of electricity supply .....	6.5	<b>15</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	89.5	109
2.09 Fixed telephone lines/100 pop.* .....	23.5	<b>50</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.8	73
3.02 Gross national savings, % GDP* .....	6.5	139
3.03 Inflation, annual % change* .....	2.0	<b>1</b>
3.04 General government debt, % GDP* .....	44.3	79
3.05 Country credit rating, 0–100 (best)* .....	29.0	110
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.8	<b>4</b>
4.04 Tuberculosis cases/100,000 pop.* .....	49.0	75
4.05 Business impact of HIV/AIDS .....	6.9	<b>1</b>
4.06 HIV prevalence, % adult pop.* .....	<0.1	<b>1</b>
4.07 Infant mortality, deaths/1,000 live births* .....	6.7	<b>45</b>
4.08 Life expectancy, years* .....	75.6	<b>50</b>
4.09 Quality of primary education .....	5.4	<b>16</b>
4.10 Primary education enrollment, net %* .....	88.4	107
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	89.3	73
5.02 Tertiary education enrollment, gross %* .....	38.1	69
5.03 Quality of the educational system .....	2.7	132
5.04 Quality of math and science education .....	5.4	<b>13</b>
5.05 Quality of management schools .....	4.7	<b>41</b>
5.06 Internet access in schools .....	4.5	61
5.07 Availability of research and training services .....	3.7	100
5.08 Extent of staff training .....	4.1	58
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.4	143
6.02 Extent of market dominance .....	3.3	111
6.03 Effectiveness of anti-monopoly policy .....	4.1	68
6.04 Effect of taxation on incentives to invest .....	3.1	119
6.05 Total tax rate, % profits* .....	24.1	<b>19</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	11	126
6.07 No. days to start a business* .....	37	120
6.08 Agricultural policy costs .....	3.8	76
6.09 Prevalence of trade barriers .....	4.0	107
6.10 Trade tariffs, % duty* .....	4.9	67
6.11 Prevalence of foreign ownership .....	4.4	88
6.12 Business impact of rules on FDI .....	4.3	92
6.13 Burden of customs procedures .....	4.3	55
6.14 Imports as a percentage of GDP* .....	60.8	<b>41</b>
6.15 Degree of customer orientation .....	4.6	67
6.16 Buyer sophistication .....	2.5	139
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.6	<b>46</b>
7.02 Flexibility of wage determination .....	4.4	118
7.03 Hiring and firing practices .....	4.3	<b>34</b>
7.04 Redundancy costs, weeks of salary* .....	9.2	<b>34</b>
7.05 Effect of taxation on incentives to work .....	3.1	116
7.06 Pay and productivity .....	3.9	70
7.07 Reliance on professional management .....	4.4	61
7.08 Country capacity to retain talent .....	1.9	143
7.09 Country capacity to attract talent .....	1.9	140
7.10 Women in labor force, ratio to men* .....	0.63	112
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8	110
8.02 Affordability of financial services .....	3.7	105
8.03 Financing through local equity market .....	3.4	77
8.04 Ease of access to loans .....	2.0	125
8.05 Venture capital availability .....	1.9	131
8.06 Soundness of banks .....	4.6	93
8.07 Regulation of securities exchanges .....	3.7	97
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.9	76
9.02 Firm-level technology absorption .....	4.4	93
9.03 FDI and technology transfer .....	4.5	82
9.04 Individuals using Internet, %* .....	65.4	<b>40</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	10.8	58
9.06 Int'l Internet bandwidth, kb/s per user* .....	24.5	64
9.07 Mobile broadband subscriptions/100 pop.* .....	10.9	82
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.9	96
10.02 Foreign market size index, 1–7 (best)* .....	3.7	102
10.03 GDP (PPP\$ billions)* .....	31.9	100
10.04 Exports as a percentage of GDP* .....	36.2	82
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	77
11.02 Local supplier quality .....	4.6	61
11.03 State of cluster development .....	2.0	148
11.04 Nature of competitive advantage .....	2.4	146
11.05 Value chain breadth .....	2.9	136
11.06 Control of international distribution .....	3.7	112
11.07 Production process sophistication .....	3.8	68
11.08 Extent of marketing .....	3.9	91
11.09 Willingness to delegate authority .....	3.6	88
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1	108
12.02 Quality of scientific research institutions .....	3.9	59
12.03 Company spending on R&D .....	3.0	86
12.04 University-industry collaboration in R&D .....	4.3	<b>37</b>
12.05 Gov't procurement of advanced tech products .....	3.4	89
12.06 Availability of scientists and engineers .....	4.7	<b>27</b>
12.07 PCT patents, applications/million pop.* .....	2.0	54

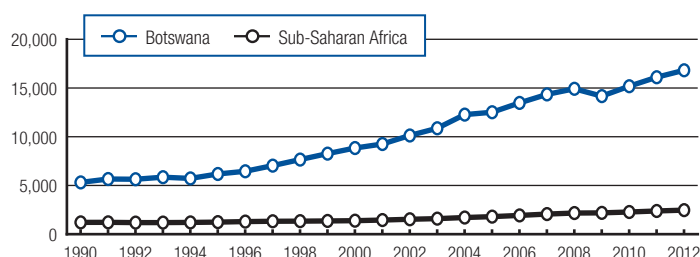
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Botswana

## Key indicators, 2012

Population (millions).....	2.0
GDP (US\$ billions).....	17.6
GDP per capita (US\$).....	9,398
GDP (PPP) as share (%) of world total.....	0.04

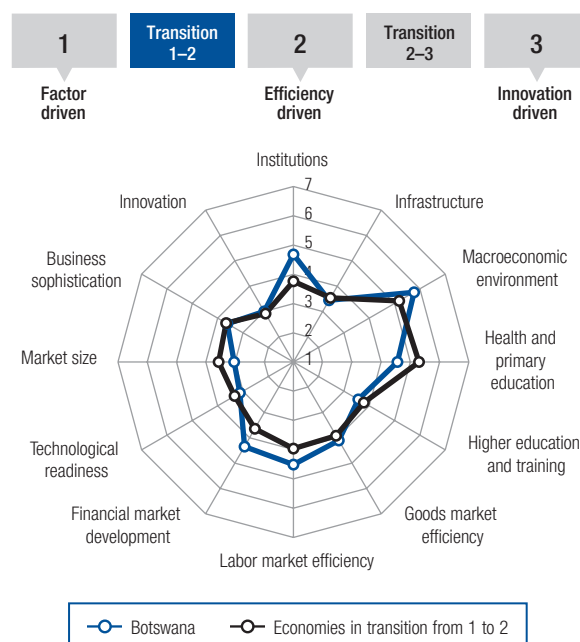
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

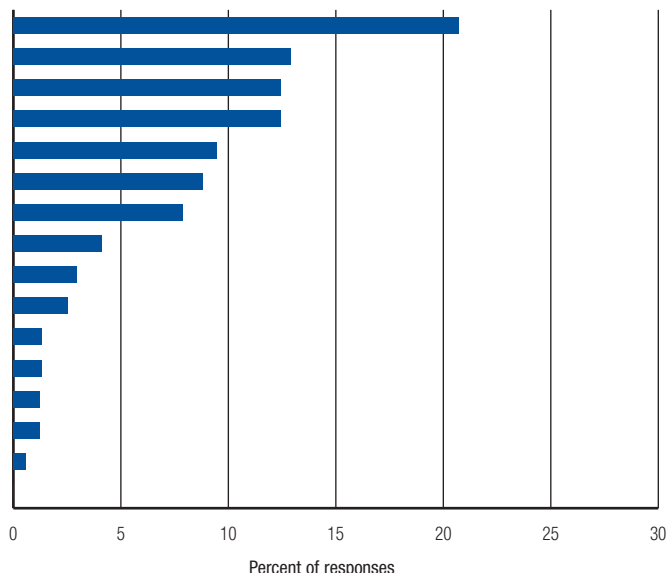
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>74</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	79	4.1
GCI 2011–2012 (out of 142).....	80	4.0
<b>Basic requirements (47.9%)</b> .....	<b>66</b>	<b>4.6</b>
Institutions.....	34	4.7
Infrastructure.....	94	3.4
Macroeconomic environment.....	24	5.8
Health and primary education.....	115	4.6
<b>Efficiency enhancers (44.1%)</b> .....	<b>93</b>	<b>3.8</b>
Higher education and training.....	99	3.6
Goods market efficiency.....	92	4.1
Labor market efficiency.....	47	4.5
Financial market development.....	53	4.3
Technological readiness.....	104	3.1
Market size.....	101	3.0
<b>Innovation and sophistication factors (8.0%)</b> .....	<b>106</b>	<b>3.3</b>
Business sophistication.....	102	3.6
Innovation.....	102	3.0

## Stage of development



## The most problematic factors for doing business

Poor work ethic in national labor force.....	20.7
Inefficient government bureaucracy.....	12.9
Access to financing.....	12.4
Inadequately educated workforce.....	12.4
Restrictive labor regulations.....	9.5
Inadequate supply of infrastructure.....	8.8
Insufficient capacity to innovate.....	7.9
Corruption.....	4.1
Inflation.....	3.0
Poor public health.....	2.6
Policy instability.....	1.3
Tax rates.....	1.3
Crime and theft.....	1.2
Tax regulations.....	1.2
Foreign currency regulations.....	0.6
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Botswana

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.9	41
1.02 Intellectual property protection .....	4.1	47
1.03 Diversion of public funds .....	4.5	30
1.04 Public trust in politicians .....	3.9	30
1.05 Irregular payments and bribes .....	5.0	37
1.06 Judicial independence .....	5.3	26
1.07 Favoritism in decisions of government officials .....	3.8	37
1.08 Wastefulness of government spending .....	4.3	22
1.09 Burden of government regulation .....	3.8	39
1.10 Efficiency of legal framework in settling disputes .....	4.8	25
1.11 Efficiency of legal framework in challenging regs. ....	4.4	23
1.12 Transparency of government policymaking .....	4.5	44
1.13 Business costs of terrorism .....	6.3	21
1.14 Business costs of crime and violence .....	4.7	67
1.15 Organized crime .....	6.1	20
1.16 Reliability of police services .....	4.4	58
1.17 Ethical behavior of firms .....	4.6	39
1.18 Strength of auditing and reporting standards .....	5.0	48
1.19 Efficacy of corporate boards .....	4.8	50
1.20 Protection of minority shareholders' interests .....	4.5	50
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.2	78
2.02 Quality of roads .....	4.3	59
2.03 Quality of railroad infrastructure .....	2.9	59
2.04 Quality of port infrastructure .....	3.6	102
2.05 Quality of air transport infrastructure .....	4.0	94
2.06 Available airline seat km/week, millions* .....	6.9	141
2.07 Quality of electricity supply .....	3.1	113
2.08 Mobile telephone subscriptions/100 pop.* .....	150.1	20
2.09 Fixed telephone lines/100 pop.* .....	7.8	101
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.3	25
3.02 Gross national savings, % GDP* .....	30.7	23
3.03 Inflation, annual % change* .....	7.5	116
3.04 General government debt, % GDP* .....	14.9	16
3.05 Country credit rating, 0–100 (best)* .....	60.9	45
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.2	101
4.02 Malaria cases/100,000 pop.* .....	192.7	103
4.03 Business impact of tuberculosis .....	3.7	134
4.04 Tuberculosis cases/100,000 pop.* .....	455.0	140
4.05 Business impact of HIV/AIDS .....	3.0	142
4.06 HIV prevalence, % adult pop.* .....	23.40	146
4.07 Infant mortality, deaths/1,000 live births* .....	20.3	91
4.08 Life expectancy, years* .....	53.0	135
4.09 Quality of primary education .....	4.0	67
4.10 Primary education enrollment, net %* .....	87.1	114
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	82.1	88
5.02 Tertiary education enrollment, gross %* .....	7.4	125
5.03 Quality of the educational system .....	3.7	65
5.04 Quality of math and science education .....	3.8	92
5.05 Quality of management schools .....	3.8	97
5.06 Internet access in schools .....	3.4	104
5.07 Availability of research and training services .....	3.6	108
5.08 Extent of staff training .....	3.8	87
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	93
6.02 Extent of market dominance .....	3.4	97
6.03 Effectiveness of anti-monopoly policy .....	4.0	79
6.04 Effect of taxation on incentives to invest .....	4.7	14
6.05 Total tax rate, % profits* .....	25.3	22

INDICATOR	VALUE	RANK/148
<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* .....	61	134
6.08 Agricultural policy costs .....	4.3	32
6.09 Prevalence of trade barriers .....	4.6	39
6.10 Trade tariffs, % duty* .....	6.1	77
6.11 Prevalence of foreign ownership .....	5.3	28
6.12 Business impact of rules on FDI .....	4.4	90
6.13 Burden of customs procedures .....	4.2	65
6.14 Imports as a percentage of GDP* .....	47.4	68
6.15 Degree of customer orientation .....	3.9	121
6.16 Buyer sophistication .....	2.8	118
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0	108
7.02 Flexibility of wage determination .....	5.3	55
7.03 Hiring and firing practices .....	3.5	106
7.04 Redundancy costs, weeks of salary* .....	21.7	103
7.05 Effect of taxation on incentives to work .....	4.6	17
7.06 Pay and productivity .....	3.9	73
7.07 Reliance on professional management .....	5.0	30
7.08 Country capacity to retain talent .....	3.6	55
7.09 Country capacity to attract talent .....	3.3	77
7.10 Women in labor force, ratio to men* .....	0.90	29
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.4	78
8.02 Affordability of financial services .....	4.1	70
8.03 Financing through local equity market .....	3.8	49
8.04 Ease of access to loans .....	3.2	43
8.05 Venture capital availability .....	2.8	57
8.06 Soundness of banks .....	5.5	46
8.07 Regulation of securities exchanges .....	4.3	62
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6	91
9.02 Firm-level technology absorption .....	4.3	101
9.03 FDI and technology transfer .....	4.1	102
9.04 Individuals using Internet, %* .....	11.5	122
9.05 Fixed broadband Internet subscriptions/100 pop.* ...	0.8	110
9.06 Int'l Internet bandwidth, kb/s per user* .....	6.4	105
9.07 Mobile broadband subscriptions/100 pop.* .....	16.6	72
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.8	100
10.02 Foreign market size index, 1–7 (best)* .....	3.7	106
10.03 GDP (PPP\$ billions)* .....	31.5	101
10.04 Exports as a percentage of GDP* .....	35.8	83
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.9	130
11.02 Local supplier quality .....	3.7	124
11.03 State of cluster development .....	3.6	88
11.04 Nature of competitive advantage .....	3.5	68
11.05 Value chain breadth .....	3.2	110
11.06 Control of international distribution .....	3.5	122
11.07 Production process sophistication .....	3.2	117
11.08 Extent of marketing .....	3.4	121
11.09 Willingness to delegate authority .....	3.8	69
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	102
12.02 Quality of scientific research institutions .....	3.3	98
12.03 Company spending on R&D .....	2.9	92
12.04 University-industry collaboration in R&D .....	3.2	101
12.05 Gov't procurement of advanced tech products .....	3.5	67
12.06 Availability of scientists and engineers .....	3.3	120
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 97.

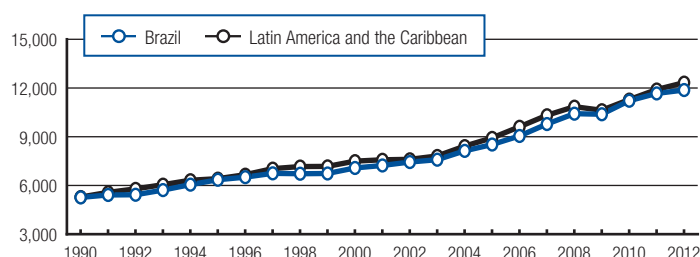


# Brazil

## Key indicators, 2012

Population (millions).....	196.7
GDP (US\$ billions).....	2,396.0
GDP per capita (US\$).....	12,079
GDP (PPP) as share (%) of world total.....	2.83

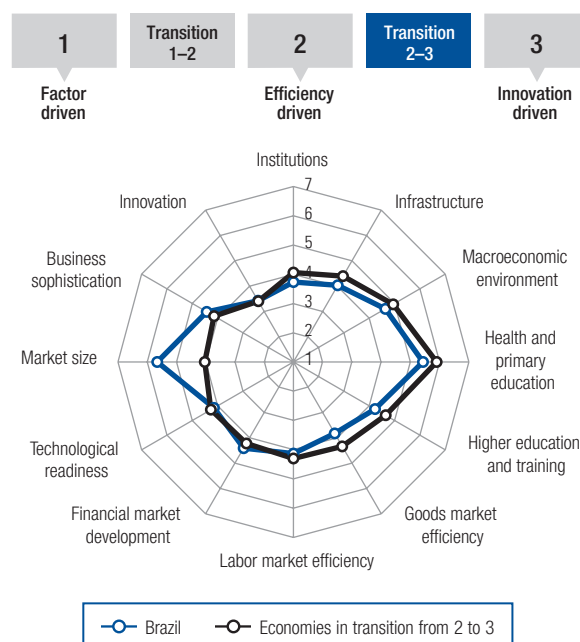
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

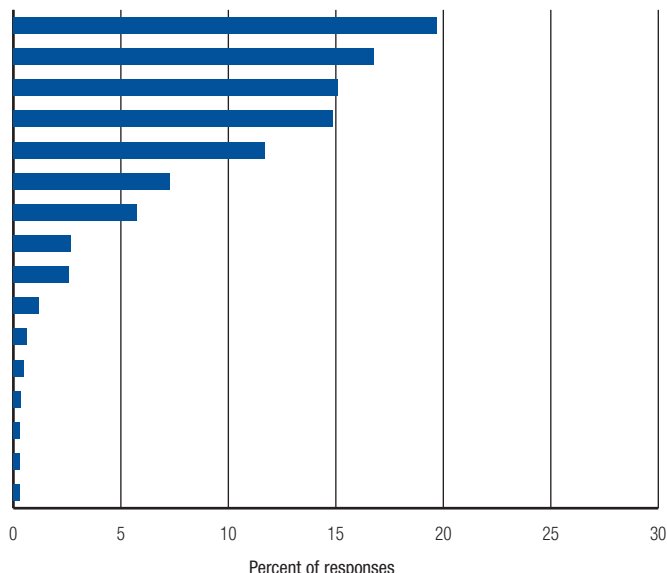
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>56</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	48	4.4
GCI 2011–2012 (out of 142).....	53	4.3
<b>Basic requirements (32.3%)</b> .....	<b>79</b>	<b>4.5</b>
Institutions.....	80	3.7
Infrastructure.....	71	4.0
Macroeconomic environment.....	75	4.6
Health and primary education.....	89	5.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>44</b>	<b>4.4</b>
Higher education and training.....	72	4.2
Goods market efficiency.....	123	3.8
Labor market efficiency.....	92	4.1
Financial market development.....	50	4.4
Technological readiness.....	55	4.1
Market size.....	9	5.7
<b>Innovation and sophistication factors (17.7%)</b> .....	<b>46</b>	<b>3.9</b>
Business sophistication.....	39	4.4
Innovation.....	55	3.4

## Stage of development



## The most problematic factors for doing business

Inadequate supply of infrastructure.....	19.7
Tax regulations.....	16.8
Tax rates.....	15.1
Inefficient government bureaucracy.....	14.9
Restrictive labor regulations.....	11.7
Corruption.....	7.3
Inadequately educated workforce.....	5.8
Policy instability.....	2.7
Access to financing.....	2.6
Insufficient capacity to innovate.....	1.2
Poor work ethic in national labor force.....	0.6
Government instability/coups.....	0.5
Foreign currency regulations.....	0.4
Crime and theft.....	0.3
Inflation.....	0.3
Poor public health.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.6	51
1.02 Intellectual property protection .....	3.5	80
1.03 Diversion of public funds .....	2.3	133
1.04 Public trust in politicians .....	1.9	136
1.05 Irregular payments and bribes .....	3.9	72
1.06 Judicial independence .....	3.9	65
1.07 Favoritism in decisions of government officials .....	2.9	89
1.08 Wastefulness of government spending .....	2.2	132
1.09 Burden of government regulation .....	2.0	147
1.10 Efficiency of legal framework in settling disputes .....	3.3	101
1.11 Efficiency of legal framework in challenging regs. ....	3.5	68
1.12 Transparency of government policymaking .....	3.7	112
1.13 Business costs of terrorism .....	6.3	22
1.14 Business costs of crime and violence .....	3.4	124
1.15 Organized crime .....	4.0	126
1.16 Reliability of police services .....	4.3	64
1.17 Ethical behavior of firms .....	3.7	87
1.18 Strength of auditing and reporting standards .....	5.3	31
1.19 Efficacy of corporate boards .....	4.8	44
1.20 Protection of minority shareholders' interests .....	4.9	26
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	114
2.02 Quality of roads .....	2.8	120
2.03 Quality of railroad infrastructure .....	1.8	103
2.04 Quality of port infrastructure .....	2.7	131
2.05 Quality of air transport infrastructure .....	3.3	123
2.06 Available airline seat km/week, millions* .....	3,780.6	9
2.07 Quality of electricity supply .....	4.8	76
2.08 Mobile telephone subscriptions/100 pop.* .....	125.2	45
2.09 Fixed telephone lines/100 pop.* .....	22.3	52
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.8	72
3.02 Gross national savings, % GDP* .....	15.4	93
3.03 Inflation, annual % change* .....	5.4	98
3.04 General government debt, % GDP* .....	68.5	117
3.05 Country credit rating, 0–100 (best)* .....	68.0	38
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.2	82
4.02 Malaria cases/100,000 pop.* .....	219.6	107
4.03 Business impact of tuberculosis .....	6.0	50
4.04 Tuberculosis cases/100,000 pop.* .....	42.0	68
4.05 Business impact of HIV/AIDS .....	5.5	75
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	13.9	74
4.08 Life expectancy, years* .....	73.4	78
4.09 Quality of primary education .....	2.5	129
4.10 Primary education enrollment, net %* .....	94.4	69
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	105.8	20
5.02 Tertiary education enrollment, gross %* .....	25.6	85
5.03 Quality of the educational system .....	3.0	121
5.04 Quality of math and science education .....	2.6	136
5.05 Quality of management schools .....	4.5	49
5.06 Internet access in schools .....	3.6	98
5.07 Availability of research and training services .....	4.7	38
5.08 Extent of staff training .....	4.3	44
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	70
6.02 Extent of market dominance .....	4.4	28
6.03 Effectiveness of anti-monopoly policy .....	4.5	40
6.04 Effect of taxation on incentives to invest .....	2.5	140
6.05 Total tax rate, % profits* .....	69.3	140

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	13	135
6.07 No. days to start a business* .....	119	144
6.08 Agricultural policy costs .....	4.4	23
6.09 Prevalence of trade barriers .....	3.9	116
6.10 Trade tariffs, % duty* .....	11.3	126
6.11 Prevalence of foreign ownership .....	4.5	84
6.12 Business impact of rules on FDI .....	4.3	97
6.13 Burden of customs procedures .....	3.0	139
6.14 Imports as a percentage of GDP* .....	13.0	148
6.15 Degree of customer orientation .....	4.8	55
6.16 Buyer sophistication .....	3.6	58
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	87
7.02 Flexibility of wage determination .....	4.1	127
7.03 Hiring and firing practices .....	3.2	127
7.04 Redundancy costs, weeks of salary* .....	15.4	75
7.05 Effect of taxation on incentives to work .....	2.5	138
7.06 Pay and productivity .....	3.6	99
7.07 Reliance on professional management .....	4.8	38
7.08 Country capacity to retain talent .....	4.1	38
7.09 Country capacity to attract talent .....	3.7	53
7.10 Women in labor force, ratio to men* .....	0.76	86
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.3	30
8.02 Affordability of financial services .....	4.5	48
8.03 Financing through local equity market .....	3.8	48
8.04 Ease of access to loans .....	2.9	64
8.05 Venture capital availability .....	2.7	61
8.06 Soundness of banks .....	6.3	12
8.07 Regulation of securities exchanges .....	5.8	7
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.1	63
9.02 Firm-level technology absorption .....	5.0	51
9.03 FDI and technology transfer .....	5.1	25
9.04 Individuals using Internet, %* .....	49.8	65
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	9.2	64
9.06 Int'l Internet bandwidth, kb/s per user* .....	25.1	61
9.07 Mobile broadband subscriptions/100 pop.* .....	36.6	43
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.7	7
10.02 Foreign market size index, 1–7 (best)* .....	5.6	26
10.03 GDP (PPP\$ billions)* .....	2,355.6	7
10.04 Exports as a percentage of GDP* .....	11.7	145
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.3	16
11.02 Local supplier quality .....	4.8	49
11.03 State of cluster development .....	4.5	26
11.04 Nature of competitive advantage .....	3.0	108
11.05 Value chain breadth .....	3.7	68
11.06 Control of international distribution .....	4.3	47
11.07 Production process sophistication .....	4.5	35
11.08 Extent of marketing .....	5.1	29
11.09 Willingness to delegate authority .....	4.3	34
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.0	36
12.02 Quality of scientific research institutions .....	4.3	42
12.03 Company spending on R&D .....	3.6	37
12.04 University-industry collaboration in R&D .....	4.0	49
12.05 Gov't procurement of advanced tech products .....	3.5	69
12.06 Availability of scientists and engineers .....	3.4	112
12.07 PCT patents, applications/million pop.* .....	2.9	51

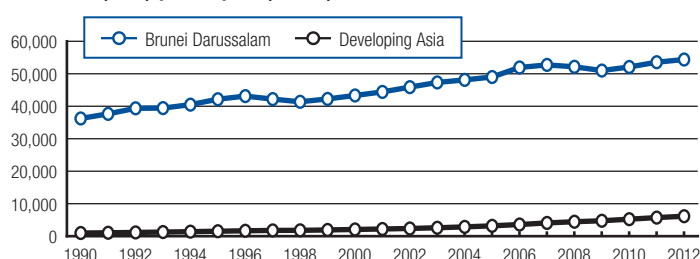
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Brunei Darussalam

## Key indicators, 2012

Population (millions).....	0.4
GDP (US\$ billions).....	16.6
GDP per capita (US\$).....	41,703
GDP (PPP) as share (%) of world total.....	0.03

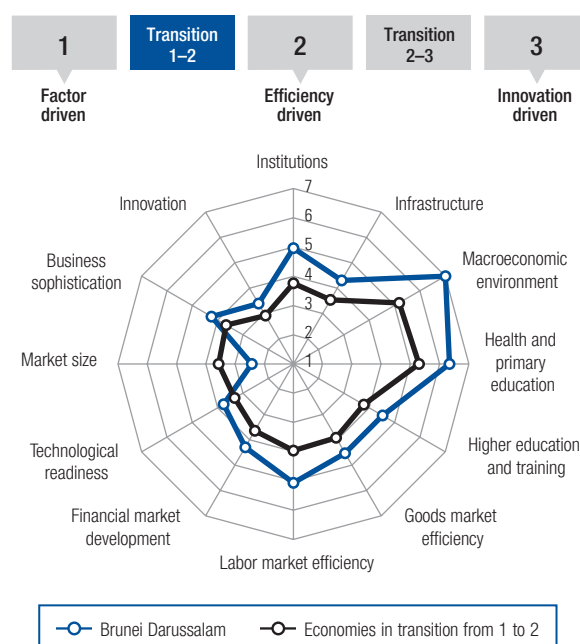
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

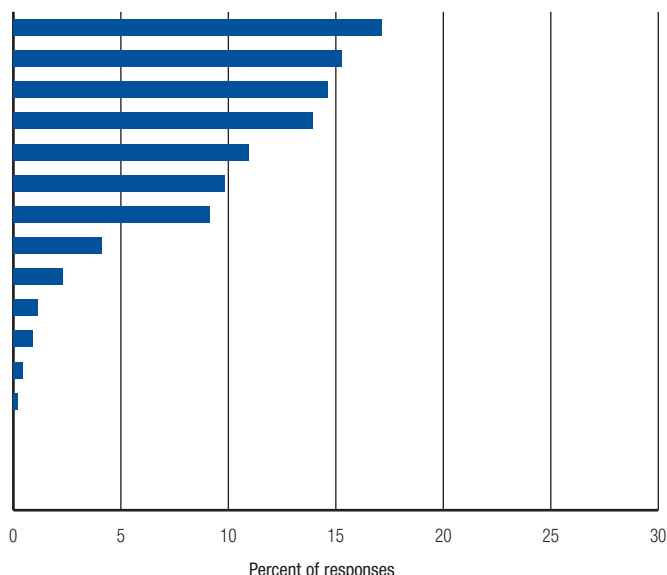
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>26</b>	<b>4.9</b>
GCI 2012–2013 (out of 144).....	28	4.9
GCI 2011–2012 (out of 142).....	28	4.8
<b>Basic requirements (56.2%)</b> .....	<b>18</b>	<b>5.6</b>
Institutions.....	25	5.0
Infrastructure.....	58	4.3
Macroeconomic environment.....	1	7.0
Health and primary education.....	23	6.3
<b>Efficiency enhancers (37.8%)</b> .....	<b>65</b>	<b>4.1</b>
Higher education and training.....	55	4.5
Goods market efficiency.....	42	4.5
Labor market efficiency.....	10	5.1
Financial market development.....	56	4.3
Technological readiness.....	71	3.8
Market size.....	131	2.4
<b>Innovation and sophistication factors (5.9%)</b> .....	<b>54</b>	<b>3.8</b>
Business sophistication.....	56	4.2
Innovation.....	59	3.4

## Stage of development



## The most problematic factors for doing business

Access to financing.....	17.1
Poor work ethic in national labor force.....	15.3
Restrictive labor regulations.....	14.6
Inefficient government bureaucracy.....	13.9
Insufficient capacity to innovate.....	11.0
Inadequate supply of infrastructure.....	9.8
Inadequately educated workforce.....	9.1
Foreign currency regulations.....	4.1
Policy instability.....	2.3
Corruption.....	1.1
Crime and theft.....	0.9
Tax regulations.....	0.5
Tax rates.....	0.2
Government instability/coups.....	0.0
Inflation.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Brunei Darussalam

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148	INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>			<b>6th pillar: Goods market efficiency (cont'd.)</b>		
1.01 Property rights .....	4.6	52	6.06 No. procedures to start a business* .....	15	142
1.02 Intellectual property protection .....	4.4	39	6.07 No. days to start a business* .....	101	142
1.03 Diversion of public funds .....	5.4	18	6.08 Agricultural policy costs .....	4.7	7
1.04 Public trust in politicians .....	4.9	14	6.09 Prevalence of trade barriers .....	4.3	70
1.05 Irregular payments and bribes .....	5.8	19	6.10 Trade tariffs, % duty* .....	3.6	47
1.06 Judicial independence .....	5.0	34	6.11 Prevalence of foreign ownership .....	4.4	87
1.07 Favoritism in decisions of government officials .....	4.4	15	6.12 Business impact of rules on FDI .....	4.7	60
1.08 Wastefulness of government spending .....	4.6	14	6.13 Burden of customs procedures .....	4.7	41
1.09 Burden of government regulation .....	4.3	16	6.14 Imports as a percentage of GDP* .....	27.8	129
1.10 Efficiency of legal framework in settling disputes .....	5.0	19	6.15 Degree of customer orientation .....	5.4	19
1.11 Efficiency of legal framework in challenging regs. ....	3.3	80	6.16 Buyer sophistication .....	3.4	73
1.12 Transparency of government policymaking .....	4.4	50	<b>7th pillar: Labor market efficiency</b>		
1.13 Business costs of terrorism .....	6.5	9	7.01 Cooperation in labor-employer relations .....	5.1	24
1.14 Business costs of crime and violence .....	6.2	8	7.02 Flexibility of wage determination .....	5.8	14
1.15 Organized crime .....	6.5	8	7.03 Hiring and firing practices .....	4.1	56
1.16 Reliability of police services .....	5.3	31	7.04 Redundancy costs, weeks of salary* .....	3.0	6
1.17 Ethical behavior of firms .....	5.0	29	7.05 Effect of taxation on incentives to work .....	5.3	7
1.18 Strength of auditing and reporting standards .....	5.0	47	7.06 Pay and productivity .....	4.6	18
1.19 Efficacy of corporate boards .....	4.9	38	7.07 Reliance on professional management .....	4.4	64
1.20 Protection of minority shareholders' interests .....	4.7	36	7.08 Country capacity to retain talent .....	4.7	17
1.21 Strength of investor protection, 0–10 (best)* .....	4.7	100	7.09 Country capacity to attract talent .....	4.4	27
<b>2nd pillar: Infrastructure</b>			7.10 Women in labor force, ratio to men* .....	0.73	93
2.01 Quality of overall infrastructure .....	5.1	39	<b>8th pillar: Financial market development</b>		
2.02 Quality of roads .....	5.0	35	8.01 Availability of financial services .....	4.8	57
2.03 Quality of railroad infrastructure .....	N/Apl.	n/a	8.02 Affordability of financial services .....	4.7	40
2.04 Quality of port infrastructure .....	4.7	49	8.03 Financing through local equity market .....	2.4	124
2.05 Quality of air transport infrastructure .....	4.8	55	8.04 Ease of access to loans .....	3.8	18
2.06 Available airline seat km/week, millions* .....	47.2	100	8.05 Venture capital availability .....	3.4	24
2.07 Quality of electricity supply .....	5.2	59	8.06 Soundness of banks .....	5.5	47
2.08 Mobile telephone subscriptions/100 pop.* .....	113.8	64	8.07 Regulation of securities exchanges .....	3.5	108
2.09 Fixed telephone lines/100 pop.* .....	17.2	72	8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>3rd pillar: Macroeconomic environment</b>			<b>9th pillar: Technological readiness</b>		
3.01 Government budget balance, % GDP* .....	26.4	3	9.01 Availability of latest technologies .....	5.2	50
3.02 Gross national savings, % GDP* .....	n/a	n/a	9.02 Firm-level technology absorption .....	4.8	63
3.03 Inflation, annual % change* .....	0.5	47	9.03 FDI and technology transfer .....	3.9	121
3.04 General government debt, % GDP* .....	2.4	3	9.04 Individuals using Internet, % .....	60.3	48
3.05 Country credit rating, 0–100 (best)* .....	n/a	n/a	9.05 Fixed broadband Internet subscriptions/100 pop.* ..	4.8	80
<b>4th pillar: Health and primary education</b>			9.06 Int'l Internet bandwidth, kb/s per user* .....	39.9	46
4.01 Business impact of malaria .....	N/Apl.	1	9.07 Mobile broadband subscriptions/100 pop.* .....	7.6	89
4.02 Malaria cases/100,000 pop.* .....	(NE)	1	<b>10th pillar: Market size</b>		
4.03 Business impact of tuberculosis .....	5.4	78	10.01 Domestic market size index, 1–7 (best)* .....	1.9	134
4.04 Tuberculosis cases/100,000 pop.* .....	70.0	84	10.02 Foreign market size index, 1–7 (best)* .....	4.0	92
4.05 Business impact of HIV/AIDS .....	5.8	52	10.03 GDP (PPP\$ billions)* .....	21.7	115
4.06 HIV prevalence, % adult pop.* .....	0.01	1	10.04 Exports as a percentage of GDP* .....	83.7	18
4.07 Infant mortality, deaths/1,000 live births* .....	5.6	37	<b>11th pillar: Business sophistication</b>		
4.08 Life expectancy, years* .....	78.1	36	11.01 Local supplier quantity .....	4.8	56
4.09 Quality of primary education .....	5.3	17	11.02 Local supplier quality .....	4.5	67
4.10 Primary education enrollment, net %* .....	96.9	47	11.03 State of cluster development .....	4.2	39
<b>5th pillar: Higher education and training</b>			11.04 Nature of competitive advantage .....	4.0	39
5.01 Secondary education enrollment, gross %* .....	111.8	9	11.05 Value chain breadth .....	4.0	46
5.02 Tertiary education enrollment, gross %* .....	19.6	94	11.06 Control of international distribution .....	4.6	25
5.03 Quality of the educational system .....	4.4	32	11.07 Production process sophistication .....	3.7	72
5.04 Quality of math and science education .....	4.8	29	11.08 Extent of marketing .....	4.2	67
5.05 Quality of management schools .....	4.5	52	11.09 Willingness to delegate authority .....	4.0	42
5.06 Internet access in schools .....	5.5	32	<b>12th pillar: Innovation</b>		
5.07 Availability of research and training services .....	3.9	87	12.01 Capacity for innovation .....	3.5	67
5.08 Extent of staff training .....	4.6	26	12.02 Quality of scientific research institutions .....	3.5	81
<b>6th pillar: Goods market efficiency</b>			12.03 Company spending on R&D .....	3.1	67
6.01 Intensity of local competition .....	5.1	62	12.04 University-industry collaboration in R&D .....	3.6	65
6.02 Extent of market dominance .....	4.4	32	12.05 Gov't procurement of advanced tech products .....	4.5	10
6.03 Effectiveness of anti-monopoly policy .....	4.6	36	12.06 Availability of scientists and engineers .....	3.8	86
6.04 Effect of taxation on incentives to invest .....	5.7	5	12.07 PCT patents, applications/million pop.* .....	3.1	50
6.05 Total tax rate, % profits* .....	16.8	11			

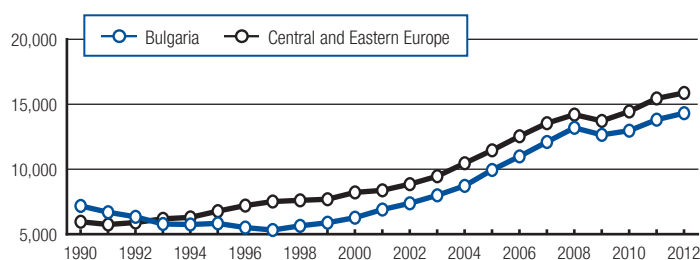
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Bulgaria

## Key indicators, 2012

Population (millions).....	7.3
GDP (US\$ billions).....	51.0
GDP per capita (US\$).....	7,033
GDP (PPP) as share (%) of world total.....	0.13

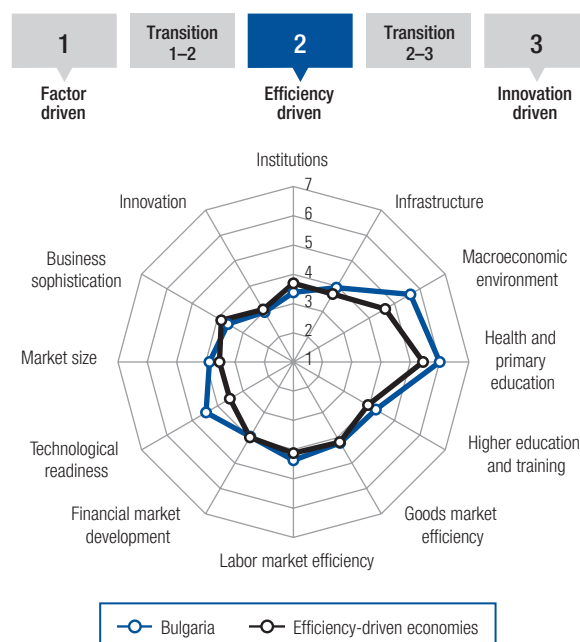
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

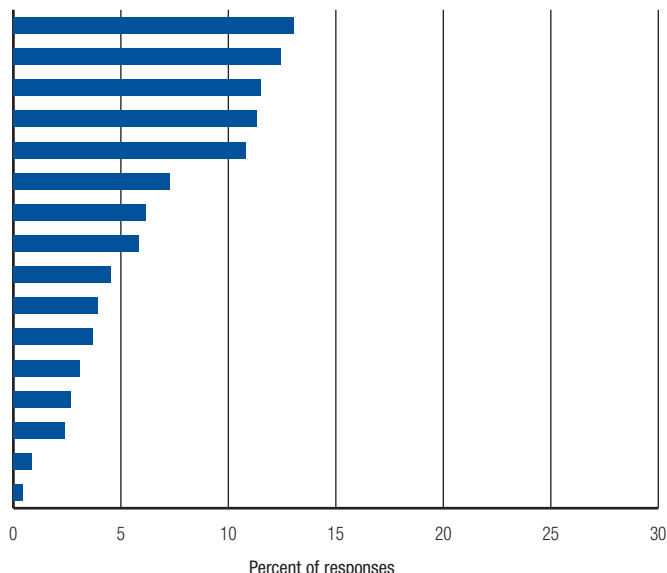
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>57</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	62	4.3
GCI 2011–2012 (out of 142).....	74	4.2
<b>Basic requirements (40.0%)</b> .....	<b>58</b>	<b>4.7</b>
Institutions.....	107	3.4
Infrastructure.....	75	3.9
Macroeconomic environment.....	30	5.6
Health and primary education.....	45	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>60</b>	<b>4.2</b>
Higher education and training.....	69	4.3
Goods market efficiency.....	81	4.2
Labor market efficiency.....	61	4.4
Financial market development.....	73	3.9
Technological readiness.....	44	4.4
Market size.....	63	3.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>108</b>	<b>3.3</b>
Business sophistication.....	106	3.6
Innovation.....	105	3.0

## Stage of development



## The most problematic factors for doing business

Corruption.....	13.0
Access to financing.....	12.4
Inefficient government bureaucracy.....	11.5
Policy instability.....	11.3
Government instability/coups.....	10.8
Inadequately educated workforce.....	7.3
Poor work ethic in national labor force.....	6.2
Inadequate supply of infrastructure.....	5.8
Restrictive labor regulations.....	4.5
Inflation.....	3.9
Tax regulations.....	3.7
Insufficient capacity to innovate.....	3.1
Poor public health.....	2.7
Tax rates.....	2.4
Crime and theft.....	0.9
Foreign currency regulations.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Bulgaria

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.5	111
1.02 Intellectual property protection .....	3.0	104
1.03 Diversion of public funds .....	2.7	106
1.04 Public trust in politicians .....	2.4	97
1.05 Irregular payments and bribes .....	4.1	63
1.06 Judicial independence .....	2.6	123
1.07 Favoritism in decisions of government officials .....	2.5	117
1.08 Wastefulness of government spending .....	3.0	86
1.09 Burden of government regulation .....	3.1	105
1.10 Efficiency of legal framework in settling disputes .....	2.9	125
1.11 Efficiency of legal framework in challenging regs. ....	2.8	122
1.12 Transparency of government policymaking .....	3.6	124
1.13 Business costs of terrorism .....	4.9	107
1.14 Business costs of crime and violence .....	3.9	108
1.15 Organized crime .....	3.8	130
1.16 Reliability of police services .....	3.4	113
1.17 Ethical behavior of firms .....	3.6	110
1.18 Strength of auditing and reporting standards .....	4.5	77
1.19 Efficacy of corporate boards .....	4.0	127
1.20 Protection of minority shareholders' interests .....	3.8	99
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.5	102
2.02 Quality of roads .....	2.9	112
2.03 Quality of railroad infrastructure .....	3.1	54
2.04 Quality of port infrastructure .....	3.9	85
2.05 Quality of air transport infrastructure .....	4.2	83
2.06 Available airline seat km/week, millions* .....	104.0	80
2.07 Quality of electricity supply .....	4.0	94
2.08 Mobile telephone subscriptions/100 pop.* .....	145.7	24
2.09 Fixed telephone lines/100 pop.* .....	30.4	36
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.5	33
3.02 Gross national savings, % GDP* .....	23.2	56
3.03 Inflation, annual % change* .....	2.4	1
3.04 General government debt, % GDP* .....	18.5	20
3.05 Country credit rating, 0–100 (best)* .....	52.3	63
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.8	59
4.04 Tuberculosis cases/100,000 pop.* .....	35.0	62
4.05 Business impact of HIV/AIDS .....	5.9	45
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	10.6	60
4.08 Life expectancy, years* .....	74.2	64
4.09 Quality of primary education .....	4.1	60
4.10 Primary education enrollment, net %* .....	98.0	34
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	88.9	74
5.02 Tertiary education enrollment, gross %* .....	56.9	44
5.03 Quality of the educational system .....	3.4	90
5.04 Quality of math and science education .....	4.3	59
5.05 Quality of management schools .....	3.6	112
5.06 Internet access in schools .....	4.7	51
5.07 Availability of research and training services .....	3.6	109
5.08 Extent of staff training .....	3.2	127
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6	101
6.02 Extent of market dominance .....	3.2	120
6.03 Effectiveness of anti-monopoly policy .....	3.3	126
6.04 Effect of taxation on incentives to invest .....	3.4	103
6.05 Total tax rate, % profits* .....	28.7	34

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	18	78
6.08 Agricultural policy costs .....	3.4	116
6.09 Prevalence of trade barriers .....	3.8	123
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.0	111
6.12 Business impact of rules on FDI .....	3.7	118
6.13 Burden of customs procedures .....	3.9	78
6.14 Imports as a percentage of GDP* .....	72.0	31
6.15 Degree of customer orientation .....	4.8	51
6.16 Buyer sophistication .....	2.9	112
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	99
7.02 Flexibility of wage determination .....	5.3	49
7.03 Hiring and firing practices .....	4.0	70
7.04 Redundancy costs, weeks of salary* .....	7.5	22
7.05 Effect of taxation on incentives to work .....	3.3	109
7.06 Pay and productivity .....	4.2	48
7.07 Reliance on professional management .....	3.7	112
7.08 Country capacity to retain talent .....	1.9	142
7.09 Country capacity to attract talent .....	1.9	144
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 .....	3.8	107
8.02 Affordability of financial services .....	3.5	124
8.03 Financing through local equity market .....	3.0	94
8.04 Ease of access to loans .....	3.3	39
8.05 Venture capital availability .....	2.7	65
8.06 Soundness of banks .....	4.8	86
8.07 Regulation of securities exchanges .....	3.4	116
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.4	99
9.02 Firm-level technology absorption .....	4.2	113
9.03 FDI and technology transfer .....	4.1	107
9.04 Individuals using Internet, %* .....	55.1	55
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	17.6	38
9.06 Int'l Internet bandwidth, kb/s per user* .....	94.4	22
9.07 Mobile broadband subscriptions/100 pop.* .....	40.3	40
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.6	64
10.02 Foreign market size index, 1–7 (best)* .....	4.8	59
10.03 GDP (PPP\$ billions)* .....	103.8	66
10.04 Exports as a percentage of GDP* .....	66.4	28
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.3	108
11.02 Local supplier quality .....	4.4	72
11.03 State of cluster development .....	3.3	108
11.04 Nature of competitive advantage .....	3.0	113
11.05 Value chain breadth .....	3.2	116
11.06 Control of international distribution .....	3.8	95
11.07 Production process sophistication .....	3.4	101
11.08 Extent of marketing .....	3.7	106
11.09 Willingness to delegate authority .....	3.2	123
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	103
12.02 Quality of scientific research institutions .....	3.6	68
12.03 Company spending on R&D .....	2.8	107
12.04 University-industry collaboration in R&D .....	3.0	117
12.05 Gov't procurement of advanced tech products .....	3.3	90
12.06 Availability of scientists and engineers .....	3.7	96
12.07 PCT patents, applications/million pop.* .....	3.7	47

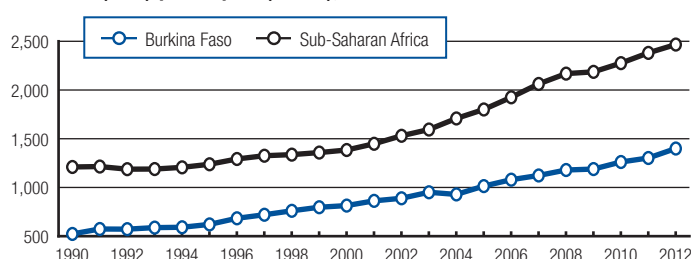
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Burkina Faso

## Key indicators, 2012

Population (millions).....	17.0
GDP (US\$ billions).....	10.5
GDP per capita (US\$).....	603
GDP (PPP) as share (%) of world total.....	0.03

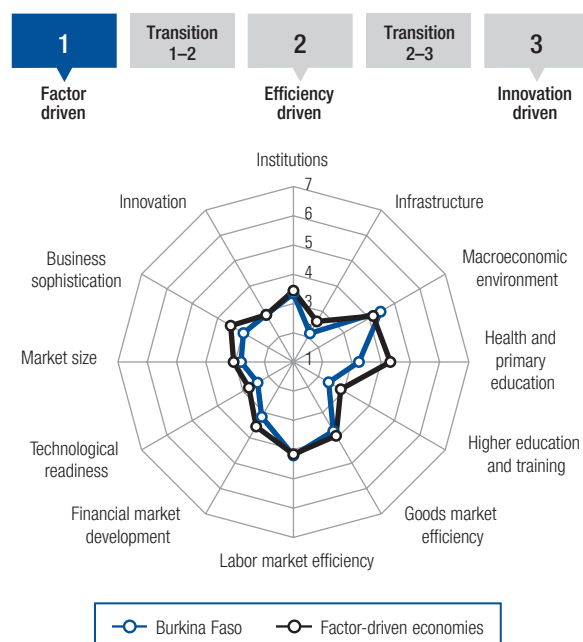
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

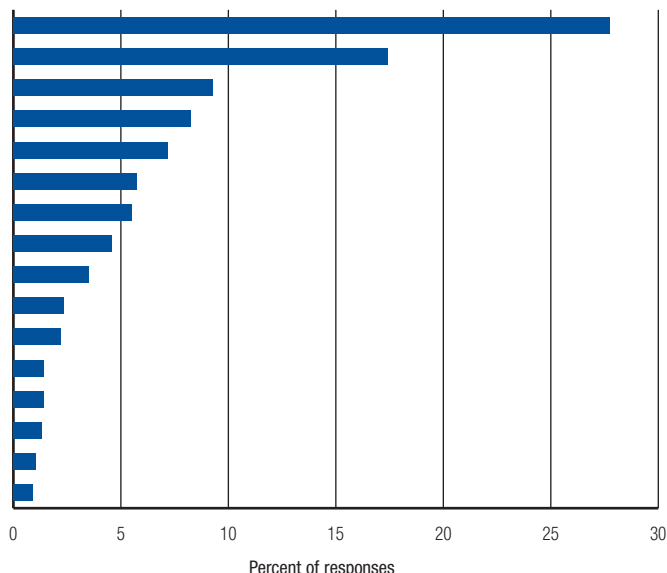
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>140</b>	<b>3.2</b>
GCI 2012–2013 (out of 144).....	133	3.3
GCI 2011–2012 (out of 142).....	136	3.3
<b>Basic requirements (60.0%)</b> .....	<b>141</b>	<b>3.3</b>
Institutions.....	115	3.3
Infrastructure.....	140	2.1
Macroeconomic environment.....	88	4.4
Health and primary education.....	143	3.2
<b>Efficiency enhancers (35.0%)</b> .....	<b>137</b>	<b>3.1</b>
Higher education and training.....	141	2.4
Goods market efficiency.....	129	3.7
Labor market efficiency.....	83	4.2
Financial market development.....	131	3.2
Technological readiness.....	143	2.4
Market size.....	113	2.8
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>130</b>	<b>2.9</b>
Business sophistication.....	142	3.0
Innovation.....	111	2.9

## Stage of development



## The most problematic factors for doing business

Access to financing.....	27.7
Corruption.....	17.4
Inadequate supply of infrastructure.....	9.3
Tax rates.....	8.2
Inadequately educated workforce.....	7.2
Tax regulations.....	5.8
Restrictive labor regulations.....	5.5
Insufficient capacity to innovate.....	4.6
Policy instability.....	3.5
Inefficient government bureaucracy.....	2.4
Foreign currency regulations.....	2.2
Inflation.....	1.4
Poor work ethic in national labor force.....	1.4
Government instability/coups.....	1.3
Poor public health.....	1.0
Crime and theft.....	0.9



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Burkina Faso

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	106
1.02 Intellectual property protection .....	3.4	88
1.03 Diversion of public funds .....	2.1	139
1.04 Public trust in politicians .....	2.4	96
1.05 Irregular payments and bribes .....	2.9	125
1.06 Judicial independence .....	2.1	142
1.07 Favoritism in decisions of government officials .....	2.8	95
1.08 Wastefulness of government spending .....	2.8	98
1.09 Burden of government regulation .....	3.7	47
1.10 Efficiency of legal framework in settling disputes .....	3.3	103
1.11 Efficiency of legal framework in challenging regs. ....	3.0	106
1.12 Transparency of government policymaking .....	3.7	114
1.13 Business costs of terrorism .....	4.4	126
1.14 Business costs of crime and violence .....	3.9	107
1.15 Organized crime .....	4.6	93
1.16 Reliability of police services .....	4.1	75
1.17 Ethical behavior of firms .....	3.6	106
1.18 Strength of auditing and reporting standards .....	4.1	100
1.19 Efficacy of corporate boards .....	4.6	64
1.20 Protection of minority shareholders' interests .....	3.6	116
1.21 Strength of investor protection, 0–10 (best)* .....	3.7	123
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.5	140
2.02 Quality of roads .....	2.6	131
2.03 Quality of railroad infrastructure .....	1.8	100
2.04 Quality of port infrastructure .....	3.5	106
2.05 Quality of air transport infrastructure .....	3.1	129
2.06 Available airline seat km/week, millions* .....	17.9	129
2.07 Quality of electricity supply .....	2.0	136
2.08 Mobile telephone subscriptions/100 pop.* .....	57.1	132
2.09 Fixed telephone lines/100 pop.* .....	0.8	132
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.1	83
3.02 Gross national savings, % GDP* .....	13.7	107
3.03 Inflation, annual % change* .....	3.6	65
3.04 General government debt, % GDP* .....	27.7	35
3.05 Country credit rating, 0–100 (best)* .....	21.7	129
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.1	137
4.02 Malaria cases/100,000 pop.* .....	31,924.2	145
4.03 Business impact of tuberculosis .....	4.5	109
4.04 Tuberculosis cases/100,000 pop.* .....	57.0	77
4.05 Business impact of HIV/AIDS .....	4.5	111
4.06 HIV prevalence, % adult pop.* .....	1.10	112
4.07 Infant mortality, deaths/1,000 live births* .....	81.6	143
4.08 Life expectancy, years* .....	55.4	131
4.09 Quality of primary education .....	2.9	121
4.10 Primary education enrollment, net %* .....	64.1	140
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	24.7	147
5.02 Tertiary education enrollment, gross %* .....	3.9	139
5.03 Quality of the educational system .....	2.7	127
5.04 Quality of math and science education .....	3.7	97
5.05 Quality of management schools .....	3.6	110
5.06 Internet access in schools .....	1.6	147
5.07 Availability of research and training services .....	3.6	112
5.08 Extent of staff training .....	2.9	142
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.4	116
6.02 Extent of market dominance .....	2.7	140
6.03 Effectiveness of anti-monopoly policy .....	3.6	110
6.04 Effect of taxation on incentives to invest .....	3.0	123
6.05 Total tax rate, % profits* .....	43.6	95

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	13	63
6.08 Agricultural policy costs .....	3.6	96
6.09 Prevalence of trade barriers .....	4.3	78
6.10 Trade tariffs, % duty* .....	10.5	114
6.11 Prevalence of foreign ownership .....	4.1	103
6.12 Business impact of rules on FDI .....	4.6	63
6.13 Burden of customs procedures .....	3.6	96
6.14 Imports as a percentage of GDP* .....	33.9	106
6.15 Degree of customer orientation .....	4.1	112
6.16 Buyer sophistication .....	2.0	147
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0	110
7.02 Flexibility of wage determination .....	5.2	62
7.03 Hiring and firing practices .....	3.9	83
7.04 Redundancy costs, weeks of salary* .....	10.5	44
7.05 Effect of taxation on incentives to work .....	3.5	89
7.06 Pay and productivity .....	3.1	133
7.07 Reliance on professional management .....	3.3	130
7.08 Country capacity to retain talent .....	2.6	120
7.09 Country capacity to attract talent .....	2.2	128
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 .....	3.2	135
8.02 Affordability of financial services .....	3.0	141
8.03 Financing through local equity market .....	2.7	111
8.04 Ease of access to loans .....	1.6	144
8.05 Venture capital availability .....	1.7	147
8.06 Soundness of banks .....	4.1	123
8.07 Regulation of securities exchanges .....	3.0	128
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.2	145
9.02 Firm-level technology absorption .....	3.7	140
9.03 FDI and technology transfer .....	4.2	99
9.04 Individuals using Internet, %* .....	3.7	138
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.1	132
9.06 Int'l Internet bandwidth, kb/s per user* .....	1.7	138
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
<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)* .....	3.4	120
10.03 GDP (PPP\$ billions)* .....	24.3	111
10.04 Exports as a percentage of GDP* .....	26.6	113
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.1	118
11.02 Local supplier quality .....	4.0	105
11.03 State of cluster development .....	2.9	137
11.04 Nature of competitive advantage .....	2.5	142
11.05 Value chain breadth .....	2.6	146
11.06 Control of international distribution .....	3.0	143
11.07 Production process sophistication .....	2.3	145
11.08 Extent of marketing .....	3.1	131
11.09 Willingness to delegate authority .....	2.0	148
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0	119
12.02 Quality of scientific research institutions .....	3.3	96
12.03 Company spending on R&D .....	2.6	120
12.04 University-industry collaboration in R&D .....	3.2	99
12.05 Gov't procurement of advanced tech products .....	3.2	94
12.06 Availability of scientists and engineers .....	3.4	115
12.07 PCT patents, applications/million pop.* .....	0.0	115

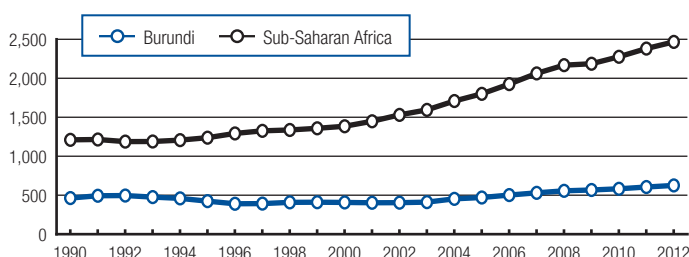
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Burundi

## Key indicators, 2012

Population (millions).....	8.6
GDP (US\$ billions).....	2.5
GDP per capita (US\$).....	282
GDP (PPP) as share (%) of world total.....	0.01

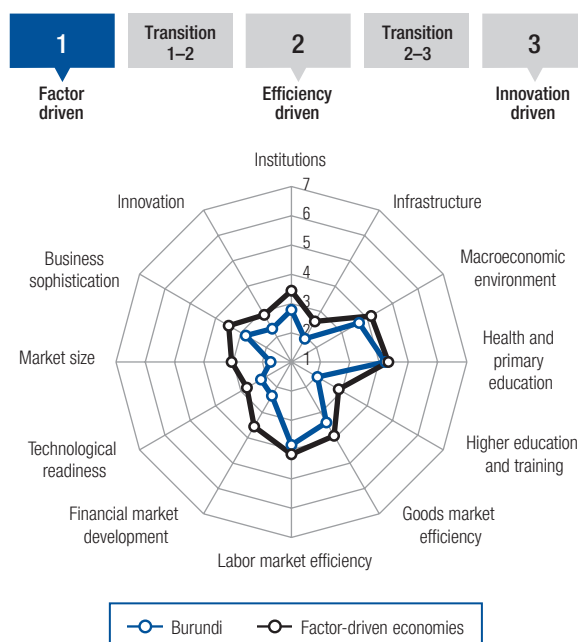
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

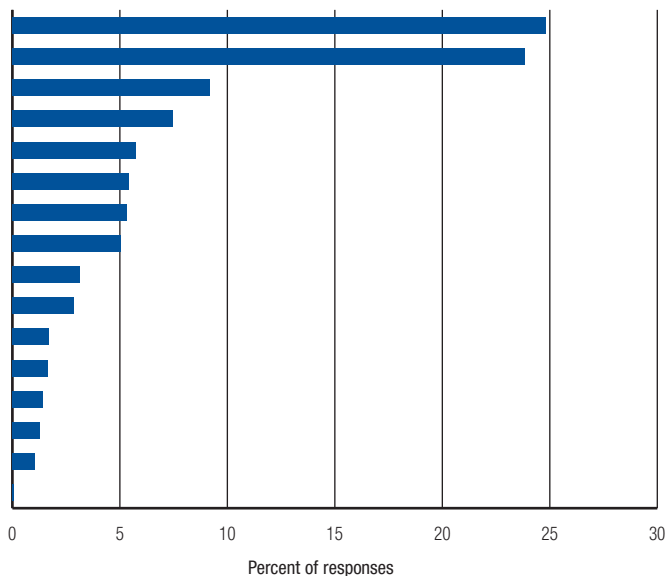
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>146</b>	<b>2.9</b>
GCI 2012–2013 (out of 144).....	144	2.8
GCI 2011–2012 (out of 142).....	140	2.9
<b>Basic requirements (60.0%)</b> .....	<b>144</b>	<b>3.1</b>
Institutions.....	144	2.8
Infrastructure.....	146	1.9
Macroeconomic environment.....	129	3.7
Health and primary education.....	130	4.2
<b>Efficiency enhancers (35.0%)</b> .....	<b>148</b>	<b>2.6</b>
Higher education and training.....	148	2.0
Goods market efficiency.....	140	3.4
Labor market efficiency.....	123	3.8
Financial market development.....	146	2.3
Technological readiness.....	146	2.2
Market size.....	144	1.7
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>145</b>	<b>2.6</b>
Business sophistication.....	148	2.8
Innovation.....	142	2.3

## Stage of development



## The most problematic factors for doing business

Access to financing.....	24.8
Corruption.....	23.8
Tax rates.....	9.2
Inflation.....	7.5
Foreign currency regulations.....	5.8
Inadequate supply of infrastructure.....	5.4
Policy instability.....	5.3
Insufficient capacity to innovate.....	5.0
Inefficient government bureaucracy.....	3.1
Inadequately educated workforce.....	2.8
Poor work ethic in national labor force.....	1.7
Crime and theft.....	1.6
Restrictive labor regulations.....	1.4
Tax regulations.....	1.3
Government instability/coups.....	1.1
Poor public health.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Burundi

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.7	141
1.02 Intellectual property protection .....	2.3	142
1.03 Diversion of public funds .....	2.2	135
1.04 Public trust in politicians .....	2.3	106
1.05 Irregular payments and bribes .....	2.5	137
1.06 Judicial independence .....	1.7	147
1.07 Favoritism in decisions of government officials .....	2.4	124
1.08 Wastefulness of government spending .....	2.2	131
1.09 Burden of government regulation .....	2.9	117
1.10 Efficiency of legal framework in settling disputes .....	2.6	136
1.11 Efficiency of legal framework in challenging regs. ....	2.5	135
1.12 Transparency of government policymaking .....	3.3	138
1.13 Business costs of terrorism .....	4.4	123
1.14 Business costs of crime and violence .....	3.8	114
1.15 Organized crime .....	4.0	125
1.16 Reliability of police services .....	2.1	147
1.17 Ethical behavior of firms .....	2.8	147
1.18 Strength of auditing and reporting standards .....	2.9	142
1.19 Efficacy of corporate boards .....	3.9	132
1.20 Protection of minority shareholders' interests .....	3.0	141
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.5	141
2.02 Quality of roads .....	3.0	108
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	2.8	130
2.05 Quality of air transport infrastructure .....	2.7	142
2.06 Available airline seat km/week, millions* .....	2.6	145
2.07 Quality of electricity supply .....	1.8	140
2.08 Mobile telephone subscriptions/100 pop.* .....	25.7	146
2.09 Fixed telephone lines/100 pop.* .....	0.2	146
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.7	52
3.02 Gross national savings, % GDP* .....	4.4	142
3.03 Inflation, annual % change* .....	11.8	137
3.04 General government debt, % GDP* .....	32.0	40
3.05 Country credit rating, 0–100 (best)* .....	13.0	143
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.8	142
4.02 Malaria cases/100,000 pop.* .....	9,688.3	125
4.03 Business impact of tuberculosis .....	3.3	144
4.04 Tuberculosis cases/100,000 pop.* .....	139.0	108
4.05 Business impact of HIV/AIDS .....	3.3	137
4.06 HIV prevalence, % adult pop.* .....	1.30	118
4.07 Infant mortality, deaths/1,000 live births* .....	86.3	144
4.08 Life expectancy, years* .....	50.3	142
4.09 Quality of primary education .....	2.2	138
4.10 Primary education enrollment, net %* .....	89.7	100
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	28.0	142
5.02 Tertiary education enrollment, gross %* .....	3.2	142
5.03 Quality of the educational system .....	2.3	143
5.04 Quality of math and science education .....	3.4	103
5.05 Quality of management schools .....	2.6	142
5.06 Internet access in schools .....	1.8	144
5.07 Availability of research and training services .....	2.5	147
5.08 Extent of staff training .....	2.6	147
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.3	146
6.02 Extent of market dominance .....	3.3	113
6.03 Effectiveness of anti-monopoly policy .....	3.1	139
6.04 Effect of taxation on incentives to invest .....	2.6	138
6.05 Total tax rate, % profits* .....	53.0	120

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	8	34
6.08 Agricultural policy costs .....	3.1	133
6.09 Prevalence of trade barriers .....	3.4	145
6.10 Trade tariffs, % duty* .....	9.3	100
6.11 Prevalence of foreign ownership .....	2.8	144
6.12 Business impact of rules on FDI .....	3.2	137
6.13 Burden of customs procedures .....	2.7	142
6.14 Imports as a percentage of GDP* .....	40.0	90
6.15 Degree of customer orientation .....	3.7	134
6.16 Buyer sophistication .....	2.1	145
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.2	143
7.02 Flexibility of wage determination .....	5.1	67
7.03 Hiring and firing practices .....	3.4	111
7.04 Redundancy costs, weeks of salary* .....	15.9	78
7.05 Effect of taxation on incentives to work .....	2.8	129
7.06 Pay and productivity .....	2.5	147
7.07 Reliance on professional management .....	2.5	144
7.08 Country capacity to retain talent .....	1.9	141
7.09 Country capacity to attract talent .....	1.9	142
7.10 Women in labor force, ratio to men* .....	1.03	3
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	2.5	146
8.02 Affordability of financial services .....	2.6	147
8.03 Financing through local equity market .....	1.8	144
8.04 Ease of access to loans .....	1.7	141
8.05 Venture capital availability .....	1.9	137
8.06 Soundness of banks .....	3.0	144
8.07 Regulation of securities exchanges .....	1.9	145
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.2	143
9.02 Firm-level technology absorption .....	3.5	143
9.03 FDI and technology transfer .....	3.4	142
9.04 Individuals using Internet, %* .....	1.2	146
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.0	146
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.9	120
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.7	140
10.02 Foreign market size index, 1–7 (best)* .....	1.7	147
10.03 GDP (PPP\$ billions)* .....	5.5	142
10.04 Exports as a percentage of GDP* .....	6.1	147
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.2	145
11.02 Local supplier quality .....	2.9	147
11.03 State of cluster development .....	2.8	141
11.04 Nature of competitive advantage .....	2.9	121
11.05 Value chain breadth .....	3.0	129
11.06 Control of international distribution .....	3.1	140
11.07 Production process sophistication .....	2.3	148
11.08 Extent of marketing .....	2.3	148
11.09 Willingness to delegate authority .....	2.8	139
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.2	148
12.02 Quality of scientific research institutions .....	2.4	138
12.03 Company spending on R&D .....	2.2	139
12.04 University-industry collaboration in R&D .....	2.5	136
12.05 Gov't procurement of advanced tech products .....	2.6	138
12.06 Availability of scientists and engineers .....	3.3	119
12.07 PCT patents, applications/million pop.* .....	0.0	126

**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 97.

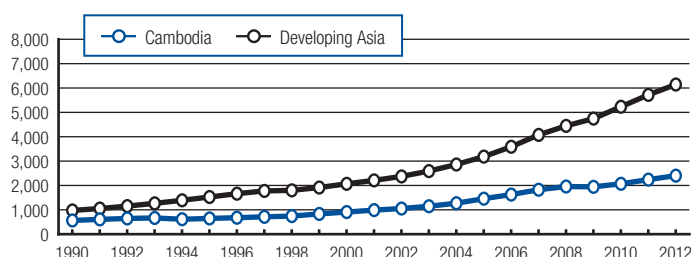


# Cambodia

## Key indicators, 2012

Population (millions).....	14.3
GDP (US\$ billions).....	14.2
GDP per capita (US\$).....	934
GDP (PPP) as share (%) of world total.....	0.04

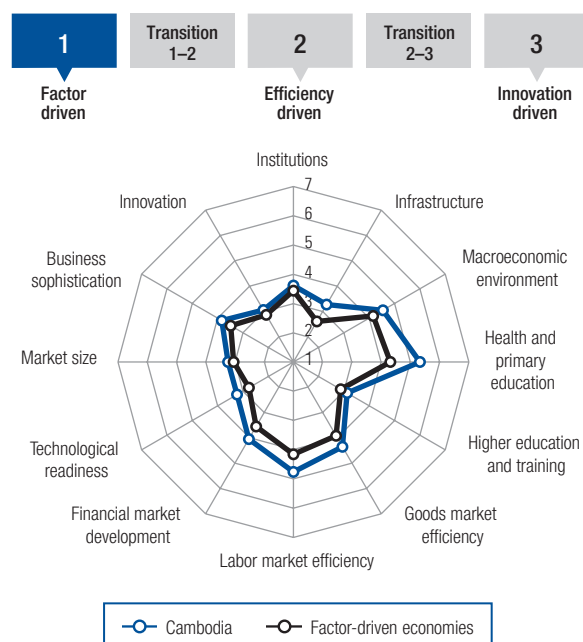
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

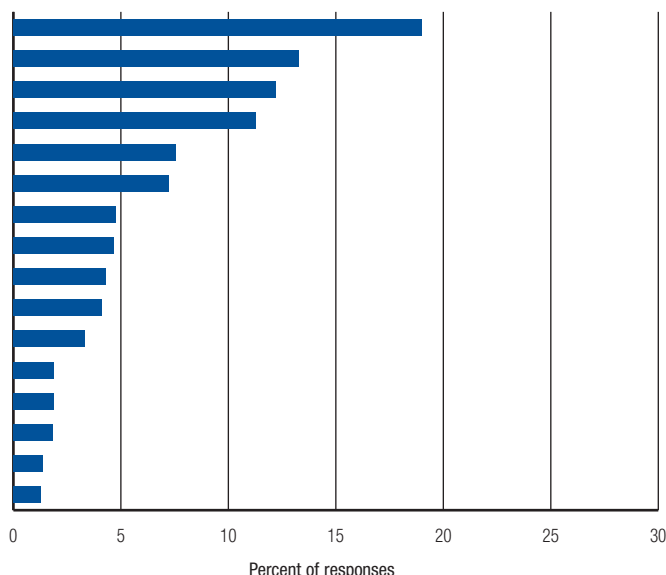
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>88</b>	<b>4.0</b>
GCI 2012–2013 (out of 144).....	85	4.0
GCI 2011–2012 (out of 142).....	97	3.9
<b>Basic requirements (60.0%)</b> .....	<b>99</b>	<b>4.2</b>
Institutions.....	91	3.6
Infrastructure.....	101	3.3
Macroeconomic environment.....	83	4.5
Health and primary education.....	99	5.3
<b>Efficiency enhancers (35.0%)</b> .....	<b>91</b>	<b>3.8</b>
Higher education and training.....	116	3.1
Goods market efficiency.....	55	4.3
Labor market efficiency.....	27	4.8
Financial market development.....	65	4.0
Technological readiness.....	97	3.2
Market size.....	92	3.2
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>83</b>	<b>3.4</b>
Business sophistication.....	86	3.8
Innovation.....	91	3.0

## Stage of development



## The most problematic factors for doing business

Corruption.....	19.0
Inefficient government bureaucracy.....	13.3
Inadequately educated workforce.....	12.2
Inadequate supply of infrastructure.....	11.3
Policy instability.....	7.5
Access to financing.....	7.2
Tax regulations.....	4.8
Insufficient capacity to innovate.....	4.7
Poor work ethic in national labor force.....	4.3
Poor public health.....	4.1
Inflation.....	3.3
Foreign currency regulations.....	1.9
Tax rates.....	1.9
Crime and theft.....	1.8
Restrictive labor regulations.....	1.4
Government instability/coups.....	1.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Cambodia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.6	108
1.02 Intellectual property protection .....	3.2	99
1.03 Diversion of public funds .....	3.1	81
1.04 Public trust in politicians .....	3.1	61
1.05 Irregular payments and bribes .....	2.9	124
1.06 Judicial independence .....	2.8	115
1.07 Favoritism in decisions of government officials .....	3.1	70
1.08 Wastefulness of government spending .....	3.2	73
1.09 Burden of government regulation .....	3.5	70
1.10 Efficiency of legal framework in settling disputes .....	3.5	83
1.11 Efficiency of legal framework in challenging regs. ....	3.5	72
1.12 Transparency of government policymaking .....	3.6	119
1.13 Business costs of terrorism .....	5.3	87
1.14 Business costs of crime and violence .....	4.5	78
1.15 Organized crime .....	5.1	69
1.16 Reliability of police services .....	3.3	115
1.17 Ethical behavior of firms .....	3.8	80
1.18 Strength of auditing and reporting standards .....	3.9	116
1.19 Efficacy of corporate boards .....	4.5	73
1.20 Protection of minority shareholders' interests .....	3.9	86
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.9	86
2.02 Quality of roads .....	3.7	80
2.03 Quality of railroad infrastructure .....	2.0	91
2.04 Quality of port infrastructure .....	4.0	81
2.05 Quality of air transport infrastructure .....	4.1	90
2.06 Available airline seat km/week, millions* .....	75.4	88
2.07 Quality of electricity supply .....	3.2	112
2.08 Mobile telephone subscriptions/100 pop.* .....	132.0	38
2.09 Fixed telephone lines/100 pop.* .....	4.0	110
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.2	85
3.02 Gross national savings, % GDP* .....	13.5	109
3.03 Inflation, annual % change* .....	2.9	44
3.04 General government debt, % GDP* .....	28.5	37
3.05 Country credit rating, 0–100 (best)* .....	27.8	115
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.6	111
4.02 Malaria cases/100,000 pop.* .....	1,337.4	114
4.03 Business impact of tuberculosis .....	4.4	113
4.04 Tuberculosis cases/100,000 pop.* .....	424.0	137
4.05 Business impact of HIV/AIDS .....	4.6	105
4.06 HIV prevalence, % adult pop.* .....	0.60	92
4.07 Infant mortality, deaths/1,000 live births* .....	36.2	108
4.08 Life expectancy, years* .....	63.0	116
4.09 Quality of primary education .....	3.2	106
4.10 Primary education enrollment, net %* .....	98.2	31
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	44.4	125
5.02 Tertiary education enrollment, gross %* .....	14.5	104
5.03 Quality of the educational system .....	3.6	76
5.04 Quality of math and science education .....	3.5	102
5.05 Quality of management schools .....	3.7	108
5.06 Internet access in schools .....	3.8	89
5.07 Availability of research and training services .....	3.9	90
5.08 Extent of staff training .....	4.0	66
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9	78
6.02 Extent of market dominance .....	3.8	71
6.03 Effectiveness of anti-monopoly policy .....	4.3	63
6.04 Effect of taxation on incentives to invest .....	4.4	25
6.05 Total tax rate, % profits* .....	22.5	15

INDICATOR	VALUE	RANK/148
<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* .....	85	138
6.08 Agricultural policy costs .....	4.0	57
6.09 Prevalence of trade barriers .....	4.3	80
6.10 Trade tariffs, % duty* .....	9.7	105
6.11 Prevalence of foreign ownership .....	4.6	75
6.12 Business impact of rules on FDI .....	5.0	30
6.13 Burden of customs procedures .....	3.5	101
6.14 Imports as a percentage of GDP* .....	88.0	13
6.15 Degree of customer orientation .....	4.6	61
6.16 Buyer sophistication .....	3.5	62
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.3	68
7.02 Flexibility of wage determination .....	5.1	71
7.03 Hiring and firing practices .....	4.7	15
7.04 Redundancy costs, weeks of salary* .....	19.4	93
7.05 Effect of taxation on incentives to work .....	4.2	30
7.06 Pay and productivity .....	4.4	32
7.07 Reliance on professional management .....	4.1	78
7.08 Country capacity to retain talent .....	3.9	44
7.09 Country capacity to attract talent .....	3.8	51
7.10 Women in labor force, ratio to men* .....	0.93	16
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.3	81
8.02 Affordability of financial services .....	4.1	71
8.03 Financing through local equity market .....	2.6	113
8.04 Ease of access to loans .....	3.0	56
8.05 Venture capital availability .....	3.0	43
8.06 Soundness of banks .....	4.8	84
8.07 Regulation of securities exchanges .....	3.5	113
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.7	82
9.02 Firm-level technology absorption .....	4.6	82
9.03 FDI and technology transfer .....	4.9	44
9.04 Individuals using Internet, %* .....	4.9	132
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.2	122
9.06 Int'l Internet bandwidth, kb/s per user* .....	14.0	86
9.07 Mobile broadband subscriptions/100 pop.* .....	6.9	91
<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)* .....	4.2	81
10.03 GDP (PPP\$ billions)* .....	36.6	98
10.04 Exports as a percentage of GDP* .....	76.2	20
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.2	111
11.02 Local supplier quality .....	3.9	113
11.03 State of cluster development .....	4.1	44
11.04 Nature of competitive advantage .....	3.2	97
11.05 Value chain breadth .....	3.7	71
11.06 Control of international distribution .....	3.9	80
11.07 Production process sophistication .....	3.5	95
11.08 Extent of marketing .....	4.0	79
11.09 Willingness to delegate authority .....	3.7	73
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	71
12.02 Quality of scientific research institutions .....	3.2	101
12.03 Company spending on R&D .....	3.2	57
12.04 University-industry collaboration in R&D .....	3.2	105
12.05 Gov't procurement of advanced tech products .....	3.7	46
12.06 Availability of scientists and engineers .....	3.4	110
12.07 PCT patents, applications/million pop.* .....	0.0	126

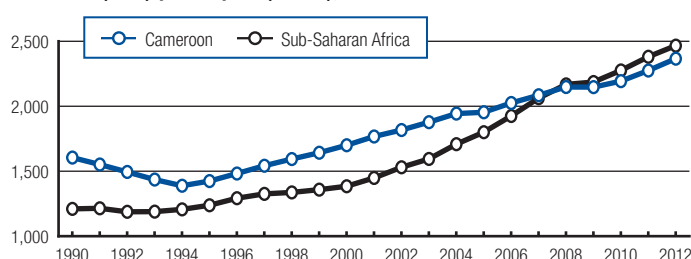
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Cameroon

## Key indicators, 2012

Population (millions).....	20.0
GDP (US\$ billions).....	25.0
GDP per capita (US\$).....	1,165
GDP (PPP) as share (%) of world total.....	0.06

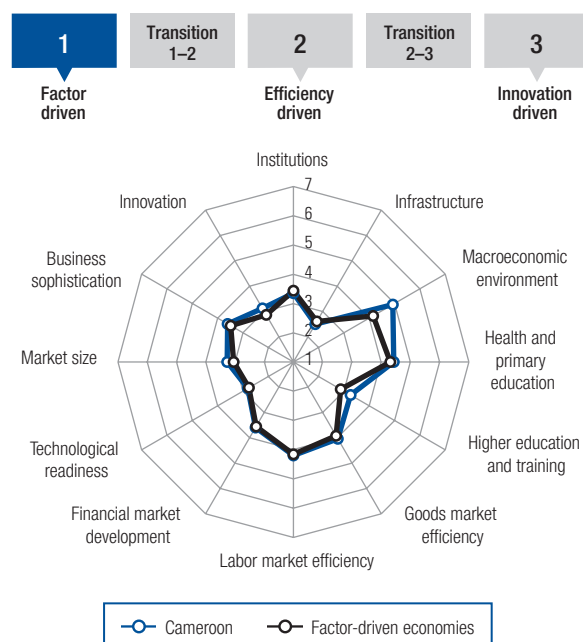
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

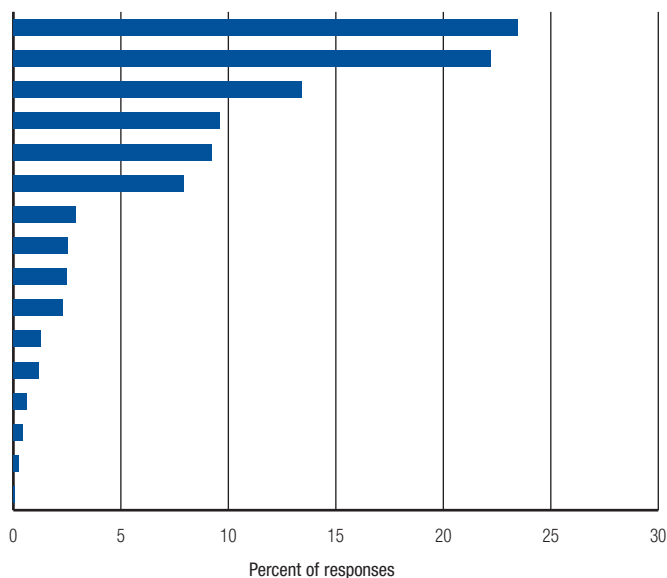
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>115</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	112	3.7
GCI 2011–2012 (out of 142).....	116	3.6
<b>Basic requirements (60.0%)</b> .....	<b>117</b>	<b>3.8</b>
Institutions.....	112	3.3
Infrastructure.....	128	2.5
Macroeconomic environment.....	60	4.9
Health and primary education.....	124	4.4
<b>Efficiency enhancers (35.0%)</b> .....	<b>113</b>	<b>3.5</b>
Higher education and training.....	112	3.3
Goods market efficiency.....	100	4.0
Labor market efficiency.....	82	4.2
Financial market development.....	107	3.6
Technological readiness.....	121	2.8
Market size.....	91	3.3
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>96</b>	<b>3.4</b>
Business sophistication.....	105	3.6
Innovation.....	80	3.1

## Stage of development



## The most problematic factors for doing business

Corruption.....	23.5
Access to financing.....	22.2
Inadequate supply of infrastructure.....	13.4
Tax regulations.....	9.6
Inefficient government bureaucracy.....	9.2
Tax rates.....	7.9
Poor work ethic in national labor force.....	2.9
Insufficient capacity to innovate.....	2.6
Crime and theft.....	2.5
Restrictive labor regulations.....	2.3
Foreign currency regulations.....	1.3
Inflation.....	1.2
Inadequately educated workforce.....	0.6
Poor public health.....	0.5
Policy instability.....	0.3
Government instability/coups.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Cameroon

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8	91
1.02 Intellectual property protection .....	3.2	100
1.03 Diversion of public funds .....	2.0	140
1.04 Public trust in politicians .....	2.1	122
1.05 Irregular payments and bribes .....	2.8	131
1.06 Judicial independence .....	2.3	136
1.07 Favoritism in decisions of government officials .....	2.4	121
1.08 Wastefulness of government spending .....	2.4	121
1.09 Burden of government regulation .....	3.4	77
1.10 Efficiency of legal framework in settling disputes .....	3.3	102
1.11 Efficiency of legal framework in challenging regs. ....	3.0	103
1.12 Transparency of government policymaking .....	4.3	55
1.13 Business costs of terrorism .....	5.0	99
1.14 Business costs of crime and violence .....	4.3	91
1.15 Organized crime .....	4.6	97
1.16 Reliability of police services .....	4.3	69
1.17 Ethical behavior of firms .....	3.5	116
1.18 Strength of auditing and reporting standards .....	4.8	132
1.19 Efficacy of corporate boards .....	3.7	55
1.20 Protection of minority shareholders' interests .....	4.0	81
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.1	128
2.02 Quality of roads .....	2.8	116
2.03 Quality of railroad infrastructure .....	2.5	77
2.04 Quality of port infrastructure .....	3.7	100
2.05 Quality of air transport infrastructure .....	3.5	112
2.06 Available airline seat km/week, millions* .....	50.2	98
2.07 Quality of electricity supply .....	2.6	124
2.08 Mobile telephone subscriptions/100 pop.* .....	64.0	127
2.09 Fixed telephone lines/100 pop.* .....	3.6	112
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.9	40
3.02 Gross national savings, % GDP* .....	15.3	95
3.03 Inflation, annual % change* .....	3.0	49
3.04 General government debt, % GDP* .....	14.9	15
3.05 Country credit rating, 0–100 (best)* .....	23.9	122
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.4	128
4.02 Malaria cases/100,000 pop.* .....	24,202.5	134
4.03 Business impact of tuberculosis .....	4.1	123
4.04 Tuberculosis cases/100,000 pop.* .....	243.0	128
4.05 Business impact of HIV/AIDS .....	4.0	124
4.06 HIV prevalence, % adult pop.* .....	4.60	134
4.07 Infant mortality, deaths/1,000 live births* .....	79.2	141
4.08 Life expectancy, years* .....	51.6	138
4.09 Quality of primary education .....	3.6	88
4.10 Primary education enrollment, net %* .....	91.9	93
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	51.3	120
5.02 Tertiary education enrollment, gross %* .....	12.4	108
5.03 Quality of the educational system .....	3.9	60
5.04 Quality of math and science education .....	4.1	72
5.05 Quality of management schools .....	4.6	48
5.06 Internet access in schools .....	2.3	135
5.07 Availability of research and training services .....	4.1	75
5.08 Extent of staff training .....	3.9	78
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	92
6.02 Extent of market dominance .....	4.2	42
6.03 Effectiveness of anti-monopoly policy .....	4.3	54
6.04 Effect of taxation on incentives to invest .....	3.1	120
6.05 Total tax rate, % profits* .....	49.1	111

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	15	70
6.08 Agricultural policy costs .....	3.7	88
6.09 Prevalence of trade barriers .....	4.2	86
6.10 Trade tariffs, % duty* .....	14.9	136
6.11 Prevalence of foreign ownership .....	5.4	24
6.12 Business impact of rules on FDI .....	4.9	40
6.13 Burden of customs procedures .....	4.0	77
6.14 Imports as a percentage of GDP* .....	32.5	114
6.15 Degree of customer orientation .....	4.1	117
6.16 Buyer sophistication .....	3.0	108
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.7	126
7.02 Flexibility of wage determination .....	4.5	107
7.03 Hiring and firing practices .....	4.7	18
7.04 Redundancy costs, weeks of salary* .....	15.3	74
7.05 Effect of taxation on incentives to work .....	3.3	103
7.06 Pay and productivity .....	3.3	124
7.07 Reliance on professional management .....	3.9	93
7.08 Country capacity to retain talent .....	2.9	106
7.09 Country capacity to attract talent .....	2.8	104
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 .....	3.9	103
8.02 Affordability of financial services .....	3.7	107
8.03 Financing through local equity market .....	3.0	96
8.04 Ease of access to loans .....	2.4	101
8.05 Venture capital availability .....	2.2	112
8.06 Soundness of banks .....	4.8	81
8.07 Regulation of securities exchanges .....	3.0	126
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.2	111
9.02 Firm-level technology absorption .....	4.4	94
9.03 FDI and technology transfer .....	4.6	69
9.04 Individuals using Internet, %* .....	5.7	130
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.0	145
9.06 Int'l Internet bandwidth, kb/s per user* .....	0.3	146
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.1	86
10.02 Foreign market size index, 1–7 (best)* .....	3.7	104
10.03 GDP (PPP\$ billions)* .....	50.8	88
10.04 Exports as a percentage of GDP* .....	22.5	128
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	97
11.02 Local supplier quality .....	3.9	110
11.03 State of cluster development .....	3.5	93
11.04 Nature of competitive advantage .....	2.8	125
11.05 Value chain breadth .....	3.8	65
11.06 Control of international distribution .....	3.3	131
11.07 Production process sophistication .....	3.3	104
11.08 Extent of marketing .....	3.6	111
11.09 Willingness to delegate authority .....	3.4	97
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1	105
12.02 Quality of scientific research institutions .....	3.3	93
12.03 Company spending on R&D .....	2.9	89
12.04 University-industry collaboration in R&D .....	3.0	115
12.05 Gov't procurement of advanced tech products .....	3.9	38
12.06 Availability of scientists and engineers .....	4.4	51
12.07 PCT patents, applications/million pop.* .....	0.2	89

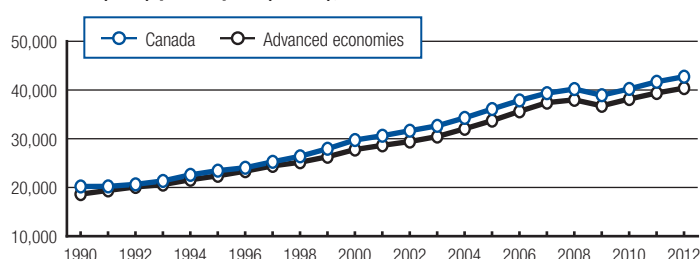
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Canada

## Key indicators, 2012

Population (millions).....	34.5
GDP (US\$ billions).....	1,819.1
GDP per capita (US\$).....	52,232
GDP (PPP) as share (%) of world total.....	1.79

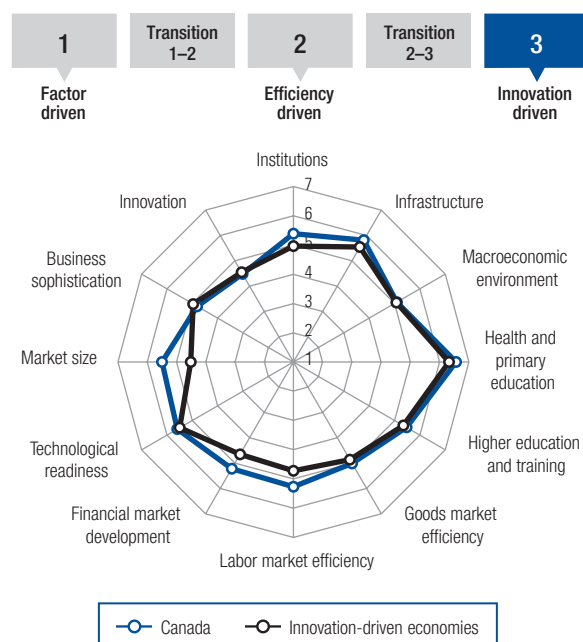
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

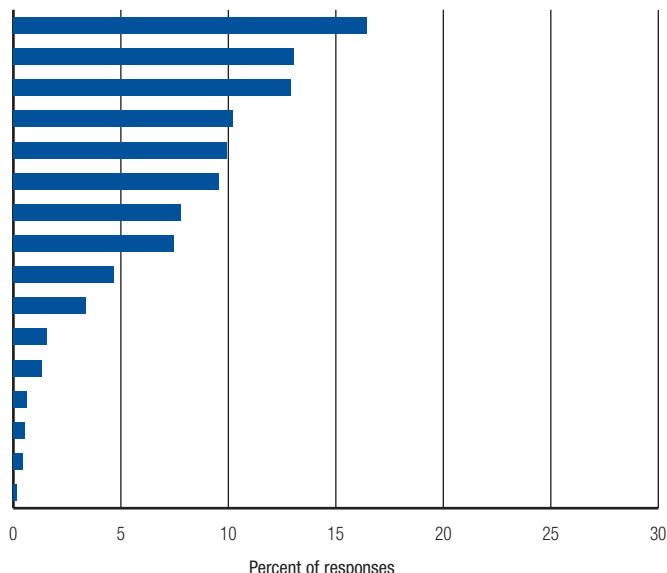
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>14</b>	<b>5.2</b>
GCI 2012–2013 (out of 144).....	14	5.3
GCI 2011–2012 (out of 142).....	12	5.3
<b>Basic requirements (20.0%)</b> .....	<b>15</b>	<b>5.7</b>
Institutions.....	14	5.4
Infrastructure.....	12	5.8
Macroeconomic environment.....	50	5.1
Health and primary education.....	7	6.6
<b>Efficiency enhancers (50.0%)</b> .....	<b>6</b>	<b>5.3</b>
Higher education and training.....	16	5.5
Goods market efficiency.....	17	5.0
Labor market efficiency.....	7	5.3
Financial market development.....	12	5.2
Technological readiness.....	21	5.6
Market size.....	13	5.5
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>25</b>	<b>4.6</b>
Business sophistication.....	25	4.8
Innovation.....	21	4.5

## Stage of development



## The most problematic factors for doing business

Access to financing.....	16.5
Insufficient capacity to innovate.....	13.0
Inefficient government bureaucracy.....	12.9
Tax regulations.....	10.2
Tax rates.....	9.9
Restrictive labor regulations.....	9.5
Inadequate supply of infrastructure.....	7.8
Inadequately educated workforce.....	7.5
Poor work ethic in national labor force.....	4.7
Policy instability.....	3.4
Foreign currency regulations.....	1.6
Corruption.....	1.3
Crime and theft.....	0.6
Inflation.....	0.5
Poor public health.....	0.4
Government instability/coups.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## Canada

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148	INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>			<b>6th pillar: Goods market efficiency (cont'd.)</b>		
1.01 Property rights .....	6.0	6	6.06 No. procedures to start a business* .....	1	1
1.02 Intellectual property protection .....	5.6	13	6.07 No. days to start a business* .....	5	10
1.03 Diversion of public funds .....	5.3	19	6.08 Agricultural policy costs .....	4.1	43
1.04 Public trust in politicians .....	4.5	15	6.09 Prevalence of trade barriers .....	4.4	65
1.05 Irregular payments and bribes .....	5.8	18	6.10 Trade tariffs, % duty* .....	2.6	38
1.06 Judicial independence .....	6.2	10	6.11 Prevalence of foreign ownership .....	5.6	12
1.07 Favoritism in decisions of government officials .....	4.2	20	6.12 Business impact of rules on FDI .....	4.7	58
1.08 Wastefulness of government spending .....	4.1	24	6.13 Burden of customs procedures .....	4.8	36
1.09 Burden of government regulation .....	3.7	62	6.14 Imports as a percentage of GDP* .....	31.9	118
1.10 Efficiency of legal framework in settling disputes .....	5.4	11	6.15 Degree of customer orientation .....	5.3	28
1.11 Efficiency of legal framework in challenging regs. ....	4.8	15	6.16 Buyer sophistication .....	4.4	15
1.12 Transparency of government policymaking .....	5.1	16	<b>7th pillar: Labor market efficiency</b>		
1.13 Business costs of terrorism .....	5.2	88	7.01 Cooperation in labor-employer relations .....	4.9	31
1.14 Business costs of crime and violence .....	5.3	40	7.02 Flexibility of wage determination .....	5.5	30
1.15 Organized crime .....	5.5	53	7.03 Hiring and firing practices .....	4.7	16
1.16 Reliability of police services .....	6.0	14	7.04 Redundancy costs, weeks of salary* .....	10.0	39
1.17 Ethical behavior of firms .....	5.7	13	7.05 Effect of taxation on incentives to work .....	4.3	28
1.18 Strength of auditing and reporting standards .....	6.0	9	7.06 Pay and productivity .....	4.5	28
1.19 Efficacy of corporate boards .....	5.3	14	7.07 Reliance on professional management .....	5.9	10
1.20 Protection of minority shareholders' interests .....	5.2	16	7.08 Country capacity to retain talent .....	4.6	19
1.21 Strength of investor protection, 0–10 (best)* .....	8.7	4	7.09 Country capacity to attract talent .....	5.1	9
<b>2nd pillar: Infrastructure</b>			7.10 Women in labor force, ratio to men* .....	0.91	27
2.01 Quality of overall infrastructure .....	5.8	15	<b>8th pillar: Financial market development</b>		
2.02 Quality of roads .....	5.6	19	8.01 Availability of financial services .....	6.1	9
2.03 Quality of railroad infrastructure .....	5.0	16	8.02 Affordability of financial services .....	5.6	11
2.04 Quality of port infrastructure .....	5.5	20	8.03 Financing through local equity market .....	4.7	15
2.05 Quality of air transport infrastructure .....	5.9	19	8.04 Ease of access to loans .....	3.6	26
2.06 Available airline seat km/week, millions* .....	3,364.6	12	8.05 Venture capital availability .....	3.4	23
2.07 Quality of electricity supply .....	6.5	16	8.06 Soundness of banks .....	6.7	1
2.08 Mobile telephone subscriptions/100 pop.* .....	75.7	119	8.07 Regulation of securities exchanges .....	5.4	16
2.09 Fixed telephone lines/100 pop.* .....	51.9	11	8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>3rd pillar: Macroeconomic environment</b>			<b>9th pillar: Technological readiness</b>		
3.01 Government budget balance, % GDP* .....	-3.2	86	9.01 Availability of latest technologies .....	6.1	19
3.02 Gross national savings, % GDP* .....	20.8	67	9.02 Firm-level technology absorption .....	5.4	34
3.03 Inflation, annual % change* .....	1.5	1	9.03 FDI and technology transfer .....	4.8	52
3.04 General government debt, % GDP* .....	85.6	133	9.04 Individuals using Internet, %* .....	86.8	12
3.05 Country credit rating, 0–100 (best)* .....	92.4	5	9.05 Fixed broadband Internet subscriptions/100 pop.* .....	32.9	11
<b>4th pillar: Health and primary education</b>			9.06 Int'l Internet bandwidth, kb/s per user* .....	101.0	18
4.01 Business impact of malaria .....	N/Apl.	1	9.07 Mobile broadband subscriptions/100 pop.* .....	50.0	31
4.02 Malaria cases/100,000 pop.* .....	(NE)	1	<b>10th pillar: Market size</b>		
4.03 Business impact of tuberculosis .....	6.5	17	10.01 Domestic market size index, 1–7 (best)* .....	5.4	13
4.04 Tuberculosis cases/100,000 pop.* .....	4.5	11	10.02 Foreign market size index, 1–7 (best)* .....	5.8	21
4.05 Business impact of HIV/AIDS .....	6.1	29	10.03 GDP (PPP\$ billions)* .....	1,488.3	13
4.06 HIV prevalence, % adult pop.* .....	0.30	60	10.04 Exports as a percentage of GDP* .....	29.3	100
4.07 Infant mortality, deaths/1,000 live births* .....	4.9	33	<b>11th pillar: Business sophistication</b>		
4.08 Life expectancy, years* .....	80.9	17	11.01 Local supplier quantity .....	5.0	36
4.09 Quality of primary education .....	5.5	13	11.02 Local supplier quality .....	5.5	12
4.10 Primary education enrollment, net %* .....	99.8	3	11.03 State of cluster development .....	4.8	18
<b>5th pillar: Higher education and training</b>			11.04 Nature of competitive advantage .....	3.8	52
5.01 Secondary education enrollment, gross %* .....	101.5	32	11.05 Value chain breadth .....	3.9	57
5.02 Tertiary education enrollment, gross %* .....	59.3	38	11.06 Control of international distribution .....	4.3	44
5.03 Quality of the educational system .....	5.2	10	11.07 Production process sophistication .....	5.1	23
5.04 Quality of math and science education .....	5.2	17	11.08 Extent of marketing .....	5.2	23
5.05 Quality of management schools .....	5.7	7	11.09 Willingness to delegate authority .....	5.0	11
5.06 Internet access in schools .....	6.1	11	<b>12th pillar: Innovation</b>		
5.07 Availability of research and training services .....	5.4	18	12.01 Capacity for innovation .....	4.3	27
5.08 Extent of staff training .....	4.5	34	12.02 Quality of scientific research institutions .....	5.5	16
<b>6th pillar: Goods market efficiency</b>			12.03 Company spending on R&D .....	3.8	29
6.01 Intensity of local competition .....	5.4	33	12.04 University-industry collaboration in R&D .....	4.9	18
6.02 Extent of market dominance .....	4.7	20	12.05 Gov't procurement of advanced tech products .....	3.6	55
6.03 Effectiveness of anti-monopoly policy .....	4.5	39	12.06 Availability of scientists and engineers .....	5.2	9
6.04 Effect of taxation on incentives to invest .....	4.4	26	12.07 PCT patents, applications/million pop.* .....	81.3	20
6.05 Total tax rate, % profits* .....	26.9	25			

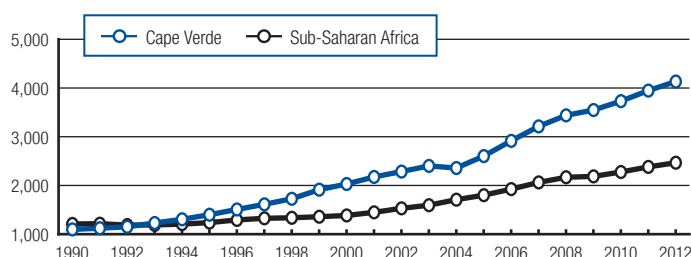
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Cape Verde

## Key indicators, 2012

Population (millions).....	0.5
GDP (US\$ billions).....	1.9
GDP per capita (US\$).....	3,604
GDP (PPP) as share (%) of world total.....	0.00

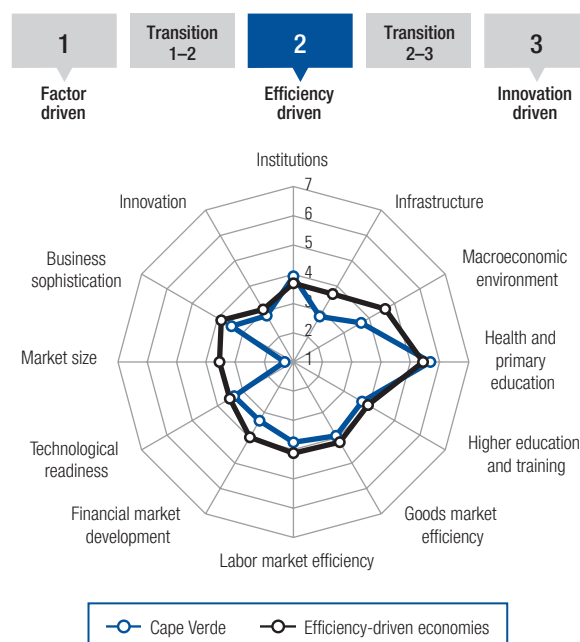
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

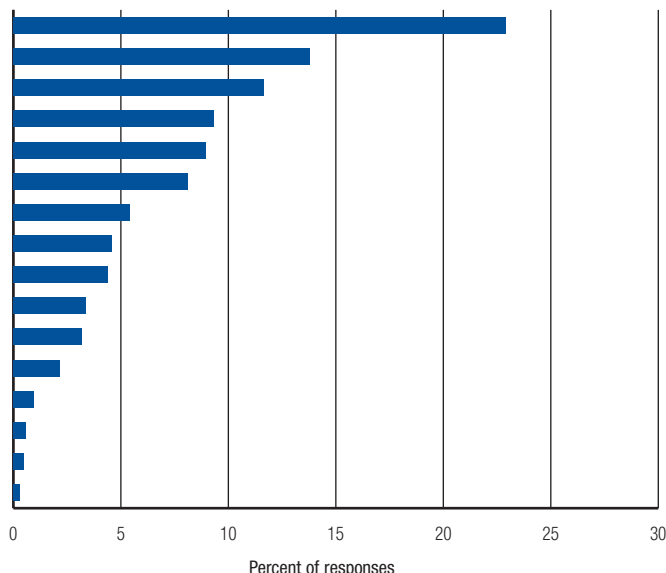
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>122</b>	<b>3.5</b>
GCI 2012–2013 (out of 144).....	122	3.5
GCI 2011–2012 (out of 142).....	119	3.6
<b>Basic requirements (40.0%)</b> .....	<b>103</b>	<b>4.0</b>
Institutions.....	69	3.9
Infrastructure.....	116	2.8
Macroeconomic environment.....	128	3.7
Health and primary education.....	75	5.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>130</b>	<b>3.2</b>
Higher education and training.....	94	3.7
Goods market efficiency.....	112	3.9
Labor market efficiency.....	129	3.7
Financial market development.....	127	3.3
Technological readiness.....	91	3.3
Market size.....	148	1.3
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>118</b>	<b>3.1</b>
Business sophistication.....	121	3.4
Innovation.....	116	2.8

## Stage of development



## The most problematic factors for doing business

Access to financing.....	22.9
Tax rates.....	13.8
Inefficient government bureaucracy.....	11.6
Inadequately educated workforce.....	9.3
Inadequate supply of infrastructure.....	8.9
Tax regulations.....	8.1
Restrictive labor regulations.....	5.4
Insufficient capacity to innovate.....	4.6
Poor work ethic in national labor force.....	4.4
Crime and theft.....	3.4
Corruption.....	3.2
Inflation.....	2.1
Poor public health.....	0.9
Policy instability.....	0.6
Foreign currency regulations.....	0.5
Government instability/coups.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Cape Verde

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	90
1.02 Intellectual property protection .....	3.0	105
1.03 Diversion of public funds .....	3.9	45
1.04 Public trust in politicians .....	3.6	38
1.05 Irregular payments and bribes .....	4.6	46
1.06 Judicial independence .....	4.1	53
1.07 Favoritism in decisions of government officials .....	3.3	57
1.08 Wastefulness of government spending .....	3.4	61
1.09 Burden of government regulation .....	3.7	46
1.10 Efficiency of legal framework in settling disputes .....	3.7	72
1.11 Efficiency of legal framework in challenging regs. ....	3.5	64
1.12 Transparency of government policymaking .....	4.2	68
1.13 Business costs of terrorism .....	5.5	72
1.14 Business costs of crime and violence .....	3.9	109
1.15 Organized crime .....	4.4	104
1.16 Reliability of police services .....	4.4	63
1.17 Ethical behavior of firms .....	4.2	52
1.18 Strength of auditing and reporting standards .....	3.8	119
1.19 Efficacy of corporate boards .....	4.0	121
1.20 Protection of minority shareholders' interests .....	3.8	98
1.21 Strength of investor protection, 0–10 (best)* .....	4.0	116
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.6	100
2.02 Quality of roads .....	4.1	68
2.03 Quality of railroad infrastructure .....	N/Apl.	n/a
2.04 Quality of port infrastructure .....	3.8	91
2.05 Quality of air transport infrastructure .....	4.0	95
2.06 Available airline seat km/week, millions* .....	40.4	107
2.07 Quality of electricity supply .....	1.9	139
2.08 Mobile telephone subscriptions/100 pop.* .....	84.2	113
2.09 Fixed telephone lines/100 pop.* .....	13.9	83
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-7.5	136
3.02 Gross national savings, % GDP* .....	21.8	61
3.03 Inflation, annual % change* .....	2.5	1
3.04 General government debt, % GDP* .....	103.4	139
3.05 Country credit rating, 0–100 (best)* .....	31.8	102
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.4	95
4.02 Malaria cases/100,000 pop.* .....	28.0	91
4.03 Business impact of tuberculosis .....	5.1	90
4.04 Tuberculosis cases/100,000 pop.* .....	145.0	109
4.05 Business impact of HIV/AIDS .....	5.1	87
4.06 HIV prevalence, % adult pop.* .....	1.00	107
4.07 Infant mortality, deaths/1,000 live births* .....	18.2	85
4.08 Life expectancy, years* .....	73.9	70
4.09 Quality of primary education .....	3.9	73
4.10 Primary education enrollment, net %* .....	93.5	78
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	89.7	72
5.02 Tertiary education enrollment, gross %* .....	20.4	92
5.03 Quality of the educational system .....	3.9	61
5.04 Quality of math and science education .....	3.5	100
5.05 Quality of management schools .....	3.5	116
5.06 Internet access in schools .....	3.8	91
5.07 Availability of research and training services .....	3.4	124
5.08 Extent of staff training .....	3.4	118
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.3	122
6.02 Extent of market dominance .....	3.9	63
6.03 Effectiveness of anti-monopoly policy .....	3.7	102
6.04 Effect of taxation on incentives to invest .....	3.3	109
6.05 Total tax rate, % profits* .....	37.2	72

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	11	54
6.08 Agricultural policy costs .....	3.9	68
6.09 Prevalence of trade barriers .....	3.8	127
6.10 Trade tariffs, % duty* .....	10.1	107
6.11 Prevalence of foreign ownership .....	4.5	81
6.12 Business impact of rules on FDI .....	4.4	87
6.13 Burden of customs procedures .....	3.3	120
6.14 Imports as a percentage of GDP* .....	55.4	52
6.15 Degree of customer orientation .....	3.6	139
6.16 Buyer sophistication .....	2.9	111
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.8	118
7.02 Flexibility of wage determination .....	5.2	57
7.03 Hiring and firing practices .....	3.5	104
7.04 Redundancy costs, weeks of salary* .....	29.5	127
7.05 Effect of taxation on incentives to work .....	3.4	97
7.06 Pay and productivity .....	3.2	128
7.07 Reliance on professional management .....	3.5	124
7.08 Country capacity to retain talent .....	3.6	59
7.09 Country capacity to attract talent .....	3.5	71
7.10 Women in labor force, ratio to men* .....	0.64	110
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.7	122
8.02 Affordability of financial services .....	3.6	117
8.03 Financing through local equity market .....	3.0	97
8.04 Ease of access to loans .....	2.3	115
8.05 Venture capital availability .....	2.3	100
8.06 Soundness of banks .....	4.6	92
8.07 Regulation of securities exchanges .....	3.6	103
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.8	78
9.02 Firm-level technology absorption .....	4.5	85
9.03 FDI and technology transfer .....	4.7	62
9.04 Individuals using Internet, %* .....	34.7	89
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	3.8	88
9.06 Int'l Internet bandwidth, kb/s per user* .....	6.2	106
9.07 Mobile broadband subscriptions/100 pop.* .....	22.5	64
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.0	147
10.02 Foreign market size index, 1–7 (best)* .....	2.1	146
10.03 GDP (PPP\$ billions)* .....	2.2	148
10.04 Exports as a percentage of GDP* .....	33.3	87
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.9	131
11.02 Local supplier quality .....	3.8	118
11.03 State of cluster development .....	3.3	112
11.04 Nature of competitive advantage .....	3.6	62
11.05 Value chain breadth .....	3.1	123
11.06 Control of international distribution .....	3.3	130
11.07 Production process sophistication .....	3.3	109
11.08 Extent of marketing .....	3.5	115
11.09 Willingness to delegate authority .....	3.3	116
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.9	126
12.02 Quality of scientific research institutions .....	3.0	115
12.03 Company spending on R&D .....	2.6	121
12.04 University-industry collaboration in R&D .....	3.2	103
12.05 Gov't procurement of advanced tech products .....	3.8	41
12.06 Availability of scientists and engineers .....	3.3	122
12.07 PCT patents, applications/million pop.* .....	0.0	126

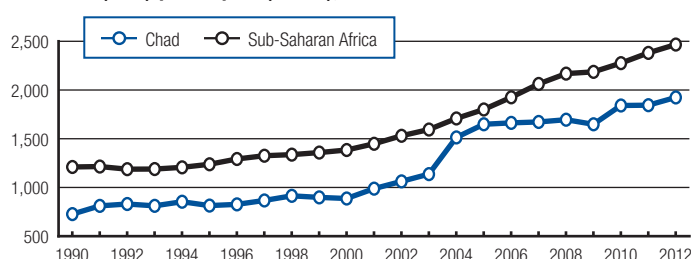
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Chad

## Key indicators, 2012

Population (millions).....	11.5
GDP (US\$ billions).....	10.8
GDP per capita (US\$).....	1,006
GDP (PPP) as share (%) of world total.....	0.03

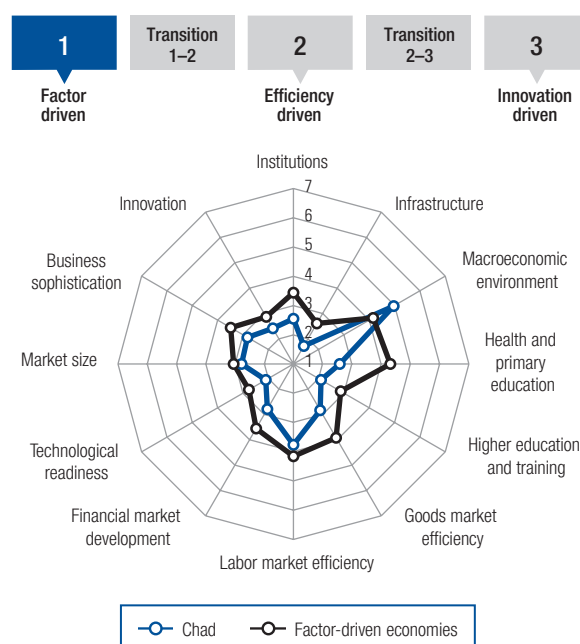
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

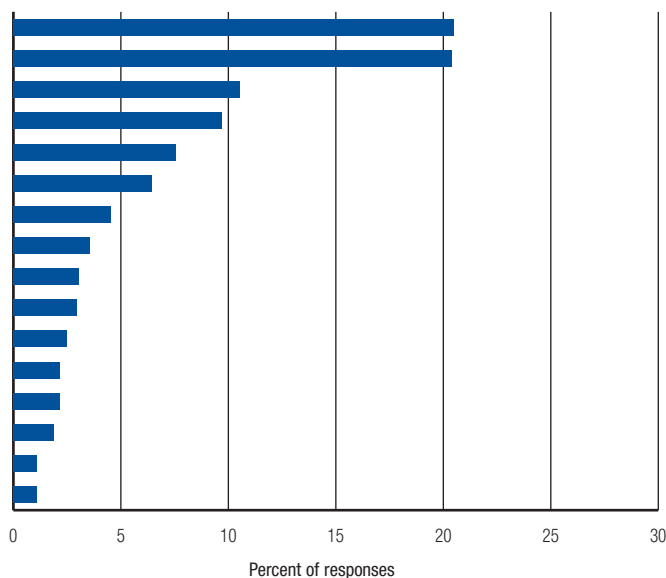
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>148</b> .....	<b>2.9</b>
GCI 2012–2013 (out of 144).....	139.....	3.1
GCI 2011–2012 (out of 142).....	142.....	2.9
<b>Basic requirements (60.0%)</b> .....	<b>147</b> .....	<b>2.9</b>
Institutions.....	147.....	2.5
Infrastructure.....	148.....	1.7
Macroeconomic environment.....	56.....	5.0
Health and primary education.....	148.....	2.6
<b>Efficiency enhancers (35.0%)</b> .....	<b>146</b> .....	<b>2.7</b>
Higher education and training.....	145.....	2.1
Goods market efficiency.....	147.....	2.8
Labor market efficiency.....	128.....	3.8
Financial market development.....	139.....	2.8
Technological readiness.....	147.....	2.1
Market size.....	115.....	2.8
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>144</b> .....	<b>2.6</b>
Business sophistication.....	147.....	2.8
Innovation.....	139.....	2.4

## Stage of development



## The most problematic factors for doing business

Access to financing.....	20.5
Corruption.....	20.4
Inadequate supply of infrastructure.....	10.5
Tax rates.....	9.7
Inadequately educated workforce.....	7.6
Tax regulations.....	6.4
Inefficient government bureaucracy.....	4.5
Poor work ethic in national labor force.....	3.5
Crime and theft.....	3.0
Policy instability.....	3.0
Government instability/coups.....	2.5
Inflation.....	2.1
Restrictive labor regulations.....	2.1
Insufficient capacity to innovate.....	1.9
Foreign currency regulations.....	1.1
Poor public health.....	1.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148	INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>			<b>6th pillar: Goods market efficiency (cont'd.)</b>		
1.01 Property rights .....	2.4	146	6.06 No. procedures to start a business* .....	9	104
1.02 Intellectual property protection .....	2.2	144	6.07 No. days to start a business* .....	62	135
1.03 Diversion of public funds .....	1.8	146	6.08 Agricultural policy costs .....	3.4	118
1.04 Public trust in politicians .....	2.2	116	6.09 Prevalence of trade barriers .....	3.1	147
1.05 Irregular payments and bribes .....	2.2	148	6.10 Trade tariffs, % duty* .....	14.9	137
1.06 Judicial independence .....	2.0	144	6.11 Prevalence of foreign ownership .....	3.4	133
1.07 Favoritism in decisions of government officials .....	2.2	139	6.12 Business impact of rules on FDI .....	3.4	130
1.08 Wastefulness of government spending .....	2.1	136	6.13 Burden of customs procedures .....	2.2	145
1.09 Burden of government regulation .....	3.0	108	6.14 Imports as a percentage of GDP* .....	54.2	56
1.10 Efficiency of legal framework in settling disputes .....	2.4	142	6.15 Degree of customer orientation .....	2.6	147
1.11 Efficiency of legal framework in challenging regs. ....	2.2	145	6.16 Buyer sophistication .....	2.0	146
1.12 Transparency of government policymaking .....	2.8	146	<b>7th pillar: Labor market efficiency</b>		
1.13 Business costs of terrorism .....	3.6	139	7.01 Cooperation in labor-employer relations .....	3.3	141
1.14 Business costs of crime and violence .....	3.1	133	7.02 Flexibility of wage determination .....	5.1	70
1.15 Organized crime .....	3.3	139	7.03 Hiring and firing practices .....	3.8	87
1.16 Reliability of police services .....	2.3	144	7.04 Redundancy costs, weeks of salary* .....	13.0	59
1.17 Ethical behavior of firms .....	2.9	144	7.05 Effect of taxation on incentives to work .....	2.2	144
1.18 Strength of auditing and reporting standards .....	3.2	137	7.06 Pay and productivity .....	2.9	137
1.19 Efficacy of corporate boards .....	3.2	146	7.07 Reliance on professional management .....	2.1	148
1.20 Protection of minority shareholders' interests .....	2.6	148	7.08 Country capacity to retain talent .....	2.2	135
1.21 Strength of investor protection, 0–10 (best)* .....	3.3	129	7.09 Country capacity to attract talent .....	2.7	108
<b>2nd pillar: Infrastructure</b>			7.10 Women in labor force, ratio to men* .....	0.81	70
2.01 Quality of overall infrastructure .....	2.3	143	<b>8th pillar: Financial market development</b>		
2.02 Quality of roads .....	2.5	135	8.01 Availability of financial services .....	2.6	145
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a	8.02 Affordability of financial services .....	2.7	145
2.04 Quality of port infrastructure .....	2.5	143	8.03 Financing through local equity market .....	2.1	137
2.05 Quality of air transport infrastructure .....	2.1	147	8.04 Ease of access to loans .....	1.9	131
2.06 Available airline seat km/week, millions* .....	7.7	139	8.05 Venture capital availability .....	1.7	143
2.07 Quality of electricity supply .....	1.6	145	8.06 Soundness of banks .....	3.4	139
2.08 Mobile telephone subscriptions/100 pop.* .....	35.5	143	8.07 Regulation of securities exchanges .....	2.1	141
2.09 Fixed telephone lines/100 pop.* .....	0.3	144	8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>3rd pillar: Macroeconomic environment</b>			<b>9th pillar: Technological readiness</b>		
3.01 Government budget balance, % GDP* .....	-1.4	48	9.01 Availability of latest technologies .....	2.9	147
3.02 Gross national savings, % GDP* .....	33.0	17	9.02 Firm-level technology absorption .....	3.4	144
3.03 Inflation, annual % change* .....	7.7	118	9.03 FDI and technology transfer .....	3.2	146
3.04 General government debt, % GDP* .....	34.5	53	9.04 Individuals using Internet, % .....	2.1	141
3.05 Country credit rating, 0–100 (best)* .....	15.9	142	9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.2	125
<b>4th pillar: Health and primary education</b>			9.06 Int'l Internet bandwidth, kb/s per user* .....	0.5	144
4.01 Business impact of malaria .....	2.5	147	9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
4.02 Malaria cases/100,000 pop.* .....	36,280.1	147	<b>10th pillar: Market size</b>		
4.03 Business impact of tuberculosis .....	3.0	147	10.01 Domestic market size index, 1–7 (best)* .....	2.5	113
4.04 Tuberculosis cases/100,000 pop.* .....	151.0	110	10.02 Foreign market size index, 1–7 (best)* .....	3.6	110
4.05 Business impact of HIV/AIDS .....	2.8	147	10.03 GDP (PPP\$ billions)* .....	20.7	117
4.06 HIV prevalence, % adult pop.* .....	3.10	132	10.04 Exports as a percentage of GDP* .....	42.7	64
4.07 Infant mortality, deaths/1,000 live births* .....	97.1	146	<b>11th pillar: Business sophistication</b>		
4.08 Life expectancy, years* .....	49.5	144	11.01 Local supplier quantity .....	4.5	93
4.09 Quality of primary education .....	2.1	145	11.02 Local supplier quality .....	3.0	146
4.10 Primary education enrollment, net %* .....	62.3	142	11.03 State of cluster development .....	2.9	135
<b>5th pillar: Higher education and training</b>			11.04 Nature of competitive advantage .....	2.5	139
5.01 Secondary education enrollment, gross %* .....	25.4	146	11.05 Value chain breadth .....	3.0	132
5.02 Tertiary education enrollment, gross %* .....	2.3	145	11.06 Control of international distribution .....	2.9	147
5.03 Quality of the educational system .....	2.7	131	11.07 Production process sophistication .....	2.3	146
5.04 Quality of math and science education .....	2.9	127	11.08 Extent of marketing .....	2.4	147
5.05 Quality of management schools .....	2.7	140	11.09 Willingness to delegate authority .....	2.3	147
5.06 Internet access in schools .....	1.3	148	<b>12th pillar: Innovation</b>		
5.07 Availability of research and training services .....	3.0	139	12.01 Capacity for innovation .....	2.6	139
5.08 Extent of staff training .....	2.8	145	12.02 Quality of scientific research institutions .....	2.2	142
<b>6th pillar: Goods market efficiency</b>			12.03 Company spending on R&D .....	2.6	119
6.01 Intensity of local competition .....	3.3	145	12.04 University-industry collaboration in R&D .....	2.5	138
6.02 Extent of market dominance .....	2.6	145	12.05 Gov't procurement of advanced tech products .....	2.8	126
6.03 Effectiveness of anti-monopoly policy .....	2.7	145	12.06 Availability of scientists and engineers .....	3.3	118
6.04 Effect of taxation on incentives to invest .....	1.9	148	12.07 PCT patents, applications/million pop.* .....	0.0	109
6.05 Total tax rate, % profits* .....	65.4	133			

**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 97.

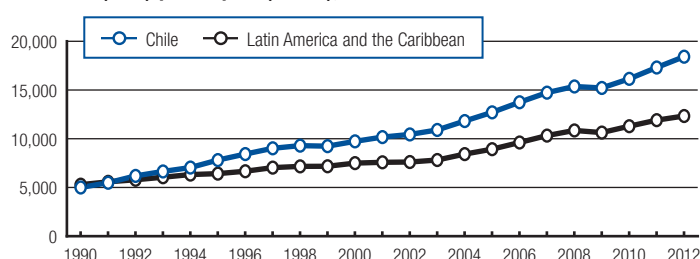


# Chile

## Key indicators, 2012

Population (millions).....	17.3
GDP (US\$ billions).....	268.2
GDP per capita (US\$).....	15,410
GDP (PPP) as share (%) of world total.....	0.39

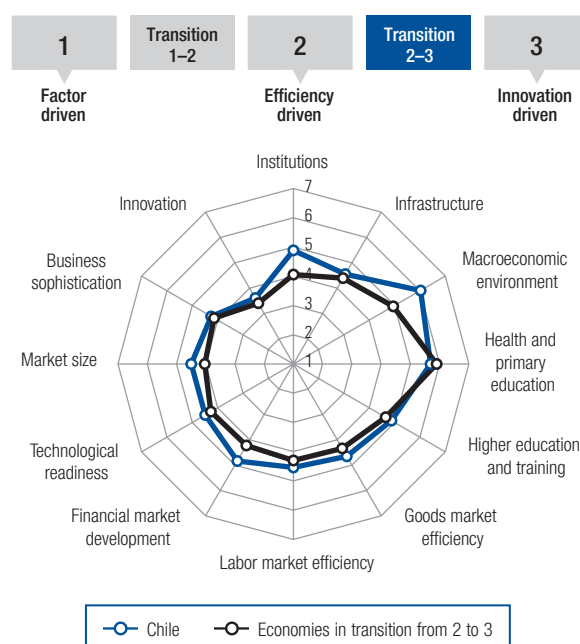
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

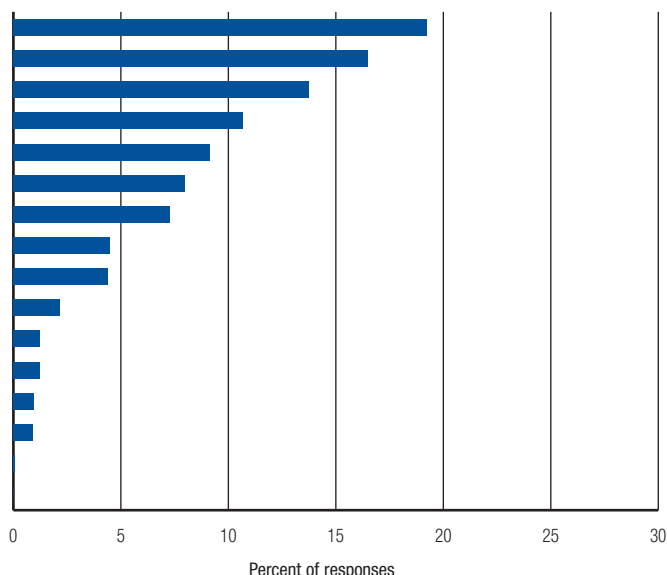
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>34</b>	<b>4.6</b>
GCI 2012–2013 (out of 144).....	33	4.6
GCI 2011–2012 (out of 142).....	31	4.7
<b>Basic requirements (24.0%)</b> .....	<b>30</b>	<b>5.3</b>
Institutions.....	28	4.9
Infrastructure.....	46	4.5
Macroeconomic environment.....	17	6.0
Health and primary education.....	74	5.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>29</b>	<b>4.6</b>
Higher education and training.....	38	4.9
Goods market efficiency.....	36	4.6
Labor market efficiency.....	45	4.5
Financial market development.....	20	4.8
Technological readiness.....	42	4.5
Market size.....	42	4.5
<b>Innovation and sophistication factors (26.0%)</b> .....	<b>45</b>	<b>3.9</b>
Business sophistication.....	54	4.2
Innovation.....	43	3.6

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	19.2
Inadequately educated workforce.....	16.5
Inefficient government bureaucracy.....	13.8
Insufficient capacity to innovate.....	10.7
Tax regulations.....	9.2
Access to financing.....	8.0
Inadequate supply of infrastructure.....	7.3
Tax rates.....	4.5
Poor work ethic in national labor force.....	4.4
Poor public health.....	2.2
Corruption.....	1.2
Foreign currency regulations.....	1.2
Policy instability.....	1.0
Crime and theft.....	0.9
Inflation.....	0.1
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.1	35
1.02 Intellectual property protection .....	3.8	60
1.03 Diversion of public funds .....	5.1	23
1.04 Public trust in politicians .....	3.8	34
1.05 Irregular payments and bribes .....	5.7	22
1.06 Judicial independence .....	5.3	27
1.07 Favoritism in decisions of government officials .....	4.1	22
1.08 Wastefulness of government spending .....	4.6	13
1.09 Burden of government regulation .....	4.1	26
1.10 Efficiency of legal framework in settling disputes .....	4.7	29
1.11 Efficiency of legal framework in challenging regs. ....	4.4	24
1.12 Transparency of government policymaking .....	5.1	15
1.13 Business costs of terrorism .....	5.6	68
1.14 Business costs of crime and violence .....	4.7	66
1.15 Organized crime .....	5.4	54
1.16 Reliability of police services .....	6.2	7
1.17 Ethical behavior of firms .....	5.1	27
1.18 Strength of auditing and reporting standards .....	5.0	46
1.19 Efficacy of corporate boards .....	5.0	27
1.20 Protection of minority shareholders' interests .....	4.5	49
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	31
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.0	45
2.02 Quality of roads .....	5.4	27
2.03 Quality of railroad infrastructure .....	2.7	65
2.04 Quality of port infrastructure .....	5.2	32
2.05 Quality of air transport infrastructure .....	5.2	46
2.06 Available airline seat km/week, millions* .....	570.8	35
2.07 Quality of electricity supply .....	5.2	65
2.08 Mobile telephone subscriptions/100 pop.* .....	138.5	30
2.09 Fixed telephone lines/100 pop.* .....	18.8	64
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.6	22
3.02 Gross national savings, % GDP* .....	21.4	65
3.03 Inflation, annual % change* .....	3.0	51
3.04 General government debt, % GDP* .....	11.2	11
3.05 Country credit rating, 0–100 (best)* .....	80.0	21
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.2	36
4.04 Tuberculosis cases/100,000 pop.* .....	18.0	42
4.05 Business impact of HIV/AIDS .....	5.8	56
4.06 HIV prevalence, % adult pop.* .....	0.50	88
4.07 Infant mortality, deaths/1,000 live births* .....	7.7	48
4.08 Life expectancy, years* .....	79.0	33
4.09 Quality of primary education .....	3.2	107
4.10 Primary education enrollment, net %* .....	93.3	81
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	90.1	70
5.02 Tertiary education enrollment, gross %* .....	70.7	21
5.03 Quality of the educational system .....	3.6	74
5.04 Quality of math and science education .....	3.4	107
5.05 Quality of management schools .....	5.3	16
5.06 Internet access in schools .....	4.9	48
5.07 Availability of research and training services .....	4.6	42
5.08 Extent of staff training .....	4.3	46
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.4	37
6.02 Extent of market dominance .....	2.9	134
6.03 Effectiveness of anti-monopoly policy .....	4.6	32
6.04 Effect of taxation on incentives to invest .....	4.7	15
6.05 Total tax rate, % profits* .....	28.1	30

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	8	34
6.08 Agricultural policy costs .....	4.5	15
6.09 Prevalence of trade barriers .....	4.8	28
6.10 Trade tariffs, % duty* .....	4.7	64
6.11 Prevalence of foreign ownership .....	5.6	13
6.12 Business impact of rules on FDI .....	5.5	10
6.13 Burden of customs procedures .....	4.9	27
6.14 Imports as a percentage of GDP* .....	34.7	103
6.15 Degree of customer orientation .....	4.4	85
6.16 Buyer sophistication .....	4.0	30
<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	19
7.03 Hiring and firing practices .....	4.0	74
7.04 Redundancy costs, weeks of salary* .....	27.4	120
7.05 Effect of taxation on incentives to work .....	4.6	16
7.06 Pay and productivity .....	4.4	33
7.07 Reliance on professional management .....	4.8	36
7.08 Country capacity to retain talent .....	5.0	12
7.09 Country capacity to attract talent .....	4.5	24
7.10 Women in labor force, ratio to men* .....	0.66	106
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.6	20
8.02 Affordability of financial services .....	5.0	30
8.03 Financing through local equity market .....	4.5	24
8.04 Ease of access to loans .....	3.6	21
8.05 Venture capital availability .....	3.3	31
8.06 Soundness of banks .....	6.3	10
8.07 Regulation of securities exchanges .....	4.9	36
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.8	34
9.02 Firm-level technology absorption .....	5.1	45
9.03 FDI and technology transfer .....	5.2	20
9.04 Individuals using Internet, %* .....	61.4	45
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	12.4	51
9.06 Int'l Internet bandwidth, kb/s per user* .....	40.6	43
9.07 Mobile broadband subscriptions/100 pop.* .....	28.0	56
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.3	41
10.02 Foreign market size index, 1–7 (best)* .....	5.0	46
10.03 GDP (PPP\$ billions)* .....	320.5	42
10.04 Exports as a percentage of GDP* .....	34.1	86
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	80
11.02 Local supplier quality .....	4.8	44
11.03 State of cluster development .....	4.1	50
11.04 Nature of competitive advantage .....	3.3	90
11.05 Value chain breadth .....	3.8	59
11.06 Control of international distribution .....	4.3	42
11.07 Production process sophistication .....	4.4	39
11.08 Extent of marketing .....	4.8	35
11.09 Willingness to delegate authority .....	3.8	66
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	63
12.02 Quality of scientific research institutions .....	4.1	47
12.03 Company spending on R&D .....	3.2	58
12.04 University-industry collaboration in R&D .....	4.3	40
12.05 Gov't procurement of advanced tech products .....	4.0	27
12.06 Availability of scientists and engineers .....	4.7	25
12.07 PCT patents, applications/million pop.* .....	5.7	44

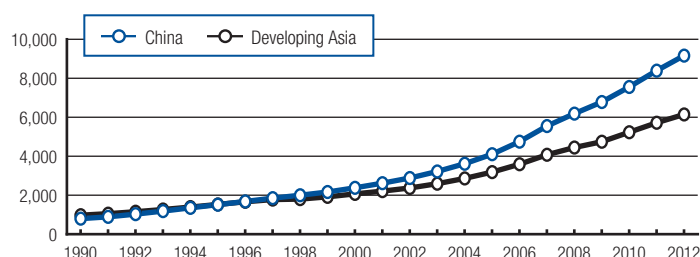
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# China

## Key indicators, 2012

Population (millions).....	1,344.1
GDP (US\$ billions).....	8,227.0
GDP per capita (US\$).....	6,076
GDP (PPP) as share (%) of world total.....	14.92

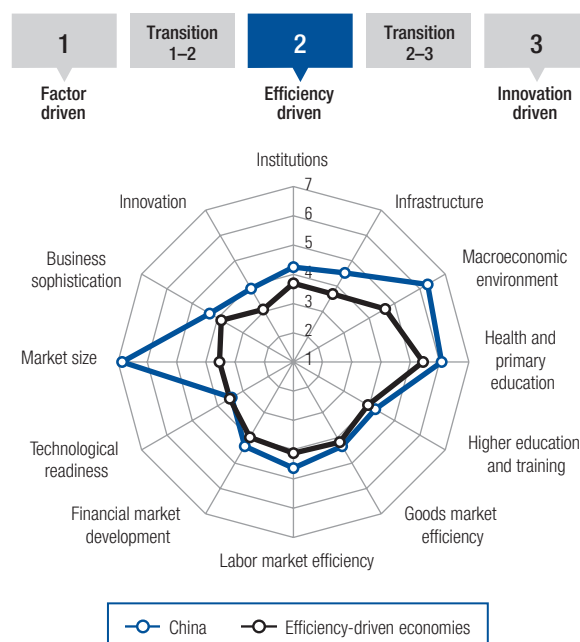
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

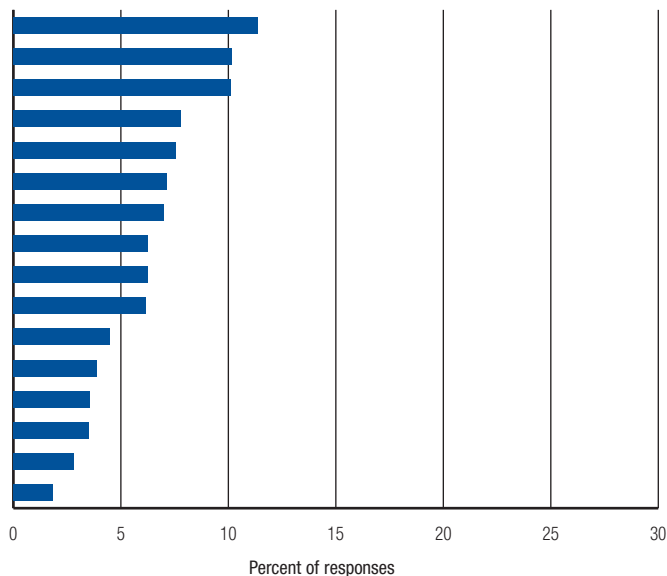
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>29</b>	<b>4.8</b>
GCI 2012–2013 (out of 144).....	29	4.8
GCI 2011–2012 (out of 142).....	26	4.9
<b>Basic requirements (40.0%)</b> .....	<b>31</b>	<b>5.3</b>
Institutions.....	47	4.2
Infrastructure.....	48	4.5
Macroeconomic environment.....	10	6.3
Health and primary education.....	40	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>31</b>	<b>4.6</b>
Higher education and training.....	70	4.2
Goods market efficiency.....	61	4.3
Labor market efficiency.....	34	4.6
Financial market development.....	54	4.3
Technological readiness.....	85	3.4
Market size.....	2	6.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>34</b>	<b>4.1</b>
Business sophistication.....	45	4.3
Innovation.....	32	3.9

## Stage of development



## The most problematic factors for doing business

Access to financing.....	11.4
Inefficient government bureaucracy.....	10.2
Corruption.....	10.1
Tax rates.....	7.8
Insufficient capacity to innovate.....	7.6
Inadequate supply of infrastructure.....	7.1
Inflation.....	7.0
Inadequately educated workforce.....	6.3
Tax regulations.....	6.3
Policy instability.....	6.2
Poor work ethic in national labor force.....	4.5
Foreign currency regulations.....	3.9
Government instability/coups.....	3.5
Restrictive labor regulations.....	3.5
Crime and theft.....	2.8
Poor public health.....	1.9



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## China

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.6 .....	50
1.02 Intellectual property protection .....	3.9 .....	53
1.03 Diversion of public funds .....	3.9 .....	44
1.04 Public trust in politicians .....	4.1 .....	<b>26</b>
1.05 Irregular payments and bribes .....	4.0 .....	68
1.06 Judicial independence .....	4.0 .....	57
1.07 Favoritism in decisions of government officials .....	4.0 .....	29
1.08 Wastefulness of government spending .....	3.9 .....	29
1.09 Burden of government regulation .....	4.3 .....	<b>14</b>
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 .....	4.4 .....	46
1.13 Business costs of terrorism .....	5.0 .....	98
1.14 Business costs of crime and violence .....	4.8 .....	62
1.15 Organized crime .....	4.7 .....	88
1.16 Reliability of police services .....	4.4 .....	69
1.17 Ethical behavior of firms .....	4.2 .....	54
1.18 Strength of auditing and reporting standards .....	4.5 .....	80
1.19 Efficacy of corporate boards .....	4.4 .....	84
1.20 Protection of minority shareholders' interests .....	4.1 .....	75
1.21 Strength of investor protection, 0–10 (best)* .....	5.0 .....	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.3 .....	74
2.02 Quality of roads .....	4.5 .....	54
2.03 Quality of railroad infrastructure .....	4.7 .....	<b>20</b>
2.04 Quality of port infrastructure .....	4.5 .....	59
2.05 Quality of air transport infrastructure .....	4.5 .....	65
2.06 Available airline seat km/week, millions* .....	12,672.0 .....	<b>2</b>
2.07 Quality of electricity supply .....	5.1 .....	67
2.08 Mobile telephone subscriptions/100 pop.* .....	81.3 .....	116
2.09 Fixed telephone lines/100 pop.* .....	20.6 .....	58
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.2 .....	61
3.02 Gross national savings, % GDP* .....	49.5 .....	<b>6</b>
3.03 Inflation, annual % change* .....	2.7 .....	<b>1</b>
3.04 General government debt, % GDP* .....	22.8 .....	<b>28</b>
3.05 Country credit rating, 0–100 (best)* .....	78.9 .....	<b>23</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.3 .....	97
4.02 Malaria cases/100,000 pop.* .....	0.9 .....	82
4.03 Business impact of tuberculosis .....	5.1 .....	92
4.04 Tuberculosis cases/100,000 pop.* .....	75.0 .....	87
4.05 Business impact of HIV/AIDS .....	5.1 .....	85
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	12.6 .....	65
4.08 Life expectancy, years* .....	73.5 .....	75
4.09 Quality of primary education .....	4.3 .....	56
4.10 Primary education enrollment, net %* .....	99.8 .....	<b>4</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	81.4 .....	90
5.02 Tertiary education enrollment, gross %* .....	26.8 .....	83
5.03 Quality of the educational system .....	4.0 .....	54
5.04 Quality of math and science education .....	4.4 .....	48
5.05 Quality of management schools .....	4.1 .....	83
5.06 Internet access in schools .....	5.3 .....	35
5.07 Availability of research and training services .....	4.4 .....	62
5.08 Extent of staff training .....	4.3 .....	48
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3 .....	46
6.02 Extent of market dominance .....	4.6 .....	<b>23</b>
6.03 Effectiveness of anti-monopoly policy .....	4.3 .....	55
6.04 Effect of taxation on incentives to invest .....	4.1 .....	41
6.05 Total tax rate, % profits* .....	63.7 .....	131

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	13 .....	135
6.07 No. days to start a business* .....	33 .....	112
6.08 Agricultural policy costs .....	4.6 .....	<b>14</b>
6.09 Prevalence of trade barriers .....	4.3 .....	76
6.10 Trade tariffs, % duty* .....	11.0 .....	123
6.11 Prevalence of foreign ownership .....	4.4 .....	91
6.12 Business impact of rules on FDI .....	4.8 .....	45
6.13 Burden of customs procedures .....	4.2 .....	60
6.14 Imports as a percentage of GDP* .....	25.5 .....	135
6.15 Degree of customer orientation .....	4.5 .....	76
6.16 Buyer sophistication .....	4.4 .....	<b>16</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4 .....	60
7.02 Flexibility of wage determination .....	4.8 .....	94
7.03 Hiring and firing practices .....	4.4 .....	<b>28</b>
7.04 Redundancy costs, weeks of salary* .....	27.4 .....	120
7.05 Effect of taxation on incentives to work .....	4.0 .....	42
7.06 Pay and productivity .....	4.7 .....	<b>17</b>
7.07 Reliance on professional management .....	4.6 .....	44
7.08 Country capacity to retain talent .....	4.3 .....	31
7.09 Country capacity to attract talent .....	4.4 .....	<b>26</b>
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 .....	4.5 .....	70
8.02 Affordability of financial services .....	4.4 .....	51
8.03 Financing through local equity market .....	4.0 .....	38
8.04 Ease of access to loans .....	3.4 .....	32
8.05 Venture capital availability .....	3.8 .....	<b>16</b>
8.06 Soundness of banks .....	5.0 .....	72
8.07 Regulation of securities exchanges .....	4.3 .....	63
8.08 Legal rights index, 0–10 (best)* .....	6 .....	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.4 .....	105
9.02 Firm-level technology absorption .....	4.7 .....	71
9.03 FDI and technology transfer .....	4.5 .....	78
9.04 Individuals using Internet, % .....	42.3 .....	78
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	13.0 .....	49
9.06 Int'l Internet bandwidth, kb/s per user* .....	4.2 .....	118
9.07 Mobile broadband subscriptions/100 pop.* .....	17.2 .....	71
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	6.8 .....	<b>2</b>
10.02 Foreign market size index, 1–7 (best)* .....	7.0 .....	<b>1</b>
10.03 GDP (PPP\$ billions)* .....	12,405.7 .....	<b>2</b>
10.04 Exports as a percentage of GDP* .....	27.2 .....	111
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.0 .....	31
11.02 Local supplier quality .....	4.5 .....	69
11.03 State of cluster development .....	4.6 .....	<b>24</b>
11.04 Nature of competitive advantage .....	3.8 .....	53
11.05 Value chain breadth .....	4.1 .....	43
11.06 Control of international distribution .....	4.3 .....	48
11.07 Production process sophistication .....	4.0 .....	58
11.08 Extent of marketing .....	4.4 .....	50
11.09 Willingness to delegate authority .....	3.9 .....	60
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.2 .....	30
12.02 Quality of scientific research institutions .....	4.3 .....	41
12.03 Company spending on R&D .....	4.2 .....	<b>22</b>
12.04 University-industry collaboration in R&D .....	4.4 .....	33
12.05 Gov't procurement of advanced tech products .....	4.4 .....	<b>13</b>
12.06 Availability of scientists and engineers .....	4.5 .....	44
12.07 PCT patents, applications/million pop.* .....	9.2 .....	36

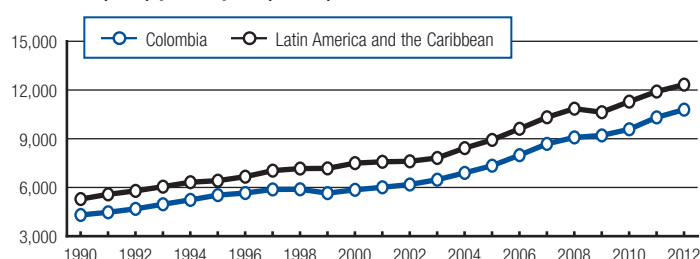
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Colombia

## Key indicators, 2012

Population (millions).....	46.9
GDP (US\$ billions).....	366.0
GDP per capita (US\$).....	7,855
GDP (PPP) as share (%) of world total.....	0.61

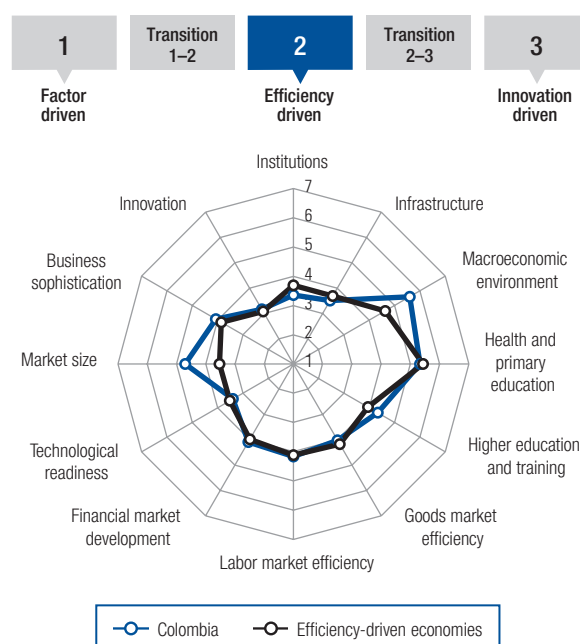
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

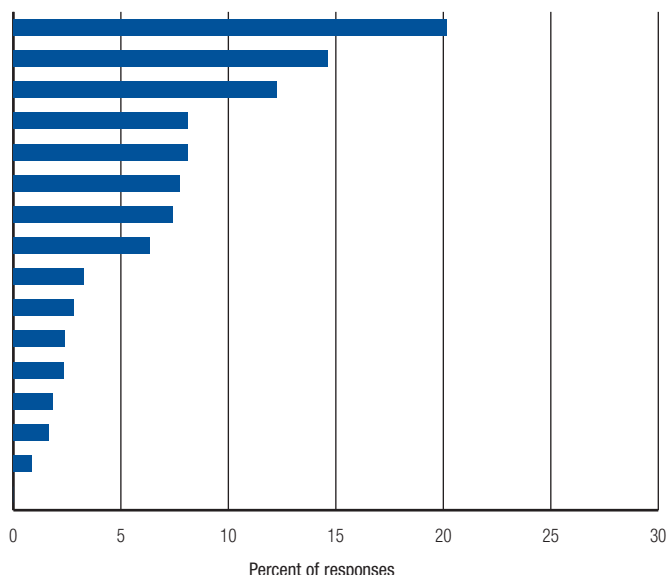
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>69</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	69	4.2
GCI 2011–2012 (out of 142).....	68	4.2
<b>Basic requirements (40.0%)</b> .....	<b>80</b>	<b>4.4</b>
Institutions.....	110	3.4
Infrastructure.....	92	3.5
Macroeconomic environment.....	33	5.6
Health and primary education.....	98	5.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>64</b>	<b>4.1</b>
Higher education and training.....	60	4.3
Goods market efficiency.....	102	4.0
Labor market efficiency.....	87	4.2
Financial market development.....	63	4.1
Technological readiness.....	87	3.4
Market size.....	31	4.7
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>69</b>	<b>3.6</b>
Business sophistication.....	63	4.1
Innovation.....	74	3.2

## Stage of development



## The most problematic factors for doing business

Corruption.....	20.2
Inadequate supply of infrastructure.....	14.6
Inefficient government bureaucracy.....	12.2
Access to financing.....	8.1
Crime and theft.....	8.1
Tax rates.....	7.7
Tax regulations.....	7.4
Restrictive labor regulations.....	6.3
Inadequately educated workforce.....	3.3
Insufficient capacity to innovate.....	2.8
Poor work ethic in national labor force.....	2.4
Poor public health.....	2.3
Policy instability.....	1.8
Foreign currency regulations.....	1.7
Inflation.....	0.9
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## Colombia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8	92
1.02 Intellectual property protection .....	3.2	95
1.03 Diversion of public funds .....	2.3	129
1.04 Public trust in politicians .....	2.0	125
1.05 Irregular payments and bribes .....	3.4	97
1.06 Judicial independence .....	3.0	106
1.07 Favoritism in decisions of government officials .....	2.6	109
1.08 Wastefulness of government spending .....	2.7	106
1.09 Burden of government regulation .....	2.9	114
1.10 Efficiency of legal framework in settling disputes .....	3.4	95
1.11 Efficiency of legal framework in challenging regs. ....	3.2	93
1.12 Transparency of government policymaking .....	4.1	75
1.13 Business costs of terrorism .....	2.7	147
1.14 Business costs of crime and violence .....	2.7	140
1.15 Organized crime .....	2.8	144
1.16 Reliability of police services .....	4.2	73
1.17 Ethical behavior of firms .....	3.6	107
1.18 Strength of auditing and reporting standards .....	4.5	82
1.19 Efficacy of corporate boards .....	4.8	54
1.20 Protection of minority shareholders' interests .....	4.1	76
1.21 Strength of investor protection, 0–10 (best)* .....	8.3	6
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.3	117
2.02 Quality of roads .....	2.6	130
2.03 Quality of railroad infrastructure .....	1.5	113
2.04 Quality of port infrastructure .....	3.5	110
2.05 Quality of air transport infrastructure .....	4.0	96
2.06 Available airline seat km/week, millions* .....	527.6	39
2.07 Quality of electricity supply .....	5.2	63
2.08 Mobile telephone subscriptions/100 pop.* .....	103.2	87
2.09 Fixed telephone lines/100 pop.* .....	13.2	84
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.2	27
3.02 Gross national savings, % GDP* .....	20.2	72
3.03 Inflation, annual % change* .....	3.2	57
3.04 General government debt, % GDP* .....	32.8	45
3.05 Country credit rating, 0–100 (best)* .....	62.8	42
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.2	102
4.02 Malaria cases/100,000 pop.* .....	405.6	111
4.03 Business impact of tuberculosis .....	5.0	94
4.04 Tuberculosis cases/100,000 pop.* .....	34.0	61
4.05 Business impact of HIV/AIDS .....	4.8	98
4.06 HIV prevalence, % adult pop.* .....	0.50	88
4.07 Infant mortality, deaths/1,000 live births* .....	15.4	77
4.08 Life expectancy, years* .....	73.6	72
4.09 Quality of primary education .....	3.3	104
4.10 Primary education enrollment, net %* .....	87.1	113
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	97.5	44
5.02 Tertiary education enrollment, gross %* .....	42.9	61
5.03 Quality of the educational system .....	3.5	86
5.04 Quality of math and science education .....	3.4	108
5.05 Quality of management schools .....	4.3	70
5.06 Internet access in schools .....	3.9	82
5.07 Availability of research and training services .....	4.2	68
5.08 Extent of staff training .....	3.7	93
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.1	64
6.02 Extent of market dominance .....	3.4	99
6.03 Effectiveness of anti-monopoly policy .....	4.0	78
6.04 Effect of taxation on incentives to invest .....	3.2	113
6.05 Total tax rate, % profits* .....	74.4	143

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	13	63
6.08 Agricultural policy costs .....	3.2	122
6.09 Prevalence of trade barriers .....	3.7	131
6.10 Trade tariffs, % duty* .....	6.6	82
6.11 Prevalence of foreign ownership .....	4.4	86
6.12 Business impact of rules on FDI .....	4.5	73
6.13 Burden of customs procedures .....	3.7	90
6.14 Imports as a percentage of GDP* .....	19.0	143
6.15 Degree of customer orientation .....	5.1	33
6.16 Buyer sophistication .....	3.5	65
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5	56
7.02 Flexibility of wage determination .....	5.1	77
7.03 Hiring and firing practices .....	3.8	88
7.04 Redundancy costs, weeks of salary* .....	16.7	82
7.05 Effect of taxation on incentives to work .....	2.9	123
7.06 Pay and productivity .....	3.6	102
7.07 Reliance on professional management .....	4.3	69
7.08 Country capacity to retain talent .....	3.5	63
7.09 Country capacity to attract talent .....	3.1	91
7.10 Women in labor force, ratio to men* .....	0.72	98
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.9	52
8.02 Affordability of financial services .....	3.8	101
8.03 Financing through local equity market .....	3.7	55
8.04 Ease of access to loans .....	2.8	71
8.05 Venture capital availability .....	2.6	75
8.06 Soundness of banks .....	5.9	26
8.07 Regulation of securities exchanges .....	4.0	74
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.5	96
9.02 Firm-level technology absorption .....	4.4	97
9.03 FDI and technology transfer .....	4.6	72
9.04 Individuals using Internet, %* .....	49.0	66
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	8.4	67
9.06 Int'l Internet bandwidth, kb/s per user* .....	12.2	89
9.07 Mobile broadband subscriptions/100 pop.* .....	4.9	98
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.6	28
10.02 Foreign market size index, 1–7 (best)* .....	4.9	54
10.03 GDP (PPP\$ billions)* .....	502.9	28
10.04 Exports as a percentage of GDP* .....	18.0	137
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.0	33
11.02 Local supplier quality .....	4.9	38
11.03 State of cluster development .....	3.8	74
11.04 Nature of competitive advantage .....	3.4	77
11.05 Value chain breadth .....	3.7	74
11.06 Control of international distribution .....	4.1	64
11.07 Production process sophistication .....	3.6	77
11.08 Extent of marketing .....	4.0	87
11.09 Willingness to delegate authority .....	3.9	53
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	83
12.02 Quality of scientific research institutions .....	3.3	95
12.03 Company spending on R&D .....	3.1	73
12.04 University-industry collaboration in R&D .....	3.8	53
12.05 Gov't procurement of advanced tech products .....	3.7	49
12.06 Availability of scientists and engineers .....	3.7	97
12.07 PCT patents, applications/million pop.* .....	1.1	70

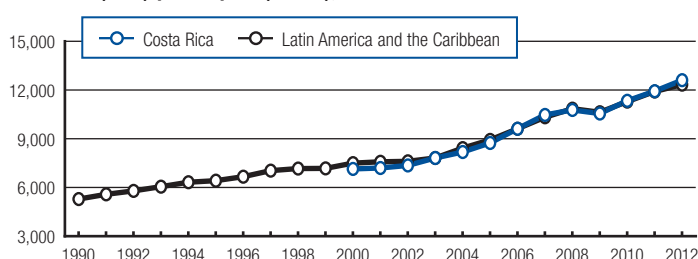
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Costa Rica

## Key indicators, 2012

Population (millions).....	4.7
GDP (US\$ billions).....	45.1
GDP per capita (US\$).....	9,673
GDP (PPP) as share (%) of world total.....	0.07

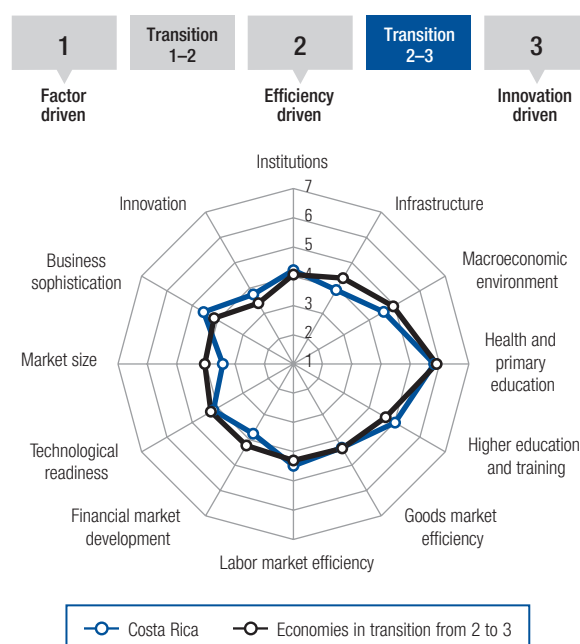
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

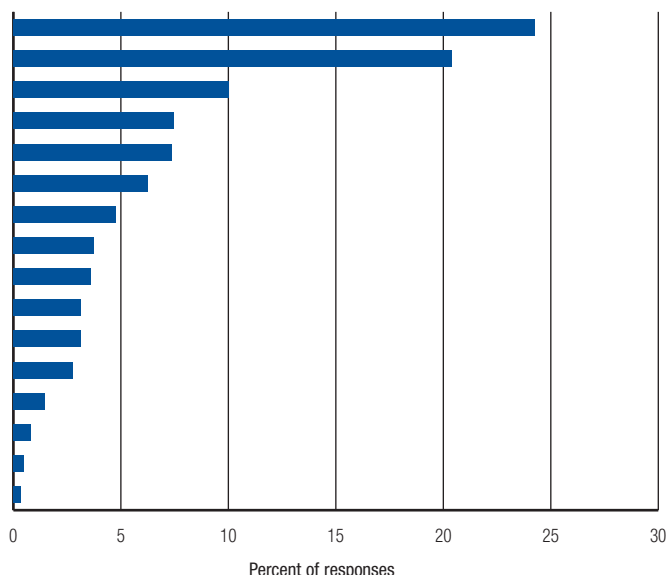
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>54</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	57	4.3
GCI 2011–2012 (out of 142).....	61	4.3
<b>Basic requirements (38.3%)</b> .....	<b>64</b>	<b>4.6</b>
Institutions.....	50	4.2
Infrastructure.....	76	3.9
Macroeconomic environment.....	80	4.6
Health and primary education.....	64	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>59</b>	<b>4.2</b>
Higher education and training.....	33	5.0
Goods market efficiency.....	65	4.3
Labor market efficiency.....	53	4.5
Financial market development.....	96	3.8
Technological readiness.....	53	4.2
Market size.....	84	3.4
<b>Innovation and sophistication factors (11.7%)</b> .....	<b>31</b>	<b>4.1</b>
Business sophistication.....	31	4.5
Innovation.....	35	3.7

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	24.3
Inadequate supply of infrastructure.....	20.4
Access to financing.....	10.0
Tax regulations.....	7.5
Corruption.....	7.4
Restrictive labor regulations.....	6.2
Tax rates.....	4.8
Insufficient capacity to innovate.....	3.7
Inflation.....	3.6
Crime and theft.....	3.1
Foreign currency regulations.....	3.1
Inadequately educated workforce.....	2.8
Poor work ethic in national labor force.....	1.5
Policy instability.....	0.8
Government instability/coups.....	0.5
Poor public health.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Costa Rica

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.6	53
1.02 Intellectual property protection .....	3.8	59
1.03 Diversion of public funds .....	3.7	55
1.04 Public trust in politicians .....	2.8	79
1.05 Irregular payments and bribes .....	4.4	56
1.06 Judicial independence .....	4.8	37
1.07 Favoritism in decisions of government officials .....	3.4	51
1.08 Wastefulness of government spending .....	2.5	114
1.09 Burden of government regulation .....	3.3	94
1.10 Efficiency of legal framework in settling disputes .....	3.7	68
1.11 Efficiency of legal framework in challenging regs. ....	4.0	37
1.12 Transparency of government policymaking .....	4.4	49
1.13 Business costs of terrorism .....	6.1	35
1.14 Business costs of crime and violence .....	3.9	106
1.15 Organized crime .....	5.3	61
1.16 Reliability of police services .....	4.9	43
1.17 Ethical behavior of firms .....	4.5	40
1.18 Strength of auditing and reporting standards .....	5.0	44
1.19 Efficacy of corporate boards .....	4.8	47
1.20 Protection of minority shareholders' interests .....	4.6	38
1.21 Strength of investor protection, 0–10 (best)* .....	3.0	134
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	97
2.02 Quality of roads .....	2.7	125
2.03 Quality of railroad infrastructure .....	1.7	105
2.04 Quality of port infrastructure .....	2.9	128
2.05 Quality of air transport infrastructure .....	4.8	57
2.06 Available airline seat km/week, millions* .....	136.3	75
2.07 Quality of electricity supply .....	5.6	44
2.08 Mobile telephone subscriptions/100 pop.* .....	128.3	42
2.09 Fixed telephone lines/100 pop.* .....	21.2	55
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.6	110
3.02 Gross national savings, % GDP* .....	15.4	94
3.03 Inflation, annual % change* .....	4.5	82
3.04 General government debt, % GDP* .....	34.8	56
3.05 Country credit rating, 0–100 (best)* .....	53.7	61
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.4	77
4.02 Malaria cases/100,000 pop.* .....	2.8	84
4.03 Business impact of tuberculosis .....	6.3	31
4.04 Tuberculosis cases/100,000 pop.* .....	12.0	31
4.05 Business impact of HIV/AIDS .....	5.7	57
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	8.6	51
4.08 Life expectancy, years* .....	79.3	30
4.09 Quality of primary education .....	4.8	32
4.10 Primary education enrollment, net %* .....	n/a	n/a
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	101.5	33
5.02 Tertiary education enrollment, gross %* .....	43.0	60
5.03 Quality of the educational system .....	4.9	20
5.04 Quality of math and science education .....	4.5	45
5.05 Quality of management schools .....	5.3	17
5.06 Internet access in schools .....	4.6	58
5.07 Availability of research and training services .....	5.0	25
5.08 Extent of staff training .....	4.7	23
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	52
6.02 Extent of market dominance .....	4.3	33
6.03 Effectiveness of anti-monopoly policy .....	4.3	52
6.04 Effect of taxation on incentives to invest .....	3.7	74
6.05 Total tax rate, % profits* .....	55.0	125

INDICATOR	VALUE	RANK/148
<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* .....	60	133
6.08 Agricultural policy costs .....	3.8	81
6.09 Prevalence of trade barriers .....	3.8	119
6.10 Trade tariffs, % duty* .....	3.6	48
6.11 Prevalence of foreign ownership .....	5.5	19
6.12 Business impact of rules on FDI .....	5.1	25
6.13 Burden of customs procedures .....	4.0	72
6.14 Imports as a percentage of GDP* .....	43.1	79
6.15 Degree of customer orientation .....	5.0	39
6.16 Buyer sophistication .....	3.8	38
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.3	14
7.02 Flexibility of wage determination .....	5.0	78
7.03 Hiring and firing practices .....	4.2	44
7.04 Redundancy costs, weeks of salary* .....	18.7	90
7.05 Effect of taxation on incentives to work .....	3.8	62
7.06 Pay and productivity .....	4.1	53
7.07 Reliance on professional management .....	4.7	41
7.08 Country capacity to retain talent .....	4.8	15
7.09 Country capacity to attract talent .....	4.0	38
7.10 Women in labor force, ratio to men* .....	0.60	119
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.4	74
8.02 Affordability of financial services .....	4.2	62
8.03 Financing through local equity market .....	2.5	118
8.04 Ease of access to loans .....	2.4	106
8.05 Venture capital availability .....	2.3	103
8.06 Soundness of banks .....	5.9	24
8.07 Regulation of securities exchanges .....	4.3	59
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.3	49
9.02 Firm-level technology absorption .....	5.2	43
9.03 FDI and technology transfer .....	5.7	6
9.04 Individuals using Internet, %* .....	47.5	68
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	10.0	62
9.06 Int'l Internet bandwidth, kb/s per user* .....	30.0	57
9.07 Mobile broadband subscriptions/100 pop.* .....	14.5	77
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.2	82
10.02 Foreign market size index, 1–7 (best)* .....	4.1	85
10.03 GDP (PPP\$ billions)* .....	58.8	83
10.04 Exports as a percentage of GDP* .....	37.5	81
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	66
11.02 Local supplier quality .....	4.9	43
11.03 State of cluster development .....	4.1	47
11.04 Nature of competitive advantage .....	4.5	28
11.05 Value chain breadth .....	4.6	25
11.06 Control of international distribution .....	4.1	58
11.07 Production process sophistication .....	4.7	31
11.08 Extent of marketing .....	4.6	42
11.09 Willingness to delegate authority .....	4.5	27
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.0	37
12.02 Quality of scientific research institutions .....	4.8	33
12.03 Company spending on R&D .....	3.5	41
12.04 University-industry collaboration in R&D .....	4.4	34
12.05 Gov't procurement of advanced tech products .....	3.5	66
12.06 Availability of scientists and engineers .....	4.8	21
12.07 PCT patents, applications/million pop.* .....	1.7	59

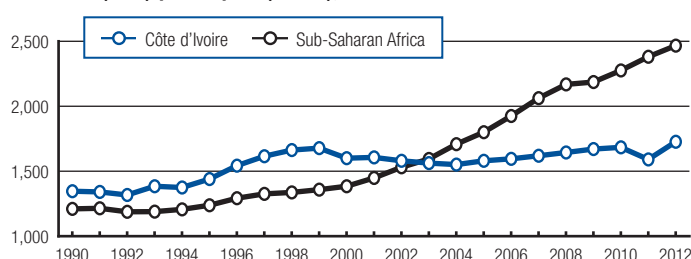
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Côte d'Ivoire

## Key indicators, 2012

Population (millions).....	20.2
GDP (US\$ billions).....	24.6
GDP per capita (US\$).....	1,054
GDP (PPP) as share (%) of world total.....	0.05

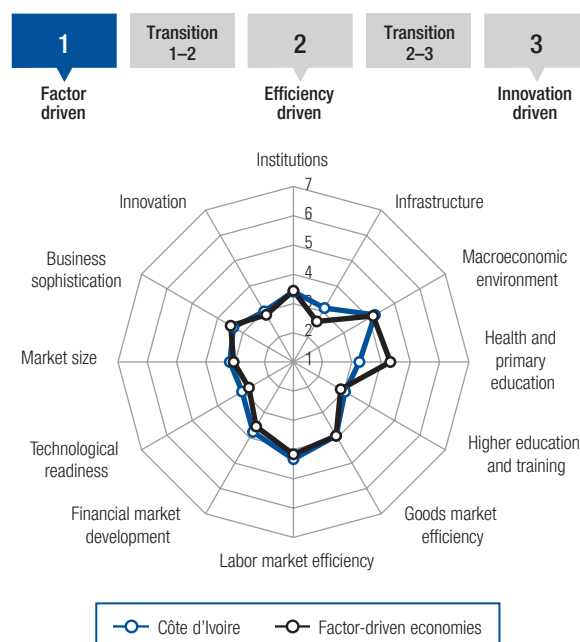
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

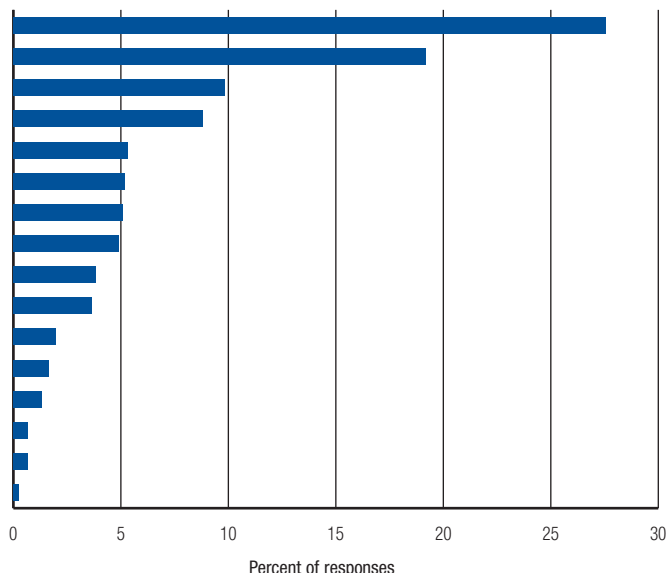
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>126</b>	<b>3.5</b>
GCI 2012–2013 (out of 144).....	131	3.4
GCI 2011–2012 (out of 142).....	129	3.4
<b>Basic requirements (60.0%)</b> .....	<b>131</b>	<b>3.5</b>
Institutions.....	104	3.4
Infrastructure.....	107	3.1
Macroeconomic environment.....	106	4.2
Health and primary education.....	142	3.3
<b>Efficiency enhancers (35.0%)</b> .....	<b>112</b>	<b>3.5</b>
Higher education and training.....	121	3.0
Goods market efficiency.....	113	3.9
Labor market efficiency.....	68	4.3
Financial market development.....	94	3.8
Technological readiness.....	110	3.0
Market size.....	96	3.2
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>116</b>	<b>3.2</b>
Business sophistication.....	123	3.4
Innovation.....	101	3.0

## Stage of development



## The most problematic factors for doing business

Access to financing.....	27.6
Corruption.....	19.2
Tax rates.....	9.8
Inefficient government bureaucracy.....	8.8
Government instability/coups.....	5.3
Crime and theft.....	5.2
Inadequately educated workforce.....	5.1
Inadequate supply of infrastructure.....	4.9
Tax regulations.....	3.8
Policy instability.....	3.7
Insufficient capacity to innovate.....	2.0
Poor work ethic in national labor force.....	1.7
Inflation.....	1.3
Foreign currency regulations.....	0.7
Restrictive labor regulations.....	0.7
Poor public health.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Côte d'Ivoire

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.4	119
1.02 Intellectual property protection .....	2.7	123
1.03 Diversion of public funds .....	2.6	109
1.04 Public trust in politicians .....	2.6	86
1.05 Irregular payments and bribes .....	3.4	98
1.06 Judicial independence .....	2.4	128
1.07 Favoritism in decisions of government officials .....	2.9	81
1.08 Wastefulness of government spending .....	3.4	59
1.09 Burden of government regulation .....	3.8	44
1.10 Efficiency of legal framework in settling disputes .....	3.4	90
1.11 Efficiency of legal framework in challenging regs. ....	3.2	95
1.12 Transparency of government policymaking .....	3.9	85
1.13 Business costs of terrorism .....	5.1	94
1.14 Business costs of crime and violence .....	3.2	130
1.15 Organized crime .....	4.0	124
1.16 Reliability of police services .....	3.3	114
1.17 Ethical behavior of firms .....	3.7	95
1.18 Strength of auditing and reporting standards .....	4.3	94
1.19 Efficacy of corporate boards .....	4.8	46
1.20 Protection of minority shareholders' interests .....	4.2	69
1.21 Strength of investor protection, 0–10 (best)* .....	3.3	129
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	96
2.02 Quality of roads .....	3.2	101
2.03 Quality of railroad infrastructure .....	2.1	85
2.04 Quality of port infrastructure .....	4.5	54
2.05 Quality of air transport infrastructure .....	4.1	91
2.06 Available airline seat km/week, millions* .....	44.2	102
2.07 Quality of electricity supply .....	3.6	104
2.08 Mobile telephone subscriptions/100 pop.* .....	96.3	99
2.09 Fixed telephone lines/100 pop.* .....	1.3	126
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.4	89
3.02 Gross national savings, % GDP* .....	11.9	118
3.03 Inflation, annual % change* .....	1.3	1
3.04 General government debt, % GDP* .....	49.1	89
3.05 Country credit rating, 0–100 (best)* .....	23.2	124
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.0	122
4.02 Malaria cases/100,000 pop.* .....	34,429.1	146
4.03 Business impact of tuberculosis .....	4.9	100
4.04 Tuberculosis cases/100,000 pop.* .....	191.0	117
4.05 Business impact of HIV/AIDS .....	4.9	94
4.06 HIV prevalence, % adult pop.* .....	3.00	130
4.07 Infant mortality, deaths/1,000 live births* .....	81.2	142
4.08 Life expectancy, years* .....	55.4	129
4.09 Quality of primary education .....	3.4	98
4.10 Primary education enrollment, net %* .....	61.5	143
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	27.1	143
5.02 Tertiary education enrollment, gross %* .....	8.3	122
5.03 Quality of the educational system .....	3.5	83
5.04 Quality of math and science education .....	4.3	60
5.05 Quality of management schools .....	4.3	62
5.06 Internet access in schools .....	2.3	134
5.07 Availability of research and training services .....	4.4	57
5.08 Extent of staff training .....	4.3	40
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	72
6.02 Extent of market dominance .....	3.2	122
6.03 Effectiveness of anti-monopoly policy .....	4.0	80
6.04 Effect of taxation on incentives to invest .....	2.8	131
6.05 Total tax rate, % profits* .....	39.5	77

INDICATOR	VALUE	RANK/148
<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* .....	32	108
6.08 Agricultural policy costs .....	4.0	55
6.09 Prevalence of trade barriers .....	3.9	112
6.10 Trade tariffs, % duty* .....	10.5	116
6.11 Prevalence of foreign ownership .....	5.4	22
6.12 Business impact of rules on FDI .....	5.0	36
6.13 Burden of customs procedures .....	3.4	110
6.14 Imports as a percentage of GDP* .....	50.5	63
6.15 Degree of customer orientation .....	4.3	96
6.16 Buyer sophistication .....	2.5	134
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.8	36
7.02 Flexibility of wage determination .....	5.2	58
7.03 Hiring and firing practices .....	4.6	22
7.04 Redundancy costs, weeks of salary* .....	13.1	62
7.05 Effect of taxation on incentives to work .....	3.5	87
7.06 Pay and productivity .....	3.6	100
7.07 Reliance on professional management .....	4.2	72
7.08 Country capacity to retain talent .....	3.1	88
7.09 Country capacity to attract talent .....	3.5	70
7.10 Women in labor force, ratio to men* .....	0.64	109
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.6	125
8.02 Affordability of financial services .....	3.3	128
8.03 Financing through local equity market .....	3.5	67
8.04 Ease of access to loans .....	2.4	102
8.05 Venture capital availability .....	2.1	116
8.06 Soundness of banks .....	5.3	57
8.07 Regulation of securities exchanges .....	3.8	95
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.5	94
9.02 Firm-level technology absorption .....	4.7	67
9.03 FDI and technology transfer .....	4.2	98
9.04 Individuals using Internet, %* .....	2.4	139
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.2	121
9.06 Int'l Internet bandwidth, kb/s per user* .....	16.3	78
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.9	97
10.02 Foreign market size index, 1–7 (best)* .....	4.1	86
10.03 GDP (PPP\$ billions)* .....	40.3	94
10.04 Exports as a percentage of GDP* .....	53.6	43
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	100
11.02 Local supplier quality .....	4.1	97
11.03 State of cluster development .....	2.9	132
11.04 Nature of competitive advantage .....	2.6	138
11.05 Value chain breadth .....	3.0	128
11.06 Control of international distribution .....	3.2	137
11.07 Production process sophistication .....	2.9	127
11.08 Extent of marketing .....	3.7	103
11.09 Willingness to delegate authority .....	3.1	125
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.9	127
12.02 Quality of scientific research institutions .....	3.4	84
12.03 Company spending on R&D .....	2.7	116
12.04 University-industry collaboration in R&D .....	2.8	124
12.05 Gov't procurement of advanced tech products .....	3.8	43
12.06 Availability of scientists and engineers .....	4.5	38
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 97.

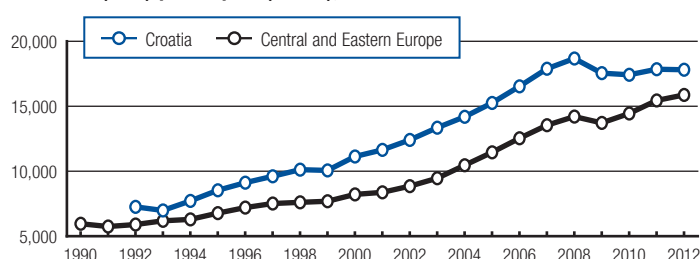


# Croatia

## Key indicators, 2012

Population (millions).....	4.4
GDP (US\$ billions).....	57.1
GDP per capita (US\$).....	12,972
GDP (PPP) as share (%) of world total.....	0.09

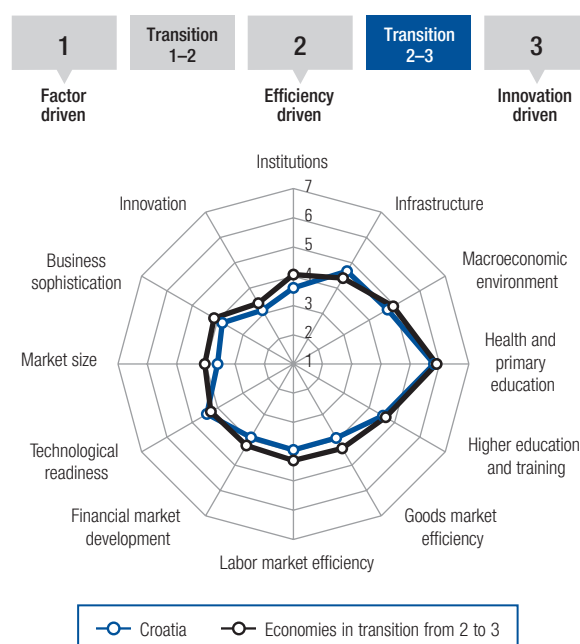
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

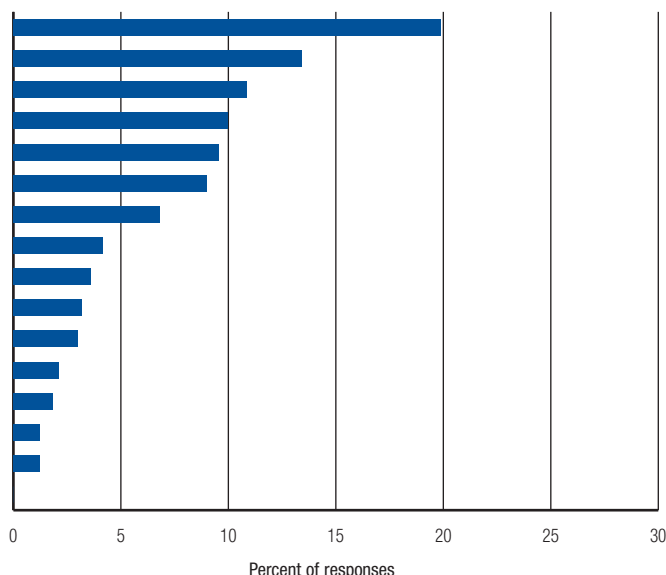
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>75</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	81	4.0
GCI 2011–2012 (out of 142).....	76	4.1
<b>Basic requirements (30.1%)</b> .....	<b>61</b>	<b>4.7</b>
Institutions.....	93	3.6
Infrastructure.....	42	4.7
Macroeconomic environment.....	68	4.7
Health and primary education.....	66	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>68</b>	<b>4.0</b>
Higher education and training.....	51	4.5
Goods market efficiency.....	111	3.9
Labor market efficiency.....	114	3.9
Financial market development.....	78	3.9
Technological readiness.....	45	4.4
Market size.....	74	3.6
<b>Innovation and sophistication factors (19.9%)</b> .....	<b>80</b>	<b>3.5</b>
Business sophistication.....	88	3.8
Innovation.....	79	3.1

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	19.9
Policy instability.....	13.4
Corruption.....	10.9
Tax rates.....	10.0
Restrictive labor regulations.....	9.5
Access to financing.....	9.0
Tax regulations.....	6.8
Poor work ethic in national labor force.....	4.2
Crime and theft.....	3.6
Insufficient capacity to innovate.....	3.2
Government instability/coups.....	3.0
Inadequately educated workforce.....	2.1
Inadequate supply of infrastructure.....	1.9
Foreign currency regulations.....	1.2
Inflation.....	1.2
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Croatia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8 .....	96
1.02 Intellectual property protection .....	3.5 .....	81
1.03 Diversion of public funds .....	3.0 .....	87
1.04 Public trust in politicians .....	2.2 .....	114
1.05 Irregular payments and bribes .....	3.7 .....	83
1.06 Judicial independence .....	3.0 .....	109
1.07 Favoritism in decisions of government officials .....	2.6 .....	112
1.08 Wastefulness of government spending .....	2.4 .....	123
1.09 Burden of government regulation .....	2.3 .....	143
1.10 Efficiency of legal framework in settling disputes .....	2.5 .....	140
1.11 Efficiency of legal framework in challenging regs. ....	2.5 .....	132
1.12 Transparency of government policymaking .....	3.7 .....	106
1.13 Business costs of terrorism .....	6.4 .....	15
1.14 Business costs of crime and violence .....	5.3 .....	39
1.15 Organized crime .....	5.5 .....	49
1.16 Reliability of police services .....	4.6 .....	63
1.17 Ethical behavior of firms .....	3.9 .....	76
1.18 Strength of auditing and reporting standards .....	4.3 .....	92
1.19 Efficacy of corporate boards .....	4.2 .....	106
1.20 Protection of minority shareholders' interests .....	3.6 .....	114
1.21 Strength of investor protection, 0–10 (best)* .....	4.0 .....	116
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.1 .....	42
2.02 Quality of roads .....	5.5 .....	21
2.03 Quality of railroad infrastructure .....	3.1 .....	53
2.04 Quality of port infrastructure .....	4.3 .....	65
2.05 Quality of air transport infrastructure .....	4.4 .....	72
2.06 Available airline seat km/week, millions* .....	86.0 .....	85
2.07 Quality of electricity supply .....	5.6 .....	42
2.08 Mobile telephone subscriptions/100 pop.* .....	113.3 .....	65
2.09 Fixed telephone lines/100 pop.* .....	37.4 .....	30
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.1 .....	100
3.02 Gross national savings, % GDP* .....	20.2 .....	71
3.03 Inflation, annual % change* .....	3.4 .....	63
3.04 General government debt, % GDP* .....	56.3 .....	106
3.05 Country credit rating, 0–100 (best)* .....	55.1 .....	58
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl. ....	1
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	1
4.03 Business impact of tuberculosis .....	6.6 .....	13
4.04 Tuberculosis cases/100,000 pop.* .....	17.0 .....	38
4.05 Business impact of HIV/AIDS .....	6.6 .....	5
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	11
4.07 Infant mortality, deaths/1,000 live births* .....	4.4 .....	29
4.08 Life expectancy, years* .....	76.9 .....	40
4.09 Quality of primary education .....	4.7 .....	38
4.10 Primary education enrollment, net %* .....	86.8 .....	116
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	95.7 .....	51
5.02 Tertiary education enrollment, gross %* .....	54.1 .....	48
5.03 Quality of the educational system .....	3.4 .....	97
5.04 Quality of math and science education .....	5.0 .....	22
5.05 Quality of management schools .....	4.2 .....	78
5.06 Internet access in schools .....	4.7 .....	63
5.07 Availability of research and training services .....	4.2 .....	74
5.08 Extent of staff training .....	3.3 .....	121
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5 .....	107
6.02 Extent of market dominance .....	3.3 .....	110
6.03 Effectiveness of anti-monopoly policy .....	3.8 .....	96
6.04 Effect of taxation on incentives to invest .....	2.3 .....	143
6.05 Total tax rate, % profits* .....	32.8 .....	44

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6 .....	47
6.07 No. days to start a business* .....	9 .....	43
6.08 Agricultural policy costs .....	2.5 .....	146
6.09 Prevalence of trade barriers .....	4.4 .....	58
6.10 Trade tariffs, % duty* .....	3.3 .....	44
6.11 Prevalence of foreign ownership .....	4.2 .....	102
6.12 Business impact of rules on FDI .....	3.0 .....	140
6.13 Burden of customs procedures .....	4.2 .....	62
6.14 Imports as a percentage of GDP* .....	42.5 .....	82
6.15 Degree of customer orientation .....	4.5 .....	84
6.16 Buyer sophistication .....	2.9 .....	116
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.5 .....	133
7.02 Flexibility of wage determination .....	5.3 .....	45
7.03 Hiring and firing practices .....	3.0 .....	131
7.04 Redundancy costs, weeks of salary* .....	15.1 .....	73
7.05 Effect of taxation on incentives to work .....	2.3 .....	143
7.06 Pay and productivity .....	3.8 .....	82
7.07 Reliance on professional management .....	3.8 .....	101
7.08 Country capacity to retain talent .....	2.3 .....	134
7.09 Country capacity to attract talent .....	1.9 .....	143
7.10 Women in labor force, ratio to men* .....	0.84 .....	61
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.2 .....	85
8.02 Affordability of financial services .....	3.9 .....	90
8.03 Financing through local equity market .....	2.8 .....	105
8.04 Ease of access to loans .....	2.4 .....	105
8.05 Venture capital availability .....	2.2 .....	110
8.06 Soundness of banks .....	4.9 .....	75
8.07 Regulation of securities exchanges .....	4.0 .....	78
8.08 Legal rights index, 0–10 (best)* .....	7 .....	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.1 .....	59
9.02 Firm-level technology absorption .....	4.7 .....	76
9.03 FDI and technology transfer .....	4.0 .....	112
9.04 Individuals using Internet, %* .....	63.0 .....	44
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	20.3 .....	35
9.06 Int'l Internet bandwidth, kb/s per user* .....	28.2 .....	58
9.07 Mobile broadband subscriptions/100 pop.* .....	52.3 .....	26
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.3 .....	75
10.02 Foreign market size index, 1–7 (best)* .....	4.3 .....	75
10.03 GDP (PPP\$ billions)* .....	78.4 .....	75
10.04 Exports as a percentage of GDP* .....	42.2 .....	67
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7 .....	68
11.02 Local supplier quality .....	4.5 .....	62
11.03 State of cluster development .....	3.2 .....	114
11.04 Nature of competitive advantage .....	3.8 .....	49
11.05 Value chain breadth .....	3.5 .....	100
11.06 Control of international distribution .....	3.8 .....	97
11.07 Production process sophistication .....	3.4 .....	103
11.08 Extent of marketing .....	3.9 .....	94
11.09 Willingness to delegate authority .....	3.4 .....	101
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1 .....	110
12.02 Quality of scientific research institutions .....	4.0 .....	52
12.03 Company spending on R&D .....	3.1 .....	65
12.04 University-industry collaboration in R&D .....	3.5 .....	76
12.05 Gov't procurement of advanced tech products .....	2.6 .....	136
12.06 Availability of scientists and engineers .....	4.0 .....	76
12.07 PCT patents, applications/million pop.* .....	10.2 .....	33

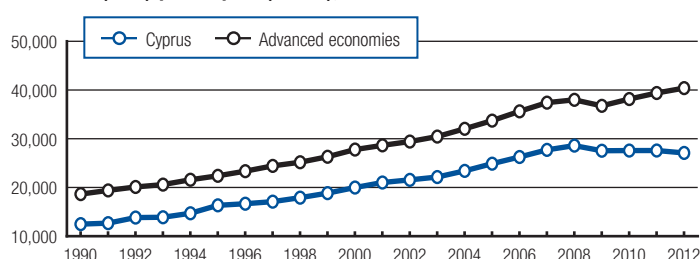
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Cyprus

## Key indicators, 2012

Population (millions).....	1.1
GDP (US\$ billions).....	23.0
GDP per capita (US\$).....	26,389
GDP (PPP) as share (%) of world total.....	0.03

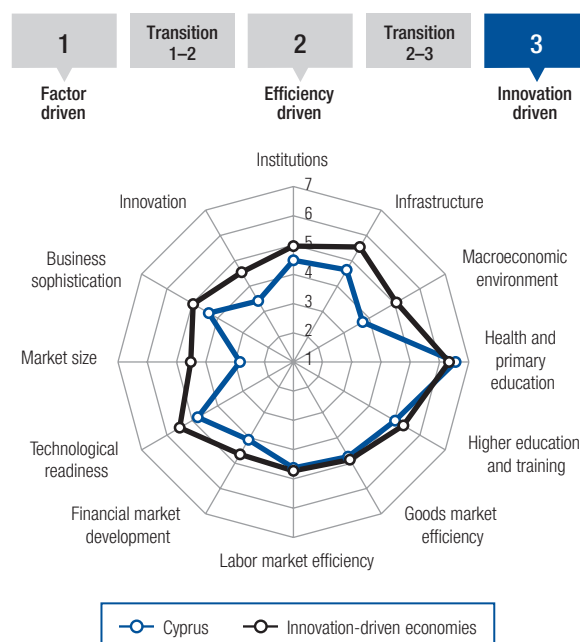
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

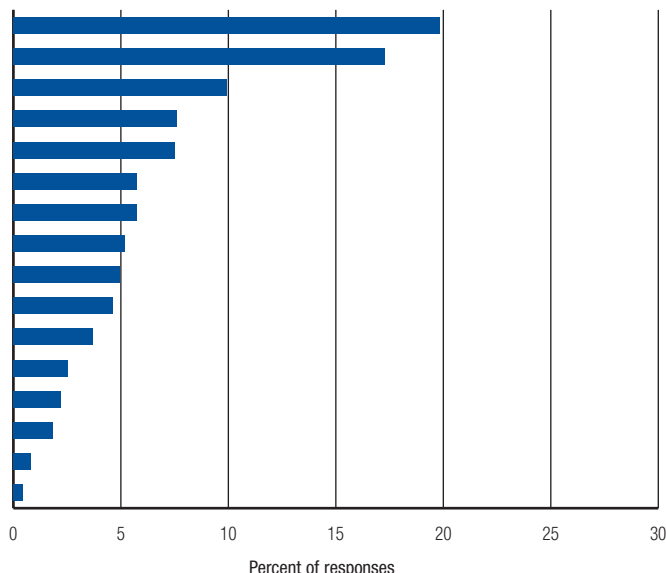
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>58</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	58	4.3
GCI 2011–2012 (out of 142).....	47	4.4
<b>Basic requirements (20.0%)</b> .....	<b>51</b>	<b>4.8</b>
Institutions.....	42	4.5
Infrastructure.....	44	4.6
Macroeconomic environment.....	126	3.7
Health and primary education.....	8	6.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>49</b>	<b>4.3</b>
Higher education and training.....	32	5.0
Goods market efficiency.....	29	4.7
Labor market efficiency.....	36	4.6
Financial market development.....	64	4.1
Technological readiness.....	36	4.8
Market size.....	110	2.8
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>50</b>	<b>3.9</b>
Business sophistication.....	44	4.3
Innovation.....	56	3.4

### Stage of development



## The most problematic factors for doing business

Access to financing.....	19.8
Inefficient government bureaucracy.....	17.3
Insufficient capacity to innovate.....	9.9
Restrictive labor regulations.....	7.6
Corruption.....	7.5
Policy instability.....	5.8
Tax rates.....	5.8
Inadequate supply of infrastructure.....	5.2
Inflation.....	5.0
Government instability/coups.....	4.6
Poor work ethic in national labor force.....	3.7
Foreign currency regulations.....	2.5
Poor public health.....	2.2
Tax regulations.....	1.8
Inadequately educated workforce.....	0.8
Crime and theft.....	0.5



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.7	46
1.02 Intellectual property protection .....	4.4	40
1.03 Diversion of public funds .....	4.5	35
1.04 Public trust in politicians .....	3.3	54
1.05 Irregular payments and bribes .....	5.0	36
1.06 Judicial independence .....	4.5	47
1.07 Favoritism in decisions of government officials .....	3.3	58
1.08 Wastefulness of government spending .....	3.2	71
1.09 Burden of government regulation .....	4.1	24
1.10 Efficiency of legal framework in settling disputes .....	4.2	42
1.11 Efficiency of legal framework in challenging regs. ....	4.4	26
1.12 Transparency of government policymaking .....	4.8	27
1.13 Business costs of terrorism .....	6.0	45
1.14 Business costs of crime and violence .....	5.5	29
1.15 Organized crime .....	5.7	45
1.16 Reliability of police services .....	4.8	44
1.17 Ethical behavior of firms .....	4.3	47
1.18 Strength of auditing and reporting standards .....	5.2	37
1.19 Efficacy of corporate boards .....	4.1	110
1.20 Protection of minority shareholders' interests .....	4.5	48
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	31
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.1	40
2.02 Quality of roads .....	5.4	25
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	4.8	46
2.05 Quality of air transport infrastructure .....	5.3	43
2.06 Available airline seat km/week, millions* .....	173.4	69
2.07 Quality of electricity supply .....	5.2	57
2.08 Mobile telephone subscriptions/100 pop.* .....	98.4	94
2.09 Fixed telephone lines/100 pop.* .....	33.1	35
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.6	125
3.02 Gross national savings, % GDP* .....	8.6	134
3.03 Inflation, annual % change* .....	3.1	53
3.04 General government debt, % GDP* .....	86.2	134
3.05 Country credit rating, 0–100 (best)* .....	43.9	74
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.0	45
4.04 Tuberculosis cases/100,000 pop.* .....	4.0	9
4.05 Business impact of HIV/AIDS .....	5.9	46
4.06 HIV prevalence, % adult pop.* .....	<0.1	1
4.07 Infant mortality, deaths/1,000 live births* .....	2.6	9
4.08 Life expectancy, years* .....	79.6	29
4.09 Quality of primary education .....	5.6	12
4.10 Primary education enrollment, net %* .....	99.0	21
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	91.4	63
5.02 Tertiary education enrollment, gross %* .....	48.3	53
5.03 Quality of the educational system .....	5.3	9
5.04 Quality of math and science education .....	5.6	7
5.05 Quality of management schools .....	5.3	18
5.06 Internet access in schools .....	5.6	30
5.07 Availability of research and training services .....	4.9	29
5.08 Extent of staff training .....	4.0	67
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	47
6.02 Extent of market dominance .....	4.1	47
6.03 Effectiveness of anti-monopoly policy .....	4.7	27
6.04 Effect of taxation on incentives to invest .....	4.2	32
6.05 Total tax rate, % profits* .....	23.0	17

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	8	34
6.08 Agricultural policy costs .....	3.8	71
6.09 Prevalence of trade barriers .....	4.9	15
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.7	72
6.12 Business impact of rules on FDI .....	4.7	51
6.13 Burden of customs procedures .....	4.8	37
6.14 Imports as a percentage of GDP* .....	46.8	69
6.15 Degree of customer orientation .....	5.0	40
6.16 Buyer sophistication .....	3.8	43
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.7	41
7.02 Flexibility of wage determination .....	4.3	120
7.03 Hiring and firing practices .....	4.0	65
7.04 Redundancy costs, weeks of salary* .....	5.7	16
7.05 Effect of taxation on incentives to work .....	4.2	32
7.06 Pay and productivity .....	3.9	75
7.07 Reliance on professional management .....	3.6	117
7.08 Country capacity to retain talent .....	4.2	33
7.09 Country capacity to attract talent .....	3.4	76
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 .....	5.0	44
8.02 Affordability of financial services .....	4.5	46
8.03 Financing through local equity market .....	2.8	107
8.04 Ease of access to loans .....	2.7	80
8.05 Venture capital availability .....	2.8	54
8.06 Soundness of banks .....	3.3	141
8.07 Regulation of securities exchanges .....	4.0	75
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.5	41
9.02 Firm-level technology absorption .....	5.2	38
9.03 FDI and technology transfer .....	4.7	68
9.04 Individuals using Internet, %* .....	61.0	47
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	19.2	37
9.06 Int'l Internet bandwidth, kb/s per user* .....	69.7	32
9.07 Mobile broadband subscriptions/100 pop.* .....	33.8	47
<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)* .....	3.6	108
10.03 GDP (PPP\$ billions)* .....	23.6	113
10.04 Exports as a percentage of GDP* .....	41.2	70
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	87
11.02 Local supplier quality .....	4.8	46
11.03 State of cluster development .....	4.1	52
11.04 Nature of competitive advantage .....	4.5	29
11.05 Value chain breadth .....	4.2	39
11.06 Control of international distribution .....	4.8	17
11.07 Production process sophistication .....	4.1	55
11.08 Extent of marketing .....	4.5	47
11.09 Willingness to delegate authority .....	3.9	56
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.3	93
12.02 Quality of scientific research institutions .....	4.0	50
12.03 Company spending on R&D .....	3.1	74
12.04 University-industry collaboration in R&D .....	3.8	54
12.05 Gov't procurement of advanced tech products .....	3.5	72
12.06 Availability of scientists and engineers .....	4.5	43
12.07 PCT patents, applications/million pop.* .....	8.1	38

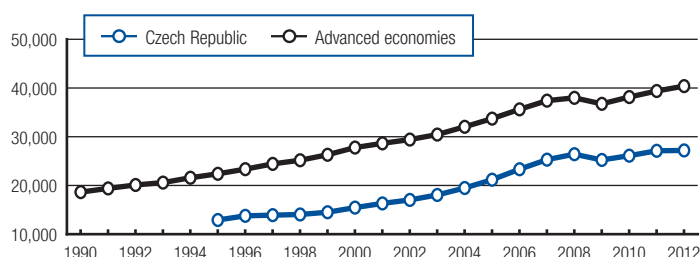
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Czech Republic

## Key indicators, 2012

Population (millions).....	10.5
GDP (US\$ billions).....	196.1
GDP per capita (US\$).....	18,579
GDP (PPP) as share (%) of world total.....	0.35

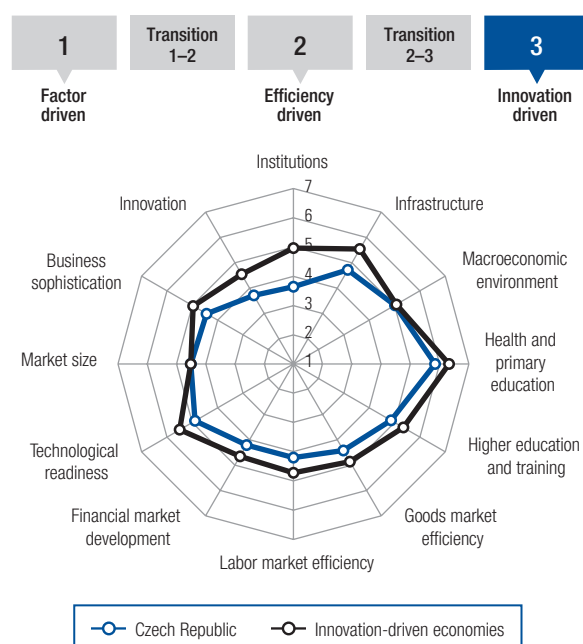
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

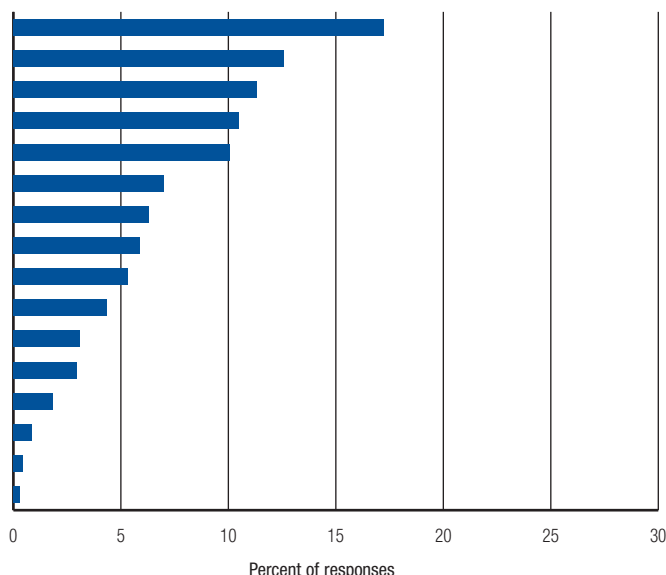
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>46</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	39	4.5
GCI 2011–2012 (out of 142).....	38	4.5
<b>Basic requirements (20.0%)</b> .....	<b>55</b>	<b>4.8</b>
Institutions.....	86	3.6
Infrastructure.....	39	4.7
Macroeconomic environment.....	55	5.0
Health and primary education.....	60	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>37</b>	<b>4.5</b>
Higher education and training.....	39	4.9
Goods market efficiency.....	48	4.4
Labor market efficiency.....	81	4.2
Financial market development.....	58	4.2
Technological readiness.....	34	4.9
Market size.....	41	4.5
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>36</b>	<b>4.1</b>
Business sophistication.....	38	4.4
Innovation.....	37	3.7

Stage of development



## The most problematic factors for doing business

Corruption.....	17.2
Inefficient government bureaucracy.....	12.6
Tax rates.....	11.3
Restrictive labor regulations.....	10.5
Tax regulations.....	10.1
Access to financing.....	7.0
Inadequately educated workforce.....	6.3
Poor work ethic in national labor force.....	5.9
Crime and theft.....	5.3
Policy instability.....	4.3
Insufficient capacity to innovate.....	3.1
Inadequate supply of infrastructure.....	2.9
Government instability/coups.....	1.8
Foreign currency regulations.....	0.8
Inflation.....	0.4
Poor public health.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Czech Republic

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	88
1.02 Intellectual property protection .....	3.8	61
1.03 Diversion of public funds .....	2.4	117
1.04 Public trust in politicians .....	1.5	146
1.05 Irregular payments and bribes .....	3.7	81
1.06 Judicial independence .....	3.8	68
1.07 Favoritism in decisions of government officials .....	2.4	123
1.08 Wastefulness of government spending .....	3.4	53
1.09 Burden of government regulation .....	2.6	135
1.10 Efficiency of legal framework in settling disputes .....	3.1	115
1.11 Efficiency of legal framework in challenging regs. ....	2.7	126
1.12 Transparency of government policymaking .....	3.8	98
1.13 Business costs of terrorism .....	6.4	<b>16</b>
1.14 Business costs of crime and violence .....	5.0	53
1.15 Organized crime .....	5.0	71
1.16 Reliability of police services .....	3.9	90
1.17 Ethical behavior of firms .....	3.6	109
1.18 Strength of auditing and reporting standards .....	4.8	64
1.19 Efficacy of corporate boards .....	4.4	88
1.20 Protection of minority shareholders' interests .....	3.9	83
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.1	<b>37</b>
2.02 Quality of roads .....	3.7	81
2.03 Quality of railroad infrastructure .....	4.6	<b>22</b>
2.04 Quality of port infrastructure .....	4.4	61
2.05 Quality of air transport infrastructure .....	5.8	<b>21</b>
2.06 Available airline seat km/week, millions* .....	194.6	64
2.07 Quality of electricity supply .....	6.4	<b>20</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	122.8	47
2.09 Fixed telephone lines/100 pop.* .....	19.9	62
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.0	120
3.02 Gross national savings, % GDP* .....	21.6	63
3.03 Inflation, annual % change* .....	3.3	59
3.04 General government debt, % GDP* .....	43.1	76
3.05 Country credit rating, 0–100 (best)* .....	75.4	<b>25</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	5.4	77
4.04 Tuberculosis cases/100,000 pop.* .....	6.0	<b>16</b>
4.05 Business impact of HIV/AIDS .....	5.2	82
4.06 HIV prevalence, % adult pop.* .....	0.10	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	3.2	<b>14</b>
4.08 Life expectancy, years* .....	77.9	<b>37</b>
4.09 Quality of primary education .....	4.3	51
4.10 Primary education enrollment, net %* .....	89.6	102
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	90.8	66
5.02 Tertiary education enrollment, gross %* .....	64.9	<b>29</b>
5.03 Quality of the educational system .....	3.7	67
5.04 Quality of math and science education .....	4.0	83
5.05 Quality of management schools .....	4.0	90
5.06 Internet access in schools .....	5.8	<b>24</b>
5.07 Availability of research and training services .....	5.0	<b>26</b>
5.08 Extent of staff training .....	4.0	68
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.8	<b>12</b>
6.02 Extent of market dominance .....	4.2	<b>44</b>
6.03 Effectiveness of anti-monopoly policy .....	4.1	70
6.04 Effect of taxation on incentives to invest .....	2.7	132
6.05 Total tax rate, % profits* .....	49.2	112

INDICATOR	VALUE	RANK/148
<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	88
6.08 Agricultural policy costs .....	3.6	99
6.09 Prevalence of trade barriers .....	4.3	68
6.10 Trade tariffs, % duty* .....	0.8	<b>4</b>
6.11 Prevalence of foreign ownership .....	6.0	<b>5</b>
6.12 Business impact of rules on FDI .....	4.7	54
6.13 Burden of customs procedures .....	4.5	47
6.14 Imports as a percentage of GDP* .....	81.5	<b>23</b>
6.15 Degree of customer orientation .....	4.6	66
6.16 Buyer sophistication .....	3.4	75
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	74
7.02 Flexibility of wage determination .....	5.2	63
7.03 Hiring and firing practices .....	3.3	121
7.04 Redundancy costs, weeks of salary* .....	20.2	95
7.05 Effect of taxation on incentives to work .....	2.7	133
7.06 Pay and productivity .....	4.6	<b>19</b>
7.07 Reliance on professional management .....	4.4	62
7.08 Country capacity to retain talent .....	2.8	109
7.09 Country capacity to attract talent .....	3.2	87
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 .....	4.7	59
8.02 Affordability of financial services .....	4.0	86
8.03 Financing through local equity market .....	3.0	93
8.04 Ease of access to loans .....	3.0	58
8.05 Venture capital availability .....	2.6	74
8.06 Soundness of banks .....	5.8	<b>33</b>
8.07 Regulation of securities exchanges .....	4.4	50
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.2	53
9.02 Firm-level technology absorption .....	4.9	54
9.03 FDI and technology transfer .....	5.1	<b>27</b>
9.04 Individuals using Internet, %* .....	75.0	<b>28</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	16.6	<b>41</b>
9.06 Int'l Internet bandwidth, kb/s per user* .....	101.0	<b>19</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	44.0	<b>35</b>
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.2	46
10.02 Foreign market size index, 1–7 (best)* .....	5.5	<b>28</b>
10.03 GDP (PPP\$ billions)* .....	287.0	<b>44</b>
10.04 Exports as a percentage of GDP* .....	90.9	<b>12</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.2	<b>25</b>
11.02 Local supplier quality .....	5.3	<b>21</b>
11.03 State of cluster development .....	4.1	<b>45</b>
11.04 Nature of competitive advantage .....	4.1	<b>38</b>
11.05 Value chain breadth .....	4.6	<b>24</b>
11.06 Control of international distribution .....	3.5	120
11.07 Production process sophistication .....	4.6	<b>32</b>
11.08 Extent of marketing .....	4.5	<b>43</b>
11.09 Willingness to delegate authority .....	3.9	57
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.3	<b>26</b>
12.02 Quality of scientific research institutions .....	4.9	<b>26</b>
12.03 Company spending on R&D .....	3.8	<b>32</b>
12.04 University-industry collaboration in R&D .....	4.4	<b>35</b>
12.05 Gov't procurement of advanced tech products .....	2.8	124
12.06 Availability of scientists and engineers .....	4.2	64
12.07 PCT patents, applications/million pop.* .....	15.3	<b>29</b>

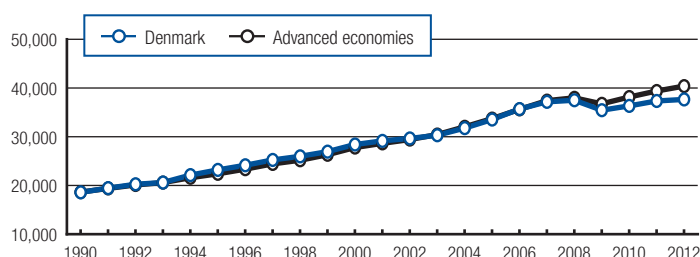
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Denmark

## Key indicators, 2012

Population (millions).....	5.6
GDP (US\$ billions).....	313.6
GDP per capita (US\$).....	56,202
GDP (PPP) as share (%) of world total.....	0.25

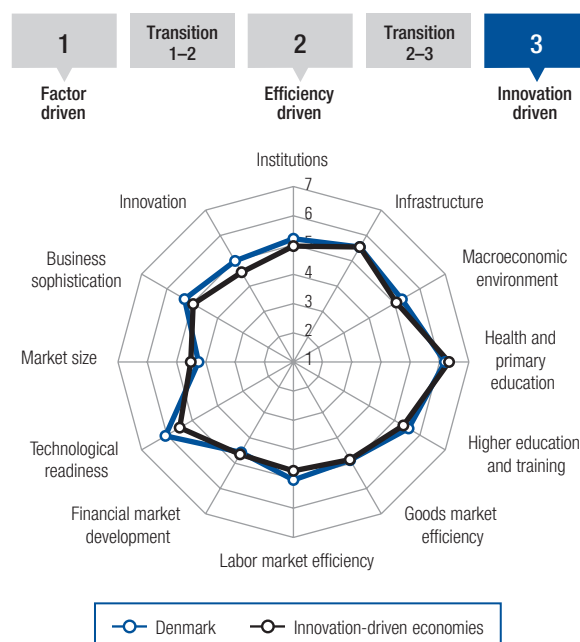
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

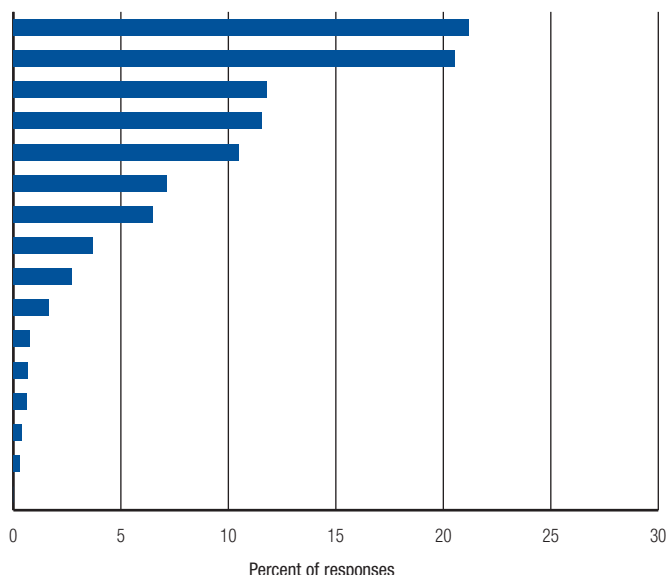
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>15</b>	<b>5.2</b>
GCI 2012–2013 (out of 144).....	12	5.3
GCI 2011–2012 (out of 142).....	8	5.4
<b>Basic requirements (20.0%)</b> .....	<b>21</b>	<b>5.5</b>
Institutions.....	18	5.2
Infrastructure.....	23	5.5
Macroeconomic environment.....	42	5.3
Health and primary education.....	32	6.2
<b>Efficiency enhancers (50.0%)</b> .....	<b>16</b>	<b>5.1</b>
Higher education and training.....	14	5.5
Goods market efficiency.....	24	4.9
Labor market efficiency.....	13	5.0
Financial market development.....	36	4.6
Technological readiness.....	5	6.0
Market size.....	53	4.2
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>11</b>	<b>5.1</b>
Business sophistication.....	11	5.3
Innovation.....	11	5.0

## Stage of development



## The most problematic factors for doing business

Tax rates.....	21.2
Access to financing.....	20.5
Tax regulations.....	11.8
Restrictive labor regulations.....	11.6
Inefficient government bureaucracy.....	10.5
Insufficient capacity to innovate.....	7.1
Poor work ethic in national labor force.....	6.5
Inadequately educated workforce.....	3.7
Inadequate supply of infrastructure.....	2.7
Policy instability.....	1.7
Inflation.....	0.7
Crime and theft.....	0.7
Government instability/coups.....	0.6
Foreign currency regulations.....	0.4
Poor public health.....	0.3
Corruption.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Denmark

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.4	24
1.02 Intellectual property protection .....	5.0	26
1.03 Diversion of public funds .....	6.3	<b>2</b>
1.04 Public trust in politicians .....	4.5	16
1.05 Irregular payments and bribes .....	6.1	15
1.06 Judicial independence .....	6.2	<b>8</b>
1.07 Favoritism in decisions of government officials .....	4.4	16
1.08 Wastefulness of government spending .....	3.6	44
1.09 Burden of government regulation .....	3.2	101
1.10 Efficiency of legal framework in settling disputes .....	4.9	21
1.11 Efficiency of legal framework in challenging regs. ....	4.0	38
1.12 Transparency of government policymaking .....	4.3	54
1.13 Business costs of terrorism .....	4.9	108
1.14 Business costs of crime and violence .....	4.6	77
1.15 Organized crime .....	5.5	48
1.16 Reliability of police services .....	6.1	<b>11</b>
1.17 Ethical behavior of firms .....	6.1	<b>7</b>
1.18 Strength of auditing and reporting standards .....	5.2	41
1.19 Efficacy of corporate boards .....	5.2	20
1.20 Protection of minority shareholders' interests .....	4.6	40
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	31
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.7	18
2.02 Quality of roads .....	5.5	22
2.03 Quality of railroad infrastructure .....	4.5	24
2.04 Quality of port infrastructure .....	5.7	<b>14</b>
2.05 Quality of air transport infrastructure .....	5.6	26
2.06 Available airline seat km/week, millions* .....	463.8	43
2.07 Quality of electricity supply .....	6.7	<b>6</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	118.0	54
2.09 Fixed telephone lines/100 pop.* .....	43.5	20
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.4	106
3.02 Gross national savings, % GDP* .....	22.6	58
3.03 Inflation, annual % change* .....	2.4	<b>1</b>
3.04 General government debt, % GDP* .....	50.1	<b>91</b>
3.05 Country credit rating, 0–100 (best)* .....	90.3	<b>9</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.8	<b>3</b>
4.04 Tuberculosis cases/100,000 pop.* .....	6.5	20
4.05 Business impact of HIV/AIDS .....	6.7	<b>4</b>
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	3.1	<b>13</b>
4.08 Life expectancy, years* .....	79.8	28
4.09 Quality of primary education .....	4.7	42
4.10 Primary education enrollment, net %* .....	95.4	60
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	118.7	<b>6</b>
5.02 Tertiary education enrollment, gross %* .....	73.7	17
5.03 Quality of the educational system .....	4.9	21
5.04 Quality of math and science education .....	4.5	42
5.05 Quality of management schools .....	5.2	25
5.06 Internet access in schools .....	5.8	22
5.07 Availability of research and training services .....	5.2	22
5.08 Extent of staff training .....	5.0	<b>14</b>
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.5	27
6.02 Extent of market dominance .....	5.2	<b>11</b>
6.03 Effectiveness of anti-monopoly policy .....	4.9	20
6.04 Effect of taxation on incentives to invest .....	3.2	112
6.05 Total tax rate, % profits* .....	27.7	28

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	6	16
6.08 Agricultural policy costs .....	3.9	61
6.09 Prevalence of trade barriers .....	4.7	38
6.10 Trade tariffs, % duty* .....	0.8	<b>4</b>
6.11 Prevalence of foreign ownership .....	5.2	39
6.12 Business impact of rules on FDI .....	4.6	69
6.13 Burden of customs procedures .....	4.9	26
6.14 Imports as a percentage of GDP* .....	48.1	65
6.15 Degree of customer orientation .....	5.6	<b>9</b>
6.16 Buyer sophistication .....	3.7	53
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.8	<b>3</b>
7.02 Flexibility of wage determination .....	4.8	93
7.03 Hiring and firing practices .....	5.0	<b>6</b>
7.04 Redundancy costs, weeks of salary* .....	0.0	<b>1</b>
7.05 Effect of taxation on incentives to work .....	2.8	128
7.06 Pay and productivity .....	4.1	52
7.07 Reliance on professional management .....	6.0	<b>6</b>
7.08 Country capacity to retain talent .....	4.0	43
7.09 Country capacity to attract talent .....	3.8	52
7.10 Women in labor force, ratio to men* .....	0.92	24
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.1	36
8.02 Affordability of financial services .....	4.7	39
8.03 Financing through local equity market .....	3.5	61
8.04 Ease of access to loans .....	2.9	65
8.05 Venture capital availability .....	2.4	95
8.06 Soundness of banks .....	4.5	95
8.07 Regulation of securities exchanges .....	5.3	20
8.08 Legal rights index, 0–10 (best)* .....	9	<b>12</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.9	29
9.02 Firm-level technology absorption .....	5.7	20
9.03 FDI and technology transfer .....	4.7	60
9.04 Individuals using Internet, %* .....	93.0	<b>4</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	38.2	<b>13</b>
9.06 Int'l Internet bandwidth, kb/s per user* .....	175.0	<b>12</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	87.5	<b>7</b>
<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)* .....	5.1	45
10.03 GDP (PPP\$ billions)* .....	210.1	53
10.04 Exports as a percentage of GDP* .....	54.3	41
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.1	26
11.02 Local supplier quality .....	5.5	<b>14</b>
11.03 State of cluster development .....	4.3	34
11.04 Nature of competitive advantage .....	6.0	<b>5</b>
11.05 Value chain breadth .....	5.0	15
11.06 Control of international distribution .....	4.7	24
11.07 Production process sophistication .....	5.5	16
11.08 Extent of marketing .....	5.2	25
11.09 Willingness to delegate authority .....	6.0	<b>1</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.0	<b>13</b>
12.02 Quality of scientific research institutions .....	5.3	17
12.03 Company spending on R&D .....	4.8	<b>10</b>
12.04 University-industry collaboration in R&D .....	4.8	22
12.05 Gov't procurement of advanced tech products .....	3.4	87
12.06 Availability of scientists and engineers .....	4.6	36
12.07 PCT patents, applications/million pop.* .....	203.3	<b>7</b>

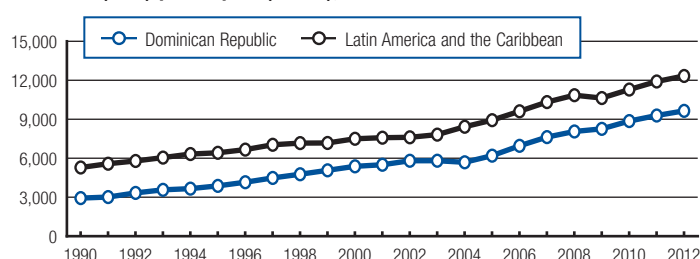
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Dominican Republic

## Key indicators, 2012

Population (millions).....	10.1
GDP (US\$ billions).....	59.0
GDP per capita (US\$).....	5,763
GDP (PPP) as share (%) of world total.....	0.12

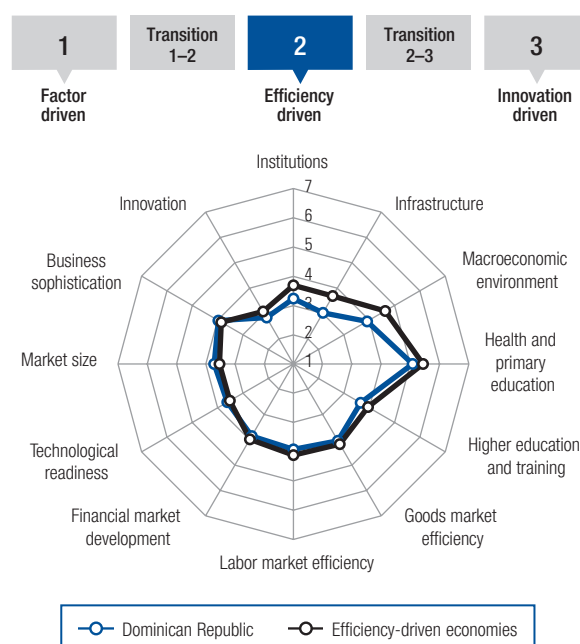
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

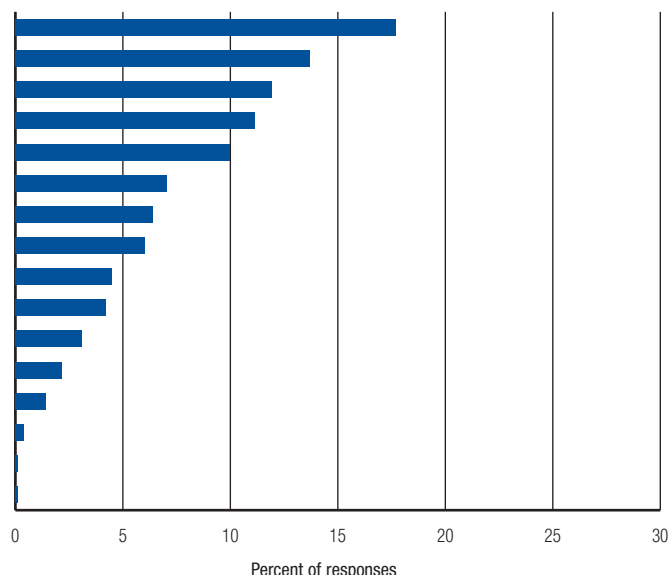
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>105</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	105	3.8
GCI 2011–2012 (out of 142).....	110	3.7
<b>Basic requirements (40.0%)</b> .....	<b>116</b>	<b>3.8</b>
Institutions.....	124	3.2
Infrastructure.....	110	3.0
Macroeconomic environment.....	119	3.9
Health and primary education.....	110	5.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>90</b>	<b>3.8</b>
Higher education and training.....	96	3.7
Goods market efficiency.....	99	4.0
Labor market efficiency.....	118	3.9
Financial market development.....	86	3.8
Technological readiness.....	76	3.6
Market size.....	68	3.7
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>91</b>	<b>3.4</b>
Business sophistication.....	71	4.0
Innovation.....	115	2.8

## Stage of development



## The most problematic factors for doing business

Corruption.....	17.7
Access to financing.....	13.7
Inefficient government bureaucracy.....	11.9
Tax rates.....	11.2
Inadequately educated workforce.....	10.0
Restrictive labor regulations.....	7.1
Crime and theft.....	6.4
Tax regulations.....	6.0
Inflation.....	4.5
Insufficient capacity to innovate.....	4.2
Poor work ethic in national labor force.....	3.1
Inadequate supply of infrastructure.....	2.2
Poor public health.....	1.4
Government instability/coups.....	0.4
Foreign currency regulations.....	0.1
Policy instability.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Dominican Republic

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8	94
1.02 Intellectual property protection .....	3.0	107
1.03 Diversion of public funds .....	1.9	142
1.04 Public trust in politicians .....	1.7	143
1.05 Irregular payments and bribes .....	3.2	111
1.06 Judicial independence .....	2.4	131
1.07 Favoritism in decisions of government officials .....	1.9	145
1.08 Wastefulness of government spending .....	2.1	138
1.09 Burden of government regulation .....	3.5	69
1.10 Efficiency of legal framework in settling disputes .....	3.4	99
1.11 Efficiency of legal framework in challenging regs. ....	3.0	107
1.12 Transparency of government policymaking .....	4.2	69
1.13 Business costs of terrorism .....	5.5	70
1.14 Business costs of crime and violence .....	3.2	131
1.15 Organized crime .....	4.2	110
1.16 Reliability of police services .....	2.3	143
1.17 Ethical behavior of firms .....	3.5	111
1.18 Strength of auditing and reporting standards .....	4.7	69
1.19 Efficacy of corporate boards .....	4.5	75
1.20 Protection of minority shareholders' interests .....	4.2	66
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.7	99
2.02 Quality of roads .....	4.2	62
2.03 Quality of railroad infrastructure .....	2.6	67
2.04 Quality of port infrastructure .....	4.6	52
2.05 Quality of air transport infrastructure .....	5.2	47
2.06 Available airline seat km/week, millions* .....	386.4	49
2.07 Quality of electricity supply .....	2.1	134
2.08 Mobile telephone subscriptions/100 pop.* .....	88.8	110
2.09 Fixed telephone lines/100 pop.* .....	10.5	90
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-7.0	134
3.02 Gross national savings, % GDP* .....	9.2	132
3.03 Inflation, annual % change* .....	3.7	69
3.04 General government debt, % GDP* .....	33.5	49
3.05 Country credit rating, 0–100 (best)* .....	38.4	82
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.3	98
4.02 Malaria cases/100,000 pop.* .....	47.0	95
4.03 Business impact of tuberculosis .....	5.1	91
4.04 Tuberculosis cases/100,000 pop.* .....	65.0	82
4.05 Business impact of HIV/AIDS .....	4.7	103
4.06 HIV prevalence, % adult pop.* .....	0.70	97
4.07 Infant mortality, deaths/1,000 live births* .....	20.9	92
4.08 Life expectancy, years* .....	73.4	77
4.09 Quality of primary education .....	2.0	146
4.10 Primary education enrollment, net %* .....	89.4	103
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	76.1	98
5.02 Tertiary education enrollment, gross %* .....	34.0	74
5.03 Quality of the educational system .....	2.5	140
5.04 Quality of math and science education .....	2.2	146
5.05 Quality of management schools .....	3.7	106
5.06 Internet access in schools .....	3.6	99
5.07 Availability of research and training services .....	4.1	77
5.08 Extent of staff training .....	4.0	76
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9	75
6.02 Extent of market dominance .....	3.1	127
6.03 Effectiveness of anti-monopoly policy .....	3.8	101
6.04 Effect of taxation on incentives to invest .....	2.8	128
6.05 Total tax rate, % profits* .....	42.5	91

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	19	82
6.08 Agricultural policy costs .....	3.6	98
6.09 Prevalence of trade barriers .....	3.7	132
6.10 Trade tariffs, % duty* .....	7.3	85
6.11 Prevalence of foreign ownership .....	5.0	50
6.12 Business impact of rules on FDI .....	4.5	80
6.13 Burden of customs procedures .....	4.4	51
6.14 Imports as a percentage of GDP* .....	33.3	110
6.15 Degree of customer orientation .....	4.5	81
6.16 Buyer sophistication .....	3.3	85
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5	50
7.02 Flexibility of wage determination .....	5.3	52
7.03 Hiring and firing practices .....	4.0	69
7.04 Redundancy costs, weeks of salary* .....	26.2	116
7.05 Effect of taxation on incentives to work .....	2.7	135
7.06 Pay and productivity .....	3.5	107
7.07 Reliance on professional management .....	3.6	115
7.08 Country capacity to retain talent .....	3.4	72
7.09 Country capacity to attract talent .....	3.3	83
7.10 Women in labor force, ratio to men* .....	0.66	105
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.2	35
8.02 Affordability of financial services .....	4.1	76
8.03 Financing through local equity market .....	2.8	106
8.04 Ease of access to loans .....	3.0	57
8.05 Venture capital availability .....	2.5	86
8.06 Soundness of banks .....	5.8	34
8.07 Regulation of securities exchanges .....	4.0	76
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.2	51
9.02 Firm-level technology absorption .....	4.9	56
9.03 FDI and technology transfer .....	5.3	11
9.04 Individuals using Internet, %* .....	45.0	74
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	4.4	83
9.06 Int'l Internet bandwidth, kb/s per user* .....	11.3	92
9.07 Mobile broadband subscriptions/100 pop.* .....	15.4	74
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.6	66
10.02 Foreign market size index, 1–7 (best)* .....	4.2	82
10.03 GDP (PPP\$ billions)* .....	98.7	68
10.04 Exports as a percentage of GDP* .....	24.8	121
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	53
11.02 Local supplier quality .....	4.4	75
11.03 State of cluster development .....	3.6	86
11.04 Nature of competitive advantage .....	3.0	107
11.05 Value chain breadth .....	3.8	64
11.06 Control of international distribution .....	4.2	54
11.07 Production process sophistication .....	3.7	74
11.08 Extent of marketing .....	4.5	48
11.09 Willingness to delegate authority .....	3.7	72
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	98
12.02 Quality of scientific research institutions .....	2.7	126
12.03 Company spending on R&D .....	2.9	96
12.04 University-industry collaboration in R&D .....	3.3	91
12.05 Gov't procurement of advanced tech products .....	3.4	80
12.06 Availability of scientists and engineers .....	3.2	125
12.07 PCT patents, applications/million pop.* .....	0.3	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 97.

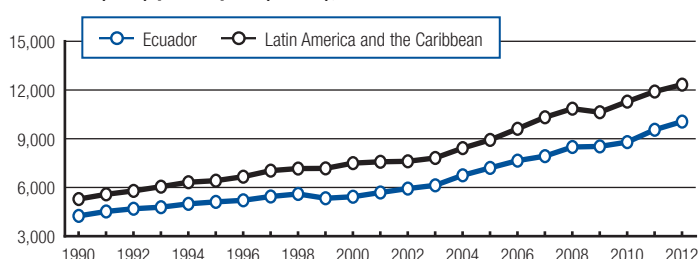


# Ecuador

## Key indicators, 2012

Population (millions).....	14.7
GDP (US\$ billions).....	80.9
GDP per capita (US\$).....	5,311
GDP (PPP) as share (%) of world total.....	0.18

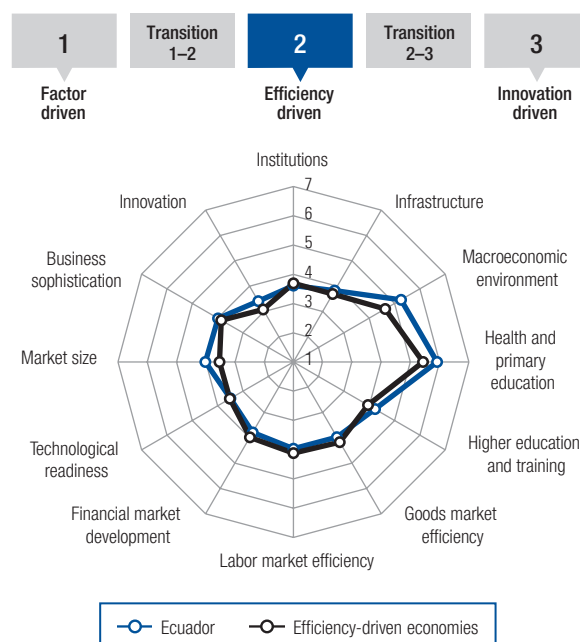
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

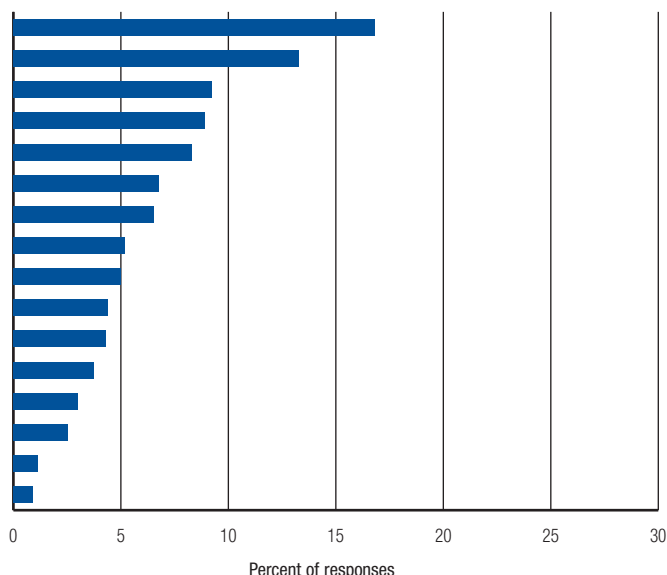
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>71</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	86	3.9
GCI 2011–2012 (out of 142).....	101	3.8
<b>Basic requirements (40.0%)</b> .....	<b>62</b>	<b>4.6</b>
Institutions.....	92	3.6
Infrastructure.....	79	3.8
Macroeconomic environment.....	44	5.2
Health and primary education.....	54	5.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>81</b>	<b>3.9</b>
Higher education and training.....	71	4.2
Goods market efficiency.....	106	4.0
Labor market efficiency.....	111	4.0
Financial market development.....	89	3.8
Technological readiness.....	82	3.5
Market size.....	59	4.0
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>63</b>	<b>3.7</b>
Business sophistication.....	69	4.0
Innovation.....	58	3.4

## Stage of development



## The most problematic factors for doing business

Corruption.....	16.8
Crime and theft.....	13.3
Restrictive labor regulations.....	9.2
Tax regulations.....	8.9
Tax rates.....	8.3
Inefficient government bureaucracy.....	6.8
Access to financing.....	6.5
Poor work ethic in national labor force.....	5.2
Inflation.....	5.0
Inadequately educated workforce.....	4.4
Policy instability.....	4.3
Insufficient capacity to innovate.....	3.7
Foreign currency regulations.....	3.0
Inadequate supply of infrastructure.....	2.5
Government instability/coups.....	1.1
Poor public health.....	0.9



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Ecuador

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8	98
1.02 Intellectual property protection .....	3.6	79
1.03 Diversion of public funds .....	3.2	68
1.04 Public trust in politicians .....	3.1	59
1.05 Irregular payments and bribes .....	3.6	92
1.06 Judicial independence .....	3.2	100
1.07 Favoritism in decisions of government officials .....	3.4	47
1.08 Wastefulness of government spending .....	3.6	42
1.09 Burden of government regulation .....	3.5	68
1.10 Efficiency of legal framework in settling disputes .....	3.4	97
1.11 Efficiency of legal framework in challenging regs. ....	3.1	100
1.12 Transparency of government policymaking .....	4.1	73
1.13 Business costs of terrorism .....	4.5	122
1.14 Business costs of crime and violence .....	3.5	119
1.15 Organized crime .....	3.9	129
1.16 Reliability of police services .....	3.6	106
1.17 Ethical behavior of firms .....	3.6	108
1.18 Strength of auditing and reporting standards .....	4.3	90
1.19 Efficacy of corporate boards .....	4.4	80
1.20 Protection of minority shareholders' interests .....	3.9	89
1.21 Strength of investor protection, 0–10 (best)* .....	4.0	116
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.2	75
2.02 Quality of roads .....	4.6	50
2.03 Quality of railroad infrastructure .....	3.0	57
2.04 Quality of port infrastructure .....	4.2	69
2.05 Quality of air transport infrastructure .....	4.5	70
2.06 Available airline seat km/week, millions* .....	166.6	70
2.07 Quality of electricity supply .....	4.5	84
2.08 Mobile telephone subscriptions/100 pop.* .....	110.7	69
2.09 Fixed telephone lines/100 pop.* .....	15.5	81
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.5	35
3.02 Gross national savings, % GDP* .....	26.8	38
3.03 Inflation, annual % change* .....	5.1	92
3.04 General government debt, % GDP* .....	18.6	21
3.05 Country credit rating, 0–100 (best)* .....	24.0	121
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.2	104
4.02 Malaria cases/100,000 pop.* .....	15.2	89
4.03 Business impact of tuberculosis .....	5.1	93
4.04 Tuberculosis cases/100,000 pop.* .....	62.0	80
4.05 Business impact of HIV/AIDS .....	4.8	100
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	19.6	89
4.08 Life expectancy, years* .....	75.6	49
4.09 Quality of primary education .....	3.8	74
4.10 Primary education enrollment, net %* .....	98.6	26
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	87.6	78
5.02 Tertiary education enrollment, gross %* .....	39.8	65
5.03 Quality of the educational system .....	3.8	62
5.04 Quality of math and science education .....	4.0	84
5.05 Quality of management schools .....	4.2	77
5.06 Internet access in schools .....	4.0	80
5.07 Availability of research and training services .....	3.9	86
5.08 Extent of staff training .....	4.1	61
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5	112
6.02 Extent of market dominance .....	3.6	85
6.03 Effectiveness of anti-monopoly policy .....	4.1	76
6.04 Effect of taxation on incentives to invest .....	3.8	72
6.05 Total tax rate, % profits* .....	34.6	57

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	13	135
6.07 No. days to start a business* .....	56	130
6.08 Agricultural policy costs .....	3.9	64
6.09 Prevalence of trade barriers .....	3.8	120
6.10 Trade tariffs, % duty* .....	7.5	87
6.11 Prevalence of foreign ownership .....	4.1	104
6.12 Business impact of rules on FDI .....	3.5	127
6.13 Burden of customs procedures .....	3.9	82
6.14 Imports as a percentage of GDP* .....	35.2	101
6.15 Degree of customer orientation .....	4.1	115
6.16 Buyer sophistication .....	3.7	55
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.3	70
7.02 Flexibility of wage determination .....	4.4	119
7.03 Hiring and firing practices .....	3.6	97
7.04 Redundancy costs, weeks of salary* .....	31.8	133
7.05 Effect of taxation on incentives to work .....	3.8	58
7.06 Pay and productivity .....	3.8	81
7.07 Reliance on professional management .....	4.0	83
7.08 Country capacity to retain talent .....	4.0	41
7.09 Country capacity to attract talent .....	4.1	35
7.10 Women in labor force, ratio to men* .....	0.67	104
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.2	87
8.02 Affordability of financial services .....	4.0	82
8.03 Financing through local equity market .....	3.7	54
8.04 Ease of access to loans .....	3.4	31
8.05 Venture capital availability .....	3.2	34
8.06 Soundness of banks .....	4.7	90
8.07 Regulation of securities exchanges .....	4.1	68
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6	89
9.02 Firm-level technology absorption .....	4.5	87
9.03 FDI and technology transfer .....	4.0	113
9.04 Individuals using Internet, %* .....	35.1	88
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	5.4	77
9.06 Int'l Internet bandwidth, kb/s per user* .....	33.1	50
9.07 Mobile broadband subscriptions/100 pop.* .....	22.2	66
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.8	57
10.02 Foreign market size index, 1–7 (best)* .....	4.6	69
10.03 GDP (PPP\$ billions)* .....	153.2	59
10.04 Exports as a percentage of GDP* .....	31.7	93
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	98
11.02 Local supplier quality .....	4.3	79
11.03 State of cluster development .....	3.9	69
11.04 Nature of competitive advantage .....	3.5	65
11.05 Value chain breadth .....	3.7	70
11.06 Control of international distribution .....	4.1	59
11.07 Production process sophistication .....	3.8	65
11.08 Extent of marketing .....	4.1	76
11.09 Willingness to delegate authority .....	3.8	62
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7	53
12.02 Quality of scientific research institutions .....	3.4	85
12.03 Company spending on R&D .....	3.6	36
12.04 University-industry collaboration in R&D .....	3.9	50
12.05 Gov't procurement of advanced tech products .....	4.0	29
12.06 Availability of scientists and engineers .....	4.1	73
12.07 PCT patents, applications/million pop.* .....	0.1	97

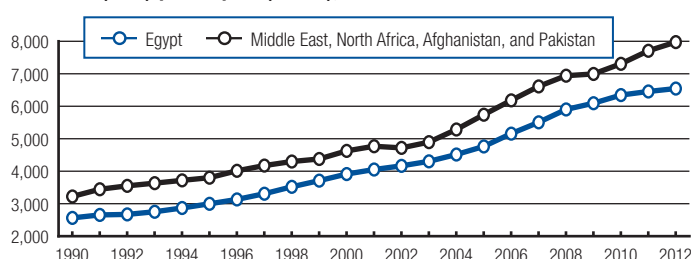
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Egypt

## Key indicators, 2012

Population (millions).....	82.5
GDP (US\$ billions).....	256.7
GDP per capita (US\$).....	3,112
GDP (PPP) as share (%) of world total.....	0.65

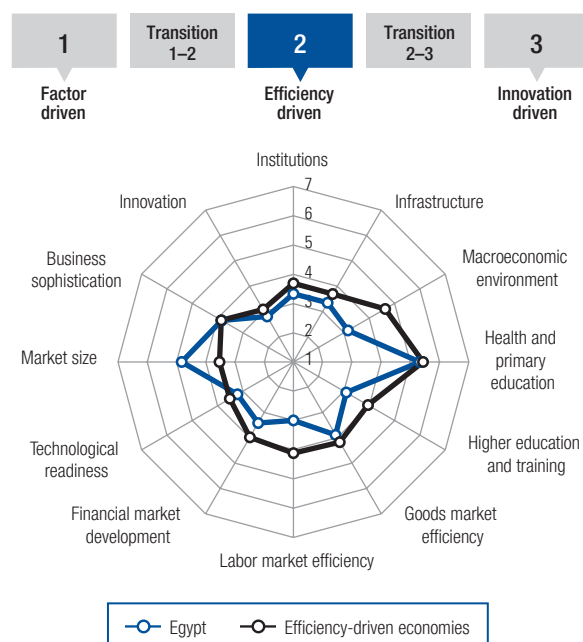
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

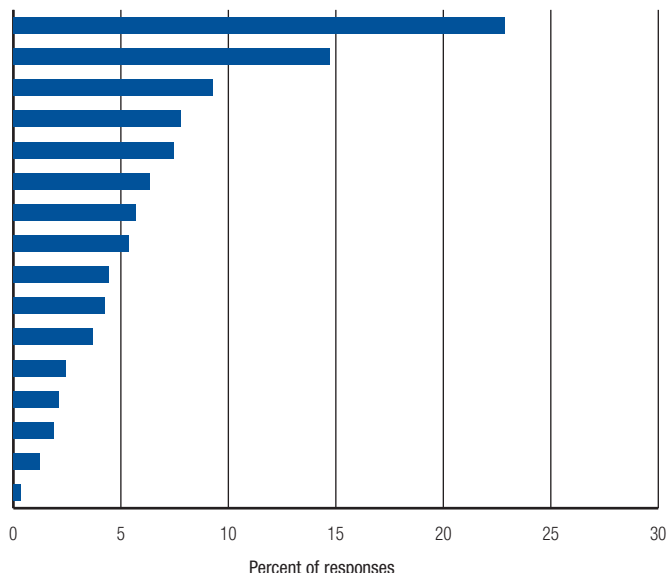
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>118</b>	<b>3.6</b>
GCI 2012–2013 (out of 144).....	107	3.7
GCI 2011–2012 (out of 142).....	94	3.9
<b>Basic requirements (40.0%)</b> .....	<b>118</b>	<b>3.8</b>
Institutions.....	117	3.3
Infrastructure.....	98	3.3
Macroeconomic environment.....	140	3.2
Health and primary education.....	100	5.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>109</b>	<b>3.6</b>
Higher education and training.....	118	3.1
Goods market efficiency.....	119	3.9
Labor market efficiency.....	146	3.0
Financial market development.....	119	3.4
Technological readiness.....	100	3.2
Market size.....	29	4.8
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>104</b>	<b>3.3</b>
Business sophistication.....	84	3.8
Innovation.....	120	2.8

## Stage of development



## The most problematic factors for doing business

Policy instability.....	22.9
Government instability/coups.....	14.7
Crime and theft.....	9.3
Access to financing.....	7.8
Corruption.....	7.5
Inadequately educated workforce.....	6.4
Foreign currency regulations.....	5.7
Poor work ethic in national labor force.....	5.4
Inadequate supply of infrastructure.....	4.5
Tax rates.....	4.2
Inflation.....	3.7
Tax regulations.....	2.5
Restrictive labor regulations.....	2.1
Inefficient government bureaucracy.....	1.9
Insufficient capacity to innovate.....	1.2
Poor public health.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	101
1.02 Intellectual property protection .....	3.2	94
1.03 Diversion of public funds .....	2.5	116
1.04 Public trust in politicians .....	2.8	82
1.05 Irregular payments and bribes .....	3.4	101
1.06 Judicial independence .....	3.5	82
1.07 Favoritism in decisions of government officials .....	3.0	80
1.08 Wastefulness of government spending .....	2.1	135
1.09 Burden of government regulation .....	3.2	96
1.10 Efficiency of legal framework in settling disputes .....	3.2	106
1.11 Efficiency of legal framework in challenging regs. ....	3.2	94
1.12 Transparency of government policymaking .....	3.9	90
1.13 Business costs of terrorism .....	2.6	148
1.14 Business costs of crime and violence .....	2.3	143
1.15 Organized crime .....	3.4	138
1.16 Reliability of police services .....	2.9	132
1.17 Ethical behavior of firms .....	4.1	57
1.18 Strength of auditing and reporting standards .....	3.8	122
1.19 Efficacy of corporate boards .....	3.6	141
1.20 Protection of minority shareholders' interests .....	3.8	97
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.3	118
2.02 Quality of roads .....	2.7	122
2.03 Quality of railroad infrastructure .....	2.7	63
2.04 Quality of port infrastructure .....	4.1	80
2.05 Quality of air transport infrastructure .....	4.8	59
2.06 Available airline seat km/week, millions* .....	710.5	33
2.07 Quality of electricity supply .....	3.4	107
2.08 Mobile telephone subscriptions/100 pop.* .....	115.3	61
2.09 Fixed telephone lines/100 pop.* .....	10.2	92
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-10.7	146
3.02 Gross national savings, % GDP* .....	13.6	108
3.03 Inflation, annual % change* .....	8.6	122
3.04 General government debt, % GDP* .....	80.2	129
3.05 Country credit rating, 0–100 (best)* .....	35.1	94
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	0.0	1
4.03 Business impact of tuberculosis .....	5.6	70
4.04 Tuberculosis cases/100,000 pop.* .....	17.0	38
4.05 Business impact of HIV/AIDS .....	6.0	40
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	18.0	83
4.08 Life expectancy, years* .....	73.2	83
4.09 Quality of primary education .....	2.0	148
4.10 Primary education enrollment, net %* .....	95.6	58
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	72.5	102
5.02 Tertiary education enrollment, gross %* .....	27.8	82
5.03 Quality of the educational system .....	2.2	145
5.04 Quality of math and science education .....	2.2	145
5.05 Quality of management schools .....	2.3	145
5.06 Internet access in schools .....	2.7	125
5.07 Availability of research and training services .....	3.7	103
5.08 Extent of staff training .....	3.1	138
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.1	131
6.02 Extent of market dominance .....	3.3	109
6.03 Effectiveness of anti-monopoly policy .....	3.2	132
6.04 Effect of taxation on incentives to invest .....	3.6	85
6.05 Total tax rate, % profits* .....	42.6	92

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	7	25
6.08 Agricultural policy costs .....	3.3	119
6.09 Prevalence of trade barriers .....	3.6	136
6.10 Trade tariffs, % duty* .....	17.7	143
6.11 Prevalence of foreign ownership .....	3.6	124
6.12 Business impact of rules on FDI .....	3.6	122
6.13 Burden of customs procedures .....	3.8	89
6.14 Imports as a percentage of GDP* .....	33.3	109
6.15 Degree of customer orientation .....	4.9	44
6.16 Buyer sophistication .....	2.7	124
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.8	117
7.02 Flexibility of wage determination .....	5.3	44
7.03 Hiring and firing practices .....	3.3	120
7.04 Redundancy costs, weeks of salary* .....	36.8	136
7.05 Effect of taxation on incentives to work .....	2.8	125
7.06 Pay and productivity .....	3.1	131
7.07 Reliance on professional management .....	3.1	137
7.08 Country capacity to retain talent .....	2.3	133
7.09 Country capacity to attract talent .....	2.2	131
7.10 Women in labor force, ratio to men* .....	0.32	143
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8	112
8.02 Affordability of financial services .....	3.7	106
8.03 Financing through local equity market .....	3.9	46
8.04 Ease of access to loans .....	2.4	100
8.05 Venture capital availability .....	2.9	51
8.06 Soundness of banks .....	4.0	125
8.07 Regulation of securities exchanges .....	3.6	105
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.1	117
9.02 Firm-level technology absorption .....	4.2	110
9.03 FDI and technology transfer .....	4.2	100
9.04 Individuals using Internet, %* .....	44.1	75
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.7	93
9.06 Int'l Internet bandwidth, kb/s per user* .....	4.1	119
9.07 Mobile broadband subscriptions/100 pop.* .....	26.9	59
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.8	26
10.02 Foreign market size index, 1–7 (best)* .....	5.0	48
10.03 GDP (PPP\$ billions)* .....	540.0	26
10.04 Exports as a percentage of GDP* .....	19.7	134
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	85
11.02 Local supplier quality .....	4.1	100
11.03 State of cluster development .....	4.1	49
11.04 Nature of competitive advantage .....	3.5	66
11.05 Value chain breadth .....	3.6	79
11.06 Control of international distribution .....	3.9	77
11.07 Production process sophistication .....	3.3	107
11.08 Extent of marketing .....	3.6	109
11.09 Willingness to delegate authority .....	4.1	40
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1	111
12.02 Quality of scientific research institutions .....	2.7	127
12.03 Company spending on R&D .....	2.5	123
12.04 University-industry collaboration in R&D .....	2.6	133
12.05 Gov't procurement of advanced tech products .....	3.0	116
12.06 Availability of scientists and engineers .....	4.4	54
12.07 PCT patents, applications/million pop.* .....	0.6	74

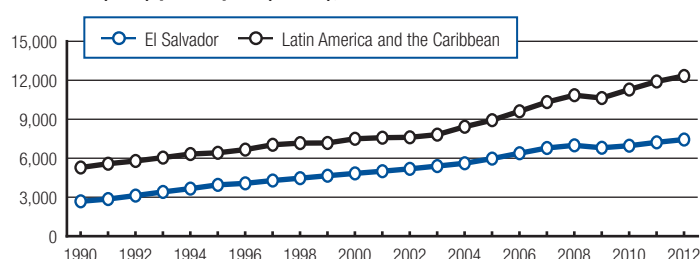
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# El Salvador

## Key indicators, 2012

Population (millions).....	6.2
GDP (US\$ billions).....	23.8
GDP per capita (US\$).....	3,823
GDP (PPP) as share (%) of world total.....	0.06

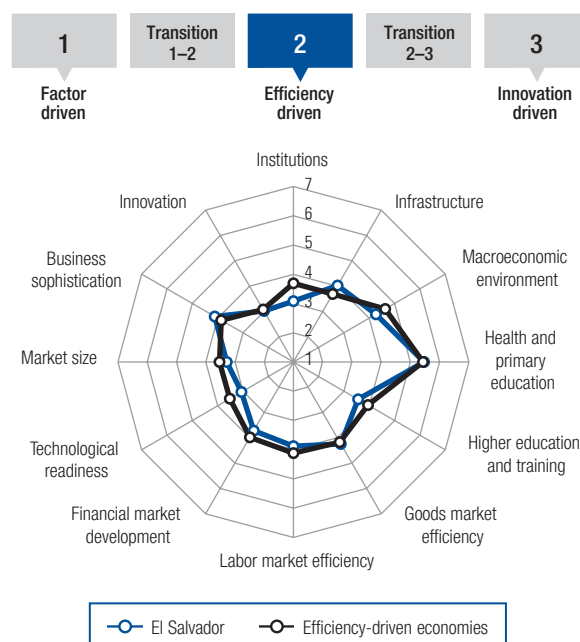
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

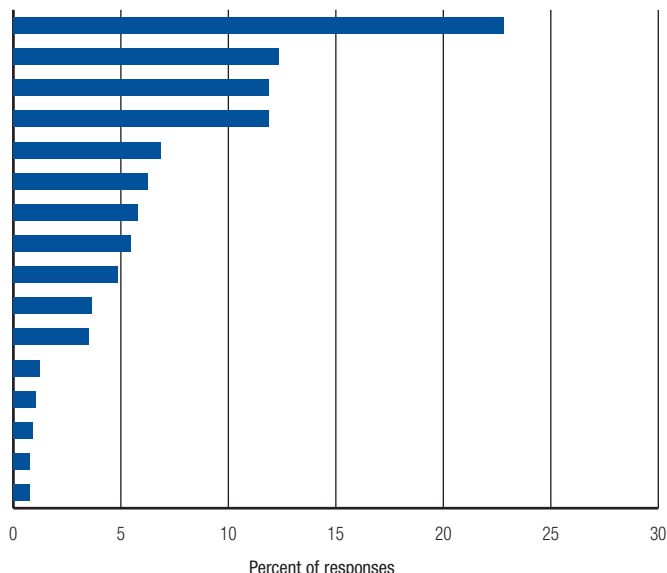
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>97</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	101	3.8
GCI 2011–2012 (out of 142).....	91	3.9
<b>Basic requirements (40.0%)</b> .....	<b>98</b>	<b>4.2</b>
Institutions.....	130	3.1
Infrastructure.....	72	4.0
Macroeconomic environment.....	102	4.3
Health and primary education.....	86	5.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>106</b>	<b>3.6</b>
Higher education and training.....	100	3.6
Goods market efficiency.....	77	4.2
Labor market efficiency.....	121	3.9
Financial market development.....	101	3.7
Technological readiness.....	109	3.1
Market size.....	90	3.3
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>73</b>	<b>3.6</b>
Business sophistication.....	60	4.1
Innovation.....	96	3.0

## Stage of development



## The most problematic factors for doing business

Access to financing.....	22.8
Restrictive labor regulations.....	12.3
Corruption.....	11.9
Policy instability.....	11.9
Crime and theft.....	6.8
Inefficient government bureaucracy.....	6.2
Tax rates.....	5.8
Inflation.....	5.5
Foreign currency regulations.....	4.9
Inadequately educated workforce.....	3.7
Insufficient capacity to innovate.....	3.5
Poor work ethic in national labor force.....	1.2
Poor public health.....	1.1
Tax regulations.....	0.9
Government instability/coups.....	0.8
Inadequate supply of infrastructure.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# El Salvador

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.5	112
1.02 Intellectual property protection .....	2.9	112
1.03 Diversion of public funds .....	2.9	92
1.04 Public trust in politicians .....	2.3	104
1.05 Irregular payments and bribes .....	3.1	117
1.06 Judicial independence .....	3.0	105
1.07 Favoritism in decisions of government officials .....	2.4	128
1.08 Wastefulness of government spending .....	2.5	115
1.09 Burden of government regulation .....	3.4	78
1.10 Efficiency of legal framework in settling disputes .....	2.8	126
1.11 Efficiency of legal framework in challenging regs. ....	3.0	110
1.12 Transparency of government policymaking .....	3.4	136
1.13 Business costs of terrorism .....	4.1	131
1.14 Business costs of crime and violence .....	2.4	142
1.15 Organized crime .....	2.5	147
1.16 Reliability of police services .....	3.1	120
1.17 Ethical behavior of firms .....	3.4	123
1.18 Strength of auditing and reporting standards .....	3.7	128
1.19 Efficacy of corporate boards .....	4.3	100
1.20 Protection of minority shareholders' interests .....	3.0	139
1.21 Strength of investor protection, 0–10 (best)* .....	3.0	134
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.3	72
2.02 Quality of roads .....	4.3	58
2.03 Quality of railroad infrastructure .....	2.5	73
2.04 Quality of port infrastructure .....	4.2	72
2.05 Quality of air transport infrastructure .....	4.8	56
2.06 Available airline seat km/week, millions* .....	95.4	82
2.07 Quality of electricity supply .....	4.7	80
2.08 Mobile telephone subscriptions/100 pop.* .....	138.1	31
2.09 Fixed telephone lines/100 pop.* .....	16.9	73
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.8	94
3.02 Gross national savings, % GDP* .....	9.4	130
3.03 Inflation, annual % change* .....	1.7	1
3.04 General government debt, % GDP* .....	52.2	97
3.05 Country credit rating, 0–100 (best)* .....	40.6	77
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.2	80
4.02 Malaria cases/100,000 pop.* .....	0.4	79
4.03 Business impact of tuberculosis .....	4.6	107
4.04 Tuberculosis cases/100,000 pop.* .....	27.0	57
4.05 Business impact of HIV/AIDS .....	5.0	90
4.06 HIV prevalence, % adult pop.* .....	0.60	92
4.07 Infant mortality, deaths/1,000 live births* .....	13.1	71
4.08 Life expectancy, years* .....	71.9	91
4.09 Quality of primary education .....	2.8	125
4.10 Primary education enrollment, net %* .....	94.3	71
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	67.6	107
5.02 Tertiary education enrollment, gross %* .....	24.6	88
5.03 Quality of the educational system .....	3.1	109
5.04 Quality of math and science education .....	2.8	129
5.05 Quality of management schools .....	3.8	93
5.06 Internet access in schools .....	3.7	97
5.07 Availability of research and training services .....	4.3	66
5.08 Extent of staff training .....	3.9	81
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6	105
6.02 Extent of market dominance .....	4.2	43
6.03 Effectiveness of anti-monopoly policy .....	4.2	59
6.04 Effect of taxation on incentives to invest .....	2.8	129
6.05 Total tax rate, % profits* .....	35.0	61

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	17	76
6.08 Agricultural policy costs .....	3.2	126
6.09 Prevalence of trade barriers .....	3.5	141
6.10 Trade tariffs, % duty* .....	4.4	55
6.11 Prevalence of foreign ownership .....	4.0	112
6.12 Business impact of rules on FDI .....	3.5	126
6.13 Burden of customs procedures .....	3.4	111
6.14 Imports as a percentage of GDP* .....	47.7	66
6.15 Degree of customer orientation .....	4.9	43
6.16 Buyer sophistication .....	3.7	46
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	76
7.02 Flexibility of wage determination .....	4.4	115
7.03 Hiring and firing practices .....	3.6	96
7.04 Redundancy costs, weeks of salary* .....	22.9	107
7.05 Effect of taxation on incentives to work .....	3.2	114
7.06 Pay and productivity .....	3.4	114
7.07 Reliance on professional management .....	4.0	89
7.08 Country capacity to retain talent .....	3.5	69
7.09 Country capacity to attract talent .....	3.8	49
7.10 Women in labor force, ratio to men* .....	0.62	114
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.0	95
8.02 Affordability of financial services .....	3.7	103
8.03 Financing through local equity market .....	3.4	72
8.04 Ease of access to loans .....	2.8	76
8.05 Venture capital availability .....	2.8	59
8.06 Soundness of banks .....	4.4	102
8.07 Regulation of securities exchanges .....	3.9	83
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.1	113
9.02 Firm-level technology absorption .....	4.3	102
9.03 FDI and technology transfer .....	3.9	120
9.04 Individuals using Internet, %* .....	25.5	99
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	3.9	86
9.06 Int'l Internet bandwidth, kb/s per user* .....	6.9	102
9.07 Mobile broadband subscriptions/100 pop.* .....	5.5	93
<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)* .....	3.8	100
10.03 GDP (PPP\$ billions)* .....	46.3	90
10.04 Exports as a percentage of GDP* .....	27.6	108
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.5	90
11.02 Local supplier quality .....	4.5	64
11.03 State of cluster development .....	4.1	51
11.04 Nature of competitive advantage .....	3.8	54
11.05 Value chain breadth .....	3.9	50
11.06 Control of international distribution .....	4.3	53
11.07 Production process sophistication .....	3.8	67
11.08 Extent of marketing .....	4.3	59
11.09 Willingness to delegate authority .....	3.8	65
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7	56
12.02 Quality of scientific research institutions .....	3.0	116
12.03 Company spending on R&D .....	3.5	42
12.04 University-industry collaboration in R&D .....	3.2	97
12.05 Gov't procurement of advanced tech products .....	3.5	71
12.06 Availability of scientists and engineers .....	3.3	124
12.07 PCT patents, applications/million pop.* .....	0.1	102

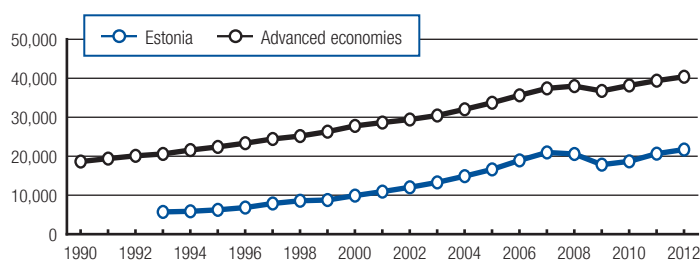
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Estonia

## Key indicators, 2012

Population (millions).....	1.3
GDP (US\$ billions).....	21.9
GDP per capita (US\$).....	16,320
GDP (PPP) as share (%) of world total.....	0.04

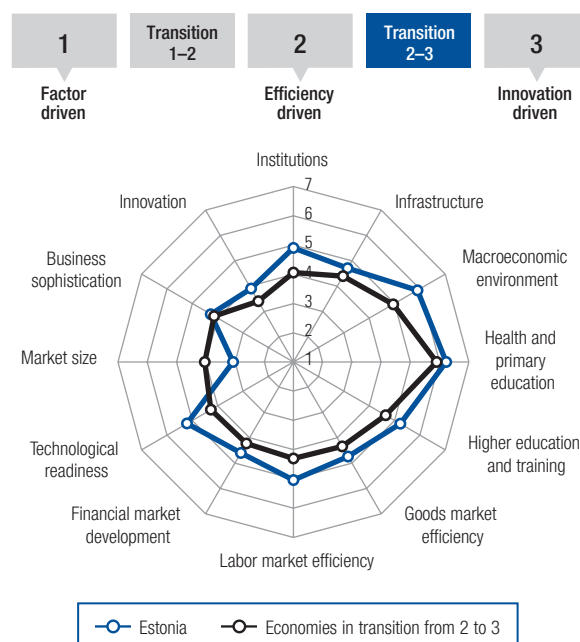
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

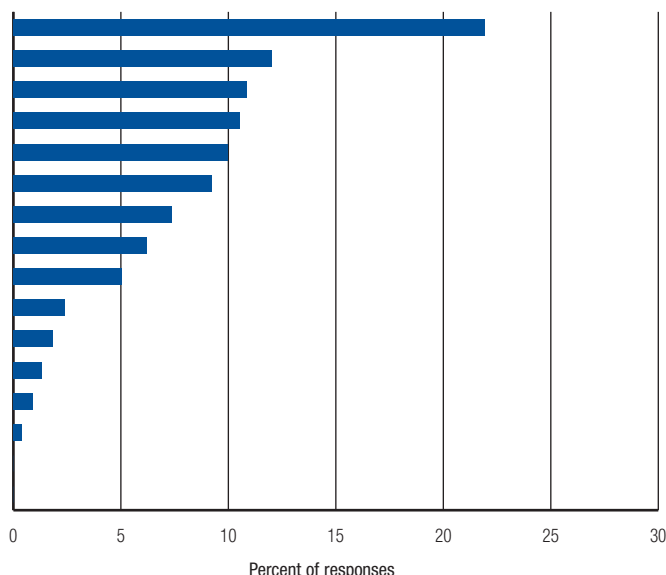
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>32</b>	<b>4.7</b>
GCI 2012–2013 (out of 144).....	34	4.6
GCI 2011–2012 (out of 142).....	33	4.6
<b>Basic requirements (21.7%)</b> .....	<b>26</b>	<b>5.4</b>
Institutions.....	27	4.9
Infrastructure.....	40	4.7
Macroeconomic environment.....	22	5.9
Health and primary education.....	29	6.2
<b>Efficiency enhancers (50.0%)</b> .....	<b>30</b>	<b>4.6</b>
Higher education and training.....	23	5.2
Goods market efficiency.....	30	4.7
Labor market efficiency.....	12	5.0
Financial market development.....	35	4.6
Technological readiness.....	29	5.2
Market size.....	99	3.1
<b>Innovation and sophistication factors (28.3%)</b> .....	<b>35</b>	<b>4.1</b>
Business sophistication.....	51	4.3
Innovation.....	31	3.9

## Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	21.9
Access to financing.....	12.0
Tax rates.....	10.8
Inefficient government bureaucracy.....	10.5
Insufficient capacity to innovate.....	10.0
Inadequate supply of infrastructure.....	9.2
Inflation.....	7.4
Restrictive labor regulations.....	6.2
Poor work ethic in national labor force.....	5.0
Corruption.....	2.4
Tax regulations.....	1.9
Policy instability.....	1.3
Poor public health.....	0.9
Crime and theft.....	0.4
Foreign currency regulations.....	0.0
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Estonia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.1	34
1.02 Intellectual property protection .....	4.8	31
1.03 Diversion of public funds .....	4.5	31
1.04 Public trust in politicians .....	3.5	42
1.05 Irregular payments and bribes .....	5.6	25
1.06 Judicial independence .....	5.5	20
1.07 Favoritism in decisions of government officials .....	4.1	23
1.08 Wastefulness of government spending .....	4.0	27
1.09 Burden of government regulation .....	4.3	11
1.10 Efficiency of legal framework in settling disputes .....	4.3	39
1.11 Efficiency of legal framework in challenging regs. ....	4.2	33
1.12 Transparency of government policymaking .....	5.0	19
1.13 Business costs of terrorism .....	6.4	13
1.14 Business costs of crime and violence .....	5.6	25
1.15 Organized crime .....	6.4	12
1.16 Reliability of police services .....	5.3	32
1.17 Ethical behavior of firms .....	4.8	35
1.18 Strength of auditing and reporting standards .....	5.5	26
1.19 Efficacy of corporate boards .....	5.0	36
1.20 Protection of minority shareholders' interests .....	4.2	64
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.2	33
2.02 Quality of roads .....	4.2	64
2.03 Quality of railroad infrastructure .....	3.6	42
2.04 Quality of port infrastructure .....	5.6	17
2.05 Quality of air transport infrastructure .....	4.1	87
2.06 Available airline seat km/week, millions* .....	21.6	124
2.07 Quality of electricity supply .....	5.1	68
2.08 Mobile telephone subscriptions/100 pop.* .....	154.5	17
2.09 Fixed telephone lines/100 pop.* .....	33.5	33
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.2	31
3.02 Gross national savings, % GDP* .....	26.4	40
3.03 Inflation, annual % change* .....	4.2	78
3.04 General government debt, % GDP* .....	8.5	7
3.05 Country credit rating, 0–100 (best)* .....	71.0	31
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.2	38
4.04 Tuberculosis cases/100,000 pop.* .....	25.0	55
4.05 Business impact of HIV/AIDS .....	5.9	42
4.06 HIV prevalence, % adult pop.* .....	1.30	118
4.07 Infant mortality, deaths/1,000 live births* .....	2.8	12
4.08 Life expectancy, years* .....	76.1	46
4.09 Quality of primary education .....	5.2	18
4.10 Primary education enrollment, net %* .....	95.0	64
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	106.6	19
5.02 Tertiary education enrollment, gross %* .....	64.3	30
5.03 Quality of the educational system .....	4.1	47
5.04 Quality of math and science education .....	4.9	26
5.05 Quality of management schools .....	4.5	54
5.06 Internet access in schools .....	6.5	3
5.07 Availability of research and training services .....	4.7	36
5.08 Extent of staff training .....	4.4	37
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.6	22
6.02 Extent of market dominance .....	3.9	57
6.03 Effectiveness of anti-monopoly policy .....	4.6	31
6.04 Effect of taxation on incentives to invest .....	5.0	13
6.05 Total tax rate, % profits* .....	67.3	136

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	7	25
6.08 Agricultural policy costs .....	4.5	16
6.09 Prevalence of trade barriers .....	5.0	13
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.8	10
6.12 Business impact of rules on FDI .....	5.3	19
6.13 Burden of customs procedures .....	5.3	14
6.14 Imports as a percentage of GDP* .....	98.4	9
6.15 Degree of customer orientation .....	5.1	34
6.16 Buyer sophistication .....	3.0	106
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.9	29
7.02 Flexibility of wage determination .....	6.0	2
7.03 Hiring and firing practices .....	4.6	19
7.04 Redundancy costs, weeks of salary* .....	12.9	57
7.05 Effect of taxation on incentives to work .....	4.3	25
7.06 Pay and productivity .....	4.9	8
7.07 Reliance on professional management .....	5.2	26
7.08 Country capacity to retain talent .....	3.0	97
7.09 Country capacity to attract talent .....	3.0	96
7.10 Women in labor force, ratio to men* .....	0.92	22
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.1	38
8.02 Affordability of financial services .....	4.7	41
8.03 Financing through local equity market .....	3.6	59
8.04 Ease of access to loans .....	3.1	48
8.05 Venture capital availability .....	3.3	30
8.06 Soundness of banks .....	5.7	35
8.07 Regulation of securities exchanges .....	4.7	40
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.8	35
9.02 Firm-level technology absorption .....	5.4	36
9.03 FDI and technology transfer .....	5.1	31
9.04 Individuals using Internet, %* .....	79.0	25
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	25.7	21
9.06 Int'l Internet bandwidth, kb/s per user* .....	23.6	66
9.07 Mobile broadband subscriptions/100 pop.* .....	72.5	12
<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)* .....	4.3	79
10.03 GDP (PPP\$ billions)* .....	29.1	102
10.04 Exports as a percentage of GDP* .....	98.1	9
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	63
11.02 Local supplier quality .....	5.1	25
11.03 State of cluster development .....	3.7	80
11.04 Nature of competitive advantage .....	3.6	60
11.05 Value chain breadth .....	3.6	66
11.06 Control of international distribution .....	4.1	89
11.07 Production process sophistication .....	4.1	53
11.08 Extent of marketing .....	4.4	54
11.09 Willingness to delegate authority .....	4.5	29
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.3	28
12.02 Quality of scientific research institutions .....	4.9	25
12.03 Company spending on R&D .....	3.5	45
12.04 University-industry collaboration in R&D .....	4.4	36
12.05 Gov't procurement of advanced tech products .....	3.9	34
12.06 Availability of scientists and engineers .....	3.7	95
12.07 PCT patents, applications/million pop.* .....	35.2	26

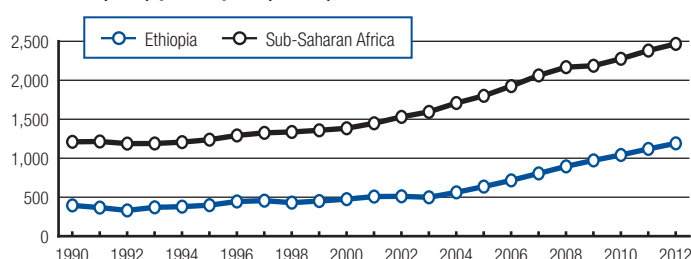
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Ethiopia

## Key indicators, 2012

Population (millions).....	84.7
GDP (US\$ billions).....	41.9
GDP per capita (US\$).....	483
GDP (PPP) as share (%) of world total.....	0.12

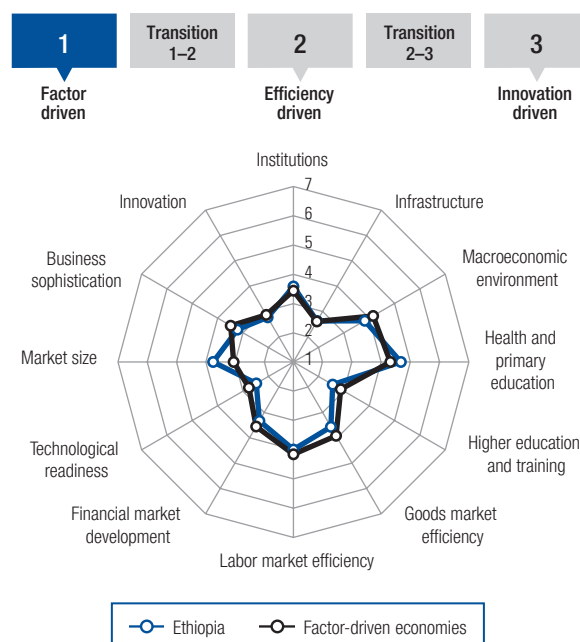
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

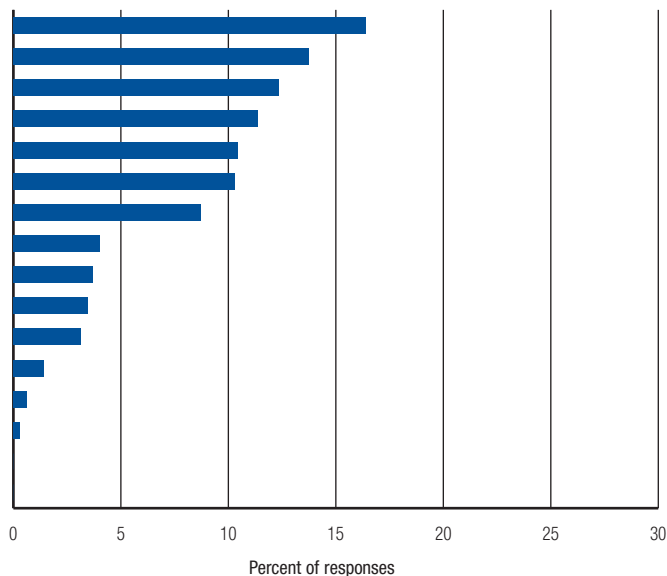
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>127</b>	<b>3.5</b>
GCI 2012–2013 (out of 144).....	121	3.6
GCI 2011–2012 (out of 142).....	106	3.8
<b>Basic requirements (60.0%)</b> .....	<b>123</b>	<b>3.7</b>
Institutions.....	95	3.6
Infrastructure.....	124	2.6
Macroeconomic environment.....	123	3.8
Health and primary education.....	113	4.7
<b>Efficiency enhancers (35.0%)</b> .....	<b>126</b>	<b>3.3</b>
Higher education and training.....	137	2.5
Goods market efficiency.....	136	3.6
Labor market efficiency.....	108	4.0
Financial market development.....	126	3.3
Technological readiness.....	139	2.5
Market size.....	67	3.7
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>127</b>	<b>3.0</b>
Business sophistication.....	133	3.2
Innovation.....	121	2.8

## Stage of development



## The most problematic factors for doing business

Foreign currency regulations.....	16.4
Inefficient government bureaucracy.....	13.8
Corruption.....	12.3
Access to financing.....	11.4
Tax rates.....	10.4
Inflation.....	10.3
Tax regulations.....	8.7
Poor work ethic in national labor force.....	4.0
Inadequate supply of infrastructure.....	3.7
Policy instability.....	3.5
Inadequately educated workforce.....	3.1
Insufficient capacity to innovate.....	1.4
Government instability/coups.....	0.6
Restrictive labor regulations.....	0.3
Crime and theft.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Ethiopia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	104
1.02 Intellectual property protection .....	3.5	85
1.03 Diversion of public funds .....	3.2	70
1.04 Public trust in politicians .....	3.1	65
1.05 Irregular payments and bribes .....	3.1	115
1.06 Judicial independence .....	2.9	112
1.07 Favoritism in decisions of government officials .....	2.8	97
1.08 Wastefulness of government spending .....	3.6	45
1.09 Burden of government regulation .....	3.4	83
1.10 Efficiency of legal framework in settling disputes .....	3.6	81
1.11 Efficiency of legal framework in challenging regs. ....	2.9	116
1.12 Transparency of government policymaking .....	3.5	126
1.13 Business costs of terrorism .....	5.4	79
1.14 Business costs of crime and violence .....	5.4	36
1.15 Organized crime .....	5.8	38
1.16 Reliability of police services .....	3.9	84
1.17 Ethical behavior of firms .....	3.2	137
1.18 Strength of auditing and reporting standards .....	4.0	113
1.19 Efficacy of corporate boards .....	3.7	139
1.20 Protection of minority shareholders' interests .....	3.9	87
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	112
2.02 Quality of roads .....	4.1	69
2.03 Quality of railroad infrastructure .....	1.5	111
2.04 Quality of port infrastructure .....	3.1	121
2.05 Quality of air transport infrastructure .....	5.3	42
2.06 Available airline seat km/week, millions* .....	253.6	57
2.07 Quality of electricity supply .....	3.1	115
2.08 Mobile telephone subscriptions/100 pop.* .....	23.7	147
2.09 Fixed telephone lines/100 pop.* .....	0.9	130
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.2	46
3.02 Gross national savings, % GDP* .....	21.1	66
3.03 Inflation, annual % change* .....	22.8	147
3.04 General government debt, % GDP* .....	21.6	26
3.05 Country credit rating, 0–100 (best)* .....	18.0	140
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.4	115
4.02 Malaria cases/100,000 pop.* .....	6,219.3	123
4.03 Business impact of tuberculosis .....	3.8	132
4.04 Tuberculosis cases/100,000 pop.* .....	258.0	129
4.05 Business impact of HIV/AIDS .....	3.9	127
4.06 HIV prevalence, % adult pop.* .....	1.40	120
4.07 Infant mortality, deaths/1,000 live births* .....	51.5	124
4.08 Life expectancy, years* .....	59.2	122
4.09 Quality of primary education .....	3.1	108
4.10 Primary education enrollment, net %* .....	86.5	119
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	37.6	132
5.02 Tertiary education enrollment, gross %* .....	7.6	124
5.03 Quality of the educational system .....	3.1	108
5.04 Quality of math and science education .....	3.4	109
5.05 Quality of management schools .....	3.5	118
5.06 Internet access in schools .....	2.8	124
5.07 Availability of research and training services .....	3.2	131
5.08 Extent of staff training .....	3.3	123
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.0	133
6.02 Extent of market dominance .....	2.6	144
6.03 Effectiveness of anti-monopoly policy .....	3.2	131
6.04 Effect of taxation on incentives to invest .....	3.2	111
6.05 Total tax rate, % profits* .....	33.3	47

INDICATOR	VALUE	RANK/148
<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	70
6.08 Agricultural policy costs .....	3.8	77
6.09 Prevalence of trade barriers .....	3.6	134
6.10 Trade tariffs, % duty* .....	12.7	131
6.11 Prevalence of foreign ownership .....	3.3	134
6.12 Business impact of rules on FDI .....	4.1	105
6.13 Burden of customs procedures .....	3.1	134
6.14 Imports as a percentage of GDP* .....	38.5	94
6.15 Degree of customer orientation .....	3.4	142
6.16 Buyer sophistication .....	2.5	135
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.8	121
7.02 Flexibility of wage determination .....	4.7	102
7.03 Hiring and firing practices .....	3.6	99
7.04 Redundancy costs, weeks of salary* .....	19.1	92
7.05 Effect of taxation on incentives to work .....	3.2	113
7.06 Pay and productivity .....	3.3	125
7.07 Reliance on professional management .....	3.1	138
7.08 Country capacity to retain talent .....	2.8	113
7.09 Country capacity to attract talent .....	2.5	118
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 .....	3.4	133
8.02 Affordability of financial services .....	3.4	125
8.03 Financing through local equity market .....	3.0	95
8.04 Ease of access to loans .....	2.0	124
8.05 Venture capital availability .....	2.1	114
8.06 Soundness of banks .....	4.5	98
8.07 Regulation of securities exchanges .....	3.7	99
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.9	126
9.02 Firm-level technology absorption .....	3.8	131
9.03 FDI and technology transfer .....	3.9	118
9.04 Individuals using Internet, %* .....	1.5	144
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	135
9.06 Int'l Internet bandwidth, kb/s per user* .....	5.1	114
9.07 Mobile broadband subscriptions/100 pop.* .....	0.4	123
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.7	62
10.02 Foreign market size index, 1–7 (best)* .....	4.0	93
10.03 GDP (PPP\$ billions)* .....	103.3	67
10.04 Exports as a percentage of GDP* .....	17.3	139
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.0	124
11.02 Local supplier quality .....	3.6	131
11.03 State of cluster development .....	3.1	125
11.04 Nature of competitive advantage .....	2.6	136
11.05 Value chain breadth .....	3.0	127
11.06 Control of international distribution .....	4.1	65
11.07 Production process sophistication .....	2.7	136
11.08 Extent of marketing .....	2.9	138
11.09 Willingness to delegate authority .....	3.1	130
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.6	141
12.02 Quality of scientific research institutions .....	3.1	108
12.03 Company spending on R&D .....	2.2	141
12.04 University-industry collaboration in R&D .....	3.5	75
12.05 Gov't procurement of advanced tech products .....	3.6	61
12.06 Availability of scientists and engineers .....	3.0	136
12.07 PCT patents, applications/million pop.* .....	0.0	125

**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 97.

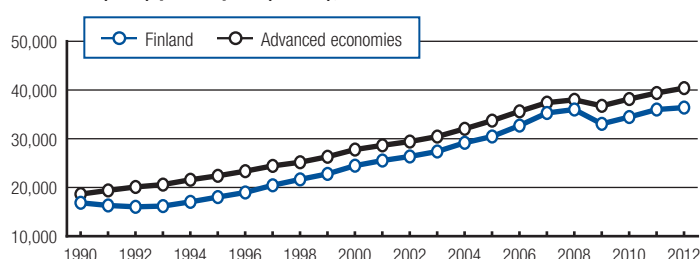


# Finland

## Key indicators, 2012

Population (millions).....	5.4
GDP (US\$ billions).....	250.1
GDP per capita (US\$).....	46,098
GDP (PPP) as share (%) of world total.....	0.24

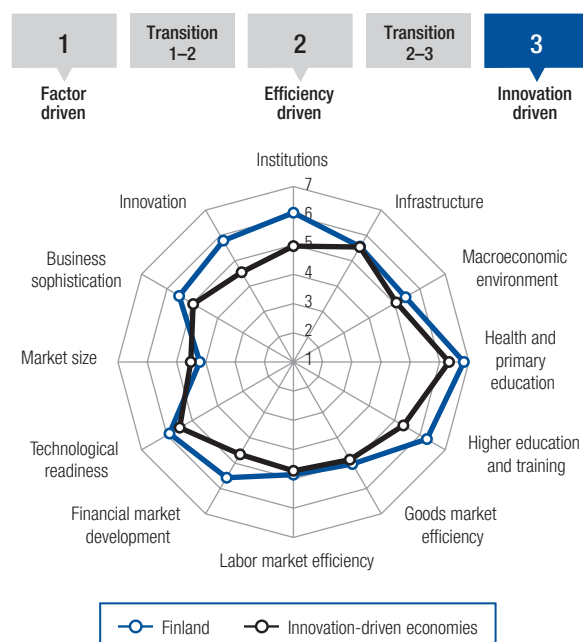
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

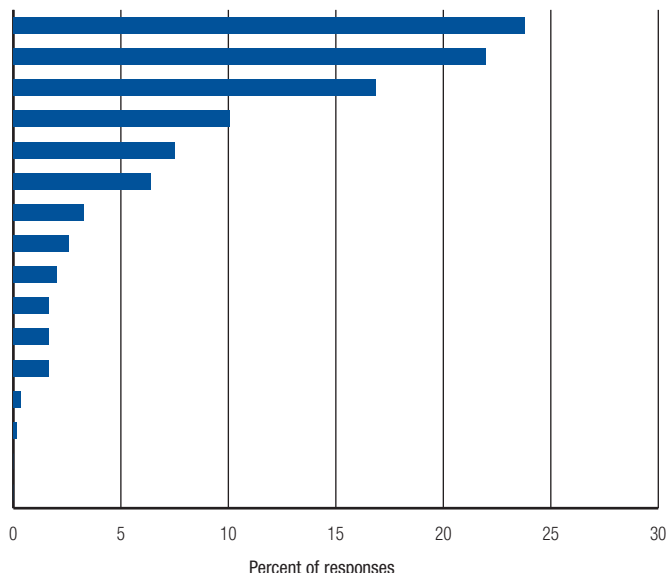
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>3</b>	<b>5.5</b>
GCI 2012–2013 (out of 144).....	3	5.5
GCI 2011–2012 (out of 142).....	4	5.5
<b>Basic requirements (20.0%)</b> .....	<b>7</b>	<b>6.0</b>
Institutions.....	1	6.1
Infrastructure.....	21	5.6
Macroeconomic environment.....	36	5.4
Health and primary education.....	1	6.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>9</b>	<b>5.3</b>
Higher education and training.....	1	6.3
Goods market efficiency.....	15	5.0
Labor market efficiency.....	20	4.8
Financial market development.....	5	5.6
Technological readiness.....	11	5.9
Market size.....	55	4.2
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>2</b>	<b>5.6</b>
Business sophistication.....	5	5.5
Innovation.....	1	5.8

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	23.8
Tax rates.....	22.0
Access to financing.....	16.8
Tax regulations.....	10.1
Inefficient government bureaucracy.....	7.5
Insufficient capacity to innovate.....	6.4
Poor work ethic in national labor force.....	3.3
Policy instability.....	2.6
Inadequately educated workforce.....	2.0
Foreign currency regulations.....	1.6
Inadequate supply of infrastructure.....	1.6
Inflation.....	1.6
Government instability/coups.....	0.4
Poor public health.....	0.2
Corruption.....	0.0
Crime and theft.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Finland

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.4	1
1.02 Intellectual property protection .....	6.2	1
1.03 Diversion of public funds .....	6.1	4
1.04 Public trust in politicians .....	5.5	7
1.05 Irregular payments and bribes .....	6.6	2
1.06 Judicial independence .....	6.6	2
1.07 Favoritism in decisions of government officials .....	5.3	4
1.08 Wastefulness of government spending .....	5.1	6
1.09 Burden of government regulation .....	5.0	4
1.10 Efficiency of legal framework in settling disputes .....	6.1	2
1.11 Efficiency of legal framework in challenging regs. ....	5.9	1
1.12 Transparency of government policymaking .....	6.1	2
1.13 Business costs of terrorism .....	6.7	3
1.14 Business costs of crime and violence .....	6.3	3
1.15 Organized crime .....	6.6	5
1.16 Reliability of police services .....	6.7	1
1.17 Ethical behavior of firms .....	6.4	2
1.18 Strength of auditing and reporting standards .....	6.4	2
1.19 Efficacy of corporate boards .....	5.8	4
1.20 Protection of minority shareholders' interests .....	6.2	2
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.5	3
2.02 Quality of roads .....	6.1	9
2.03 Quality of railroad infrastructure .....	5.9	6
2.04 Quality of port infrastructure .....	6.4	5
2.05 Quality of air transport infrastructure .....	6.2	6
2.06 Available airline seat km/week, millions* .....	392.6	48
2.07 Quality of electricity supply .....	6.7	5
2.08 Mobile telephone subscriptions/100 pop.* .....	172.5	11
2.09 Fixed telephone lines/100 pop.* .....	16.5	76
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.7	55
3.02 Gross national savings, % GDP* .....	17.7	80
3.03 Inflation, annual % change* .....	3.2	55
3.04 General government debt, % GDP* .....	53.3	101
3.05 Country credit rating, 0–100 (best)* .....	92.0	7
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.9	2
4.04 Tuberculosis cases/100,000 pop.* .....	7.5	25
4.05 Business impact of HIV/AIDS .....	6.8	2
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	2.3	6
4.08 Life expectancy, years* .....	80.5	26
4.09 Quality of primary education .....	6.8	1
4.10 Primary education enrollment, net %* .....	97.9	35
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	108.0	15
5.02 Tertiary education enrollment, gross %* .....	95.2	2
5.03 Quality of the educational system .....	5.9	2
5.04 Quality of math and science education .....	6.3	2
5.05 Quality of management schools .....	5.6	10
5.06 Internet access in schools .....	6.6	2
5.07 Availability of research and training services .....	5.9	6
5.08 Extent of staff training .....	5.5	2
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.8	86
6.02 Extent of market dominance .....	4.6	22
6.03 Effectiveness of anti-monopoly policy .....	5.6	1
6.04 Effect of taxation on incentives to invest .....	4.0	48
6.05 Total tax rate, % profits* .....	40.6	82

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	14	68
6.08 Agricultural policy costs .....	4.1	44
6.09 Prevalence of trade barriers .....	5.4	6
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.3	29
6.12 Business impact of rules on FDI .....	5.0	32
6.13 Burden of customs procedures .....	6.1	2
6.14 Imports as a percentage of GDP* .....	41.8	83
6.15 Degree of customer orientation .....	5.2	29
6.16 Buyer sophistication .....	4.8	4
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.2	21
7.02 Flexibility of wage determination .....	2.8	143
7.03 Hiring and firing practices .....	3.7	92
7.04 Redundancy costs, weeks of salary* .....	10.1	40
7.05 Effect of taxation on incentives to work .....	3.8	57
7.06 Pay and productivity .....	4.1	57
7.07 Reliance on professional management .....	6.3	2
7.08 Country capacity to retain talent .....	5.8	2
7.09 Country capacity to attract talent .....	3.5	68
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 .....	6.1	8
8.02 Affordability of financial services .....	5.8	6
8.03 Financing through local equity market .....	4.7	17
8.04 Ease of access to loans .....	4.2	12
8.05 Venture capital availability .....	4.0	11
8.06 Soundness of banks .....	6.5	6
8.07 Regulation of securities exchanges .....	6.2	2
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.5	1
9.02 Firm-level technology absorption .....	6.0	7
9.03 FDI and technology transfer .....	4.4	86
9.04 Individuals using Internet, %* .....	91.0	7
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	30.4	16
9.06 Int'l Internet bandwidth, kb/s per user* .....	159.5	14
9.07 Mobile broadband subscriptions/100 pop.* .....	106.5	3
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.0	53
10.02 Foreign market size index, 1–7 (best)* .....	4.8	57
10.03 GDP (PPP\$ billions)* .....	197.5	54
10.04 Exports as a percentage of GDP* .....	40.2	72
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.5	95
11.02 Local supplier quality .....	5.7	7
11.03 State of cluster development .....	5.1	12
11.04 Nature of competitive advantage .....	6.2	3
11.05 Value chain breadth .....	5.4	7
11.06 Control of international distribution .....	5.0	12
11.07 Production process sophistication .....	6.2	4
11.08 Extent of marketing .....	5.4	16
11.09 Willingness to delegate authority .....	5.7	4
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.7	2
12.02 Quality of scientific research institutions .....	5.7	10
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 .....	4.2	21
12.06 Availability of scientists and engineers .....	6.3	1
12.07 PCT patents, applications/million pop.* .....	283.8	3

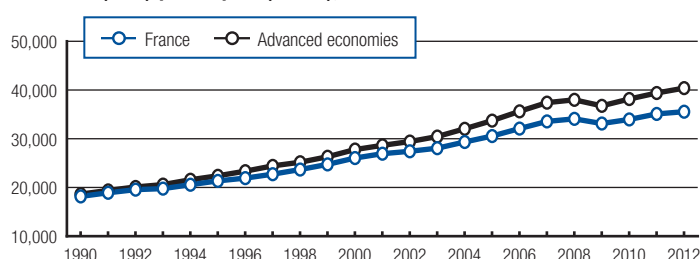
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# France

## Key indicators, 2012

Population (millions).....	65.4
GDP (US\$ billions).....	2,608.7
GDP per capita (US\$).....	41,141
GDP (PPP) as share (%) of world total.....	2.71

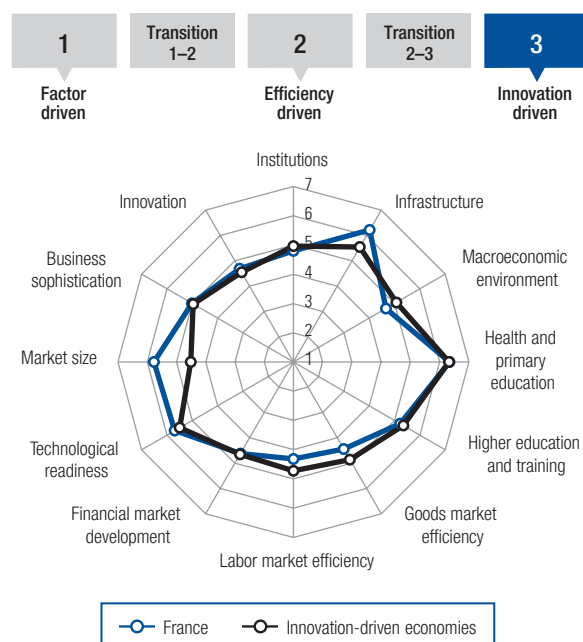
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

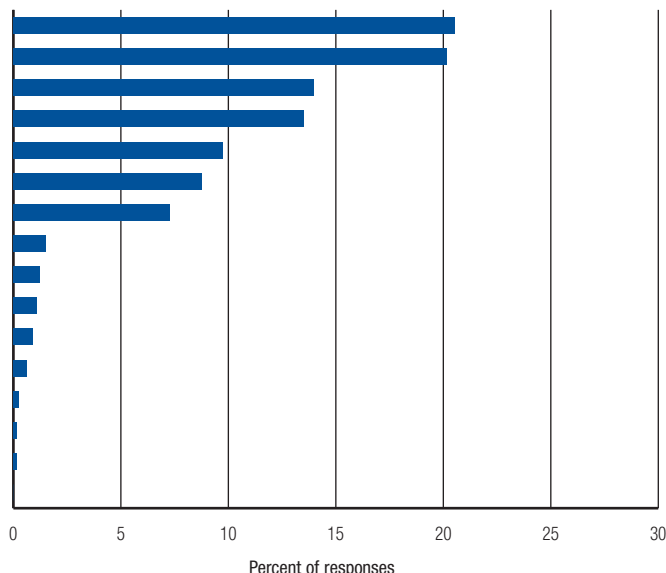
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>23</b>	<b>5.1</b>
GCI 2012–2013 (out of 144).....	21	5.1
GCI 2011–2012 (out of 142).....	18	5.1
<b>Basic requirements (20.0%)</b> .....	<b>23</b>	<b>5.5</b>
Institutions.....	31	4.8
Infrastructure.....	4	6.2
Macroeconomic environment.....	73	4.6
Health and primary education.....	24	6.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>19</b>	<b>5.0</b>
Higher education and training.....	24	5.2
Goods market efficiency.....	45	4.4
Labor market efficiency.....	71	4.3
Financial market development.....	33	4.6
Technological readiness.....	17	5.7
Market size.....	8	5.8
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>18</b>	<b>4.8</b>
Business sophistication.....	21	5.0
Innovation.....	19	4.7

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	20.5
Tax rates.....	20.2
Tax regulations.....	14.0
Access to financing.....	13.5
Insufficient capacity to innovate.....	9.8
Inefficient government bureaucracy.....	8.8
Policy instability.....	7.3
Inadequately educated workforce.....	1.5
Inflation.....	1.3
Poor work ethic in national labor force.....	1.1
Corruption.....	0.9
Inadequate supply of infrastructure.....	0.6
Foreign currency regulations.....	0.3
Crime and theft.....	0.2
Government instability/coups.....	0.2
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## France

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.7	<b>19</b>
1.02 Intellectual property protection .....	5.7	<b>12</b>
1.03 Diversion of public funds .....	4.8	27
1.04 Public trust in politicians .....	3.6	40
1.05 Irregular payments and bribes .....	5.4	30
1.06 Judicial independence .....	5.1	31
1.07 Favoritism in decisions of government officials .....	3.9	34
1.08 Wastefulness of government spending .....	3.0	83
1.09 Burden of government regulation .....	2.7	130
1.10 Efficiency of legal framework in settling disputes .....	4.1	48
1.11 Efficiency of legal framework in challenging regs. ....	4.3	31
1.12 Transparency of government policymaking .....	4.3	59
1.13 Business costs of terrorism .....	5.1	96
1.14 Business costs of crime and violence .....	4.9	58
1.15 Organized crime .....	5.5	51
1.16 Reliability of police services .....	5.3	34
1.17 Ethical behavior of firms .....	5.2	23
1.18 Strength of auditing and reporting standards .....	5.3	33
1.19 Efficacy of corporate boards .....	5.3	<b>18</b>
1.20 Protection of minority shareholders' interests .....	4.5	46
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.3	<b>6</b>
2.02 Quality of roads .....	6.4	<b>2</b>
2.03 Quality of railroad infrastructure .....	6.3	<b>4</b>
2.04 Quality of port infrastructure .....	5.4	25
2.05 Quality of air transport infrastructure .....	6.1	<b>10</b>
2.06 Available airline seat km/week, millions* .....	3,820.6	<b>8</b>
2.07 Quality of electricity supply .....	6.6	<b>10</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	98.1	96
2.09 Fixed telephone lines/100 pop.* .....	61.9	<b>3</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.6	111
3.02 Gross national savings, % GDP* .....	17.6	81
3.03 Inflation, annual % change* .....	2.0	<b>1</b>
3.04 General government debt, % GDP* .....	90.3	135
3.05 Country credit rating, 0–100 (best)* .....	84.8	<b>17</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.3	30
4.04 Tuberculosis cases/100,000 pop.* .....	4.3	<b>10</b>
4.05 Business impact of HIV/AIDS .....	5.8	51
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	3.4	<b>18</b>
4.08 Life expectancy, years* .....	81.7	<b>12</b>
4.09 Quality of primary education .....	4.7	35
4.10 Primary education enrollment, net %* .....	98.5	29
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	113.6	<b>8</b>
5.02 Tertiary education enrollment, gross %* .....	57.7	40
5.03 Quality of the educational system .....	4.2	43
5.04 Quality of math and science education .....	5.2	<b>15</b>
5.05 Quality of management schools .....	5.8	<b>5</b>
5.06 Internet access in schools .....	4.4	64
5.07 Availability of research and training services .....	5.4	<b>15</b>
5.08 Extent of staff training .....	4.3	42
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.5	26
6.02 Extent of market dominance .....	4.4	30
6.03 Effectiveness of anti-monopoly policy .....	4.7	26
6.04 Effect of taxation on incentives to invest .....	2.6	137
6.05 Total tax rate, % profits* .....	65.7	134

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	7	25
6.08 Agricultural policy costs .....	3.8	79
6.09 Prevalence of trade barriers .....	4.7	35
6.10 Trade tariffs, % duty* .....	0.8	<b>4</b>
6.11 Prevalence of foreign ownership .....	5.4	<b>21</b>
6.12 Business impact of rules on FDI .....	4.5	74
6.13 Burden of customs procedures .....	4.7	42
6.14 Imports as a percentage of GDP* .....	32.4	115
6.15 Degree of customer orientation .....	4.8	53
6.16 Buyer sophistication .....	4.0	33
<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	75
7.03 Hiring and firing practices .....	2.5	144
7.04 Redundancy costs, weeks of salary* .....	11.8	54
7.05 Effect of taxation on incentives to work .....	2.8	127
7.06 Pay and productivity .....	3.8	78
7.07 Reliance on professional management .....	4.8	37
7.08 Country capacity to retain talent .....	3.6	57
7.09 Country capacity to attract talent .....	3.9	44
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 .....	5.2	34
8.02 Affordability of financial services .....	4.9	35
8.03 Financing through local equity market .....	4.4	28
8.04 Ease of access to loans .....	3.2	41
8.05 Venture capital availability .....	2.9	49
8.06 Soundness of banks .....	5.2	62
8.07 Regulation of securities exchanges .....	4.9	33
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.1	<b>18</b>
9.02 Firm-level technology absorption .....	5.5	32
9.03 FDI and technology transfer .....	4.6	73
9.04 Individuals using Internet, %* .....	83.0	<b>17</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	37.8	<b>4</b>
9.06 Int'l Internet bandwidth, kb/s per user* .....	84.6	25
9.07 Mobile broadband subscriptions/100 pop.* .....	52.2	27
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.7	<b>9</b>
10.02 Foreign market size index, 1–7 (best)* .....	6.1	<b>11</b>
10.03 GDP (PPP\$ billions)* .....	2,254.1	<b>9</b>
10.04 Exports as a percentage of GDP* .....	29.8	99
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.2	<b>20</b>
11.02 Local supplier quality .....	5.4	<b>17</b>
11.03 State of cluster development .....	4.4	31
11.04 Nature of competitive advantage .....	5.5	<b>15</b>
11.05 Value chain breadth .....	5.5	<b>5</b>
11.06 Control of international distribution .....	4.4	35
11.07 Production process sophistication .....	5.5	<b>17</b>
11.08 Extent of marketing .....	5.5	<b>13</b>
11.09 Willingness to delegate authority .....	3.7	76
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.8	<b>16</b>
12.02 Quality of scientific research institutions .....	5.6	<b>13</b>
12.03 Company spending on R&D .....	4.7	<b>15</b>
12.04 University-industry collaboration in R&D .....	4.5	32
12.05 Gov't procurement of advanced tech products .....	3.6	60
12.06 Availability of scientists and engineers .....	4.8	24
12.07 PCT patents, applications/million pop.* .....	109.2	<b>15</b>

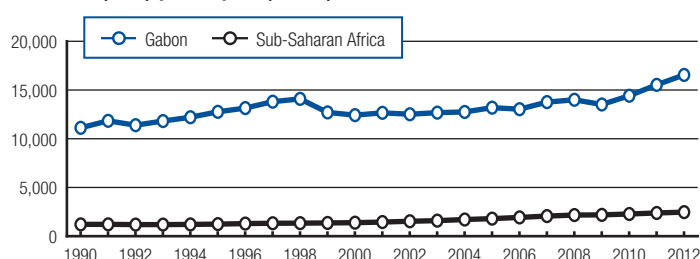
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Gabon

## Key indicators, 2012

Population (millions).....	1.5
GDP (US\$ billions).....	18.4
GDP per capita (US\$).....	11,929
GDP (PPP) as share (%) of world total.....	0.03

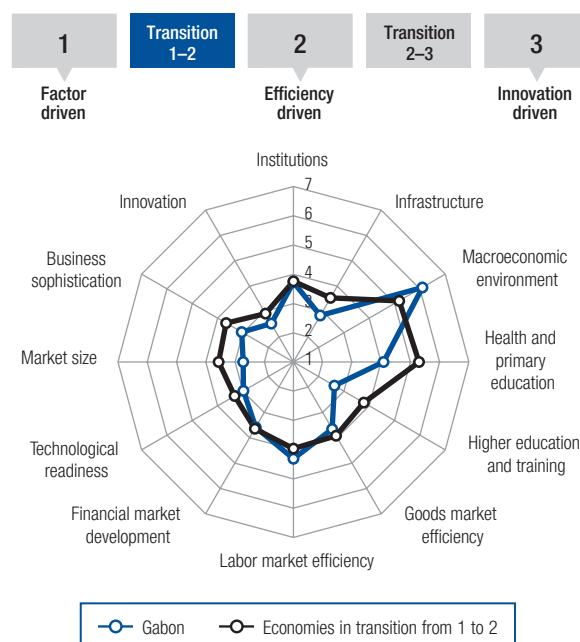
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

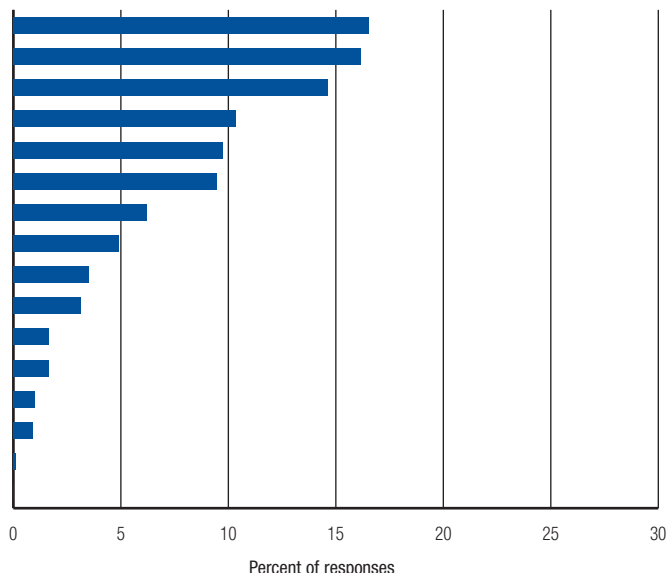
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>112</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	99	3.8
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (49.6%)</b> .....	<b>100</b>	<b>4.2</b>
Institutions.....	81	3.7
Infrastructure.....	114	2.8
Macroeconomic environment.....	13	6.1
Health and primary education.....	132	4.1
<b>Efficiency enhancers (42.8%)</b> .....	<b>124</b>	<b>3.3</b>
Higher education and training.....	135	2.6
Goods market efficiency.....	131	3.6
Labor market efficiency.....	73	4.3
Financial market development.....	108	3.6
Technological readiness.....	114	3.0
Market size.....	118	2.7
<b>Innovation and sophistication factors (7.6%)</b> .....	<b>137</b>	<b>2.8</b>
Business sophistication.....	139	3.0
Innovation.....	132	2.5

## Stage of development



## The most problematic factors for doing business

Access to financing.....	16.5
Inadequately educated workforce.....	16.2
Inadequate supply of infrastructure.....	14.6
Inefficient government bureaucracy.....	10.4
Restrictive labor regulations.....	9.7
Corruption.....	9.5
Poor work ethic in national labor force.....	6.2
Tax regulations.....	4.9
Insufficient capacity to innovate.....	3.5
Tax rates.....	3.2
Foreign currency regulations.....	1.6
Inflation.....	1.6
Policy instability.....	1.0
Crime and theft.....	0.9
Poor public health.....	0.1
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.1 .....	77
1.02 Intellectual property protection .....	2.6 .....	131
1.03 Diversion of public funds .....	2.8 .....	97
1.04 Public trust in politicians .....	2.9 .....	73
1.05 Irregular payments and bribes .....	3.9 .....	70
1.06 Judicial independence .....	2.6 .....	120
1.07 Favoritism in decisions of government officials .....	3.1 .....	69
1.08 Wastefulness of government spending .....	3.2 .....	68
1.09 Burden of government regulation .....	3.7 .....	48
1.10 Efficiency of legal framework in settling disputes .....	3.5 .....	86
1.11 Efficiency of legal framework in challenging regs. ....	3.3 .....	86
1.12 Transparency of government policymaking .....	4.2 .....	70
1.13 Business costs of terrorism .....	5.6 .....	65
1.14 Business costs of crime and violence .....	4.6 .....	74
1.15 Organized crime .....	4.9 .....	75
1.16 Reliability of police services .....	3.5 .....	111
1.17 Ethical behavior of firms .....	4.3 .....	48
1.18 Strength of auditing and reporting standards .....	4.5 .....	79
1.19 Efficacy of corporate boards .....	4.8 .....	49
1.20 Protection of minority shareholders' interests .....	3.7 .....	102
1.21 Strength of investor protection, 0–10 (best)* .....	3.3 .....	129
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.9 .....	130
2.02 Quality of roads .....	2.3 .....	140
2.03 Quality of railroad infrastructure .....	2.4 .....	80
2.04 Quality of port infrastructure .....	2.7 .....	133
2.05 Quality of air transport infrastructure .....	3.6 .....	110
2.06 Available airline seat km/week, millions* .....	28.6 .....	113
2.07 Quality of electricity supply .....	2.3 .....	130
2.08 Mobile telephone subscriptions/100 pop.* .....	187.4 .....	3
2.09 Fixed telephone lines/100 pop.* .....	1.1 .....	129
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.2 .....	30
3.02 Gross national savings, % GDP* .....	43.9 .....	9
3.03 Inflation, annual % change* .....	3.0 .....	49
3.04 General government debt, % GDP* .....	22.0 .....	27
3.05 Country credit rating, 0–100 (best)* .....	40.5 .....	78
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.9 .....	140
4.02 Malaria cases/100,000 pop.* .....	22,715.1 .....	131
4.03 Business impact of tuberculosis .....	4.1 .....	124
4.04 Tuberculosis cases/100,000 pop.* .....	450.0 .....	139
4.05 Business impact of HIV/AIDS .....	3.7 .....	133
4.06 HIV prevalence, % adult pop.* .....	5.00 .....	135
4.07 Infant mortality, deaths/1,000 live births* .....	49.3 .....	123
4.08 Life expectancy, years* .....	62.7 .....	117
4.09 Quality of primary education .....	3.0 .....	112
4.10 Primary education enrollment, net %* .....	80.0 .....	130
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	53.1 .....	117
5.02 Tertiary education enrollment, gross %* .....	7.0 .....	127
5.03 Quality of the educational system .....	2.7 .....	126
5.04 Quality of math and science education .....	3.0 .....	121
5.05 Quality of management schools .....	3.3 .....	127
5.06 Internet access in schools .....	2.0 .....	142
5.07 Availability of research and training services .....	2.8 .....	142
5.08 Extent of staff training .....	3.6 .....	113
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.2 .....	129
6.02 Extent of market dominance .....	2.9 .....	137
6.03 Effectiveness of anti-monopoly policy .....	3.2 .....	130
6.04 Effect of taxation on incentives to invest .....	3.8 .....	69
6.05 Total tax rate, % profits* .....	43.5 .....	94

INDICATOR	VALUE	RANK/148
<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* .....	58 .....	132
6.08 Agricultural policy costs .....	3.6 .....	103
6.09 Prevalence of trade barriers .....	3.8 .....	122
6.10 Trade tariffs, % duty* .....	15.2 .....	138
6.11 Prevalence of foreign ownership .....	5.4 .....	23
6.12 Business impact of rules on FDI .....	4.5 .....	82
6.13 Burden of customs procedures .....	3.6 .....	98
6.14 Imports as a percentage of GDP* .....	32.9 .....	112
6.15 Degree of customer orientation .....	4.1 .....	114
6.16 Buyer sophistication .....	2.7 .....	128
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.9 .....	114
7.02 Flexibility of wage determination .....	4.4 .....	113
7.03 Hiring and firing practices .....	3.3 .....	122
7.04 Redundancy costs, weeks of salary* .....	14.8 .....	70
7.05 Effect of taxation on incentives to work .....	4.3 .....	24
7.06 Pay and productivity .....	3.6 .....	97
7.07 Reliance on professional management .....	4.0 .....	91
7.08 Country capacity to retain talent .....	3.1 .....	91
7.09 Country capacity to attract talent .....	3.6 .....	61
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 .....	3.5 .....	130
8.02 Affordability of financial services .....	3.3 .....	131
8.03 Financing through local equity market .....	3.1 .....	91
8.04 Ease of access to loans .....	2.7 .....	79
8.05 Venture capital availability .....	2.0 .....	124
8.06 Soundness of banks .....	4.9 .....	76
8.07 Regulation of securities exchanges .....	3.2 .....	120
8.08 Legal rights index, 0–10 (best)* .....	6 .....	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.9 .....	129
9.02 Firm-level technology absorption .....	4.4 .....	96
9.03 FDI and technology transfer .....	4.4 .....	88
9.04 Individuals using Internet, %* .....	8.6 .....	127
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.3 .....	118
9.06 Int'l Internet bandwidth, kb/s per user* .....	5.8 .....	109
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0 .....	136
<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)* .....	3.9 .....	95
10.03 GDP (PPP\$ billions)* .....	25.5 .....	109
10.04 Exports as a percentage of GDP* .....	64.6 .....	32
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.3 .....	144
11.02 Local supplier quality .....	3.7 .....	121
11.03 State of cluster development .....	2.9 .....	131
11.04 Nature of competitive advantage .....	2.9 .....	123
11.05 Value chain breadth .....	2.6 .....	148
11.06 Control of international distribution .....	2.7 .....	148
11.07 Production process sophistication .....	2.9 .....	126
11.08 Extent of marketing .....	2.9 .....	137
11.09 Willingness to delegate authority .....	3.0 .....	134
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.5 .....	144
12.02 Quality of scientific research institutions .....	3.0 .....	113
12.03 Company spending on R&D .....	2.3 .....	138
12.04 University-industry collaboration in R&D .....	2.3 .....	139
12.05 Gov't procurement of advanced tech products .....	3.3 .....	91
12.06 Availability of scientists and engineers .....	3.0 .....	132
12.07 PCT patents, applications/million pop.* .....	0.2 .....	90

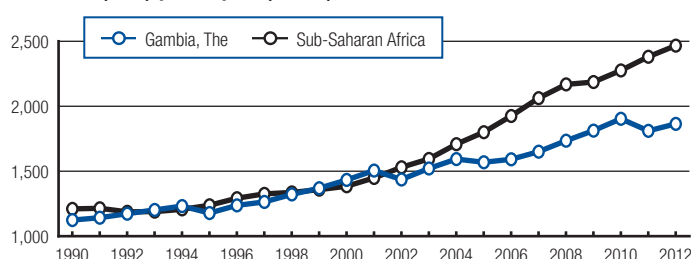
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Gambia, The

## Key indicators, 2012

Population (millions).....	1.8
GDP (US\$ billions).....	0.9
GDP per capita (US\$).....	503
GDP (PPP) as share (%) of world total.....	0.00

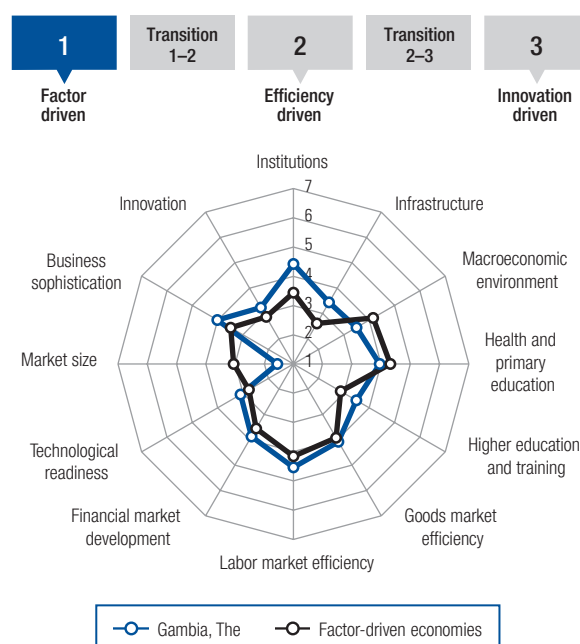
GDP (PPP) per capita (int'l \$), 1990–2012



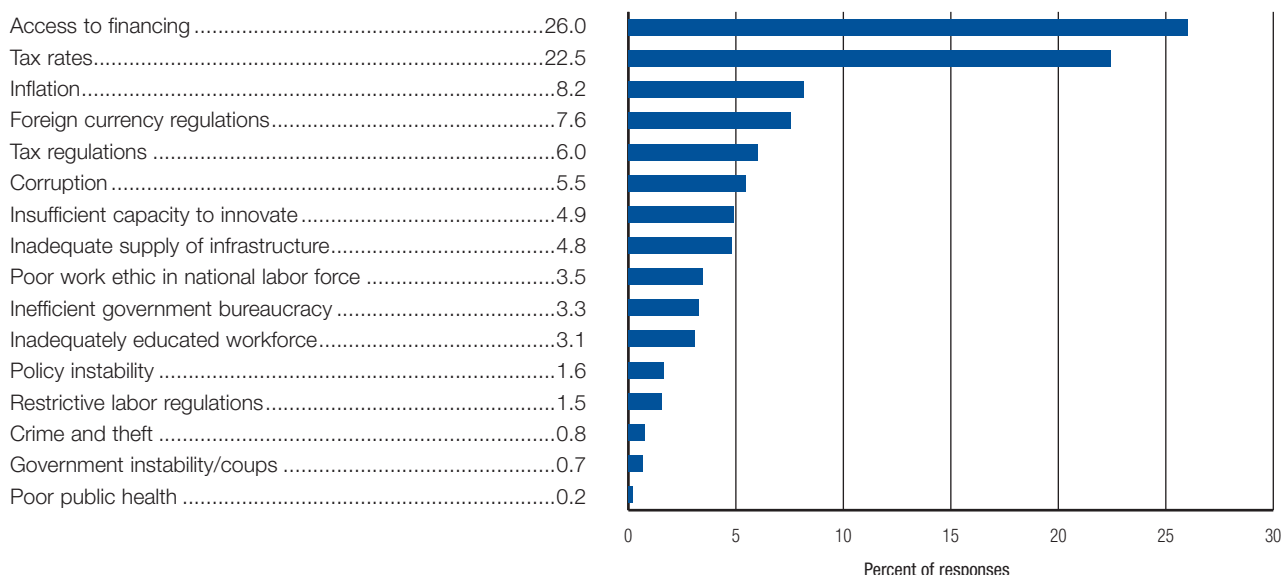
## Global Competitiveness Index

	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>116</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	98	3.8
GCI 2011–2012 (out of 142).....	99	3.8
<b>Basic requirements (60.0%)</b> .....	<b>115</b>	<b>3.8</b>
Institutions.....	43	4.4
Infrastructure.....	95	3.4
Macroeconomic environment.....	135	3.5
Health and primary education.....	134	3.9
<b>Efficiency enhancers (35.0%)</b> .....	<b>117</b>	<b>3.4</b>
Higher education and training.....	106	3.5
Goods market efficiency.....	95	4.1
Labor market efficiency.....	46	4.5
Financial market development.....	84	3.9
Technological readiness.....	106	3.1
Market size.....	145	1.6
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>67</b>	<b>3.6</b>
Business sophistication.....	68	4.0
Innovation.....	67	3.2

## Stage of development



## The most problematic factors for doing business



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Gambia, The

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.4	60
1.02 Intellectual property protection .....	4.2	43
1.03 Diversion of public funds .....	4.3	40
1.04 Public trust in politicians .....	4.1	27
1.05 Irregular payments and bribes .....	4.1	61
1.06 Judicial independence .....	4.0	61
1.07 Favoritism in decisions of government officials .....	3.9	31
1.08 Wastefulness of government spending .....	4.3	20
1.09 Burden of government regulation .....	4.2	20
1.10 Efficiency of legal framework in settling disputes .....	4.5	33
1.11 Efficiency of legal framework in challenging regs. ....	3.9	45
1.12 Transparency of government policymaking .....	4.5	42
1.13 Business costs of terrorism .....	5.9	47
1.14 Business costs of crime and violence .....	5.4	35
1.15 Organized crime .....	5.9	31
1.16 Reliability of police services .....	4.6	62
1.17 Ethical behavior of firms .....	4.6	38
1.18 Strength of auditing and reporting standards .....	4.6	73
1.19 Efficacy of corporate boards .....	4.8	43
1.20 Protection of minority shareholders' interests .....	4.4	53
1.21 Strength of investor protection, 0–10 (best)* .....	2.7	142
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.3	73
2.02 Quality of roads .....	4.2	61
2.03 Quality of railroad infrastructure .....	N/Apl.	n/a
2.04 Quality of port infrastructure .....	4.6	53
2.05 Quality of air transport infrastructure .....	4.7	63
2.06 Available airline seat km/week, millions* .....	14.5	132
2.07 Quality of electricity supply .....	3.8	98
2.08 Mobile telephone subscriptions/100 pop.* .....	83.6	114
2.09 Fixed telephone lines/100 pop.* .....	3.5	114
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.4	107
3.02 Gross national savings, % GDP* .....	6.3	141
3.03 Inflation, annual % change* .....	4.6	86
3.04 General government debt, % GDP* .....	77.2	124
3.05 Country credit rating, 0–100 (best)* .....	19.3	135
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.4	130
4.02 Malaria cases/100,000 pop.* .....	27,806.0	139
4.03 Business impact of tuberculosis .....	4.9	101
4.04 Tuberculosis cases/100,000 pop.* .....	279.0	131
4.05 Business impact of HIV/AIDS .....	4.9	93
4.06 HIV prevalence, % adult pop.* .....	1.50	122
4.07 Infant mortality, deaths/1,000 live births* .....	57.6	130
4.08 Life expectancy, years* .....	58.5	124
4.09 Quality of primary education .....	4.4	50
4.10 Primary education enrollment, net %* .....	67.5	138
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	54.1	116
5.02 Tertiary education enrollment, gross %* .....	4.1	135
5.03 Quality of the educational system .....	4.5	29
5.04 Quality of math and science education .....	3.8	94
5.05 Quality of management schools .....	4.6	46
5.06 Internet access in schools .....	3.9	85
5.07 Availability of research and training services .....	4.2	71
5.08 Extent of staff training .....	4.5	29
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.8	84
6.02 Extent of market dominance .....	4.2	38
6.03 Effectiveness of anti-monopoly policy .....	4.4	46
6.04 Effect of taxation on incentives to invest .....	3.3	107
6.05 Total tax rate, % profits* .....	283.5	146

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	27	103
6.08 Agricultural policy costs .....	4.7	11
6.09 Prevalence of trade barriers .....	4.6	42
6.10 Trade tariffs, % duty* .....	14.6	135
6.11 Prevalence of foreign ownership .....	5.2	36
6.12 Business impact of rules on FDI .....	5.0	37
6.13 Burden of customs procedures .....	4.7	40
6.14 Imports as a percentage of GDP* .....	45.6	74
6.15 Degree of customer orientation .....	5.0	38
6.16 Buyer sophistication .....	3.1	100
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.0	28
7.02 Flexibility of wage determination .....	5.6	21
7.03 Hiring and firing practices .....	4.3	37
7.04 Redundancy costs, weeks of salary* .....	26.0	114
7.05 Effect of taxation on incentives to work .....	3.4	95
7.06 Pay and productivity .....	4.3	41
7.07 Reliance on professional management .....	4.9	35
7.08 Country capacity to retain talent .....	3.2	83
7.09 Country capacity to attract talent .....	3.6	64
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 .....	4.2	83
8.02 Affordability of financial services .....	4.3	57
8.03 Financing through local equity market .....	3.4	76
8.04 Ease of access to loans .....	2.5	99
8.05 Venture capital availability .....	2.5	85
8.06 Soundness of banks .....	5.1	65
8.07 Regulation of securities exchanges .....	3.9	80
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.9	74
9.02 Firm-level technology absorption .....	4.9	60
9.03 FDI and technology transfer .....	4.6	71
9.04 Individuals using Internet, %* .....	12.4	121
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	137
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.1	133
9.07 Mobile broadband subscriptions/100 pop.* .....	1.2	118
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.3	145
10.02 Foreign market size index, 1–7 (best)* .....	2.3	145
10.03 GDP (PPP\$ billions)* .....	3.4	145
10.04 Exports as a percentage of GDP* .....	27.4	110
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	70
11.02 Local supplier quality .....	4.6	60
11.03 State of cluster development .....	3.8	72
11.04 Nature of competitive advantage .....	3.4	74
11.05 Value chain breadth .....	3.6	89
11.06 Control of international distribution .....	4.0	70
11.07 Production process sophistication .....	3.5	91
11.08 Extent of marketing .....	3.9	95
11.09 Willingness to delegate authority .....	4.0	41
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	65
12.02 Quality of scientific research institutions .....	3.5	80
12.03 Company spending on R&D .....	2.9	88
12.04 University-industry collaboration in R&D .....	3.7	63
12.05 Gov't procurement of advanced tech products .....	4.2	18
12.06 Availability of scientists and engineers .....	3.2	127
12.07 PCT patents, applications/million pop.* .....	0.0	126

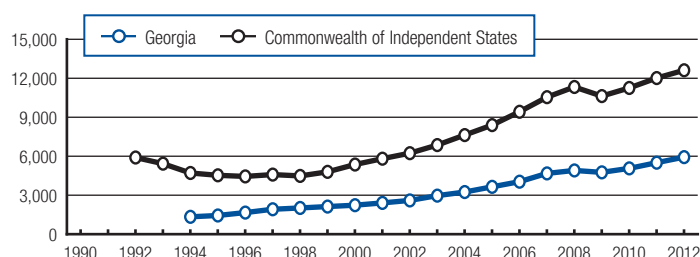
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Georgia

## Key indicators, 2012

Population (millions).....	4.5
GDP (US\$ billions).....	15.9
GDP per capita (US\$).....	3,543
GDP (PPP) as share (%) of world total.....	0.03

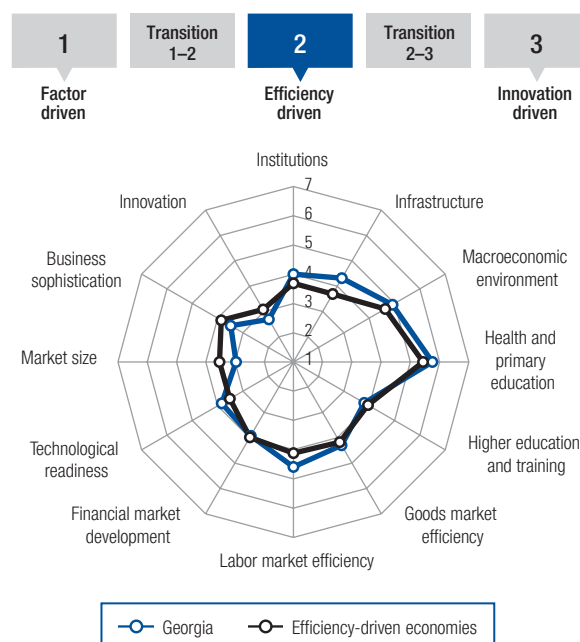
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

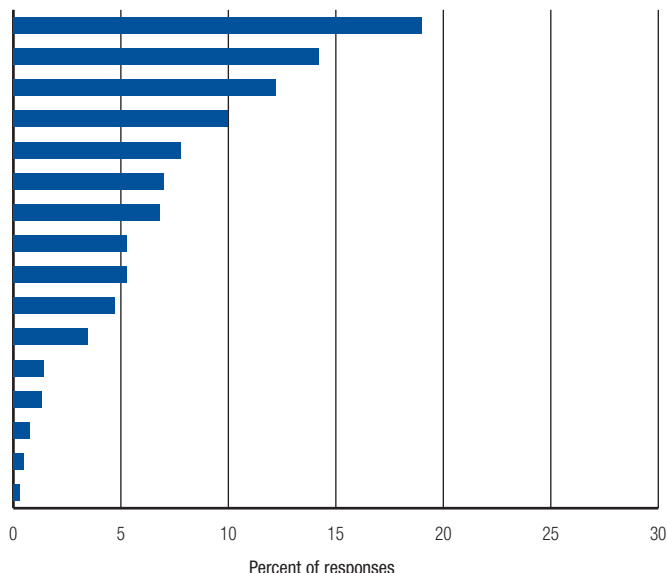
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>72</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	77	4.1
GCI 2011–2012 (out of 142).....	88	4.0
<b>Basic requirements (40.0%)</b> .....	<b>57</b>	<b>4.7</b>
Institutions.....	64	4.0
Infrastructure.....	56	4.3
Macroeconomic environment.....	61	4.9
Health and primary education.....	70	5.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>86</b>	<b>3.9</b>
Higher education and training.....	92	3.8
Goods market efficiency.....	67	4.3
Labor market efficiency.....	40	4.6
Financial market development.....	75	3.9
Technological readiness.....	68	3.8
Market size.....	103	3.0
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>122</b>	<b>3.1</b>
Business sophistication.....	120	3.5
Innovation.....	126	2.7

## Stage of development



## The most problematic factors for doing business

Access to financing.....	19.0
Inadequately educated workforce.....	14.2
Poor work ethic in national labor force.....	12.2
Policy instability.....	10.0
Insufficient capacity to innovate.....	7.8
Inadequate supply of infrastructure.....	7.0
Government instability/coups.....	6.8
Inefficient government bureaucracy.....	5.3
Tax rates.....	5.3
Tax regulations.....	4.7
Restrictive labor regulations.....	3.5
Poor public health.....	1.4
Corruption.....	1.3
Inflation.....	0.8
Crime and theft.....	0.5
Foreign currency regulations.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Georgia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.4	120
1.02 Intellectual property protection .....	2.7	124
1.03 Diversion of public funds .....	4.5	<b>34</b>
1.04 Public trust in politicians .....	2.9	75
1.05 Irregular payments and bribes .....	5.5	<b>28</b>
1.06 Judicial independence .....	3.3	91
1.07 Favoritism in decisions of government officials .....	3.4	<b>50</b>
1.08 Wastefulness of government spending .....	3.4	58
1.09 Burden of government regulation .....	4.4	<b>10</b>
1.10 Efficiency of legal framework in settling disputes .....	3.4	92
1.11 Efficiency of legal framework in challenging regs. ....	3.0	105
1.12 Transparency of government policymaking .....	4.7	<b>33</b>
1.13 Business costs of terrorism .....	5.4	76
1.14 Business costs of crime and violence .....	5.0	52
1.15 Organized crime .....	5.2	64
1.16 Reliability of police services .....	5.2	<b>37</b>
1.17 Ethical behavior of firms .....	4.0	67
1.18 Strength of auditing and reporting standards .....	4.4	89
1.19 Efficacy of corporate boards .....	4.1	109
1.20 Protection of minority shareholders' interests .....	3.4	125
1.21 Strength of investor protection, 0–10 (best)* .....	7.0	<b>19</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.6	58
2.02 Quality of roads .....	4.2	60
2.03 Quality of railroad infrastructure .....	3.9	<b>35</b>
2.04 Quality of port infrastructure .....	4.2	68
2.05 Quality of air transport infrastructure .....	4.2	84
2.06 Available airline seat km/week, millions* .....	39.3	109
2.07 Quality of electricity supply .....	5.3	52
2.08 Mobile telephone subscriptions/100 pop.* .....	109.2	74
2.09 Fixed telephone lines/100 pop.* .....	29.6	<b>41</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.8	<b>38</b>
3.02 Gross national savings, % GDP* .....	14.9	98
3.03 Inflation, annual % change* .....	-0.9	81
3.04 General government debt, % GDP* .....	32.7	<b>44</b>
3.05 Country credit rating, 0–100 (best)* .....	39.2	80
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	0.0	<b>1</b>
4.03 Business impact of tuberculosis .....	5.4	79
4.04 Tuberculosis cases/100,000 pop.* .....	125.0	103
4.05 Business impact of HIV/AIDS .....	5.5	70
4.06 HIV prevalence, % adult pop.* .....	0.20	<b>45</b>
4.07 Infant mortality, deaths/1,000 live births* .....	18.3	87
4.08 Life expectancy, years* .....	73.3	81
4.09 Quality of primary education .....	3.4	94
4.10 Primary education enrollment, net %* .....	98.1	<b>32</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	86.2	80
5.02 Tertiary education enrollment, gross %* .....	30.0	77
5.03 Quality of the educational system .....	3.2	105
5.04 Quality of math and science education .....	3.4	106
5.05 Quality of management schools .....	3.7	107
5.06 Internet access in schools .....	4.5	62
5.07 Availability of research and training services .....	3.3	130
5.08 Extent of staff training .....	3.6	107
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.3	123
6.02 Extent of market dominance .....	3.2	119
6.03 Effectiveness of anti-monopoly policy .....	3.1	138
6.04 Effect of taxation on incentives to invest .....	4.4	<b>24</b>
6.05 Total tax rate, % profits* .....	16.5	<b>10</b>

INDICATOR	VALUE	RANK/148
<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* .....	2	<b>2</b>
6.08 Agricultural policy costs .....	3.2	125
6.09 Prevalence of trade barriers .....	5.1	<b>10</b>
6.10 Trade tariffs, % duty* .....	1.1	<b>32</b>
6.11 Prevalence of foreign ownership .....	4.1	106
6.12 Business impact of rules on FDI .....	4.8	<b>49</b>
6.13 Burden of customs procedures .....	5.3	<b>12</b>
6.14 Imports as a percentage of GDP* .....	58.2	<b>46</b>
6.15 Degree of customer orientation .....	3.8	127
6.16 Buyer sophistication .....	3.2	94
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	80
7.02 Flexibility of wage determination .....	5.3	<b>47</b>
7.03 Hiring and firing practices .....	4.8	<b>13</b>
7.04 Redundancy costs, weeks of salary* .....	4.3	<b>14</b>
7.05 Effect of taxation on incentives to work .....	4.2	<b>29</b>
7.06 Pay and productivity .....	4.1	60
7.07 Reliance on professional management .....	4.1	82
7.08 Country capacity to retain talent .....	3.1	93
7.09 Country capacity to attract talent .....	2.8	105
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 .....	4.0	96
8.02 Affordability of financial services .....	4.0	83
8.03 Financing through local equity market .....	2.4	126
8.04 Ease of access to loans .....	2.5	98
8.05 Venture capital availability .....	2.3	106
8.06 Soundness of banks .....	4.8	82
8.07 Regulation of securities exchanges .....	3.2	119
8.08 Legal rights index, 0–10 (best)* .....	9	<b>12</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.4	100
9.02 Firm-level technology absorption .....	4.1	117
9.03 FDI and technology transfer .....	4.1	101
9.04 Individuals using Internet, %* .....	45.5	71
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	9.1	65
9.06 Int'l Internet bandwidth, kb/s per user* .....	54.2	<b>40</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	22.4	65
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.8	102
10.02 Foreign market size index, 1–7 (best)* .....	3.5	114
10.03 GDP (PPP\$ billions)* .....	26.7	104
10.04 Exports as a percentage of GDP* .....	30.2	97
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.7	136
11.02 Local supplier quality .....	3.6	129
11.03 State of cluster development .....	3.2	116
11.04 Nature of competitive advantage .....	3.3	91
11.05 Value chain breadth .....	3.5	96
11.06 Control of international distribution .....	3.7	103
11.07 Production process sophistication .....	3.2	119
11.08 Extent of marketing .....	3.6	107
11.09 Willingness to delegate authority .....	3.1	127
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0	118
12.02 Quality of scientific research institutions .....	2.8	124
12.03 Company spending on R&D .....	2.5	128
12.04 University-industry collaboration in R&D .....	2.7	132
12.05 Gov't procurement of advanced tech products .....	3.6	62
12.06 Availability of scientists and engineers .....	3.2	126
12.07 PCT patents, applications/million pop.* .....	1.4	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 97.

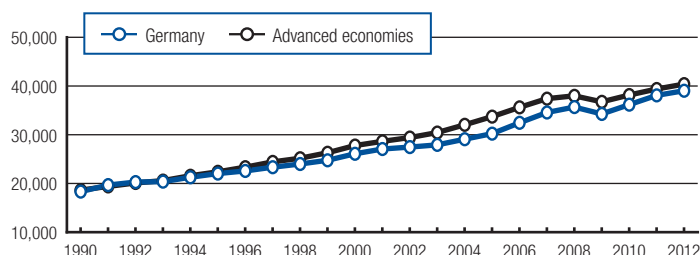


# Germany

## Key indicators, 2012

Population (millions).....	81.8
GDP (US\$ billions).....	3,400.6
GDP per capita (US\$).....	41,513
GDP (PPP) as share (%) of world total.....	3.85

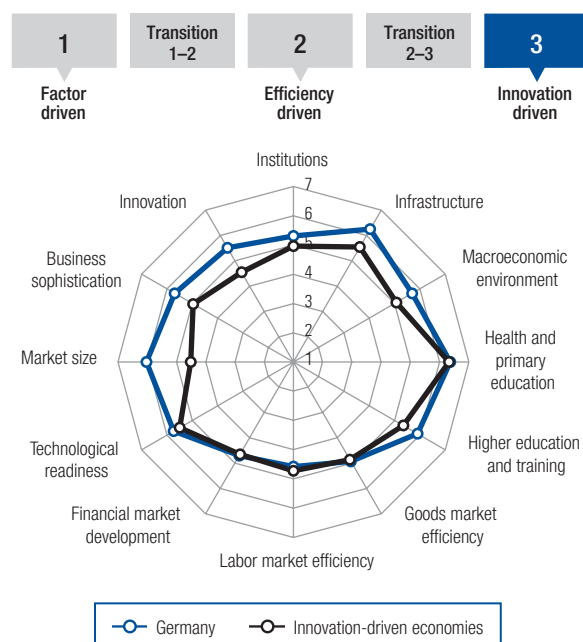
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

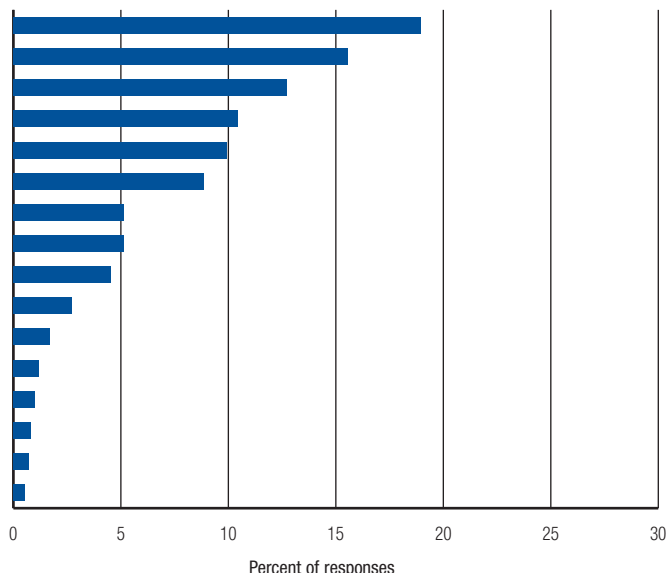
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>4</b> .....	<b>5.5</b>
GCI 2012–2013 (out of 144).....	6.....	5.5
GCI 2011–2012 (out of 142).....	6.....	5.4
<b>Basic requirements (20.0%)</b> .....	<b>9</b> .....	<b>5.9</b>
Institutions.....	15.....	5.3
Infrastructure.....	3.....	6.2
Macroeconomic environment.....	27.....	5.7
Health and primary education.....	21.....	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>8</b> .....	<b>5.3</b>
Higher education and training.....	3.....	5.9
Goods market efficiency.....	21.....	4.9
Labor market efficiency.....	41.....	4.6
Financial market development.....	29.....	4.7
Technological readiness.....	14.....	5.7
Market size.....	5.....	6.0
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>4</b> .....	<b>5.6</b>
Business sophistication.....	3.....	5.7
Innovation.....	4.....	5.5

## Stage of development



## The most problematic factors for doing business

Tax regulations.....	19.0
Restrictive labor regulations.....	15.6
Tax rates.....	12.7
Inefficient government bureaucracy.....	10.4
Access to financing.....	9.9
Inadequately educated workforce.....	8.9
Insufficient capacity to innovate.....	5.2
Policy instability.....	5.2
Poor work ethic in national labor force.....	4.5
Inadequate supply of infrastructure.....	2.7
Corruption.....	1.7
Inflation.....	1.2
Foreign currency regulations.....	1.0
Crime and theft.....	0.8
Government instability/coups.....	0.7
Poor public health.....	0.5



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Germany

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.8	15
1.02 Intellectual property protection .....	5.6	14
1.03 Diversion of public funds .....	5.4	16
1.04 Public trust in politicians .....	4.4	19
1.05 Irregular payments and bribes .....	5.7	21
1.06 Judicial independence .....	6.0	13
1.07 Favoritism in decisions of government officials .....	4.6	13
1.08 Wastefulness of government spending .....	4.2	23
1.09 Burden of government regulation .....	3.6	56
1.10 Efficiency of legal framework in settling disputes .....	5.2	13
1.11 Efficiency of legal framework in challenging regs. ....	4.9	11
1.12 Transparency of government policymaking .....	5.0	23
1.13 Business costs of terrorism .....	5.7	59
1.14 Business costs of crime and violence .....	5.6	26
1.15 Organized crime .....	5.8	36
1.16 Reliability of police services .....	6.0	17
1.17 Ethical behavior of firms .....	5.7	15
1.18 Strength of auditing and reporting standards .....	5.5	23
1.19 Efficacy of corporate boards .....	5.2	22
1.20 Protection of minority shareholders' interests .....	4.8	29
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.2	10
2.02 Quality of roads .....	6.0	11
2.03 Quality of railroad infrastructure .....	5.7	7
2.04 Quality of port infrastructure .....	5.8	9
2.05 Quality of air transport infrastructure .....	6.1	8
2.06 Available airline seat km/week, millions* .....	4,663.0	5
2.07 Quality of electricity supply .....	6.1	32
2.08 Mobile telephone subscriptions/100 pop.* .....	131.3	39
2.09 Fixed telephone lines/100 pop.* .....	61.8	4
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.2	28
3.02 Gross national savings, % GDP* .....	24.2	49
3.03 Inflation, annual % change* .....	2.1	1
3.04 General government debt, % GDP* .....	82.0	130
3.05 Country credit rating, 0–100 (best)* .....	92.3	6
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.6	15
4.04 Tuberculosis cases/100,000 pop.* .....	4.5	11
4.05 Business impact of HIV/AIDS .....	6.2	26
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	3.3	17
4.08 Life expectancy, years* .....	80.7	22
4.09 Quality of primary education .....	5.0	25
4.10 Primary education enrollment, net %* .....	97.7	39
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	103.3	24
5.02 Tertiary education enrollment, gross %* .....	n/a	n/a
5.03 Quality of the educational system .....	5.1	14
5.04 Quality of math and science education .....	5.1	21
5.05 Quality of management schools .....	5.1	27
5.06 Internet access in schools .....	5.0	42
5.07 Availability of research and training services .....	6.1	2
5.08 Extent of staff training .....	5.1	10
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.9	10
6.02 Extent of market dominance .....	5.8	2
6.03 Effectiveness of anti-monopoly policy .....	5.1	12
6.04 Effect of taxation on incentives to invest .....	4.1	43
6.05 Total tax rate, % profits* .....	46.8	108

INDICATOR	VALUE	RANK/148
<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	70
6.08 Agricultural policy costs .....	4.0	58
6.09 Prevalence of trade barriers .....	4.4	57
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.1	46
6.12 Business impact of rules on FDI .....	4.7	52
6.13 Burden of customs procedures .....	4.9	30
6.14 Imports as a percentage of GDP* .....	42.7	80
6.15 Degree of customer orientation .....	5.3	21
6.16 Buyer sophistication .....	4.4	17
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.2	18
7.02 Flexibility of wage determination .....	3.3	141
7.03 Hiring and firing practices .....	3.3	118
7.04 Redundancy costs, weeks of salary* .....	21.6	100
7.05 Effect of taxation on incentives to work .....	3.7	64
7.06 Pay and productivity .....	4.3	42
7.07 Reliance on professional management .....	5.5	19
7.08 Country capacity to retain talent .....	5.1	9
7.09 Country capacity to attract talent .....	4.7	20
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 .....	5.7	17
8.02 Affordability of financial services .....	5.3	20
8.03 Financing through local equity market .....	4.2	34
8.04 Ease of access to loans .....	3.2	46
8.05 Venture capital availability .....	3.2	33
8.06 Soundness of banks .....	5.1	64
8.07 Regulation of securities exchanges .....	4.8	37
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.3	13
9.02 Firm-level technology absorption .....	5.8	16
9.03 FDI and technology transfer .....	4.8	58
9.04 Individuals using Internet, %* .....	84.0	16
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	34.0	9
9.06 Int'l Internet bandwidth, kb/s per user* .....	75.5	28
9.07 Mobile broadband subscriptions/100 pop.* .....	41.0	39
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.8	5
10.02 Foreign market size index, 1–7 (best)* .....	6.6	3
10.03 GDP (PPP\$ billions)* .....	3,197.1	5
10.04 Exports as a percentage of GDP* .....	48.9	53
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.6	5
11.02 Local supplier quality .....	6.0	4
11.03 State of cluster development .....	5.4	4
11.04 Nature of competitive advantage .....	6.0	4
11.05 Value chain breadth .....	6.1	1
11.06 Control of international distribution .....	5.2	4
11.07 Production process sophistication .....	6.3	3
11.08 Extent of marketing .....	5.7	6
11.09 Willingness to delegate authority .....	4.9	16
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.6	3
12.02 Quality of scientific research institutions .....	5.8	6
12.03 Company spending on R&D .....	5.5	4
12.04 University-industry collaboration in R&D .....	5.4	9
12.05 Gov't procurement of advanced tech products .....	4.3	17
12.06 Availability of scientists and engineers .....	4.9	17
12.07 PCT patents, applications/million pop.* .....	214.6	6

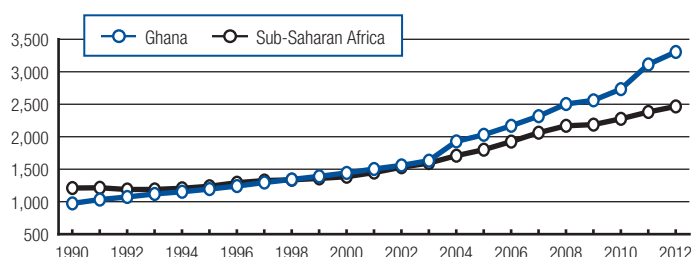
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Ghana

## Key indicators, 2012

Population (millions).....	25.0
GDP (US\$ billions).....	38.9
GDP per capita (US\$).....	1,562
GDP (PPP) as share (%) of world total.....	0.10

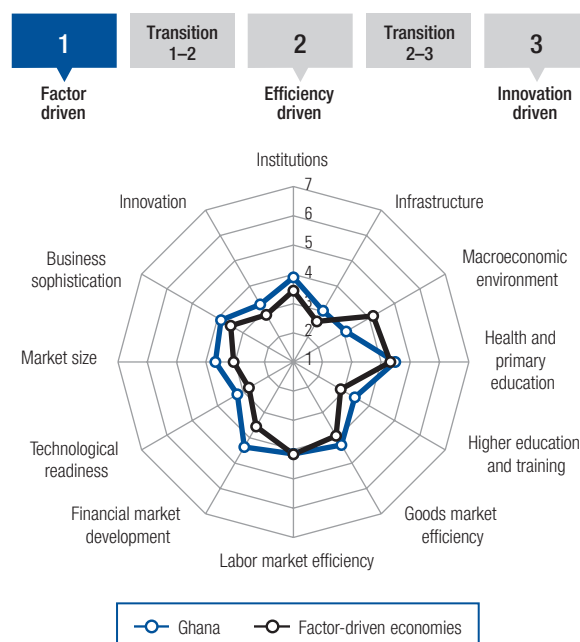
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

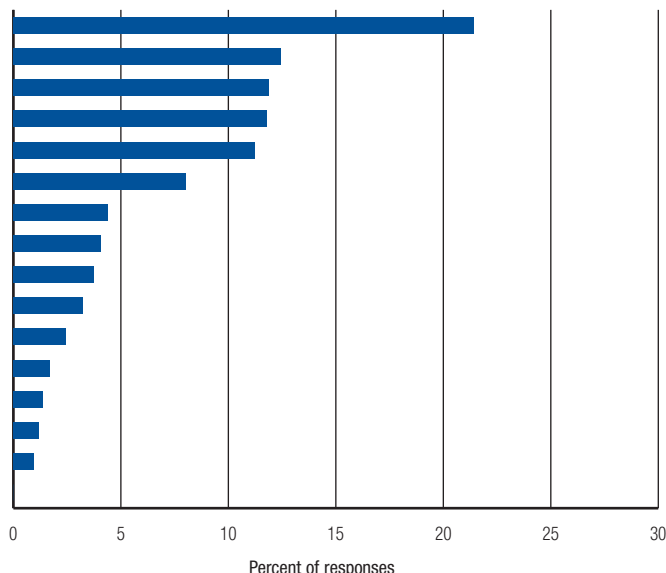
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>114</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	103	3.8
GCI 2011–2012 (out of 142).....	114	3.6
<b>Basic requirements (60.0%)</b> .....	<b>128</b>	<b>3.6</b>
Institutions.....	70	3.9
Infrastructure.....	109	3.0
Macroeconomic environment.....	144	3.1
Health and primary education.....	122	4.5
<b>Efficiency enhancers (35.0%)</b> .....	<b>87</b>	<b>3.8</b>
Higher education and training.....	108	3.4
Goods market efficiency.....	70	4.3
Labor market efficiency.....	91	4.1
Financial market development.....	52	4.4
Technological readiness.....	99	3.2
Market size.....	70	3.7
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>72</b>	<b>3.6</b>
Business sophistication.....	81	3.9
Innovation.....	64	3.3

## Stage of development



## The most problematic factors for doing business

Access to financing.....	21.4
Tax rates.....	12.4
Poor work ethic in national labor force.....	11.9
Inefficient government bureaucracy.....	11.8
Corruption.....	11.3
Inflation.....	8.0
Foreign currency regulations.....	4.4
Inadequate supply of infrastructure.....	4.1
Policy instability.....	3.8
Tax regulations.....	3.2
Restrictive labor regulations.....	2.5
Crime and theft.....	1.7
Inadequately educated workforce.....	1.4
Insufficient capacity to innovate.....	1.2
Poor public health.....	1.0
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Ghana

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.2	72
1.02 Intellectual property protection .....	3.9	56
1.03 Diversion of public funds .....	3.1	78
1.04 Public trust in politicians .....	2.9	74
1.05 Irregular payments and bribes .....	3.3	107
1.06 Judicial independence .....	4.4	<b>50</b>
1.07 Favoritism in decisions of government officials .....	2.9	84
1.08 Wastefulness of government spending .....	3.4	57
1.09 Burden of government regulation .....	3.5	73
1.10 Efficiency of legal framework in settling disputes .....	4.1	<b>50</b>
1.11 Efficiency of legal framework in challenging regs. ....	3.5	65
1.12 Transparency of government policymaking .....	4.1	74
1.13 Business costs of terrorism .....	4.6	116
1.14 Business costs of crime and violence .....	4.2	93
1.15 Organized crime .....	4.6	95
1.16 Reliability of police services .....	4.5	56
1.17 Ethical behavior of firms .....	3.7	90
1.18 Strength of auditing and reporting standards .....	4.5	78
1.19 Efficacy of corporate boards .....	4.4	91
1.20 Protection of minority shareholders' interests .....	4.4	54
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	<b>41</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	90
2.02 Quality of roads .....	4.1	70
2.03 Quality of railroad infrastructure .....	2.1	86
2.04 Quality of port infrastructure .....	4.3	71
2.05 Quality of air transport infrastructure .....	4.3	79
2.06 Available airline seat km/week, millions* .....	106.5	79
2.07 Quality of electricity supply .....	2.7	120
2.08 Mobile telephone subscriptions/100 pop.* .....	100.3	92
2.09 Fixed telephone lines/100 pop.* .....	1.1	128
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-11.5	147
3.02 Gross national savings, % GDP* .....	6.4	140
3.03 Inflation, annual % change* .....	9.2	128
3.04 General government debt, % GDP* .....	56.5	107
3.05 Country credit rating, 0–100 (best)* .....	36.0	90
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.3	134
4.02 Malaria cases/100,000 pop.* .....	26,147.4	137
4.03 Business impact of tuberculosis .....	4.5	110
4.04 Tuberculosis cases/100,000 pop.* .....	79.0	89
4.05 Business impact of HIV/AIDS .....	4.4	113
4.06 HIV prevalence, % adult pop.* .....	1.50	122
4.07 Infant mortality, deaths/1,000 live births* .....	51.8	125
4.08 Life expectancy, years* .....	64.2	115
4.09 Quality of primary education .....	3.6	87
4.10 Primary education enrollment, net %* .....	82.1	127
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	59.2	113
5.02 Tertiary education enrollment, gross %* .....	12.3	109
5.03 Quality of the educational system .....	4.2	<b>46</b>
5.04 Quality of math and science education .....	4.2	62
5.05 Quality of management schools .....	4.5	51
5.06 Internet access in schools .....	3.1	114
5.07 Availability of research and training services .....	3.8	97
5.08 Extent of staff training .....	3.9	79
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	68
6.02 Extent of market dominance .....	4.0	<b>50</b>
6.03 Effectiveness of anti-monopoly policy .....	4.2	63
6.04 Effect of taxation on incentives to invest .....	3.9	53
6.05 Total tax rate, % profits* .....	33.5	<b>50</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	12	57
6.08 Agricultural policy costs .....	4.1	<b>48</b>
6.09 Prevalence of trade barriers .....	4.1	101
6.10 Trade tariffs, % duty* .....	10.4	110
6.11 Prevalence of foreign ownership .....	5.3	<b>30</b>
6.12 Business impact of rules on FDI .....	4.6	71
6.13 Burden of customs procedures .....	3.4	109
6.14 Imports as a percentage of GDP* .....	49.7	64
6.15 Degree of customer orientation .....	4.4	88
6.16 Buyer sophistication .....	3.0	104
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.3	69
7.02 Flexibility of wage determination .....	4.3	122
7.03 Hiring and firing practices .....	4.5	<b>23</b>
7.04 Redundancy costs, weeks of salary* .....	49.8	139
7.05 Effect of taxation on incentives to work .....	3.7	72
7.06 Pay and productivity .....	3.9	72
7.07 Reliance on professional management .....	4.4	58
7.08 Country capacity to retain talent .....	3.7	52
7.09 Country capacity to attract talent .....	3.9	<b>40</b>
7.10 Women in labor force, ratio to men* .....	0.95	<b>11</b>
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.4	76
8.02 Affordability of financial services .....	4.1	72
8.03 Financing through local equity market .....	4.2	<b>33</b>
8.04 Ease of access to loans .....	2.4	103
8.05 Venture capital availability .....	2.7	67
8.06 Soundness of banks .....	5.0	73
8.07 Regulation of securities exchanges .....	4.6	<b>44</b>
8.08 Legal rights index, 0–10 (best)* .....	8	<b>28</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.7	81
9.02 Firm-level technology absorption .....	4.4	91
9.03 FDI and technology transfer .....	4.4	87
9.04 Individuals using Internet, %* .....	17.1	108
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.3	120
9.06 Int'l Internet bandwidth, kb/s per user* .....	0.2	147
9.07 Mobile broadband subscriptions/100 pop.* .....	33.3	<b>49</b>
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.5	69
10.02 Foreign market size index, 1–7 (best)* .....	4.3	77
10.03 GDP (PPP\$ billions)* .....	82.4	72
10.04 Exports as a percentage of GDP* .....	37.8	80
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	86
11.02 Local supplier quality .....	4.2	93
11.03 State of cluster development .....	3.6	83
11.04 Nature of competitive advantage .....	3.8	<b>50</b>
11.05 Value chain breadth .....	3.8	66
11.06 Control of international distribution .....	3.8	102
11.07 Production process sophistication .....	3.4	96
11.08 Extent of marketing .....	3.6	108
11.09 Willingness to delegate authority .....	3.6	82
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7	55
12.02 Quality of scientific research institutions .....	3.8	61
12.03 Company spending on R&D .....	3.1	66
12.04 University-industry collaboration in R&D .....	3.4	78
12.05 Gov't procurement of advanced tech products .....	3.6	64
12.06 Availability of scientists and engineers .....	4.0	75
12.07 PCT patents, applications/million pop.* .....	0.0	117

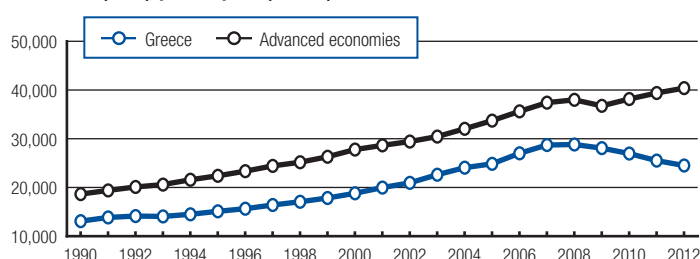
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Greece

## Key indicators, 2012

Population (millions).....	11.3
GDP (US\$ billions).....	249.2
GDP per capita (US\$).....	22,055
GDP (PPP) as share (%) of world total.....	0.33

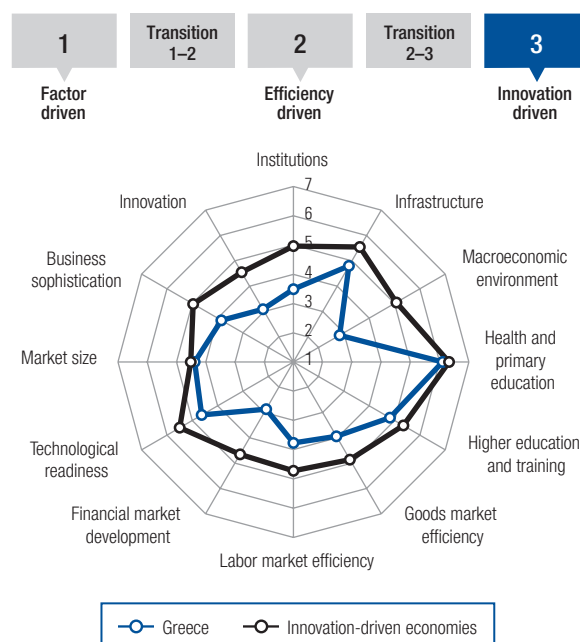
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

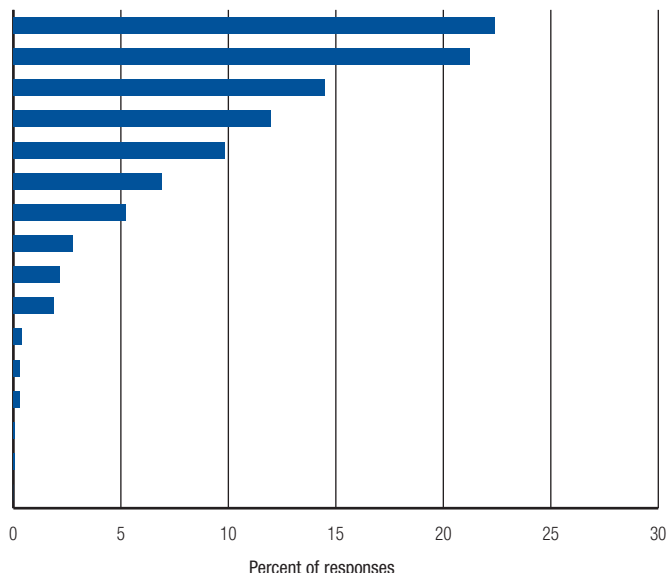
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>91</b>	<b>3.9</b>
GCI 2012–2013 (out of 144).....	96	3.9
GCI 2011–2012 (out of 142).....	90	3.9
<b>Basic requirements (20.0%)</b> .....	<b>88</b>	<b>4.3</b>
Institutions.....	103	3.5
Infrastructure.....	38	4.8
Macroeconomic environment.....	147	2.8
Health and primary education.....	35	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>67</b>	<b>4.1</b>
Higher education and training.....	41	4.8
Goods market efficiency.....	108	3.9
Labor market efficiency.....	127	3.8
Financial market development.....	138	2.9
Technological readiness.....	39	4.6
Market size.....	47	4.4
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>81</b>	<b>3.5</b>
Business sophistication.....	83	3.8
Innovation.....	87	3.1

### Stage of development



## The most problematic factors for doing business

Access to financing.....	22.4
Inefficient government bureaucracy.....	21.2
Tax regulations.....	14.5
Policy instability.....	12.0
Tax rates.....	9.8
Corruption.....	6.9
Restrictive labor regulations.....	5.2
Inadequate supply of infrastructure.....	2.8
Government instability/coups.....	2.2
Insufficient capacity to innovate.....	1.9
Poor public health.....	0.4
Inadequately educated workforce.....	0.3
Poor work ethic in national labor force.....	0.3
Foreign currency regulations.....	0.1
Inflation.....	0.1
Crime and theft.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## Greece

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	87
1.02 Intellectual property protection .....	3.7	70
1.03 Diversion of public funds .....	2.7	104
1.04 Public trust in politicians .....	1.9	138
1.05 Irregular payments and bribes .....	3.6	91
1.06 Judicial independence .....	3.4	84
1.07 Favoritism in decisions of government officials .....	2.6	113
1.08 Wastefulness of government spending .....	2.0	140
1.09 Burden of government regulation .....	2.2	144
1.10 Efficiency of legal framework in settling disputes .....	2.5	138
1.11 Efficiency of legal framework in challenging regs. ....	2.6	130
1.12 Transparency of government policymaking .....	3.6	123
1.13 Business costs of terrorism .....	5.3	86
1.14 Business costs of crime and violence .....	4.7	68
1.15 Organized crime .....	5.4	56
1.16 Reliability of police services .....	4.0	77
1.17 Ethical behavior of firms .....	3.5	113
1.18 Strength of auditing and reporting standards .....	4.3	93
1.19 Efficacy of corporate boards .....	4.0	122
1.20 Protection of minority shareholders' interests .....	4.2	67
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	60
2.02 Quality of roads .....	4.2	63
2.03 Quality of railroad infrastructure .....	2.7	64
2.04 Quality of port infrastructure .....	4.5	57
2.05 Quality of air transport infrastructure .....	5.3	44
2.06 Available airline seat km/week, millions* .....	542.0	38
2.07 Quality of electricity supply .....	5.3	55
2.08 Mobile telephone subscriptions/100 pop.* .....	116.9	57
2.09 Fixed telephone lines/100 pop.* .....	47.8	14
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-6.4	130
3.02 Gross national savings, % GDP* .....	10.7	124
3.03 Inflation, annual % change* .....	1.0	1
3.04 General government debt, % GDP* .....	158.5	147
3.05 Country credit rating, 0–100 (best)* .....	21.7	129
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	26
4.04 Tuberculosis cases/100,000 pop.* .....	3.8	7
4.05 Business impact of HIV/AIDS .....	6.1	32
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	3.7	24
4.08 Life expectancy, years* .....	80.7	21
4.09 Quality of primary education .....	3.8	78
4.10 Primary education enrollment, net %* .....	99.0	20
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	109.5	13
5.02 Tertiary education enrollment, gross %* .....	89.4	4
5.03 Quality of the educational system .....	3.1	112
5.04 Quality of math and science education .....	4.3	58
5.05 Quality of management schools .....	3.8	94
5.06 Internet access in schools .....	3.9	86
5.07 Availability of research and training services .....	3.8	94
5.08 Extent of staff training .....	3.5	116
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.8	87
6.02 Extent of market dominance .....	3.8	73
6.03 Effectiveness of anti-monopoly policy .....	3.8	92
6.04 Effect of taxation on incentives to invest .....	2.4	142
6.05 Total tax rate, % profits* .....	44.6	101

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	11	126
6.07 No. days to start a business* .....	11	54
6.08 Agricultural policy costs .....	2.8	144
6.09 Prevalence of trade barriers .....	4.9	18
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.4	90
6.12 Business impact of rules on FDI .....	3.0	141
6.13 Burden of customs procedures .....	3.9	81
6.14 Imports as a percentage of GDP* .....	30.4	122
6.15 Degree of customer orientation .....	4.5	72
6.16 Buyer sophistication .....	3.3	84
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.7	124
7.02 Flexibility of wage determination .....	3.9	132
7.03 Hiring and firing practices .....	3.5	102
7.04 Redundancy costs, weeks of salary* .....	15.9	78
7.05 Effect of taxation on incentives to work .....	2.5	137
7.06 Pay and productivity .....	3.2	129
7.07 Reliance on professional management .....	3.8	104
7.08 Country capacity to retain talent .....	3.1	86
7.09 Country capacity to attract talent .....	2.3	127
7.10 Women in labor force, ratio to men* .....	0.73	92
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8	106
8.02 Affordability of financial services .....	3.6	118
8.03 Financing through local equity market .....	2.2	135
8.04 Ease of access to loans .....	1.6	146
8.05 Venture capital availability .....	1.7	146
8.06 Soundness of banks .....	2.3	148
8.07 Regulation of securities exchanges .....	3.8	92
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0	67
9.02 Firm-level technology absorption .....	4.5	88
9.03 FDI and technology transfer .....	4.0	111
9.04 Individuals using Internet, %* .....	56.0	53
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	23.5	28
9.06 Int'l Internet bandwidth, kb/s per user* .....	54.7	38
9.07 Mobile broadband subscriptions/100 pop.* .....	44.5	34
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.2	44
10.02 Foreign market size index, 1–7 (best)* .....	4.8	58
10.03 GDP (PPP\$ billions)* .....	276.9	46
10.04 Exports as a percentage of GDP* .....	27.5	109
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.5	89
11.02 Local supplier quality .....	4.5	63
11.03 State of cluster development .....	3.0	128
11.04 Nature of competitive advantage .....	3.8	48
11.05 Value chain breadth .....	3.6	84
11.06 Control of international distribution .....	3.9	78
11.07 Production process sophistication .....	3.6	79
11.08 Extent of marketing .....	4.1	70
11.09 Willingness to delegate authority .....	3.4	103
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0	117
12.02 Quality of scientific research institutions .....	3.6	72
12.03 Company spending on R&D .....	2.6	122
12.04 University-industry collaboration in R&D .....	3.0	119
12.05 Gov't procurement of advanced tech products .....	2.4	141
12.06 Availability of scientists and engineers .....	5.4	5
12.07 PCT patents, applications/million pop.* .....	8.8	37

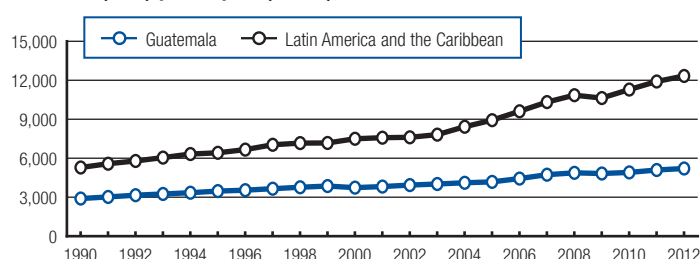
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Guatemala

## Key indicators, 2012

Population (millions).....	14.8
GDP (US\$ billions).....	49.9
GDP per capita (US\$).....	3,302
GDP (PPP) as share (%) of world total.....	0.10

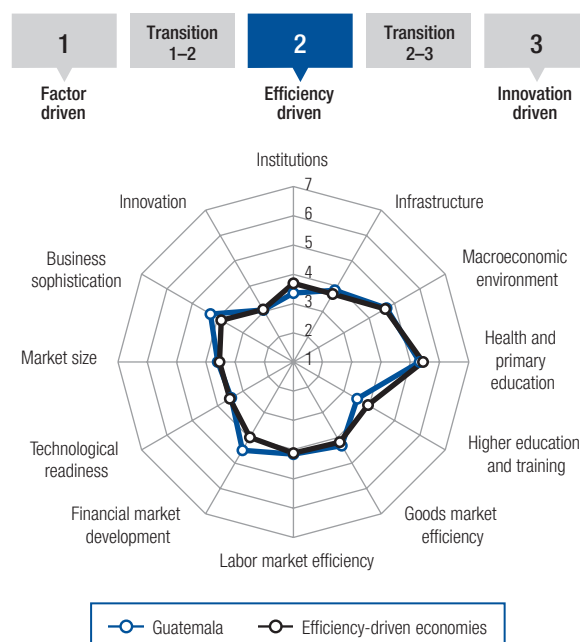
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

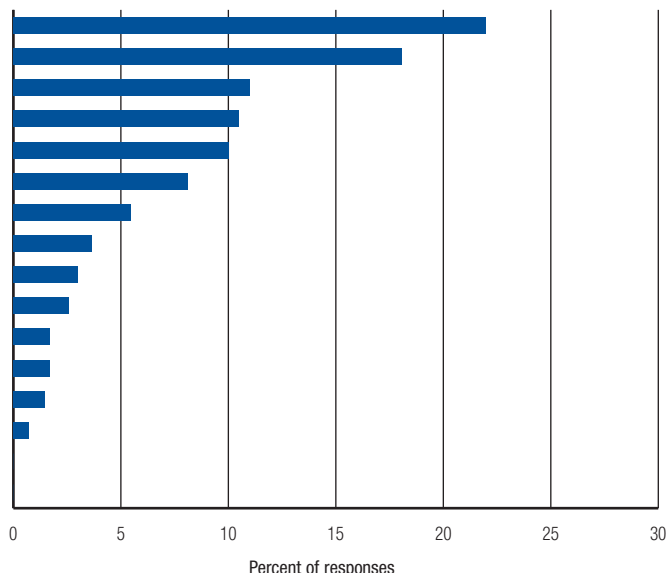
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>86</b>	<b>4.0</b>
GCI 2012–2013 (out of 144).....	83	4.0
GCI 2011–2012 (out of 142).....	84	4.0
<b>Basic requirements (40.0%)</b> .....	<b>89</b>	<b>4.3</b>
Institutions.....	111	3.4
Infrastructure.....	78	3.8
Macroeconomic environment.....	71	4.7
Health and primary education.....	101	5.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>80</b>	<b>3.9</b>
Higher education and training.....	105	3.5
Goods market efficiency.....	66	4.3
Labor market efficiency.....	90	4.2
Financial market development.....	43	4.5
Technological readiness.....	84	3.5
Market size.....	76	3.6
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>64</b>	<b>3.7</b>
Business sophistication.....	50	4.3
Innovation.....	90	3.1

## Stage of development



## The most problematic factors for doing business

Crime and theft.....	22.0
Corruption.....	18.1
Inefficient government bureaucracy.....	11.0
Inadequate supply of infrastructure.....	10.5
Tax regulations.....	10.0
Inadequately educated workforce.....	8.1
Restrictive labor regulations.....	5.5
Access to financing.....	3.7
Tax rates.....	3.0
Policy instability.....	2.6
Insufficient capacity to innovate.....	1.7
Poor public health.....	1.7
Poor work ethic in national labor force.....	1.5
Inflation.....	0.7
Foreign currency regulations.....	0.0
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Guatemala

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8	93
1.02 Intellectual property protection .....	2.9	111
1.03 Diversion of public funds .....	2.3	127
1.04 Public trust in politicians .....	2.0	130
1.05 Irregular payments and bribes .....	3.9	71
1.06 Judicial independence .....	3.0	107
1.07 Favoritism in decisions of government officials .....	2.8	96
1.08 Wastefulness of government spending .....	2.4	125
1.09 Burden of government regulation .....	3.5	66
1.10 Efficiency of legal framework in settling disputes .....	3.3	100
1.11 Efficiency of legal framework in challenging regs. ....	3.5	73
1.12 Transparency of government policymaking .....	4.5	<b>39</b>
1.13 Business costs of terrorism .....	5.0	104
1.14 Business costs of crime and violence .....	2.0	147
1.15 Organized crime .....	2.4	148
1.16 Reliability of police services .....	2.8	136
1.17 Ethical behavior of firms .....	3.9	75
1.18 Strength of auditing and reporting standards .....	4.7	66
1.19 Efficacy of corporate boards .....	5.0	<b>25</b>
1.20 Protection of minority shareholders' interests .....	4.0	77
1.21 Strength of investor protection, 0–10 (best)* .....	3.3	129
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.4	69
2.02 Quality of roads .....	3.4	90
2.03 Quality of railroad infrastructure .....	1.2	119
2.04 Quality of port infrastructure .....	4.1	77
2.05 Quality of air transport infrastructure .....	4.5	71
2.06 Available airline seat km/week, millions* .....	43.4	105
2.07 Quality of electricity supply .....	5.3	53
2.08 Mobile telephone subscriptions/100 pop.* .....	137.3	<b>32</b>
2.09 Fixed telephone lines/100 pop.* .....	11.5	86
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.4	63
3.02 Gross national savings, % GDP* .....	11.0	121
3.03 Inflation, annual % change* .....	3.8	72
3.04 General government debt, % GDP* .....	25.1	<b>31</b>
3.05 Country credit rating, 0–100 (best)* .....	41.0	76
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.9	85
4.02 Malaria cases/100,000 pop.* .....	80.3	99
4.03 Business impact of tuberculosis .....	6.0	<b>43</b>
4.04 Tuberculosis cases/100,000 pop.* .....	61.0	79
4.05 Business impact of HIV/AIDS .....	5.8	55
4.06 HIV prevalence, % adult pop.* .....	0.80	102
4.07 Infant mortality, deaths/1,000 live births* .....	24.2	95
4.08 Life expectancy, years* .....	71.1	92
4.09 Quality of primary education .....	2.2	136
4.10 Primary education enrollment, net %* .....	95.8	57
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	64.5	108
5.02 Tertiary education enrollment, gross %* .....	17.8	99
5.03 Quality of the educational system .....	2.6	135
5.04 Quality of math and science education .....	2.4	139
5.05 Quality of management schools .....	4.8	<b>38</b>
5.06 Internet access in schools .....	3.3	110
5.07 Availability of research and training services .....	4.4	59
5.08 Extent of staff training .....	4.5	<b>28</b>
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	53
6.02 Extent of market dominance .....	3.9	61
6.03 Effectiveness of anti-monopoly policy .....	3.7	105
6.04 Effect of taxation on incentives to invest .....	3.7	78
6.05 Total tax rate, % profits* .....	40.9	85

INDICATOR	VALUE	RANK/148
<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* .....	40	124
6.08 Agricultural policy costs .....	4.1	<b>50</b>
6.09 Prevalence of trade barriers .....	4.5	<b>47</b>
6.10 Trade tariffs, % duty* .....	4.8	66
6.11 Prevalence of foreign ownership .....	4.9	57
6.12 Business impact of rules on FDI .....	4.2	103
6.13 Burden of customs procedures .....	3.9	84
6.14 Imports as a percentage of GDP* .....	39.0	92
6.15 Degree of customer orientation .....	5.3	<b>23</b>
6.16 Buyer sophistication .....	3.5	67
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.1	<b>23</b>
7.02 Flexibility of wage determination .....	5.5	<b>27</b>
7.03 Hiring and firing practices .....	4.2	<b>42</b>
7.04 Redundancy costs, weeks of salary* .....	27.0	117
7.05 Effect of taxation on incentives to work .....	3.6	75
7.06 Pay and productivity .....	4.2	<b>50</b>
7.07 Reliance on professional management .....	4.2	74
7.08 Country capacity to retain talent .....	3.9	<b>46</b>
7.09 Country capacity to attract talent .....	3.1	94
7.10 Women in labor force, ratio to men* .....	0.56	122
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.3	<b>32</b>
8.02 Affordability of financial services .....	5.0	<b>29</b>
8.03 Financing through local equity market .....	2.4	122
8.04 Ease of access to loans .....	3.1	51
8.05 Venture capital availability .....	2.8	60
8.06 Soundness of banks .....	6.1	<b>17</b>
8.07 Regulation of securities exchanges .....	3.9	85
8.08 Legal rights index, 0–10 (best)* .....	8	<b>28</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.3	<b>48</b>
9.02 Firm-level technology absorption .....	5.2	<b>41</b>
9.03 FDI and technology transfer .....	4.8	51
9.04 Individuals using Internet, %* .....	16.0	112
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.8	101
9.06 Int'l Internet bandwidth, kb/s per user* .....	6.6	104
9.07 Mobile broadband subscriptions/100 pop.* .....	4.5	101
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.4	71
10.02 Foreign market size index, 1–7 (best)* .....	4.0	89
10.03 GDP (PPP\$ billions)* .....	78.7	74
10.04 Exports as a percentage of GDP* .....	24.8	120
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.0	<b>34</b>
11.02 Local supplier quality .....	4.9	<b>35</b>
11.03 State of cluster development .....	4.1	<b>46</b>
11.04 Nature of competitive advantage .....	3.4	78
11.05 Value chain breadth .....	4.0	<b>45</b>
11.06 Control of international distribution .....	4.5	<b>32</b>
11.07 Production process sophistication .....	4.0	60
11.08 Extent of marketing .....	4.5	<b>49</b>
11.09 Willingness to delegate authority .....	4.0	<b>44</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7	51
12.02 Quality of scientific research institutions .....	3.1	107
12.03 Company spending on R&D .....	3.1	76
12.04 University-industry collaboration in R&D .....	3.8	57
12.05 Gov't procurement of advanced tech products .....	3.0	113
12.06 Availability of scientists and engineers .....	3.7	94
12.07 PCT patents, applications/million pop.* .....	0.1	93

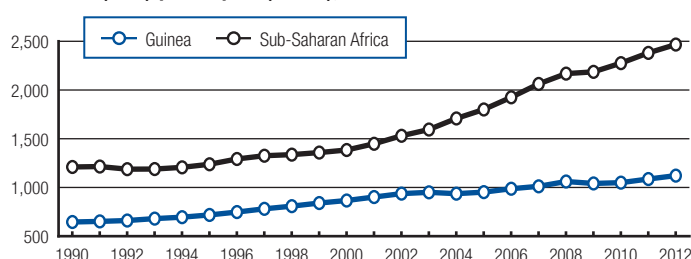
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Guinea

## Key indicators, 2012

Population (millions).....	10.2
GDP (US\$ billions).....	5.6
GDP per capita (US\$).....	519
GDP (PPP) as share (%) of world total.....	0.02

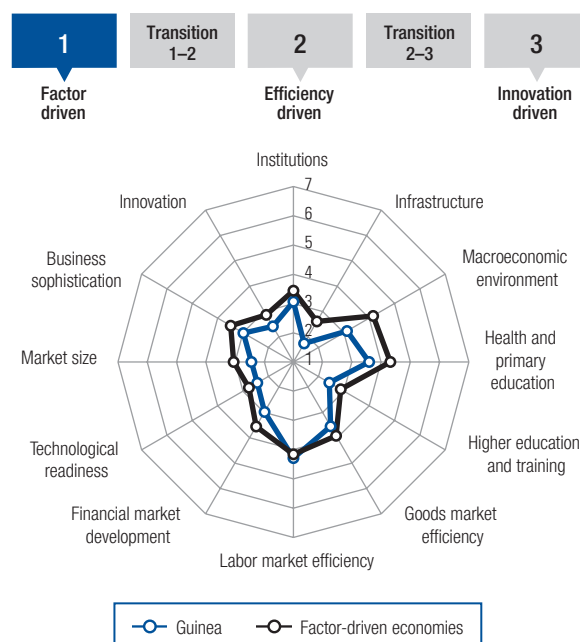
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

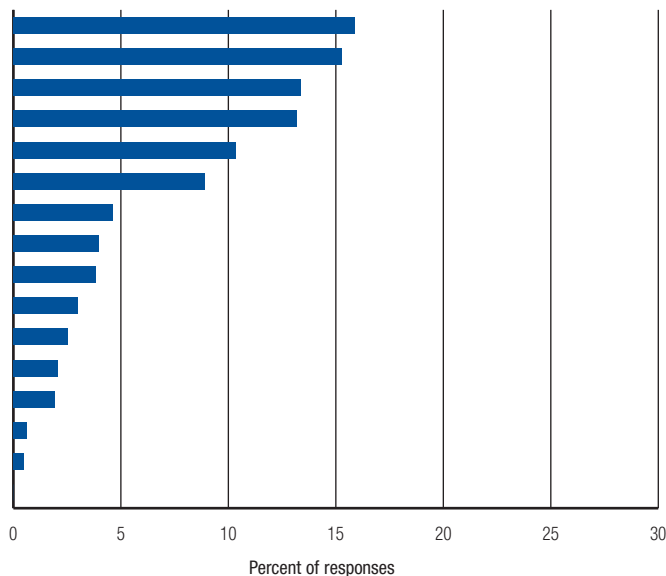
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>147</b>	<b>2.9</b>
GCI 2012–2013 (out of 144).....	141	2.9
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (60.0%)</b> .....	<b>148</b>	<b>2.9</b>
Institutions.....	132	3.1
Infrastructure.....	147	1.7
Macroeconomic environment.....	142	3.1
Health and primary education.....	139	3.6
<b>Efficiency enhancers (35.0%)</b> .....	<b>141</b>	<b>3.0</b>
Higher education and training.....	140	2.4
Goods market efficiency.....	137	3.5
Labor market efficiency.....	74	4.3
Financial market development.....	136	3.0
Technological readiness.....	142	2.4
Market size.....	129	2.4
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>142</b>	<b>2.7</b>
Business sophistication.....	141	3.0
Innovation.....	140	2.4

## Stage of development



## The most problematic factors for doing business

Corruption.....	15.9
Access to financing.....	15.3
Inadequate supply of infrastructure.....	13.4
Policy instability.....	13.2
Inefficient government bureaucracy.....	10.3
Inadequately educated workforce.....	8.9
Government instability/coups.....	4.6
Inflation.....	4.0
Crime and theft.....	3.8
Foreign currency regulations.....	3.0
Poor work ethic in national labor force.....	2.5
Restrictive labor regulations.....	2.1
Insufficient capacity to innovate.....	1.9
Tax regulations.....	0.6
Poor public health.....	0.5
Tax rates.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Guinea

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.0 .....	134
1.02 Intellectual property protection .....	2.2 .....	143
1.03 Diversion of public funds .....	2.5 .....	115
1.04 Public trust in politicians .....	2.5 .....	91
1.05 Irregular payments and bribes .....	2.2 .....	147
1.06 Judicial independence .....	2.2 .....	137
1.07 Favoritism in decisions of government officials .....	2.7 .....	105
1.08 Wastefulness of government spending .....	3.4 .....	62
1.09 Burden of government regulation .....	3.7 .....	50
1.10 Efficiency of legal framework in settling disputes .....	2.5 .....	139
1.11 Efficiency of legal framework in challenging regs. ....	2.9 .....	118
1.12 Transparency of government policymaking .....	3.5 .....	129
1.13 Business costs of terrorism .....	5.3 .....	84
1.14 Business costs of crime and violence .....	3.4 .....	123
1.15 Organized crime .....	4.1 .....	118
1.16 Reliability of police services .....	3.2 .....	116
1.17 Ethical behavior of firms .....	3.3 .....	128
1.18 Strength of auditing and reporting standards .....	3.1 .....	140
1.19 Efficacy of corporate boards .....	4.5 .....	72
1.20 Protection of minority shareholders' interests .....	3.7 .....	105
1.21 Strength of investor protection, 0–10 (best)* .....	2.7 .....	142
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.1 .....	147
2.02 Quality of roads .....	1.9 .....	147
2.03 Quality of railroad infrastructure .....	1.4 .....	114
2.04 Quality of port infrastructure .....	3.2 .....	119
2.05 Quality of air transport infrastructure .....	3.0 .....	130
2.06 Available airline seat km/week, millions* .....	9.4 .....	137
2.07 Quality of electricity supply .....	1.3 .....	147
2.08 Mobile telephone subscriptions/100 pop.* .....	45.6 .....	140
2.09 Fixed telephone lines/100 pop.* .....	0.2 .....	147
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.3 .....	87
3.02 Gross national savings, % GDP* .....	-8.4 .....	146
3.03 Inflation, annual % change* .....	15.2 .....	143
3.04 General government debt, % GDP* .....	43.0 .....	75
3.05 Country credit rating, 0–100 (best)* .....	12.6 .....	144
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.9 .....	139
4.02 Malaria cases/100,000 pop.* .....	37,575.1 .....	148
4.03 Business impact of tuberculosis .....	3.9 .....	128
4.04 Tuberculosis cases/100,000 pop.* .....	183.0 .....	115
4.05 Business impact of HIV/AIDS .....	3.9 .....	126
4.06 HIV prevalence, % adult pop.* .....	1.40 .....	120
4.07 Infant mortality, deaths/1,000 live births* .....	78.9 .....	140
4.08 Life expectancy, years* .....	54.1 .....	133
4.09 Quality of primary education .....	2.3 .....	134
4.10 Primary education enrollment, net %* .....	81.7 .....	129
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	42.7 .....	128
5.02 Tertiary education enrollment, gross %* .....	11.3 .....	114
5.03 Quality of the educational system .....	2.6 .....	139
5.04 Quality of math and science education .....	3.3 .....	111
5.05 Quality of management schools .....	2.5 .....	144
5.06 Internet access in schools .....	1.8 .....	143
5.07 Availability of research and training services .....	3.1 .....	135
5.08 Extent of staff training .....	3.2 .....	129
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.1 .....	132
6.02 Extent of market dominance .....	3.3 .....	108
6.03 Effectiveness of anti-monopoly policy .....	3.0 .....	143
6.04 Effect of taxation on incentives to invest .....	4.0 .....	47
6.05 Total tax rate, % profits* .....	73.2 .....	142

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6 .....	47
6.07 No. days to start a business* .....	35 .....	116
6.08 Agricultural policy costs .....	4.0 .....	56
6.09 Prevalence of trade barriers .....	4.0 .....	106
6.10 Trade tariffs, % duty* .....	11.6 .....	127
6.11 Prevalence of foreign ownership .....	3.8 .....	122
6.12 Business impact of rules on FDI .....	3.7 .....	117
6.13 Burden of customs procedures .....	3.4 .....	114
6.14 Imports as a percentage of GDP* .....	56.8 .....	47
6.15 Degree of customer orientation .....	4.0 .....	118
6.16 Buyer sophistication .....	1.9 .....	148
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0 .....	102
7.02 Flexibility of wage determination .....	5.4 .....	40
7.03 Hiring and firing practices .....	4.2 .....	48
7.04 Redundancy costs, weeks of salary* .....	7.9 .....	24
7.05 Effect of taxation on incentives to work .....	3.9 .....	54
7.06 Pay and productivity .....	2.8 .....	139
7.07 Reliance on professional management .....	2.8 .....	142
7.08 Country capacity to retain talent .....	2.8 .....	110
7.09 Country capacity to attract talent .....	2.7 .....	106
7.10 Women in labor force, ratio to men* .....	0.84 .....	63
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.1 .....	138
8.02 Affordability of financial services .....	3.0 .....	139
8.03 Financing through local equity market .....	1.8 .....	143
8.04 Ease of access to loans .....	2.2 .....	119
8.05 Venture capital availability .....	1.8 .....	141
8.06 Soundness of banks .....	3.9 .....	130
8.07 Regulation of securities exchanges .....	2.2 .....	139
8.08 Legal rights index, 0–10 (best)* .....	6 .....	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.5 .....	140
9.02 Firm-level technology absorption .....	3.9 .....	129
9.03 FDI and technology transfer .....	3.9 .....	114
9.04 Individuals using Internet, %* .....	1.5 .....	143
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0 .....	144
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.2 .....	132
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0 .....	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.2 .....	129
10.02 Foreign market size index, 1–7 (best)* .....	3.0 .....	134
10.03 GDP (PPP\$ billions)* .....	12.2 .....	130
10.04 Exports as a percentage of GDP* .....	27.6 .....	107
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.8 .....	132
11.02 Local supplier quality .....	3.5 .....	133
11.03 State of cluster development .....	3.2 .....	120
11.04 Nature of competitive advantage .....	2.7 .....	131
11.05 Value chain breadth .....	2.8 .....	138
11.06 Control of international distribution .....	3.3 .....	134
11.07 Production process sophistication .....	2.4 .....	143
11.08 Extent of marketing .....	2.6 .....	144
11.09 Willingness to delegate authority .....	2.6 .....	145
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.5 .....	145
12.02 Quality of scientific research institutions .....	2.3 .....	140
12.03 Company spending on R&D .....	2.4 .....	132
12.04 University-industry collaboration in R&D .....	2.2 .....	143
12.05 Gov't procurement of advanced tech products .....	3.0 .....	112
12.06 Availability of scientists and engineers .....	3.4 .....	111
12.07 PCT patents, applications/million pop.* .....	0.0 .....	126

**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 97.

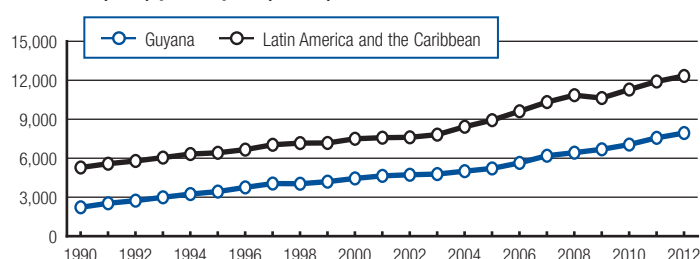


# Guyana

## Key indicators, 2012

Population (millions).....	0.8
GDP (US\$ billions).....	2.8
GDP per capita (US\$).....	3,596
GDP (PPP) as share (%) of world total.....	0.01

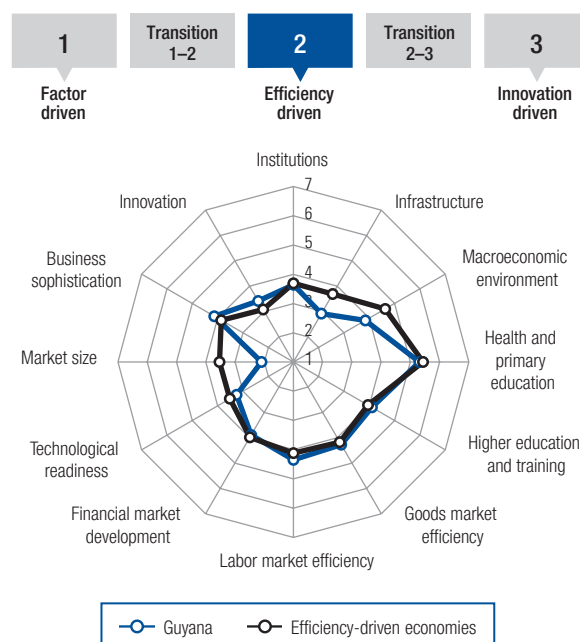
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

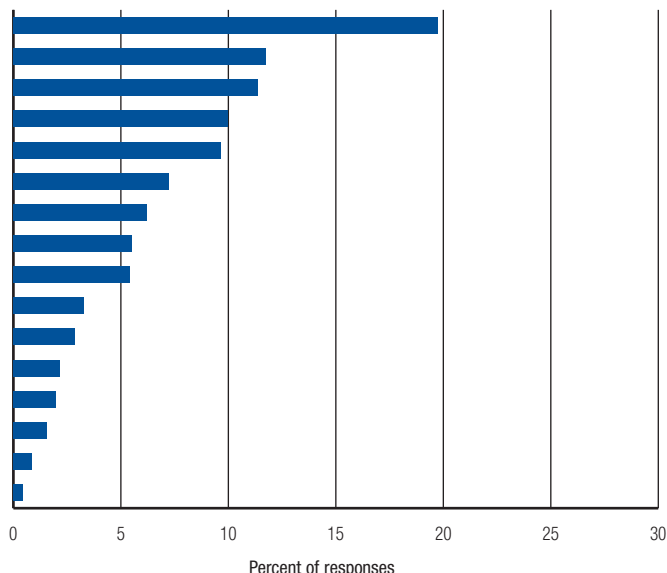
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>102</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	109	3.7
GCI 2011–2012 (out of 142).....	109	3.7
<b>Basic requirements (40.0%)</b> .....	<b>107</b>	<b>3.9</b>
Institutions.....	87	3.6
Infrastructure.....	112	2.9
Macroeconomic environment.....	122	3.8
Health and primary education.....	103	5.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>103</b>	<b>3.7</b>
Higher education and training.....	81	4.1
Goods market efficiency.....	73	4.3
Labor market efficiency.....	63	4.3
Financial market development.....	82	3.9
Technological readiness.....	96	3.2
Market size.....	137	2.1
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>56</b>	<b>3.8</b>
Business sophistication.....	59	4.1
Innovation.....	57	3.4

## Stage of development



## The most problematic factors for doing business

Corruption.....	19.7
Tax rates.....	11.7
Inefficient government bureaucracy.....	11.4
Inadequate supply of infrastructure.....	10.0
Crime and theft.....	9.7
Inadequately educated workforce.....	7.2
Poor work ethic in national labor force.....	6.2
Inflation.....	5.5
Access to financing.....	5.4
Policy instability.....	3.3
Poor public health.....	2.8
Tax regulations.....	2.2
Restrictive labor regulations.....	2.0
Foreign currency regulations.....	1.6
Insufficient capacity to innovate.....	0.9
Government instability/coups.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	89
1.02 Intellectual property protection .....	3.5	84
1.03 Diversion of public funds .....	2.7	100
1.04 Public trust in politicians .....	3.1	63
1.05 Irregular payments and bribes .....	3.0	120
1.06 Judicial independence .....	3.5	79
1.07 Favoritism in decisions of government officials .....	2.4	122
1.08 Wastefulness of government spending .....	2.9	89
1.09 Burden of government regulation .....	3.8	43
1.10 Efficiency of legal framework in settling disputes .....	3.7	73
1.11 Efficiency of legal framework in challenging regs. ....	3.6	60
1.12 Transparency of government policymaking .....	4.2	62
1.13 Business costs of terrorism .....	5.2	90
1.14 Business costs of crime and violence .....	4.0	103
1.15 Organized crime .....	4.6	91
1.16 Reliability of police services .....	2.8	134
1.17 Ethical behavior of firms .....	4.0	70
1.18 Strength of auditing and reporting standards .....	4.1	103
1.19 Efficacy of corporate boards .....	4.6	71
1.20 Protection of minority shareholders' interests .....	3.9	91
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.0	83
2.02 Quality of roads .....	3.4	93
2.03 Quality of railroad infrastructure .....	2.4	79
2.04 Quality of port infrastructure .....	3.4	113
2.05 Quality of air transport infrastructure .....	3.9	100
2.06 Available airline seat km/week, millions* .....	11.0	135
2.07 Quality of electricity supply .....	2.7	121
2.08 Mobile telephone subscriptions/100 pop.* .....	72.2	121
2.09 Fixed telephone lines/100 pop.* .....	20.4	60
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.6	109
3.02 Gross national savings, % GDP* .....	7.1	138
3.03 Inflation, annual % change* .....	3.0	48
3.04 General government debt, % GDP* .....	60.3	110
3.05 Country credit rating, 0–100 (best)* .....	27.2	116
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.8	107
4.02 Malaria cases/100,000 pop.* .....	6,036.3	122
4.03 Business impact of tuberculosis .....	4.9	99
4.04 Tuberculosis cases/100,000 pop.* .....	110.0	99
4.05 Business impact of HIV/AIDS .....	4.7	101
4.06 HIV prevalence, % adult pop.* .....	1.10	112
4.07 Infant mortality, deaths/1,000 live births* .....	29.4	104
4.08 Life expectancy, years* .....	69.9	97
4.09 Quality of primary education .....	4.7	36
4.10 Primary education enrollment, net %* .....	82.7	126
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	93.3	56
5.02 Tertiary education enrollment, gross %* .....	12.0	111
5.03 Quality of the educational system .....	4.1	49
5.04 Quality of math and science education .....	4.3	53
5.05 Quality of management schools .....	4.5	50
5.06 Internet access in schools .....	4.1	76
5.07 Availability of research and training services .....	4.1	79
5.08 Extent of staff training .....	4.1	64
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	69
6.02 Extent of market dominance .....	3.9	64
6.03 Effectiveness of anti-monopoly policy .....	4.0	84
6.04 Effect of taxation on incentives to invest .....	4.2	36
6.05 Total tax rate, % profits* .....	36.1	68

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	20	88
6.08 Agricultural policy costs .....	4.1	53
6.09 Prevalence of trade barriers .....	4.3	72
6.10 Trade tariffs, % duty* .....	10.7	120
6.11 Prevalence of foreign ownership .....	4.3	98
6.12 Business impact of rules on FDI .....	4.3	96
6.13 Burden of customs procedures .....	3.9	83
6.14 Imports as a percentage of GDP* .....	85.6	16
6.15 Degree of customer orientation .....	4.4	91
6.16 Buyer sophistication .....	3.1	96
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5	55
7.02 Flexibility of wage determination .....	5.6	25
7.03 Hiring and firing practices .....	4.8	10
7.04 Redundancy costs, weeks of salary* .....	16.7	82
7.05 Effect of taxation on incentives to work .....	3.9	51
7.06 Pay and productivity .....	3.9	71
7.07 Reliance on professional management .....	4.0	92
7.08 Country capacity to retain talent .....	4.2	36
7.09 Country capacity to attract talent .....	3.9	39
7.10 Women in labor force, ratio to men* .....	0.53	128
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.5	73
8.02 Affordability of financial services .....	4.2	64
8.03 Financing through local equity market .....	3.4	71
8.04 Ease of access to loans .....	3.2	45
8.05 Venture capital availability .....	3.2	38
8.06 Soundness of banks .....	5.2	61
8.07 Regulation of securities exchanges .....	3.6	101
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.9	73
9.02 Firm-level technology absorption .....	4.7	69
9.03 FDI and technology transfer .....	4.3	96
9.04 Individuals using Internet, %* .....	34.3	91
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	3.9	87
9.06 Int'l Internet bandwidth, kb/s per user* .....	8.5	99
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.8	138
10.02 Foreign market size index, 1–7 (best)* .....	3.0	132
10.03 GDP (PPP\$ billions)* .....	6.2	141
10.04 Exports as a percentage of GDP* .....	54.9	39
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	55
11.02 Local supplier quality .....	4.8	52
11.03 State of cluster development .....	4.0	59
11.04 Nature of competitive advantage .....	3.7	56
11.05 Value chain breadth .....	3.9	54
11.06 Control of international distribution .....	4.1	61
11.07 Production process sophistication .....	3.9	62
11.08 Extent of marketing .....	4.1	72
11.09 Willingness to delegate authority .....	3.9	50
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.0	38
12.02 Quality of scientific research institutions .....	3.5	83
12.03 Company spending on R&D .....	3.8	31
12.04 University-industry collaboration in R&D .....	3.7	62
12.05 Gov't procurement of advanced tech products .....	3.8	39
12.06 Availability of scientists and engineers .....	4.1	71
12.07 PCT patents, applications/million pop.* .....	0.0	126

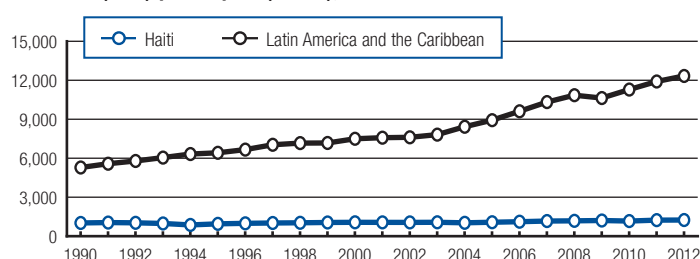
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Haiti

## Key indicators, 2012

Population (millions).....	10.1
GDP (US\$ billions).....	7.9
GDP per capita (US\$).....	759
GDP (PPP) as share (%) of world total.....	0.02

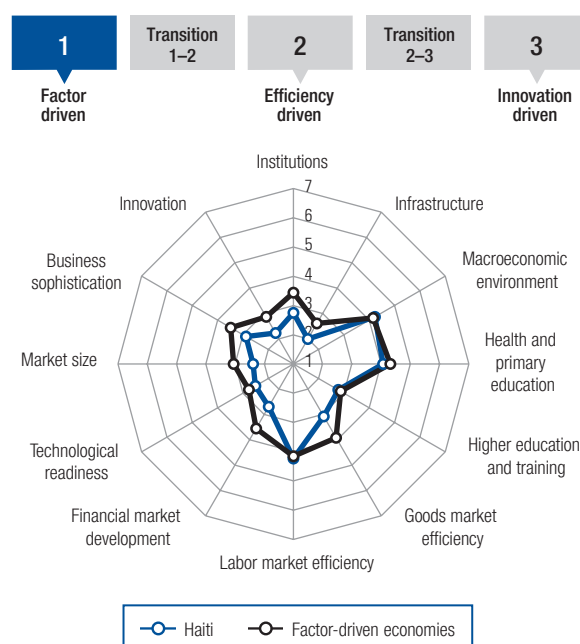
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

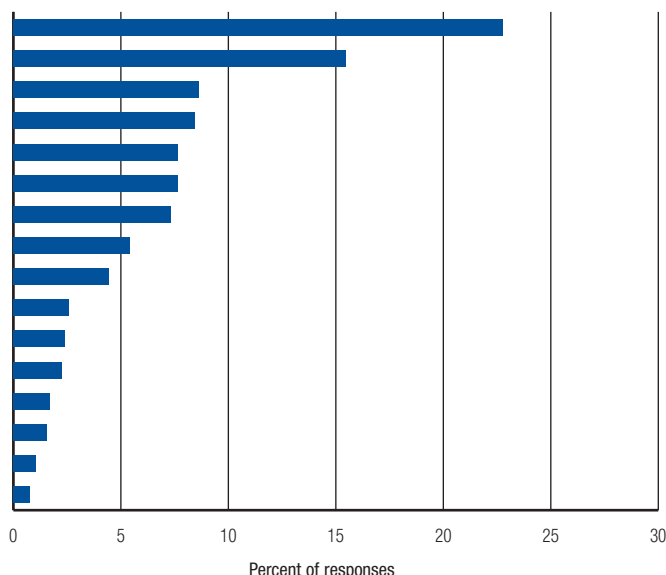
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>143</b>	<b>3.1</b>
GCI 2012–2013 (out of 144).....	142	2.9
GCI 2011–2012 (out of 142).....	141	2.9
<b>Basic requirements (60.0%)</b> .....	<b>143</b>	<b>3.3</b>
Institutions.....	146	2.7
Infrastructure.....	142	2.0
Macroeconomic environment.....	105	4.2
Health and primary education.....	133	4.1
<b>Efficiency enhancers (35.0%)</b> .....	<b>142</b>	<b>2.9</b>
Higher education and training.....	128	2.8
Goods market efficiency.....	144	3.1
Labor market efficiency.....	77	4.2
Financial market development.....	142	2.7
Technological readiness.....	135	2.5
Market size.....	132	2.4
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>147</b>	<b>2.5</b>
Business sophistication.....	145	2.9
Innovation.....	144	2.2

Stage of development



## The most problematic factors for doing business

Access to financing.....	22.8
Inadequate supply of infrastructure.....	15.4
Corruption.....	8.6
Restrictive labor regulations.....	8.4
Inadequately educated workforce.....	7.7
Policy instability.....	7.7
Inefficient government bureaucracy.....	7.3
Foreign currency regulations.....	5.4
Crime and theft.....	4.4
Poor work ethic in national labor force.....	2.6
Government instability/coups.....	2.4
Tax regulations.....	2.2
Insufficient capacity to innovate.....	1.7
Inflation.....	1.5
Tax rates.....	1.1
Poor public health.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.1	147
1.02 Intellectual property protection .....	2.0	147
1.03 Diversion of public funds .....	2.3	126
1.04 Public trust in politicians .....	1.9	134
1.05 Irregular payments and bribes .....	3.0	122
1.06 Judicial independence .....	2.0	143
1.07 Favoritism in decisions of government officials .....	2.5	118
1.08 Wastefulness of government spending .....	2.4	119
1.09 Burden of government regulation .....	3.4	84
1.10 Efficiency of legal framework in settling disputes .....	2.2	146
1.11 Efficiency of legal framework in challenging regs. ....	2.3	140
1.12 Transparency of government policymaking .....	2.6	148
1.13 Business costs of terrorism .....	5.3	83
1.14 Business costs of crime and violence .....	2.9	137
1.15 Organized crime .....	4.1	114
1.16 Reliability of police services .....	3.0	129
1.17 Ethical behavior of firms .....	3.0	141
1.18 Strength of auditing and reporting standards .....	3.2	138
1.19 Efficacy of corporate boards .....	3.9	131
1.20 Protection of minority shareholders' interests .....	2.8	143
1.21 Strength of investor protection, 0–10 (best)* .....	3.0	134
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.2	145
2.02 Quality of roads .....	2.2	143
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	2.4	144
2.05 Quality of air transport infrastructure .....	2.7	139
2.06 Available airline seat km/week, millions* .....	23.4	120
2.07 Quality of electricity supply .....	2.0	137
2.08 Mobile telephone subscriptions/100 pop.* .....	59.4	129
2.09 Fixed telephone lines/100 pop.* .....	0.5	138
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.9	128
3.02 Gross national savings, % GDP* .....	25.1	46
3.03 Inflation, annual % change* .....	6.8	111
3.04 General government debt, % GDP* .....	15.4	17
3.05 Country credit rating, 0–100 (best)* .....	12.6	144
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.9	124
4.02 Malaria cases/100,000 pop.* .....	1,871.5	115
4.03 Business impact of tuberculosis .....	4.0	127
4.04 Tuberculosis cases/100,000 pop.* .....	222.0	123
4.05 Business impact of HIV/AIDS .....	4.3	119
4.06 HIV prevalence, % adult pop.* .....	1.80	126
4.07 Infant mortality, deaths/1,000 live births* .....	52.9	127
4.08 Life expectancy, years* .....	62.1	120
4.09 Quality of primary education .....	2.6	127
4.10 Primary education enrollment, net %* .....	n/a	n/a
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	n/a	n/a
5.02 Tertiary education enrollment, gross %* .....	n/a	n/a
5.03 Quality of the educational system .....	2.3	142
5.04 Quality of math and science education .....	3.0	120
5.05 Quality of management schools .....	3.2	130
5.06 Internet access in schools .....	2.3	136
5.07 Availability of research and training services .....	2.8	144
5.08 Extent of staff training .....	2.8	144
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.7	140
6.02 Extent of market dominance .....	2.6	143
6.03 Effectiveness of anti-monopoly policy .....	2.6	146
6.04 Effect of taxation on incentives to invest .....	3.5	98
6.05 Total tax rate, % profits* .....	40.8	83

INDICATOR	VALUE	RANK/148
<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* .....	105	143
6.08 Agricultural policy costs .....	2.8	142
6.09 Prevalence of trade barriers .....	3.8	125
6.10 Trade tariffs, % duty* .....	5.9	73
6.11 Prevalence of foreign ownership .....	3.0	143
6.12 Business impact of rules on FDI .....	3.4	131
6.13 Burden of customs procedures .....	2.3	144
6.14 Imports as a percentage of GDP* .....	44.8	75
6.15 Degree of customer orientation .....	2.9	146
6.16 Buyer sophistication .....	2.4	141
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.7	129
7.02 Flexibility of wage determination .....	5.3	48
7.03 Hiring and firing practices .....	4.1	62
7.04 Redundancy costs, weeks of salary* .....	10.1	40
7.05 Effect of taxation on incentives to work .....	3.4	96
7.06 Pay and productivity .....	3.4	116
7.07 Reliance on professional management .....	3.2	134
7.08 Country capacity to retain talent .....	2.3	132
7.09 Country capacity to attract talent .....	2.7	110
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 .....	3.1	140
8.02 Affordability of financial services .....	3.0	140
8.03 Financing through local equity market .....	2.0	140
8.04 Ease of access to loans .....	2.0	126
8.05 Venture capital availability .....	1.9	135
8.06 Soundness of banks .....	4.2	116
8.07 Regulation of securities exchanges .....	2.0	143
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.9	128
9.02 Firm-level technology absorption .....	3.8	132
9.03 FDI and technology transfer .....	3.6	134
9.04 Individuals using Internet, %* .....	10.9	124
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.2	124
9.06 Int'l Internet bandwidth, kb/s per user* .....	0.2	148
9.07 Mobile broadband subscriptions/100 pop.* .....	0.2	130
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.3	128
10.02 Foreign market size index, 1–7 (best)* .....	2.6	141
10.03 GDP (PPP\$ billions)* .....	12.9	128
10.04 Exports as a percentage of GDP* .....	12.9	142
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.5	139
11.02 Local supplier quality .....	3.3	138
11.03 State of cluster development .....	2.6	144
11.04 Nature of competitive advantage .....	2.6	133
11.05 Value chain breadth .....	2.8	140
11.06 Control of international distribution .....	3.4	128
11.07 Production process sophistication .....	2.3	147
11.08 Extent of marketing .....	2.7	143
11.09 Willingness to delegate authority .....	2.4	146
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.6	140
12.02 Quality of scientific research institutions .....	2.1	145
12.03 Company spending on R&D .....	2.1	143
12.04 University-industry collaboration in R&D .....	2.2	141
12.05 Gov't procurement of advanced tech products .....	2.6	135
12.06 Availability of scientists and engineers .....	3.0	133
12.07 PCT patents, applications/million pop.* .....	0.0	126

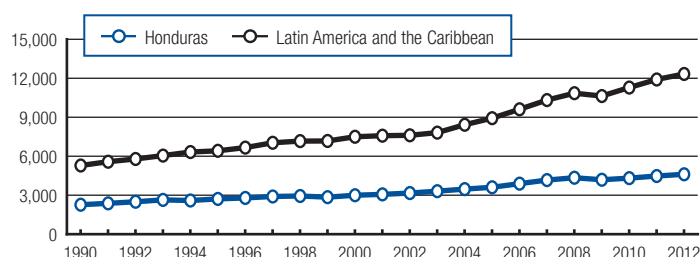
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Honduras

## Key indicators, 2012

Population (millions).....	7.8
GDP (US\$ billions).....	18.4
GDP per capita (US\$).....	2,242
GDP (PPP) as share (%) of world total.....	0.05

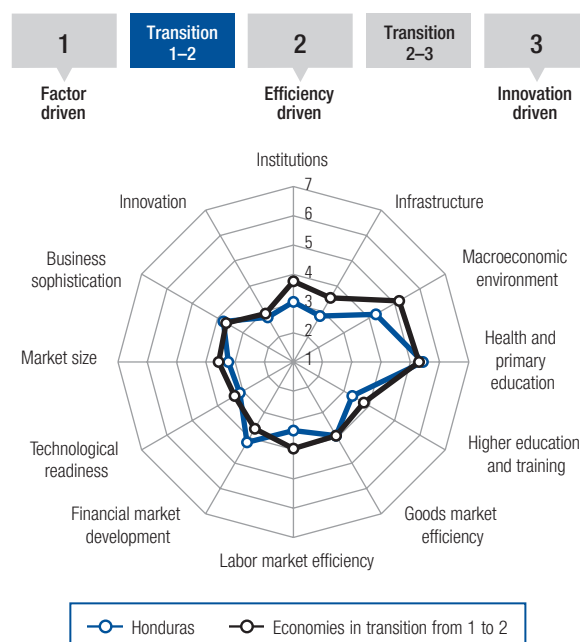
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

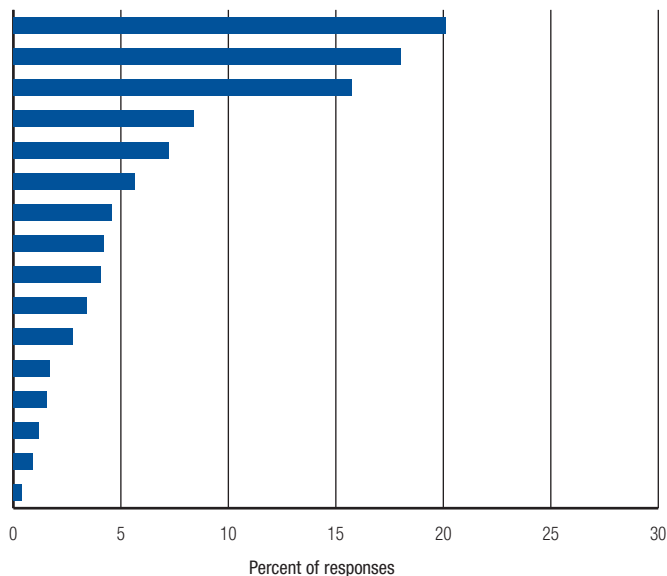
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>111</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	90	3.9
GCI 2011–2012 (out of 142).....	86	4.0
<b>Basic requirements (55.2%)</b> .....	<b>109</b>	<b>3.9</b>
Institutions.....	134	3.1
Infrastructure.....	115	2.8
Macroeconomic environment.....	103	4.3
Health and primary education.....	90	5.4
<b>Efficiency enhancers (38.6%)</b> .....	<b>114</b>	<b>3.5</b>
Higher education and training.....	110	3.3
Goods market efficiency.....	114	3.9
Labor market efficiency.....	142	3.3
Financial market development.....	61	4.2
Technological readiness.....	103	3.1
Market size.....	94	3.2
<b>Innovation and sophistication factors (6.2%)</b> .....	<b>112</b>	<b>3.3</b>
Business sophistication.....	90	3.8
Innovation.....	123	2.8

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	20.1
Corruption.....	18.0
Crime and theft.....	15.8
Access to financing.....	8.4
Policy instability.....	7.2
Tax rates.....	5.7
Restrictive labor regulations.....	4.6
Tax regulations.....	4.2
Inadequate supply of infrastructure.....	4.1
Inadequately educated workforce.....	3.4
Poor work ethic in national labor force.....	2.8
Insufficient capacity to innovate.....	1.7
Government instability/coups.....	1.6
Poor public health.....	1.2
Inflation.....	0.9
Foreign currency regulations.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Honduras

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.4 .....	121
1.02 Intellectual property protection .....	3.1 .....	103
1.03 Diversion of public funds .....	2.2 .....	136
1.04 Public trust in politicians .....	1.9 .....	135
1.05 Irregular payments and bribes .....	3.3 .....	104
1.06 Judicial independence .....	3.0 .....	108
1.07 Favoritism in decisions of government officials .....	2.2 .....	135
1.08 Wastefulness of government spending .....	1.8 .....	145
1.09 Burden of government regulation .....	3.0 .....	110
1.10 Efficiency of legal framework in settling disputes .....	3.2 .....	109
1.11 Efficiency of legal framework in challenging regs. ....	3.1 .....	96
1.12 Transparency of government policymaking .....	3.7 .....	117
1.13 Business costs of terrorism .....	4.3 .....	127
1.14 Business costs of crime and violence .....	1.9 .....	148
1.15 Organized crime .....	2.5 .....	146
1.16 Reliability of police services .....	2.4 .....	142
1.17 Ethical behavior of firms .....	3.6 .....	105
1.18 Strength of auditing and reporting standards .....	4.6 .....	75
1.19 Efficacy of corporate boards .....	4.6 .....	69
1.20 Protection of minority shareholders' interests .....	3.9 .....	90
1.21 Strength of investor protection, 0–10 (best)* .....	3.0 .....	134
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.3 .....	116
2.02 Quality of roads .....	2.9 .....	114
2.03 Quality of railroad infrastructure .....	1.1 .....	120
2.04 Quality of port infrastructure .....	3.9 .....	87
2.05 Quality of air transport infrastructure .....	4.0 .....	97
2.06 Available airline seat km/week, millions* .....	26.5 .....	116
2.07 Quality of electricity supply .....	3.2 .....	110
2.08 Mobile telephone subscriptions/100 pop.* .....	93.1 .....	102
2.09 Fixed telephone lines/100 pop.* .....	7.7 .....	102
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.3 .....	105
3.02 Gross national savings, % GDP* .....	15.3 .....	95
3.03 Inflation, annual % change* .....	5.2 .....	95
3.04 General government debt, % GDP* .....	34.7 .....	55
3.05 Country credit rating, 0–100 (best)* .....	29.1 .....	109
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.2 .....	103
4.02 Malaria cases/100,000 pop.* .....	272.9 .....	109
4.03 Business impact of tuberculosis .....	5.1 .....	89
4.04 Tuberculosis cases/100,000 pop.* .....	43.0 .....	70
4.05 Business impact of HIV/AIDS .....	4.5 .....	109
4.06 HIV prevalence, % adult pop.* .....	0.80 .....	102
4.07 Infant mortality, deaths/1,000 live births* .....	18.2 .....	85
4.08 Life expectancy, years* .....	73.1 .....	84
4.09 Quality of primary education .....	2.2 .....	137
4.10 Primary education enrollment, net %* .....	97.3 .....	43
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	74.0 .....	100
5.02 Tertiary education enrollment, gross %* .....	20.6 .....	91
5.03 Quality of the educational system .....	2.4 .....	141
5.04 Quality of math and science education .....	2.2 .....	144
5.05 Quality of management schools .....	3.4 .....	123
5.06 Internet access in schools .....	3.1 .....	115
5.07 Availability of research and training services .....	3.7 .....	101
5.08 Extent of staff training .....	3.9 .....	77
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6 .....	104
6.02 Extent of market dominance .....	3.4 .....	98
6.03 Effectiveness of anti-monopoly policy .....	3.6 .....	112
6.04 Effect of taxation on incentives to invest .....	2.3 .....	144
6.05 Total tax rate, % profits* .....	40.3 .....	80

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	13 .....	135
6.07 No. days to start a business* .....	14 .....	68
6.08 Agricultural policy costs .....	3.6 .....	93
6.09 Prevalence of trade barriers .....	3.9 .....	117
6.10 Trade tariffs, % duty* .....	4.4 .....	56
6.11 Prevalence of foreign ownership .....	4.7 .....	71
6.12 Business impact of rules on FDI .....	3.6 .....	119
6.13 Burden of customs procedures .....	3.5 .....	102
6.14 Imports as a percentage of GDP* .....	68.8 .....	32
6.15 Degree of customer orientation .....	4.2 .....	102
6.16 Buyer sophistication .....	3.1 .....	102
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4 .....	65
7.02 Flexibility of wage determination .....	4.3 .....	124
7.03 Hiring and firing practices .....	3.5 .....	107
7.04 Redundancy costs, weeks of salary* .....	30.3 .....	129
7.05 Effect of taxation on incentives to work .....	2.1 .....	145
7.06 Pay and productivity .....	3.3 .....	122
7.07 Reliance on professional management .....	3.7 .....	108
7.08 Country capacity to retain talent .....	2.6 .....	122
7.09 Country capacity to attract talent .....	2.7 .....	109
7.10 Women in labor force, ratio to men* .....	0.52 .....	130
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.0 .....	46
8.02 Affordability of financial services .....	4.2 .....	66
8.03 Financing through local equity market .....	2.0 .....	141
8.04 Ease of access to loans .....	2.7 .....	85
8.05 Venture capital availability .....	2.5 .....	82
8.06 Soundness of banks .....	5.8 .....	31
8.07 Regulation of securities exchanges .....	3.6 .....	104
8.08 Legal rights index, 0–10 (best)* .....	8 .....	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.5 .....	93
9.02 Firm-level technology absorption .....	4.7 .....	74
9.03 FDI and technology transfer .....	4.9 .....	49
9.04 Individuals using Internet, %* .....	18.1 .....	106
9.05 Fixed broadband Internet subscriptions/100 pop.* ...	0.8 .....	111
9.06 Int'l Internet bandwidth, kb/s per user* .....	4.2 .....	117
9.07 Mobile broadband subscriptions/100 pop.* .....	4.2 .....	103
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.0 .....	94
10.02 Foreign market size index, 1–7 (best)* .....	4.0 .....	91
10.03 GDP (PPP\$ billions)* .....	37.8 .....	96
10.04 Exports as a percentage of GDP* .....	49.7 .....	49
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.3 .....	107
11.02 Local supplier quality .....	4.3 .....	82
11.03 State of cluster development .....	3.9 .....	63
11.04 Nature of competitive advantage .....	3.0 .....	110
11.05 Value chain breadth .....	3.6 .....	81
11.06 Control of international distribution .....	3.9 .....	88
11.07 Production process sophistication .....	3.5 .....	89
11.08 Extent of marketing .....	3.8 .....	98
11.09 Willingness to delegate authority .....	3.6 .....	86
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1 .....	112
12.02 Quality of scientific research institutions .....	2.8 .....	120
12.03 Company spending on R&D .....	2.9 .....	98
12.04 University-industry collaboration in R&D .....	3.3 .....	86
12.05 Gov't procurement of advanced tech products .....	2.8 .....	125
12.06 Availability of scientists and engineers .....	3.2 .....	128
12.07 PCT patents, applications/million pop.* .....	0.0 .....	126

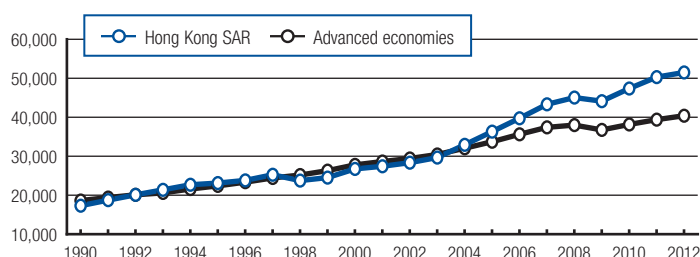
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Hong Kong SAR

## Key indicators, 2012

Population (millions).....	7.1
GDP (US\$ billions).....	263.0
GDP per capita (US\$).....	36,667
GDP (PPP) as share (%) of world total.....	0.44

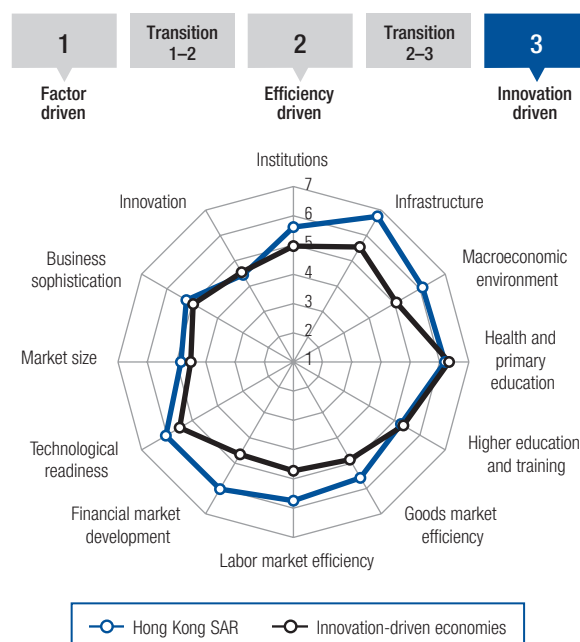
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

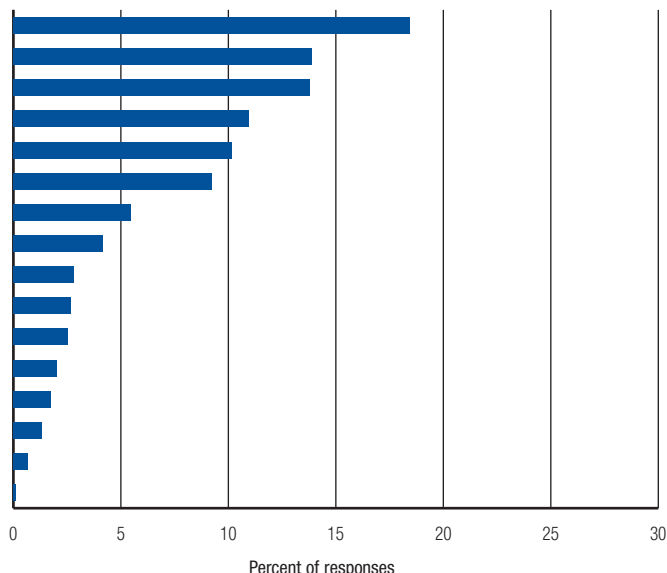
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>7</b>	<b>5.5</b>
GCI 2012–2013 (out of 144).....	9	5.4
GCI 2011–2012 (out of 142).....	11	5.4
<b>Basic requirements (20.0%)</b> .....	<b>2</b>	<b>6.2</b>
Institutions.....	9	5.6
Infrastructure.....	1	6.7
Macroeconomic environment.....	12	6.1
Health and primary education.....	31	6.2
<b>Efficiency enhancers (50.0%)</b> .....	<b>3</b>	<b>5.6</b>
Higher education and training.....	22	5.2
Goods market efficiency.....	2	5.6
Labor market efficiency.....	3	5.7
Financial market development.....	1	6.0
Technological readiness.....	6	6.0
Market size.....	27	4.8
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>19</b>	<b>4.8</b>
Business sophistication.....	14	5.2
Innovation.....	23	4.4

## Stage of development



## The most problematic factors for doing business

Insufficient capacity to innovate.....	18.4
Inefficient government bureaucracy.....	13.9
Inflation.....	13.8
Policy instability.....	11.0
Inadequately educated workforce.....	10.2
Restrictive labor regulations.....	9.2
Poor work ethic in national labor force.....	5.5
Inadequate supply of infrastructure.....	4.1
Access to financing.....	2.8
Poor public health.....	2.7
Tax rates.....	2.5
Corruption.....	2.0
Government instability/coups.....	1.7
Foreign currency regulations.....	1.3
Crime and theft.....	0.7
Tax regulations.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Hong Kong SAR

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.1	5
1.02 Intellectual property protection .....	5.7	10
1.03 Diversion of public funds .....	5.8	11
1.04 Public trust in politicians .....	4.4	17
1.05 Irregular payments and bribes .....	6.1	13
1.06 Judicial independence .....	6.3	4
1.07 Favoritism in decisions of government officials .....	4.1	24
1.08 Wastefulness of government spending .....	4.6	12
1.09 Burden of government regulation .....	4.9	5
1.10 Efficiency of legal framework in settling disputes .....	5.8	3
1.11 Efficiency of legal framework in challenging regs. ....	5.6	2
1.12 Transparency of government policymaking .....	5.9	3
1.13 Business costs of terrorism .....	5.7	63
1.14 Business costs of crime and violence .....	5.7	22
1.15 Organized crime .....	5.8	37
1.16 Reliability of police services .....	6.3	4
1.17 Ethical behavior of firms .....	5.6	16
1.18 Strength of auditing and reporting standards .....	6.1	6
1.19 Efficacy of corporate boards .....	5.3	17
1.20 Protection of minority shareholders' interests .....	5.7	7
1.21 Strength of investor protection, 0–10 (best)* .....	9.0	3
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.5	2
2.02 Quality of roads .....	6.2	5
2.03 Quality of railroad infrastructure .....	6.5	3
2.04 Quality of port infrastructure .....	6.6	3
2.05 Quality of air transport infrastructure .....	6.7	2
2.06 Available airline seat km/week, millions* .....	2,371.9	17
2.07 Quality of electricity supply .....	6.8	1
2.08 Mobile telephone subscriptions/100 pop.* .....	227.9	1
2.09 Fixed telephone lines/100 pop.* .....	60.6	5
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.2	26
3.02 Gross national savings, % GDP* .....	27.5	35
3.03 Inflation, annual % change* .....	4.1	75
3.04 General government debt, % GDP* .....	32.4	42
3.05 Country credit rating, 0–100 (best)* .....	87.2	14
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.9	55
4.04 Tuberculosis cases/100,000 pop.* .....	78.0	88
4.05 Business impact of HIV/AIDS .....	5.6	66
4.06 HIV prevalence, % adult pop.* .....	0.00	1
4.07 Infant mortality, deaths/1,000 live births* .....	1.4	1
4.08 Life expectancy, years* .....	83.4	1
4.09 Quality of primary education .....	4.9	30
4.10 Primary education enrollment, net %* .....	92.3	89
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	80.1	93
5.02 Tertiary education enrollment, gross %* .....	60.4	34
5.03 Quality of the educational system .....	4.8	22
5.04 Quality of math and science education .....	5.5	10
5.05 Quality of management schools .....	5.4	14
5.06 Internet access in schools .....	6.1	14
5.07 Availability of research and training services .....	5.8	7
5.08 Extent of staff training .....	4.7	21
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.9	7
6.02 Extent of market dominance .....	4.3	34
6.03 Effectiveness of anti-monopoly policy .....	4.5	42
6.04 Effect of taxation on incentives to invest .....	5.6	6
6.05 Total tax rate, % profits* .....	23.0	17

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	3	5
6.08 Agricultural policy costs .....	4.5	19
6.09 Prevalence of trade barriers .....	5.8	1
6.10 Trade tariffs, % duty* .....	0.0	1
6.11 Prevalence of foreign ownership .....	6.1	2
6.12 Business impact of rules on FDI .....	6.1	3
6.13 Burden of customs procedures .....	6.1	3
6.14 Imports as a percentage of GDP* .....	232.5	1
6.15 Degree of customer orientation .....	5.6	10
6.16 Buyer sophistication .....	4.8	5
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.6	8
7.02 Flexibility of wage determination .....	6.0	4
7.03 Hiring and firing practices .....	5.8	1
7.04 Redundancy costs, weeks of salary* .....	5.9	17
7.05 Effect of taxation on incentives to work .....	6.0	5
7.06 Pay and productivity .....	5.5	1
7.07 Reliance on professional management .....	5.2	28
7.08 Country capacity to retain talent .....	5.4	7
7.09 Country capacity to attract talent .....	5.7	5
7.10 Women in labor force, ratio to men* .....	0.76	85
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	6.3	3
8.02 Affordability of financial services .....	6.1	1
8.03 Financing through local equity market .....	5.8	1
8.04 Ease of access to loans .....	4.7	2
8.05 Venture capital availability .....	4.6	1
8.06 Soundness of banks .....	6.6	4
8.07 Regulation of securities exchanges .....	6.0	4
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.3	11
9.02 Firm-level technology absorption .....	5.9	12
9.03 FDI and technology transfer .....	5.3	12
9.04 Individuals using Internet, %* .....	72.8	33
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	31.6	15
9.06 Int'l Internet bandwidth, kb/s per user* .....	1,239.8	2
9.07 Mobile broadband subscriptions/100 pop.* .....	73.5	10
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.4	35
10.02 Foreign market size index, 1–7 (best)* .....	6.2	6
10.03 GDP (PPP\$ billions)* .....	369.4	35
10.04 Exports as a percentage of GDP* .....	235.5	1
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.5	7
11.02 Local supplier quality .....	5.5	13
11.03 State of cluster development .....	5.1	11
11.04 Nature of competitive advantage .....	5.4	18
11.05 Value chain breadth .....	5.2	11
11.06 Control of international distribution .....	5.0	13
11.07 Production process sophistication .....	5.1	25
11.08 Extent of marketing .....	5.6	10
11.09 Willingness to delegate authority .....	4.6	22
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.2	29
12.02 Quality of scientific research institutions .....	4.9	31
12.03 Company spending on R&D .....	4.0	25
12.04 University-industry collaboration in R&D .....	4.9	21
12.05 Gov't procurement of advanced tech products .....	4.2	19
12.06 Availability of scientists and engineers .....	4.6	32
12.07 PCT patents, applications/million pop.* .....	n/a	n/a

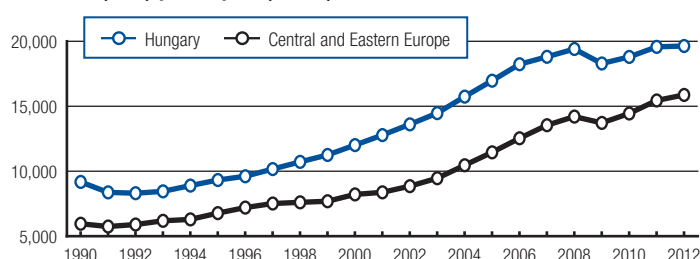
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Hungary

## Key indicators, 2012

Population (millions).....	10.0
GDP (US\$ billions).....	126.9
GDP per capita (US\$).....	12,736
GDP (PPP) as share (%) of world total.....	0.24

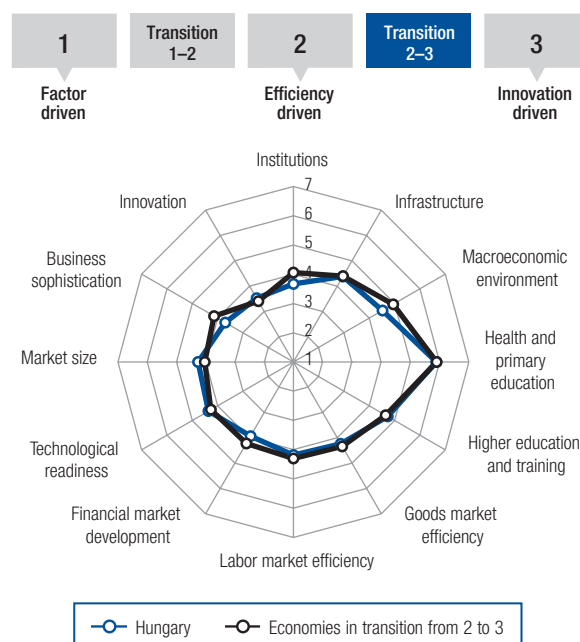
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

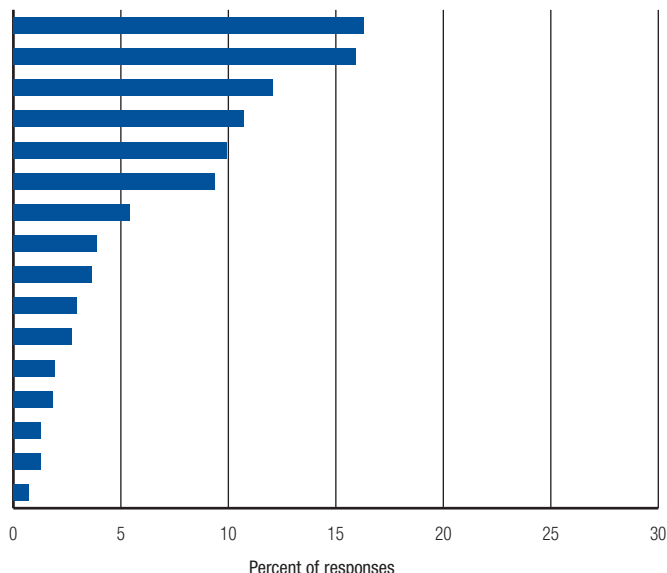
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>63</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	60	4.3
GCI 2011–2012 (out of 142).....	48	4.4
<b>Basic requirements (30.7%)</b> .....	<b>65</b>	<b>4.6</b>
Institutions.....	84	3.7
Infrastructure.....	51	4.4
Macroeconomic environment.....	84	4.5
Health and primary education.....	57	5.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>54</b>	<b>4.3</b>
Higher education and training.....	44	4.7
Goods market efficiency.....	78	4.2
Labor market efficiency.....	85	4.2
Financial market development.....	74	3.9
Technological readiness.....	46	4.4
Market size.....	52	4.3
<b>Innovation and sophistication factors (19.3%)</b> .....	<b>71</b>	<b>3.6</b>
Business sophistication.....	96	3.7
Innovation.....	47	3.5

## Stage of development



## The most problematic factors for doing business

Access to financing.....	16.3
Policy instability.....	15.9
Tax rates.....	12.1
Tax regulations.....	10.7
Inefficient government bureaucracy.....	9.9
Corruption.....	9.4
Poor work ethic in national labor force.....	5.4
Inadequately educated workforce.....	3.9
Government instability/coups.....	3.7
Insufficient capacity to innovate.....	2.9
Inadequate supply of infrastructure.....	2.7
Restrictive labor regulations.....	1.9
Inflation.....	1.8
Crime and theft.....	1.3
Poor public health.....	1.3
Foreign currency regulations.....	0.7



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Hungary

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	103
1.02 Intellectual property protection .....	3.9	58
1.03 Diversion of public funds .....	2.6	110
1.04 Public trust in politicians .....	2.0	129
1.05 Irregular payments and bribes .....	4.3	58
1.06 Judicial independence .....	3.9	66
1.07 Favoritism in decisions of government officials .....	2.5	116
1.08 Wastefulness of government spending .....	2.6	110
1.09 Burden of government regulation .....	2.4	140
1.10 Efficiency of legal framework in settling disputes .....	3.1	113
1.11 Efficiency of legal framework in challenging regs. ....	2.4	138
1.12 Transparency of government policymaking .....	3.4	132
1.13 Business costs of terrorism .....	6.4	11
1.14 Business costs of crime and violence .....	4.9	61
1.15 Organized crime .....	5.1	68
1.16 Reliability of police services .....	4.2	72
1.17 Ethical behavior of firms .....	3.7	92
1.18 Strength of auditing and reporting standards .....	5.2	40
1.19 Efficacy of corporate boards .....	4.0	120
1.20 Protection of minority shareholders' interests .....	4.0	80
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.9	49
2.02 Quality of roads .....	4.0	73
2.03 Quality of railroad infrastructure .....	3.6	41
2.04 Quality of port infrastructure .....	3.9	84
2.05 Quality of air transport infrastructure .....	3.9	101
2.06 Available airline seat km/week, millions* .....	122.5	77
2.07 Quality of electricity supply .....	5.6	41
2.08 Mobile telephone subscriptions/100 pop.* .....	116.4	58
2.09 Fixed telephone lines/100 pop.* .....	29.8	40
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.5	65
3.02 Gross national savings, % GDP* .....	20.4	69
3.03 Inflation, annual % change* .....	5.7	102
3.04 General government debt, % GDP* .....	79.0	125
3.05 Country credit rating, 0–100 (best)* .....	49.6	70
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.2	35
4.04 Tuberculosis cases/100,000 pop.* .....	18.0	42
4.05 Business impact of HIV/AIDS .....	6.3	18
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	5.4	36
4.08 Life expectancy, years* .....	74.9	55
4.09 Quality of primary education .....	4.3	52
4.10 Primary education enrollment, net %* .....	92.5	87
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	100.7	37
5.02 Tertiary education enrollment, gross %* .....	59.9	35
5.03 Quality of the educational system .....	3.4	93
5.04 Quality of math and science education .....	4.6	38
5.05 Quality of management schools .....	4.3	68
5.06 Internet access in schools .....	5.4	33
5.07 Availability of research and training services .....	3.9	84
5.08 Extent of staff training .....	3.6	108
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	43
6.02 Extent of market dominance .....	3.3	112
6.03 Effectiveness of anti-monopoly policy .....	3.9	90
6.04 Effect of taxation on incentives to invest .....	2.7	135
6.05 Total tax rate, % profits* .....	50.3	116

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	5	10
6.08 Agricultural policy costs .....	3.7	90
6.09 Prevalence of trade barriers .....	4.6	43
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.5	16
6.12 Business impact of rules on FDI .....	4.2	102
6.13 Burden of customs procedures .....	4.8	32
6.14 Imports as a percentage of GDP* .....	87.2	14
6.15 Degree of customer orientation .....	4.3	93
6.16 Buyer sophistication .....	2.7	125
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	83
7.02 Flexibility of wage determination .....	4.9	88
7.03 Hiring and firing practices .....	4.1	53
7.04 Redundancy costs, weeks of salary* .....	13.4	63
7.05 Effect of taxation on incentives to work .....	2.7	132
7.06 Pay and productivity .....	3.8	85
7.07 Reliance on professional management .....	3.6	114
7.08 Country capacity to retain talent .....	2.6	126
7.09 Country capacity to attract talent .....	2.6	115
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 .....	4.6	65
8.02 Affordability of financial services .....	3.7	110
8.03 Financing through local equity market .....	2.7	110
8.04 Ease of access to loans .....	2.1	123
8.05 Venture capital availability .....	2.1	122
8.06 Soundness of banks .....	4.7	89
8.07 Regulation of securities exchanges .....	4.7	42
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.2	57
9.02 Firm-level technology absorption .....	4.7	73
9.03 FDI and technology transfer .....	5.3	15
9.04 Individuals using Internet, %* .....	72.0	34
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	22.9	29
9.06 Int'l Internet bandwidth, kb/s per user* .....	15.4	81
9.07 Mobile broadband subscriptions/100 pop.* .....	23.1	63
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.9	56
10.02 Foreign market size index, 1–7 (best)* .....	5.3	34
10.03 GDP (PPP\$ billions)* .....	195.6	55
10.04 Exports as a percentage of GDP* .....	97.3	10
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	101
11.02 Local supplier quality .....	4.5	70
11.03 State of cluster development .....	3.3	111
11.04 Nature of competitive advantage .....	3.3	88
11.05 Value chain breadth .....	3.4	101
11.06 Control of international distribution .....	3.5	121
11.07 Production process sophistication .....	3.8	70
11.08 Extent of marketing .....	4.2	65
11.09 Willingness to delegate authority .....	2.9	137
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	97
12.02 Quality of scientific research institutions .....	5.2	21
12.03 Company spending on R&D .....	2.8	108
12.04 University-industry collaboration in R&D .....	4.3	41
12.05 Gov't procurement of advanced tech products .....	3.0	114
12.06 Availability of scientists and engineers .....	4.3	60
12.07 PCT patents, applications/million pop.* .....	23.3	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 97.

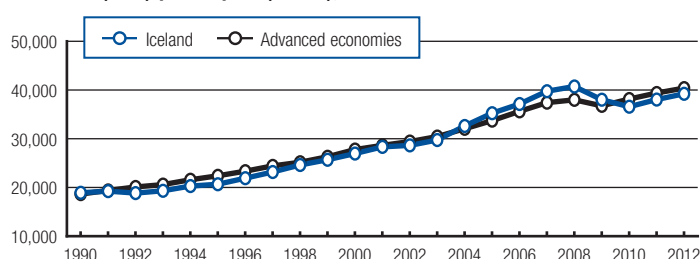


# Iceland

## Key indicators, 2012

Population (millions).....	0.3
GDP (US\$ billions).....	13.7
GDP per capita (US\$).....	41,739
GDP (PPP) as share (%) of world total.....	0.02

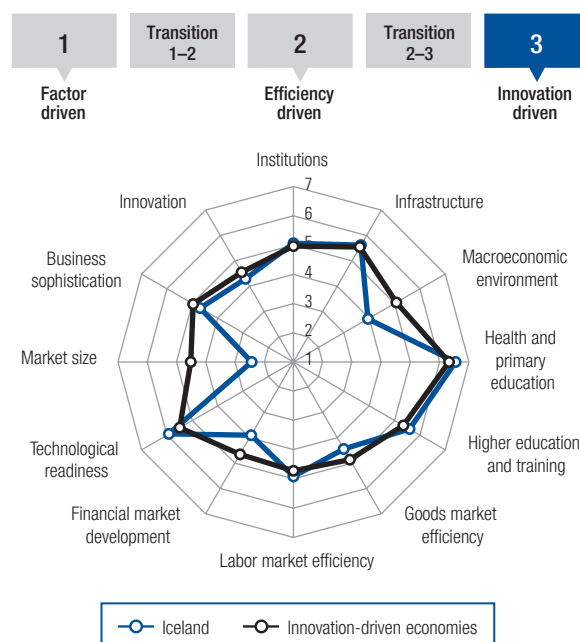
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

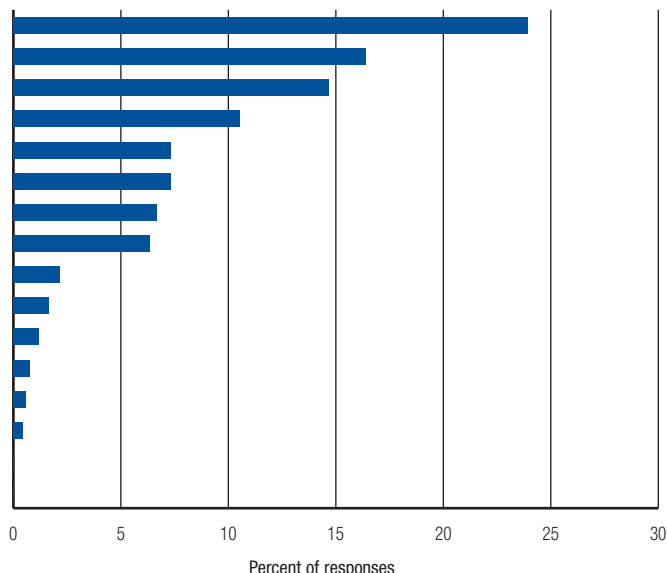
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>31</b>	<b>4.7</b>
GCI 2012–2013 (out of 144).....	30	4.7
GCI 2011–2012 (out of 142).....	30	4.7
<b>Basic requirements (20.0%)</b> .....	<b>29</b>	<b>5.3</b>
Institutions.....	22	5.1
Infrastructure.....	17	5.6
Macroeconomic environment.....	118	3.9
Health and primary education.....	9	6.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>35</b>	<b>4.5</b>
Higher education and training.....	12	5.6
Goods market efficiency.....	46	4.4
Labor market efficiency.....	17	4.9
Financial market development.....	80	3.9
Technological readiness.....	10	5.9
Market size.....	130	2.4
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>28</b>	<b>4.5</b>
Business sophistication.....	29	4.7
Innovation.....	27	4.3

### Stage of development



## The most problematic factors for doing business

Foreign currency regulations.....	23.9
Inflation.....	16.4
Access to financing.....	14.7
Tax rates.....	10.5
Government instability/coups.....	7.3
Inefficient government bureaucracy.....	7.3
Tax regulations.....	6.7
Policy instability.....	6.4
Insufficient capacity to innovate.....	2.2
Inadequately educated workforce.....	1.6
Inadequate supply of infrastructure.....	1.2
Poor work ethic in national labor force.....	0.7
Restrictive labor regulations.....	0.6
Corruption.....	0.4
Crime and theft.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Iceland

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.2	32
1.02 Intellectual property protection .....	4.8	29
1.03 Diversion of public funds .....	5.1	22
1.04 Public trust in politicians .....	3.3	48
1.05 Irregular payments and bribes .....	6.3	7
1.06 Judicial independence .....	5.6	19
1.07 Favoritism in decisions of government officials .....	3.6	40
1.08 Wastefulness of government spending .....	3.8	34
1.09 Burden of government regulation .....	3.9	30
1.10 Efficiency of legal framework in settling disputes .....	4.7	27
1.11 Efficiency of legal framework in challenging regs. ....	4.5	21
1.12 Transparency of government policymaking .....	4.9	26
1.13 Business costs of terrorism .....	6.6	5
1.14 Business costs of crime and violence .....	6.1	9
1.15 Organized crime .....	6.4	10
1.16 Reliability of police services .....	6.1	9
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 .....	5.0	29
1.20 Protection of minority shareholders' interests .....	4.3	59
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.3	7
2.02 Quality of roads .....	5.0	36
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	6.0	8
2.05 Quality of air transport infrastructure .....	6.0	13
2.06 Available airline seat km/week, millions* .....	123.3	76
2.07 Quality of electricity supply .....	6.7	7
2.08 Mobile telephone subscriptions/100 pop.* .....	105.4	84
2.09 Fixed telephone lines/100 pop.* .....	57.6	6
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.0	76
3.02 Gross national savings, % GDP* .....	9.7	128
3.03 Inflation, annual % change* .....	5.2	94
3.04 General government debt, % GDP* .....	99.1	137
3.05 Country credit rating, 0–100 (best)* .....	50.8	66
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.8	5
4.04 Tuberculosis cases/100,000 pop.* .....	4.8	13
4.05 Business impact of HIV/AIDS .....	6.5	11
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	1.7	2
4.08 Life expectancy, years* .....	82.4	4
4.09 Quality of primary education .....	5.4	15
4.10 Primary education enrollment, net %* .....	99.0	22
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	108.0	16
5.02 Tertiary education enrollment, gross %* .....	78.6	12
5.03 Quality of the educational system .....	5.1	16
5.04 Quality of math and science education .....	4.9	24
5.05 Quality of management schools .....	5.2	22
5.06 Internet access in schools .....	6.6	1
5.07 Availability of research and training services .....	4.7	37
5.08 Extent of staff training .....	4.7	24
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.8	83
6.02 Extent of market dominance .....	3.5	92
6.03 Effectiveness of anti-monopoly policy .....	4.4	48
6.04 Effect of taxation on incentives to invest .....	3.0	124
6.05 Total tax rate, % profits* .....	33.0	46

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	5	10
6.08 Agricultural policy costs .....	3.2	128
6.09 Prevalence of trade barriers .....	4.0	102
6.10 Trade tariffs, % duty* .....	3.2	43
6.11 Prevalence of foreign ownership .....	3.1	141
6.12 Business impact of rules on FDI .....	2.7	144
6.13 Burden of customs procedures .....	5.3	15
6.14 Imports as a percentage of GDP* .....	55.2	53
6.15 Degree of customer orientation .....	5.4	17
6.16 Buyer sophistication .....	3.8	42
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.5	12
7.02 Flexibility of wage determination .....	4.1	128
7.03 Hiring and firing practices .....	5.3	5
7.04 Redundancy costs, weeks of salary* .....	10.1	40
7.05 Effect of taxation on incentives to work .....	3.0	117
7.06 Pay and productivity .....	4.1	59
7.07 Reliance on professional management .....	5.3	24
7.08 Country capacity to retain talent .....	4.4	24
7.09 Country capacity to attract talent .....	3.4	73
7.10 Women in labor force, ratio to men* .....	0.94	13
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.0	97
8.02 Affordability of financial services .....	3.7	102
8.03 Financing through local equity market .....	3.4	70
8.04 Ease of access to loans .....	2.8	73
8.05 Venture capital availability .....	2.7	68
8.06 Soundness of banks .....	3.9	132
8.07 Regulation of securities exchanges .....	4.3	60
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.4	7
9.02 Firm-level technology absorption .....	6.2	2
9.03 FDI and technology transfer .....	3.8	124
9.04 Individuals using Internet, %* .....	96.0	1
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	34.5	7
9.06 Int'l Internet bandwidth, kb/s per user* .....	371.2	5
9.07 Mobile broadband subscriptions/100 pop.* .....	71.7	15
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.1	132
10.02 Foreign market size index, 1–7 (best)* .....	3.5	116
10.03 GDP (PPP\$ billions)* .....	12.8	129
10.04 Exports as a percentage of GDP* .....	59.0	33
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.1	116
11.02 Local supplier quality .....	5.1	29
11.03 State of cluster development .....	4.0	56
11.04 Nature of competitive advantage .....	3.9	45
11.05 Value chain breadth .....	4.2	38
11.06 Control of international distribution .....	5.1	7
11.07 Production process sophistication .....	5.2	22
11.08 Extent of marketing .....	5.1	27
11.09 Willingness to delegate authority .....	5.1	10
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.1	32
12.02 Quality of scientific research institutions .....	4.9	28
12.03 Company spending on R&D .....	3.7	35
12.04 University-industry collaboration in R&D .....	4.8	25
12.05 Gov't procurement of advanced tech products .....	3.7	53
12.06 Availability of scientists and engineers .....	4.7	28
12.07 PCT patents, applications/million pop.* .....	95.9	17

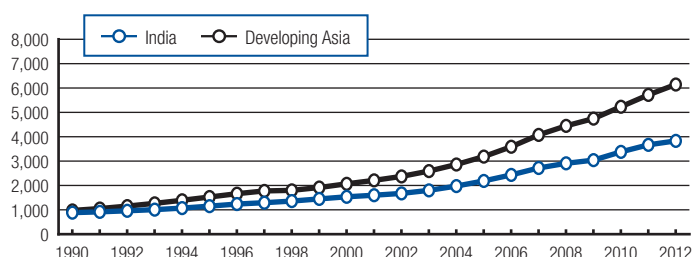
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# India

## Key indicators, 2012

Population (millions).....	1,241.5
GDP (US\$ billions).....	1,824.8
GDP per capita (US\$).....	1,492
GDP (PPP) as share (%) of world total.....	5.63

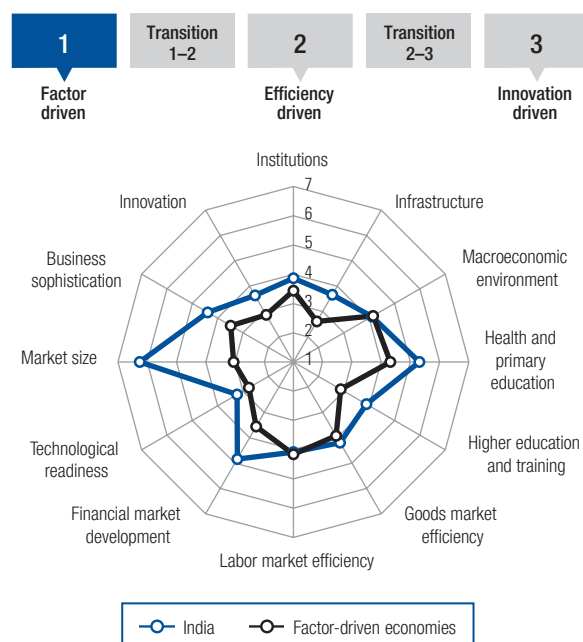
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

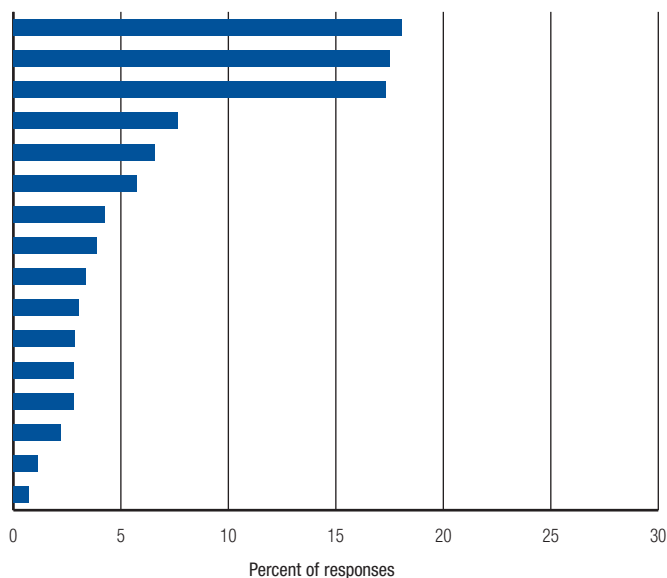
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>60</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	59	4.3
GCI 2011–2012 (out of 142).....	56	4.3
<b>Basic requirements (60.0%)</b> .....	<b>96</b>	<b>4.2</b>
Institutions.....	72	3.9
Infrastructure.....	85	3.7
Macroeconomic environment.....	110	4.1
Health and primary education.....	102	5.3
<b>Efficiency enhancers (35.0%)</b> .....	<b>42</b>	<b>4.4</b>
Higher education and training.....	91	3.9
Goods market efficiency.....	85	4.2
Labor market efficiency.....	99	4.1
Financial market development.....	19	4.8
Technological readiness.....	98	3.2
Market size.....	3	6.2
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>41</b>	<b>4.0</b>
Business sophistication.....	42	4.4
Innovation.....	41	3.6

## Stage of development



## The most problematic factors for doing business

Inadequate supply of infrastructure.....	18.1
Inefficient government bureaucracy.....	17.5
Corruption.....	17.3
Tax regulations.....	7.6
Policy instability.....	6.6
Restrictive labor regulations.....	5.8
Inflation.....	4.3
Access to financing.....	3.9
Tax rates.....	3.4
Poor work ethic in national labor force.....	3.0
Foreign currency regulations.....	2.9
Government instability/coups.....	2.8
Insufficient capacity to innovate.....	2.8
Inadequately educated workforce.....	2.2
Crime and theft.....	1.2
Poor public health.....	0.7



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.4	58
1.02 Intellectual property protection .....	3.7	71
1.03 Diversion of public funds .....	2.8	98
1.04 Public trust in politicians .....	2.2	115
1.05 Irregular payments and bribes .....	3.2	110
1.06 Judicial independence .....	4.7	40
1.07 Favoritism in decisions of government officials .....	2.8	94
1.08 Wastefulness of government spending .....	3.0	87
1.09 Burden of government regulation .....	3.1	104
1.10 Efficiency of legal framework in settling disputes .....	3.8	62
1.11 Efficiency of legal framework in challenging regs. ....	3.8	48
1.12 Transparency of government policymaking .....	4.2	61
1.13 Business costs of terrorism .....	4.7	113
1.14 Business costs of crime and violence .....	4.7	71
1.15 Organized crime .....	4.8	85
1.16 Reliability of police services .....	4.0	82
1.17 Ethical behavior of firms .....	3.7	86
1.18 Strength of auditing and reporting standards .....	4.9	52
1.19 Efficacy of corporate boards .....	4.6	65
1.20 Protection of minority shareholders' interests .....	4.4	52
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.9	85
2.02 Quality of roads .....	3.6	84
2.03 Quality of railroad infrastructure .....	4.8	19
2.04 Quality of port infrastructure .....	4.2	70
2.05 Quality of air transport infrastructure .....	4.8	61
2.06 Available airline seat km/week, millions* .....	3,288.0	13
2.07 Quality of electricity supply .....	3.2	111
2.08 Mobile telephone subscriptions/100 pop.* .....	68.7	123
2.09 Fixed telephone lines/100 pop.* .....	2.5	118
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-8.3	141
3.02 Gross national savings, % GDP* .....	29.8	28
3.03 Inflation, annual % change* .....	9.3	130
3.04 General government debt, % GDP* .....	66.8	116
3.05 Country credit rating, 0–100 (best)* .....	60.0	47
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.6	112
4.02 Malaria cases/100,000 pop.* .....	1,946.2	116
4.03 Business impact of tuberculosis .....	4.7	103
4.04 Tuberculosis cases/100,000 pop.* .....	181.0	114
4.05 Business impact of HIV/AIDS .....	4.8	96
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	47.2	120
4.08 Life expectancy, years* .....	65.5	111
4.09 Quality of primary education .....	3.6	84
4.10 Primary education enrollment, net %* .....	93.3	80
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	63.2	110
5.02 Tertiary education enrollment, gross %* .....	17.9	98
5.03 Quality of the educational system .....	4.4	33
5.04 Quality of math and science education .....	4.7	32
5.05 Quality of management schools .....	5.0	30
5.06 Internet access in schools .....	4.1	77
5.07 Availability of research and training services .....	4.5	47
5.08 Extent of staff training .....	4.2	53
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.6	24
6.02 Extent of market dominance .....	4.4	26
6.03 Effectiveness of anti-monopoly policy .....	4.7	29
6.04 Effect of taxation on incentives to invest .....	4.1	44
6.05 Total tax rate, % profits* .....	61.8	128

INDICATOR	VALUE	RANK/148
<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* .....	27	103
6.08 Agricultural policy costs .....	3.7	87
6.09 Prevalence of trade barriers .....	4.4	61
6.10 Trade tariffs, % duty* .....	11.7	128
6.11 Prevalence of foreign ownership .....	4.3	94
6.12 Business impact of rules on FDI .....	4.6	67
6.13 Burden of customs procedures .....	3.8	88
6.14 Imports as a percentage of GDP* .....	33.7	107
6.15 Degree of customer orientation .....	4.5	78
6.16 Buyer sophistication .....	3.6	59
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4	61
7.02 Flexibility of wage determination .....	5.3	50
7.03 Hiring and firing practices .....	4.1	52
7.04 Redundancy costs, weeks of salary* .....	15.8	76
7.05 Effect of taxation on incentives to work .....	3.7	67
7.06 Pay and productivity .....	4.1	58
7.07 Reliance on professional management .....	4.6	46
7.08 Country capacity to retain talent .....	3.8	50
7.09 Country capacity to attract talent .....	3.7	54
7.10 Women in labor force, ratio to men* .....	0.36	137
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.0	45
8.02 Affordability of financial services .....	4.8	38
8.03 Financing through local equity market .....	4.6	18
8.04 Ease of access to loans .....	3.3	38
8.05 Venture capital availability .....	3.3	27
8.06 Soundness of banks .....	5.5	49
8.07 Regulation of securities exchanges .....	5.1	27
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.2	58
9.02 Firm-level technology absorption .....	5.0	48
9.03 FDI and technology transfer .....	5.0	32
9.04 Individuals using Internet, %* .....	12.6	120
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.1	106
9.06 Int'l Internet bandwidth, kb/s per user* .....	5.2	113
9.07 Mobile broadband subscriptions/100 pop.* .....	4.9	99
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	6.2	3
10.02 Foreign market size index, 1–7 (best)* .....	6.4	4
10.03 GDP (PPP\$ billions)* .....	4,684.4	3
10.04 Exports as a percentage of GDP* .....	24.2	125
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.7	2
11.02 Local supplier quality .....	4.4	76
11.03 State of cluster development .....	4.9	16
11.04 Nature of competitive advantage .....	3.4	80
11.05 Value chain breadth .....	4.2	40
11.06 Control of international distribution .....	4.4	38
11.07 Production process sophistication .....	4.1	52
11.08 Extent of marketing .....	4.4	52
11.09 Willingness to delegate authority .....	3.9	58
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.0	41
12.02 Quality of scientific research institutions .....	4.5	37
12.03 Company spending on R&D .....	3.6	39
12.04 University-industry collaboration in R&D .....	4.0	47
12.05 Gov't procurement of advanced tech products .....	3.3	92
12.06 Availability of scientists and engineers .....	5.0	15
12.07 PCT patents, applications/million pop.* .....	1.4	64

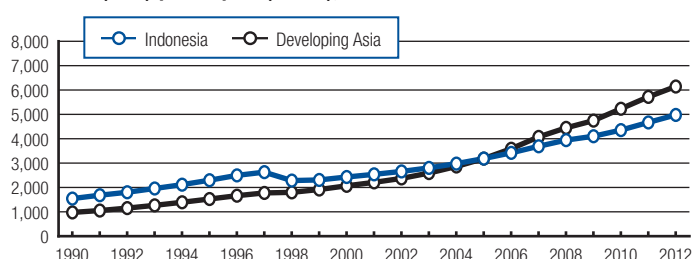
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Indonesia

## Key indicators, 2012

Population (millions).....	242.3
GDP (US\$ billions).....	878.2
GDP per capita (US\$).....	3,592
GDP (PPP) as share (%) of world total.....	1.46

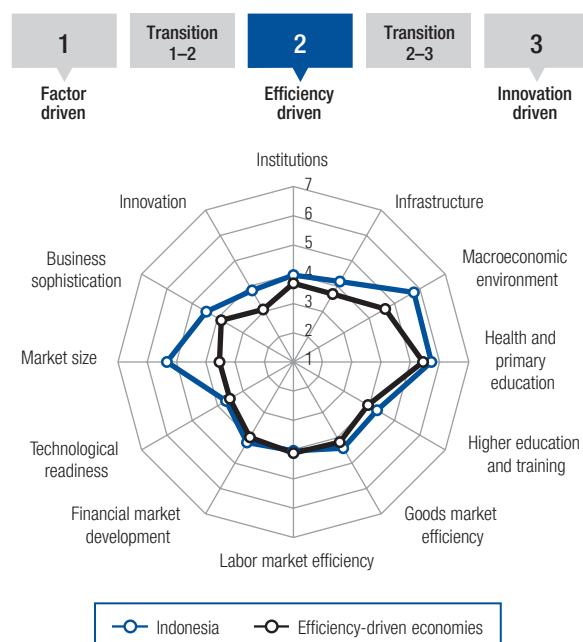
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

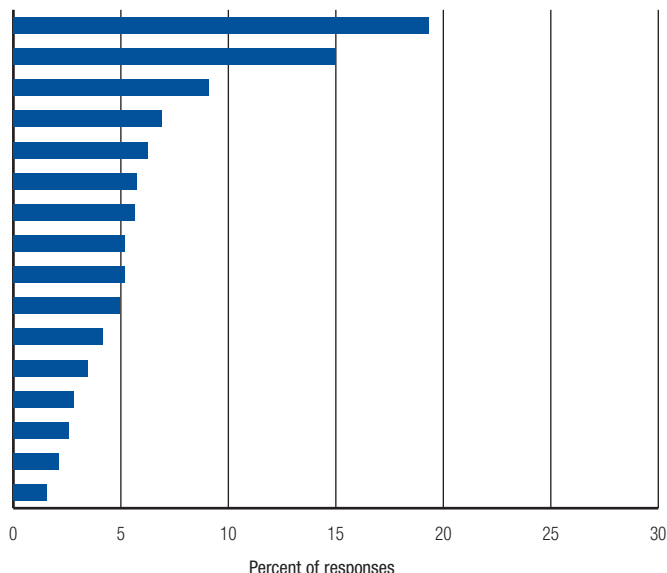
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>38</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	50	4.4
GCI 2011–2012 (out of 142).....	46	4.4
<b>Basic requirements (40.0%)</b> .....	<b>45</b>	<b>4.9</b>
Institutions.....	67	4.0
Infrastructure.....	61	4.2
Macroeconomic environment.....	26	5.8
Health and primary education.....	72	5.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>52</b>	<b>4.3</b>
Higher education and training.....	64	4.3
Goods market efficiency.....	50	4.4
Labor market efficiency.....	103	4.0
Financial market development.....	60	4.2
Technological readiness.....	75	3.7
Market size.....	15	5.3
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>33</b>	<b>4.1</b>
Business sophistication.....	37	4.4
Innovation.....	33	3.8

## Stage of development



## The most problematic factors for doing business

Corruption.....	19.3
Inefficient government bureaucracy.....	15.0
Inadequate supply of infrastructure.....	9.1
Access to financing.....	6.9
Restrictive labor regulations.....	6.3
Policy instability.....	5.7
Poor work ethic in national labor force.....	5.7
Inflation.....	5.2
Tax rates.....	5.2
Government instability/coups.....	4.9
Inadequately educated workforce.....	4.2
Poor public health.....	3.5
Crime and theft.....	2.8
Tax regulations.....	2.6
Insufficient capacity to innovate.....	2.1
Foreign currency regulations.....	1.6



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Indonesia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.1	79
1.02 Intellectual property protection .....	3.9	55
1.03 Diversion of public funds .....	3.4	60
1.04 Public trust in politicians .....	3.2	55
1.05 Irregular payments and bribes .....	3.3	106
1.06 Judicial independence .....	3.7	74
1.07 Favoritism in decisions of government officials .....	3.7	39
1.08 Wastefulness of government spending .....	3.8	<b>33</b>
1.09 Burden of government regulation .....	3.9	<b>31</b>
1.10 Efficiency of legal framework in settling disputes .....	4.1	49
1.11 Efficiency of legal framework in challenging regs. ....	3.7	50
1.12 Transparency of government policymaking .....	4.2	65
1.13 Business costs of terrorism .....	4.6	119
1.14 Business costs of crime and violence .....	4.4	86
1.15 Organized crime .....	4.1	119
1.16 Reliability of police services .....	4.0	79
1.17 Ethical behavior of firms .....	4.0	64
1.18 Strength of auditing and reporting standards .....	4.6	74
1.19 Efficacy of corporate boards .....	4.8	51
1.20 Protection of minority shareholders' interests .....	4.5	45
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.0	82
2.02 Quality of roads .....	3.7	78
2.03 Quality of railroad infrastructure .....	3.5	44
2.04 Quality of port infrastructure .....	3.9	89
2.05 Quality of air transport infrastructure .....	4.5	68
2.06 Available airline seat km/week, millions* .....	2,435.0	<b>15</b>
2.07 Quality of electricity supply .....	4.3	89
2.08 Mobile telephone subscriptions/100 pop.* .....	115.2	62
2.09 Fixed telephone lines/100 pop.* .....	15.5	82
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.3	47
3.02 Gross national savings, % GDP* .....	32.6	<b>19</b>
3.03 Inflation, annual % change* .....	4.3	80
3.04 General government debt, % GDP* .....	24.0	<b>30</b>
3.05 Country credit rating, 0–100 (best)* .....	55.9	56
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.2	119
4.02 Malaria cases/100,000 pop.* .....	2,250.6	117
4.03 Business impact of tuberculosis .....	3.8	131
4.04 Tuberculosis cases/100,000 pop.* .....	187.0	116
4.05 Business impact of HIV/AIDS .....	3.8	130
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	24.8	97
4.08 Life expectancy, years* .....	69.3	99
4.09 Quality of primary education .....	4.3	55
4.10 Primary education enrollment, net %* .....	95.8	56
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	80.7	92
5.02 Tertiary education enrollment, gross %* .....	24.9	87
5.03 Quality of the educational system .....	4.3	<b>36</b>
5.04 Quality of math and science education .....	4.7	<b>35</b>
5.05 Quality of management schools .....	4.4	58
5.06 Internet access in schools .....	4.8	50
5.07 Availability of research and training services .....	4.5	48
5.08 Extent of staff training .....	4.6	<b>25</b>
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	66
6.02 Extent of market dominance .....	4.0	54
6.03 Effectiveness of anti-monopoly policy .....	4.5	43
6.04 Effect of taxation on incentives to invest .....	4.4	<b>28</b>
6.05 Total tax rate, % profits* .....	34.5	55

INDICATOR	VALUE	RANK/148
<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* .....	47	128
6.08 Agricultural policy costs .....	4.3	<b>31</b>
6.09 Prevalence of trade barriers .....	4.3	71
6.10 Trade tariffs, % duty* .....	4.7	65
6.11 Prevalence of foreign ownership .....	4.6	76
6.12 Business impact of rules on FDI .....	4.6	61
6.13 Burden of customs procedures .....	4.0	74
6.14 Imports as a percentage of GDP* .....	25.6	134
6.15 Degree of customer orientation .....	4.8	50
6.16 Buyer sophistication .....	3.7	50
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.6	49
7.02 Flexibility of wage determination .....	4.6	106
7.03 Hiring and firing practices .....	4.3	39
7.04 Redundancy costs, weeks of salary* .....	57.8	141
7.05 Effect of taxation on incentives to work .....	4.3	<b>27</b>
7.06 Pay and productivity .....	4.4	<b>29</b>
7.07 Reliance on professional management .....	4.9	<b>34</b>
7.08 Country capacity to retain talent .....	4.1	39
7.09 Country capacity to attract talent .....	4.3	<b>28</b>
7.10 Women in labor force, ratio to men* .....	0.62	115
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.9	51
8.02 Affordability of financial services .....	4.6	43
8.03 Financing through local equity market .....	4.3	<b>29</b>
8.04 Ease of access to loans .....	3.9	<b>16</b>
8.05 Venture capital availability .....	3.7	<b>17</b>
8.06 Soundness of banks .....	5.0	70
8.07 Regulation of securities exchanges .....	4.4	57
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.1	60
9.02 Firm-level technology absorption .....	5.1	46
9.03 FDI and technology transfer .....	5.0	39
9.04 Individuals using Internet, %* .....	15.4	113
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.2	105
9.06 Int'l Internet bandwidth, kb/s per user* .....	17.2	74
9.07 Mobile broadband subscriptions/100 pop.* .....	31.9	53
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.2	<b>15</b>
10.02 Foreign market size index, 1–7 (best)* .....	5.6	<b>23</b>
10.03 GDP (PPP\$ billions)* .....	1,216.7	<b>15</b>
10.04 Exports as a percentage of GDP* .....	24.0	126
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	51
11.02 Local supplier quality .....	4.5	66
11.03 State of cluster development .....	4.4	<b>29</b>
11.04 Nature of competitive advantage .....	3.6	61
11.05 Value chain breadth .....	4.4	<b>32</b>
11.06 Control of international distribution .....	4.4	<b>36</b>
11.07 Production process sophistication .....	4.3	41
11.08 Extent of marketing .....	4.8	<b>34</b>
11.09 Willingness to delegate authority .....	4.4	<b>32</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.4	<b>24</b>
12.02 Quality of scientific research institutions .....	4.1	46
12.03 Company spending on R&D .....	4.1	<b>23</b>
12.04 University-industry collaboration in R&D .....	4.5	<b>30</b>
12.05 Gov't procurement of advanced tech products .....	4.1	<b>25</b>
12.06 Availability of scientists and engineers .....	4.5	40
12.07 PCT patents, applications/million pop.* .....	0.1	103

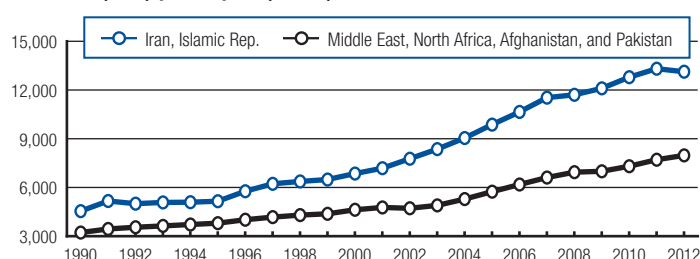
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Iran, Islamic Rep.

## Key indicators, 2012

Population (millions).....	74.8
GDP (US\$ billions).....	548.9
GDP per capita (US\$).....	7,211
GDP (PPP) as share (%) of world total.....	1.20

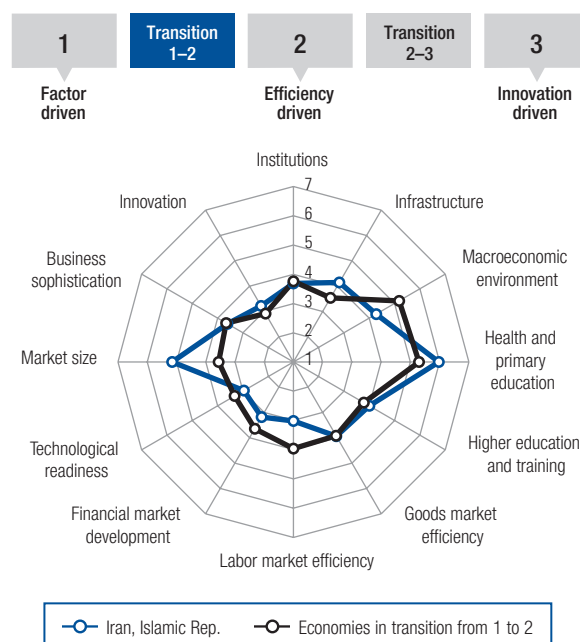
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

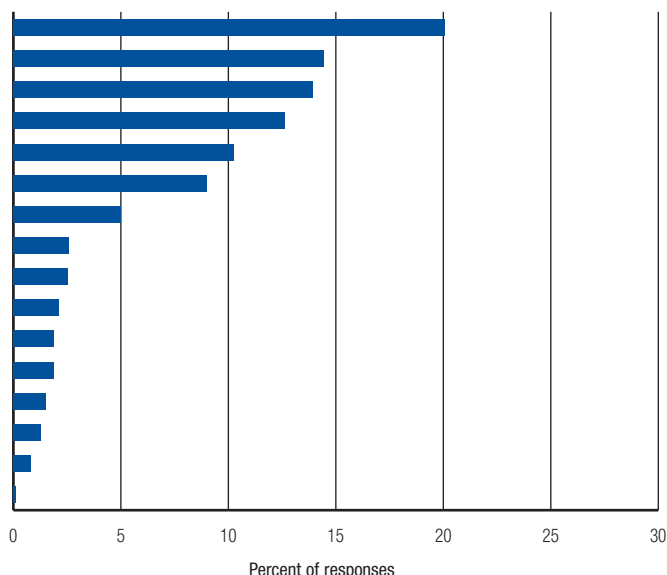
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>82</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	66	4.2
GCI 2011–2012 (out of 142).....	62	4.3
<b>Basic requirements (48.4%)</b> .....	<b>75</b>	<b>4.5</b>
Institutions.....	83	3.7
Infrastructure.....	65	4.1
Macroeconomic environment.....	100	4.3
Health and primary education.....	51	6.0
<b>Efficiency enhancers (43.7%)</b> .....	<b>98</b>	<b>3.7</b>
Higher education and training.....	88	4.0
Goods market efficiency.....	110	3.9
Labor market efficiency.....	145	3.0
Financial market development.....	130	3.2
Technological readiness.....	116	3.0
Market size.....	19	5.1
<b>Innovation and sophistication factors (7.9%)</b> .....	<b>86</b>	<b>3.4</b>
Business sophistication.....	104	3.6
Innovation.....	71	3.2

## Stage of development



## The most problematic factors for doing business

Policy instability.....	20.1
Foreign currency regulations.....	14.4
Access to financing.....	13.9
Inflation.....	12.6
Inefficient government bureaucracy.....	10.3
Inadequate supply of infrastructure.....	9.0
Corruption.....	5.0
Restrictive labor regulations.....	2.6
Inadequately educated workforce.....	2.5
Poor work ethic in national labor force.....	2.1
Government instability/coups.....	1.9
Tax rates.....	1.9
Insufficient capacity to innovate.....	1.5
Tax regulations.....	1.3
Crime and theft.....	0.8
Poor public health.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Iran, Islamic Rep.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3 .....	65
1.02 Intellectual property protection .....	2.8 .....	122
1.03 Diversion of public funds .....	3.2 .....	75
1.04 Public trust in politicians .....	3.3 .....	<b>47</b>
1.05 Irregular payments and bribes .....	3.8 .....	73
1.06 Judicial independence .....	3.7 .....	73
1.07 Favoritism in decisions of government officials .....	3.4 .....	52
1.08 Wastefulness of government spending .....	3.2 .....	74
1.09 Burden of government regulation .....	2.8 .....	123
1.10 Efficiency of legal framework in settling disputes .....	3.4 .....	91
1.11 Efficiency of legal framework in challenging regs. ....	2.7 .....	124
1.12 Transparency of government policymaking .....	3.5 .....	131
1.13 Business costs of terrorism .....	4.6 .....	117
1.14 Business costs of crime and violence .....	4.2 .....	94
1.15 Organized crime .....	4.4 .....	105
1.16 Reliability of police services .....	4.3 .....	66
1.17 Ethical behavior of firms .....	3.8 .....	82
1.18 Strength of auditing and reporting standards .....	4.0 .....	105
1.19 Efficacy of corporate boards .....	4.0 .....	119
1.20 Protection of minority shareholders' interests .....	3.7 .....	104
1.21 Strength of investor protection, 0–10 (best)* .....	3.7 .....	123
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.2 .....	76
2.02 Quality of roads .....	4.1 .....	66
2.03 Quality of railroad infrastructure .....	3.5 .....	<b>46</b>
2.04 Quality of port infrastructure .....	4.1 .....	79
2.05 Quality of air transport infrastructure .....	3.3 .....	122
2.06 Available airline seat km/week, millions* .....	261.1 .....	56
2.07 Quality of electricity supply .....	5.3 .....	51
2.08 Mobile telephone subscriptions/100 pop.* .....	76.9 .....	117
2.09 Fixed telephone lines/100 pop.* .....	38.0 .....	<b>28</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.3 .....	62
3.02 Gross national savings, % GDP* .....	35.0 .....	<b>15</b>
3.03 Inflation, annual % change* .....	30.6 .....	148
3.04 General government debt, % GDP* .....	10.7 .....	<b>9</b>
3.05 Country credit rating, 0–100 (best)* .....	24.5 .....	118
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.2 .....	81
4.02 Malaria cases/100,000 pop.* .....	2.9 .....	85
4.03 Business impact of tuberculosis .....	5.7 .....	63
4.04 Tuberculosis cases/100,000 pop.* .....	21.0 .....	<b>47</b>
4.05 Business impact of HIV/AIDS .....	5.5 .....	72
4.06 HIV prevalence, % adult pop.* .....	0.20 .....	<b>45</b>
4.07 Infant mortality, deaths/1,000 live births* .....	21.1 .....	93
4.08 Life expectancy, years* .....	73.0 .....	87
4.09 Quality of primary education .....	4.0 .....	65
4.10 Primary education enrollment, net %* .....	99.8 .....	<b>6</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	85.7 .....	81
5.02 Tertiary education enrollment, gross %* .....	48.6 .....	52
5.03 Quality of the educational system .....	3.2 .....	103
5.04 Quality of math and science education .....	4.6 .....	<b>40</b>
5.05 Quality of management schools .....	3.8 .....	95
5.06 Internet access in schools .....	2.7 .....	126
5.07 Availability of research and training services .....	4.0 .....	82
5.08 Extent of staff training .....	3.0 .....	141
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.3 .....	121
6.02 Extent of market dominance .....	3.8 .....	67
6.03 Effectiveness of anti-monopoly policy .....	4.1 .....	73
6.04 Effect of taxation on incentives to invest .....	3.5 .....	95
6.05 Total tax rate, % profits* .....	44.1 .....	98

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7 .....	74
6.07 No. days to start a business* .....	13 .....	63
6.08 Agricultural policy costs .....	3.4 .....	114
6.09 Prevalence of trade barriers .....	3.9 .....	113
6.10 Trade tariffs, % duty* .....	26.6 .....	147
6.11 Prevalence of foreign ownership .....	2.2 .....	148
6.12 Business impact of rules on FDI .....	3.2 .....	136
6.13 Burden of customs procedures .....	3.5 .....	103
6.14 Imports as a percentage of GDP* .....	16.2 .....	147
6.15 Degree of customer orientation .....	3.9 .....	122
6.16 Buyer sophistication .....	3.6 .....	56
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.7 .....	128
7.02 Flexibility of wage determination .....	3.6 .....	138
7.03 Hiring and firing practices .....	3.4 .....	109
7.04 Redundancy costs, weeks of salary* .....	23.1 .....	108
7.05 Effect of taxation on incentives to work .....	3.5 .....	82
7.06 Pay and productivity .....	3.1 .....	130
7.07 Reliance on professional management .....	3.4 .....	127
7.08 Country capacity to retain talent .....	2.3 .....	131
7.09 Country capacity to attract talent .....	1.8 .....	145
7.10 Women in labor force, ratio to men* .....	0.23 .....	147
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.1 .....	137
8.02 Affordability of financial services .....	3.1 .....	135
8.03 Financing through local equity market .....	3.2 .....	86
8.04 Ease of access to loans .....	1.5 .....	148
8.05 Venture capital availability .....	1.8 .....	139
8.06 Soundness of banks .....	4.1 .....	121
8.07 Regulation of securities exchanges .....	3.9 .....	82
8.08 Legal rights index, 0–10 (best)* .....	4 .....	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.0 .....	121
9.02 Firm-level technology absorption .....	4.0 .....	120
9.03 FDI and technology transfer .....	3.8 .....	123
9.04 Individuals using Internet, %* .....	26.0 .....	98
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	4.1 .....	85
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.8 .....	122
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0 .....	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.0 .....	<b>18</b>
10.02 Foreign market size index, 1–7 (best)* .....	5.6 .....	<b>25</b>
10.03 GDP (PPP\$ billions)* .....	999.2 .....	<b>17</b>
10.04 Exports as a percentage of GDP* .....	28.1 .....	103
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8 .....	57
11.02 Local supplier quality .....	3.6 .....	128
11.03 State of cluster development .....	3.4 .....	99
11.04 Nature of competitive advantage .....	3.0 .....	116
11.05 Value chain breadth .....	3.2 .....	112
11.06 Control of international distribution .....	4.4 .....	<b>34</b>
11.07 Production process sophistication .....	3.6 .....	80
11.08 Extent of marketing .....	3.4 .....	120
11.09 Willingness to delegate authority .....	3.1 .....	131
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4 .....	85
12.02 Quality of scientific research institutions .....	4.2 .....	<b>43</b>
12.03 Company spending on R&D .....	2.7 .....	110
12.04 University-industry collaboration in R&D .....	3.3 .....	90
12.05 Gov't procurement of advanced tech products .....	3.5 .....	73
12.06 Availability of scientists and engineers .....	4.6 .....	<b>37</b>
12.07 PCT patents, applications/million pop.* .....	0.1 .....	107

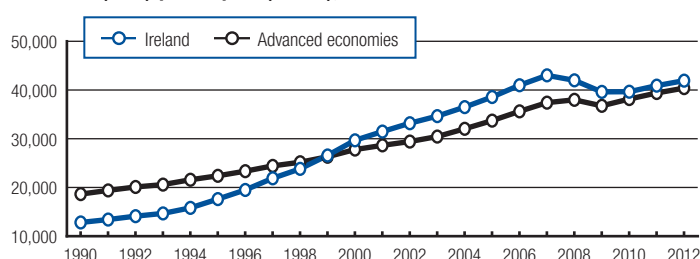
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Ireland

## Key indicators, 2012

Population (millions).....	4.6
GDP (US\$ billions).....	210.4
GDP per capita (US\$).....	45,888
GDP (PPP) as share (%) of world total.....	0.23

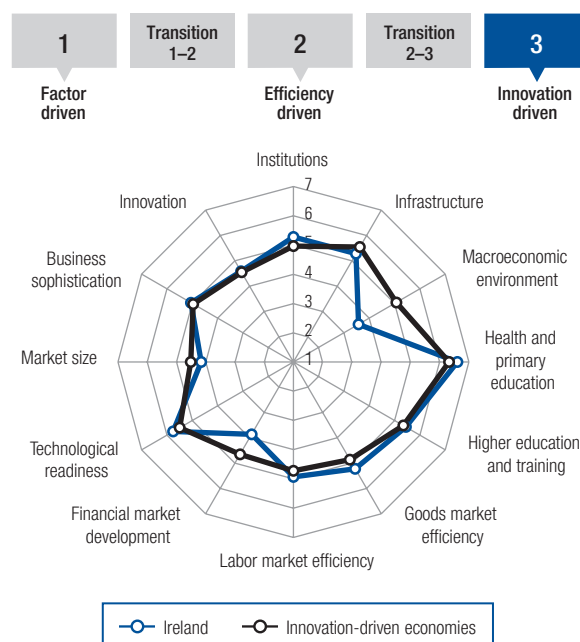
GDP (PPP) per capita (int'l \$), 1990–2012



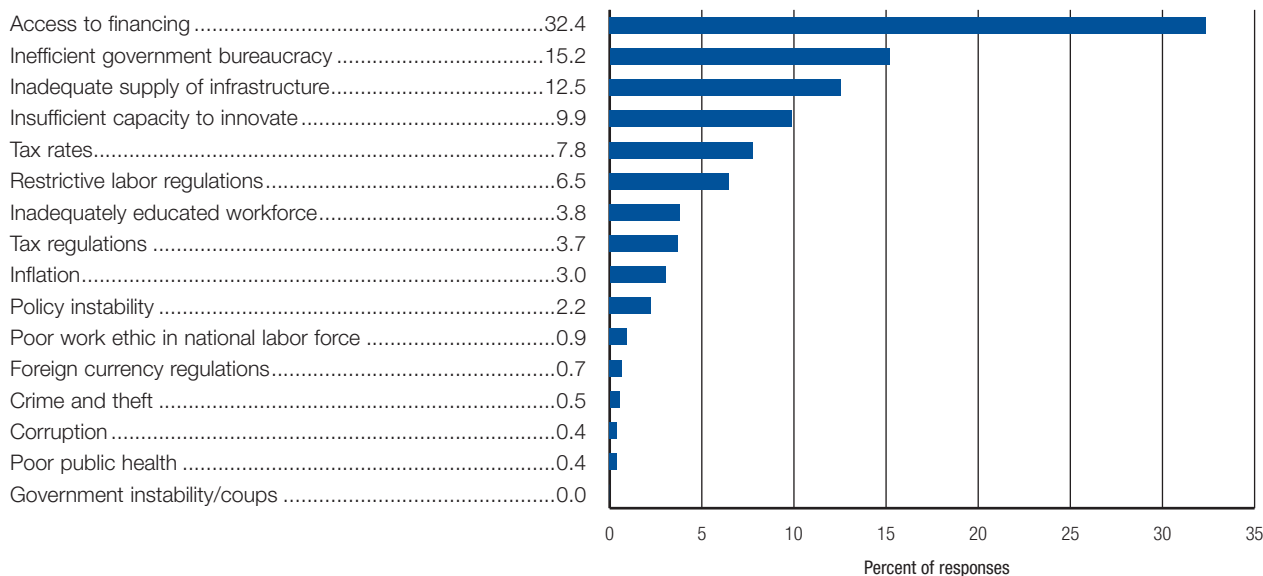
## Global Competitiveness Index

	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>28</b>	<b>4.9</b>
GCI 2012–2013 (out of 144).....	27	4.9
GCI 2011–2012 (out of 142).....	29	4.8
<b>Basic requirements (20.0%)</b> .....	<b>33</b>	<b>5.2</b>
Institutions.....	16	5.3
Infrastructure.....	26	5.3
Macroeconomic environment.....	134	3.6
Health and primary education.....	6	6.6
<b>Efficiency enhancers (50.0%)</b> .....	<b>24</b>	<b>4.9</b>
Higher education and training.....	18	5.4
Goods market efficiency.....	11	5.2
Labor market efficiency.....	16	4.9
Financial market development.....	85	3.9
Technological readiness.....	13	5.7
Market size.....	57	4.2
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>21</b>	<b>4.8</b>
Business sophistication.....	18	5.0
Innovation.....	20	4.6

## Stage of development



## The most problematic factors for doing business



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Ireland

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.7	18
1.02 Intellectual property protection .....	5.4	19
1.03 Diversion of public funds .....	5.6	14
1.04 Public trust in politicians .....	3.9	28
1.05 Irregular payments and bribes .....	6.1	11
1.06 Judicial independence .....	6.4	3
1.07 Favoritism in decisions of government officials .....	4.1	21
1.08 Wastefulness of government spending .....	3.4	55
1.09 Burden of government regulation .....	3.9	29
1.10 Efficiency of legal framework in settling disputes .....	4.8	22
1.11 Efficiency of legal framework in challenging regs. ....	4.6	19
1.12 Transparency of government policymaking .....	5.0	25
1.13 Business costs of terrorism .....	6.1	34
1.14 Business costs of crime and violence .....	5.5	31
1.15 Organized crime .....	5.9	32
1.16 Reliability of police services .....	6.1	8
1.17 Ethical behavior of firms .....	5.4	21
1.18 Strength of auditing and reporting standards .....	4.8	58
1.19 Efficacy of corporate boards .....	5.0	30
1.20 Protection of minority shareholders' interests .....	4.7	32
1.21 Strength of investor protection, 0–10 (best)* .....	8.3	6
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.2	35
2.02 Quality of roads .....	5.3	29
2.03 Quality of railroad infrastructure .....	4.1	34
2.04 Quality of port infrastructure .....	5.2	33
2.05 Quality of air transport infrastructure .....	5.6	31
2.06 Available airline seat km/week, millions* .....	438.9	44
2.07 Quality of electricity supply .....	6.5	17
2.08 Mobile telephone subscriptions/100 pop.* .....	107.1	79
2.09 Fixed telephone lines/100 pop.* .....	43.8	19
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-7.7	137
3.02 Gross national savings, % GDP* .....	15.0	97
3.03 Inflation, annual % change* .....	1.9	91
3.04 General government debt, % GDP* .....	117.1	142
3.05 Country credit rating, 0–100 (best)* .....	56.0	55
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	22
4.04 Tuberculosis cases/100,000 pop.* .....	7.5	25
4.05 Business impact of HIV/AIDS .....	6.4	16
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	3.2	14
4.08 Life expectancy, years* .....	80.5	24
4.09 Quality of primary education .....	5.7	8
4.10 Primary education enrollment, net %* .....	99.7	7
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	118.6	7
5.02 Tertiary education enrollment, gross %* .....	68.1	25
5.03 Quality of the educational system .....	5.5	5
5.04 Quality of math and science education .....	4.9	25
5.05 Quality of management schools .....	5.3	19
5.06 Internet access in schools .....	5.0	43
5.07 Availability of research and training services .....	5.0	24
5.08 Extent of staff training .....	4.8	20
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	42
6.02 Extent of market dominance .....	4.7	19
6.03 Effectiveness of anti-monopoly policy .....	4.8	24
6.04 Effect of taxation on incentives to invest .....	4.6	18
6.05 Total tax rate, % profits* .....	26.4	24

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	10	49
6.08 Agricultural policy costs .....	4.7	9
6.09 Prevalence of trade barriers .....	4.9	14
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.9	6
6.12 Business impact of rules on FDI .....	6.7	1
6.13 Burden of customs procedures .....	5.4	9
6.14 Imports as a percentage of GDP* .....	82.2	21
6.15 Degree of customer orientation .....	5.4	16
6.16 Buyer sophistication .....	4.2	22
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.4	13
7.02 Flexibility of wage determination .....	4.6	103
7.03 Hiring and firing practices .....	4.2	43
7.04 Redundancy costs, weeks of salary* .....	6.8	18
7.05 Effect of taxation on incentives to work .....	3.5	90
7.06 Pay and productivity .....	4.3	38
7.07 Reliance on professional management .....	5.7	13
7.08 Country capacity to retain talent .....	4.1	40
7.09 Country capacity to attract talent .....	5.0	12
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 .....	4.6	67
8.02 Affordability of financial services .....	4.2	63
8.03 Financing through local equity market .....	3.1	87
8.04 Ease of access to loans .....	1.9	127
8.05 Venture capital availability .....	2.7	69
8.06 Soundness of banks .....	2.5	146
8.07 Regulation of securities exchanges .....	4.4	56
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.9	30
9.02 Firm-level technology absorption .....	5.6	25
9.03 FDI and technology transfer .....	6.3	1
9.04 Individuals using Internet, %* .....	79.0	25
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	22.7	30
9.06 Int'l Internet bandwidth, kb/s per user* .....	97.0	20
9.07 Mobile broadband subscriptions/100 pop.* .....	64.2	19
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.7	59
10.02 Foreign market size index, 1–7 (best)* .....	5.4	30
10.03 GDP (PPP\$ billions)* .....	192.2	56
10.04 Exports as a percentage of GDP* .....	110.0	5
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	47
11.02 Local supplier quality .....	5.2	24
11.03 State of cluster development .....	4.8	21
11.04 Nature of competitive advantage .....	5.4	19
11.05 Value chain breadth .....	4.9	19
11.06 Control of international distribution .....	3.8	94
11.07 Production process sophistication .....	5.8	10
11.08 Extent of marketing .....	5.3	21
11.09 Willingness to delegate authority .....	5.0	12
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.6	20
12.02 Quality of scientific research institutions .....	5.6	14
12.03 Company spending on R&D .....	4.5	21
12.04 University-industry collaboration in R&D .....	5.2	13
12.05 Gov't procurement of advanced tech products .....	3.5	70
12.06 Availability of scientists and engineers .....	4.9	20
12.07 PCT patents, applications/million pop.* .....	79.4	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 97.

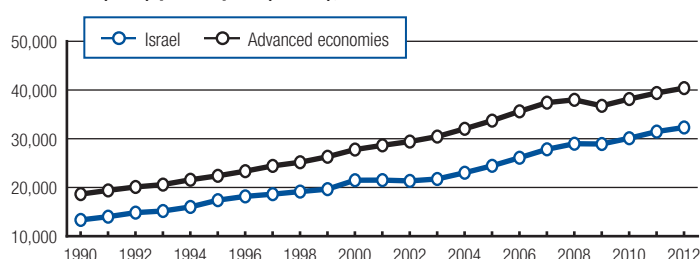


# Israel

## Key indicators, 2012

Population (millions).....	7.8
GDP (US\$ billions).....	240.9
GDP per capita (US\$).....	31,296
GDP (PPP) as share (%) of world total.....	0.30

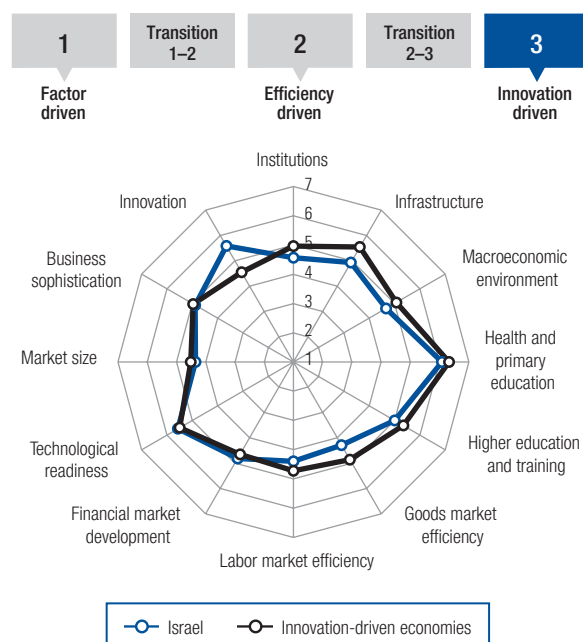
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

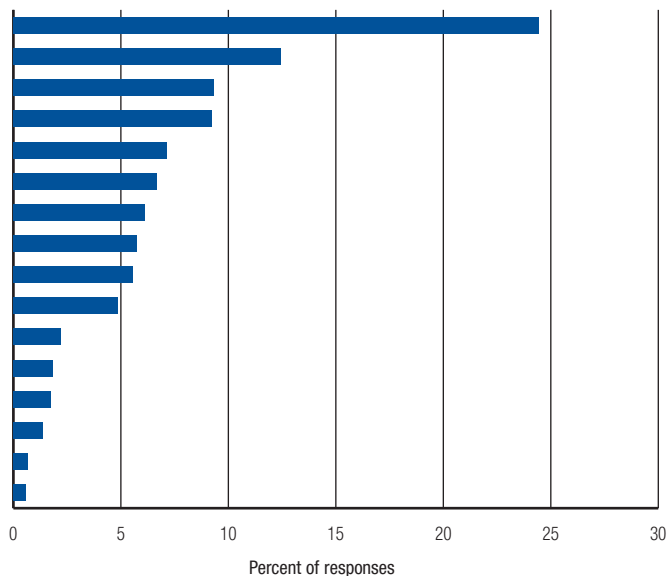
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>27</b>	<b>4.9</b>
GCI 2012–2013 (out of 144).....	26	5.0
GCI 2011–2012 (out of 142).....	22	5.1
<b>Basic requirements (20.0%)</b> .....	<b>39</b>	<b>5.1</b>
Institutions.....	40	4.6
Infrastructure.....	35	4.9
Macroeconomic environment.....	72	4.7
Health and primary education.....	38	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>26</b>	<b>4.7</b>
Higher education and training.....	34	5.0
Goods market efficiency.....	68	4.3
Labor market efficiency.....	57	4.4
Financial market development.....	22	4.8
Technological readiness.....	23	5.6
Market size.....	49	4.3
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>8</b>	<b>5.2</b>
Business sophistication.....	23	4.9
Innovation.....	3	5.6

### Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	24.5
Access to financing.....	12.5
Tax regulations.....	9.3
Restrictive labor regulations.....	9.2
Policy instability.....	7.2
Inadequate supply of infrastructure.....	6.7
Inadequately educated workforce.....	6.1
Corruption.....	5.8
Tax rates.....	5.5
Poor work ethic in national labor force.....	4.8
Government instability/coups.....	2.2
Crime and theft.....	1.8
Insufficient capacity to innovate.....	1.7
Inflation.....	1.4
Poor public health.....	0.7
Foreign currency regulations.....	0.6



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.0	40
1.02 Intellectual property protection .....	4.6	34
1.03 Diversion of public funds .....	4.5	33
1.04 Public trust in politicians .....	3.0	68
1.05 Irregular payments and bribes .....	5.4	32
1.06 Judicial independence .....	5.8	15
1.07 Favoritism in decisions of government officials .....	3.3	55
1.08 Wastefulness of government spending .....	3.1	75
1.09 Burden of government regulation .....	3.0	109
1.10 Efficiency of legal framework in settling disputes .....	4.2	44
1.11 Efficiency of legal framework in challenging regs. ....	4.1	34
1.12 Transparency of government policymaking .....	4.1	76
1.13 Business costs of terrorism .....	3.9	136
1.14 Business costs of crime and violence .....	5.1	50
1.15 Organized crime .....	5.2	65
1.16 Reliability of police services .....	4.5	57
1.17 Ethical behavior of firms .....	4.9	33
1.18 Strength of auditing and reporting standards .....	5.3	35
1.19 Efficacy of corporate boards .....	4.6	68
1.20 Protection of minority shareholders' interests .....	4.5	43
1.21 Strength of investor protection, 0–10 (best)* .....	8.3	6
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.8	51
2.02 Quality of roads .....	5.0	39
2.03 Quality of railroad infrastructure .....	3.2	51
2.04 Quality of port infrastructure .....	3.8	90
2.05 Quality of air transport infrastructure .....	5.0	52
2.06 Available airline seat km/week, millions* .....	502.4	41
2.07 Quality of electricity supply .....	5.6	40
2.08 Mobile telephone subscriptions/100 pop.* .....	119.9	51
2.09 Fixed telephone lines/100 pop.* .....	46.7	15
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.7	114
3.02 Gross national savings, % GDP* .....	19.1	75
3.03 Inflation, annual % change* .....	1.7	1
3.04 General government debt, % GDP* .....	74.6	123
3.05 Country credit rating, 0–100 (best)* .....	69.7	35
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.3	32
4.04 Tuberculosis cases/100,000 pop.* .....	5.8	15
4.05 Business impact of HIV/AIDS .....	6.5	10
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	3.5	20
4.08 Life expectancy, years* .....	81.8	11
4.09 Quality of primary education .....	3.9	71
4.10 Primary education enrollment, net %* .....	97.1	45
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	102.1	28
5.02 Tertiary education enrollment, gross %* .....	62.5	32
5.03 Quality of the educational system .....	4.0	56
5.04 Quality of math and science education .....	4.0	78
5.05 Quality of management schools .....	4.7	42
5.06 Internet access in schools .....	5.1	39
5.07 Availability of research and training services .....	4.8	34
5.08 Extent of staff training .....	4.2	49
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	95
6.02 Extent of market dominance .....	2.6	141
6.03 Effectiveness of anti-monopoly policy .....	3.6	109
6.04 Effect of taxation on incentives to invest .....	4.0	50
6.05 Total tax rate, % profits* .....	30.5	39

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	21	91
6.08 Agricultural policy costs .....	4.0	59
6.09 Prevalence of trade barriers .....	4.2	90
6.10 Trade tariffs, % duty* .....	4.0	52
6.11 Prevalence of foreign ownership .....	5.0	52
6.12 Business impact of rules on FDI .....	5.1	26
6.13 Burden of customs procedures .....	4.4	50
6.14 Imports as a percentage of GDP* .....	40.1	88
6.15 Degree of customer orientation .....	4.2	104
6.16 Buyer sophistication .....	3.8	37
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4	58
7.02 Flexibility of wage determination .....	4.8	91
7.03 Hiring and firing practices .....	4.1	54
7.04 Redundancy costs, weeks of salary* .....	27.4	124
7.05 Effect of taxation on incentives to work .....	3.7	66
7.06 Pay and productivity .....	4.0	64
7.07 Reliance on professional management .....	4.5	50
7.08 Country capacity to retain talent .....	3.8	49
7.09 Country capacity to attract talent .....	3.5	67
7.10 Women in labor force, ratio to men* .....	0.89	33
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.0	42
8.02 Affordability of financial services .....	4.1	74
8.03 Financing through local equity market .....	3.7	50
8.04 Ease of access to loans .....	2.9	66
8.05 Venture capital availability .....	4.2	8
8.06 Soundness of banks .....	5.9	22
8.07 Regulation of securities exchanges .....	4.6	45
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.2	17
9.02 Firm-level technology absorption .....	6.1	5
9.03 FDI and technology transfer .....	5.3	14
9.04 Individuals using Internet, %* .....	73.4	31
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	22.2	32
9.06 Int'l Internet bandwidth, kb/s per user* .....	55.8	37
9.07 Mobile broadband subscriptions/100 pop.* .....	65.5	17
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.1	47
10.02 Foreign market size index, 1–7 (best)* .....	5.0	52
10.03 GDP (PPP\$ billions)* .....	248.7	50
10.04 Exports as a percentage of GDP* .....	38.5	78
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	49
11.02 Local supplier quality .....	4.8	47
11.03 State of cluster development .....	4.2	40
11.04 Nature of competitive advantage .....	6.0	6
11.05 Value chain breadth .....	4.5	26
11.06 Control of international distribution .....	4.6	29
11.07 Production process sophistication .....	5.5	15
11.08 Extent of marketing .....	5.2	26
11.09 Willingness to delegate authority .....	4.4	33
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.6	4
12.02 Quality of scientific research institutions .....	6.4	1
12.03 Company spending on R&D .....	5.4	6
12.04 University-industry collaboration in R&D .....	5.4	8
12.05 Gov't procurement of advanced tech products .....	4.5	9
12.06 Availability of scientists and engineers .....	5.3	8
12.07 PCT patents, applications/million pop.* .....	218.8	5

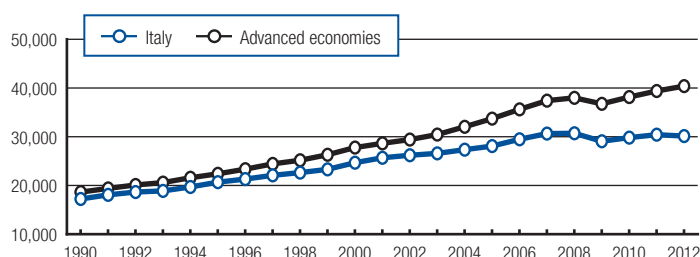
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Italy

## Key indicators, 2012

Population (millions).....	60.7
GDP (US\$ billions).....	2,014.1
GDP per capita (US\$).....	33,115
GDP (PPP) as share (%) of world total.....	2.21

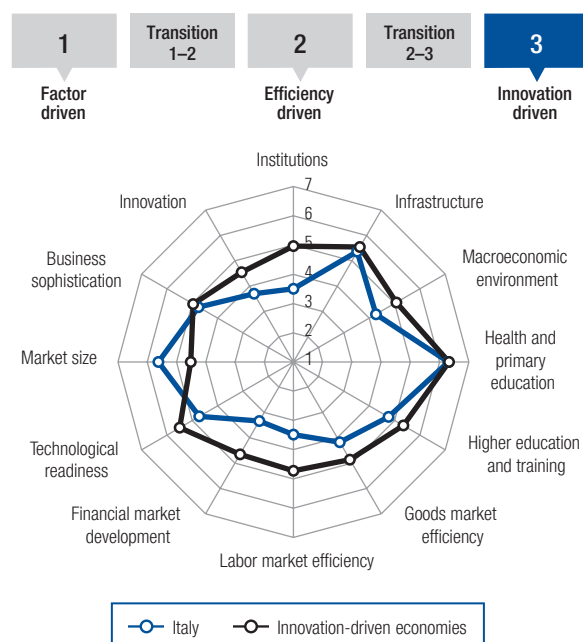
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

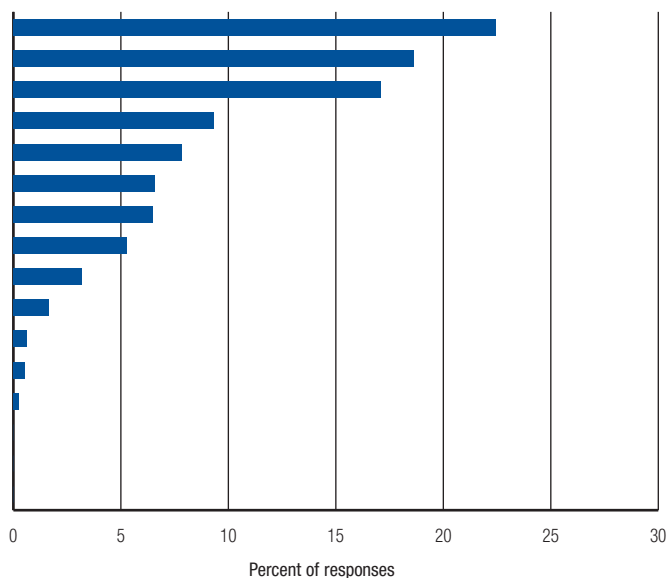
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>49</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	42	4.5
GCI 2011–2012 (out of 142).....	43	4.4
<b>Basic requirements (20.0%)</b> .....	<b>50</b>	<b>4.8</b>
Institutions.....	102	3.5
Infrastructure.....	25	5.4
Macroeconomic environment.....	101	4.3
Health and primary education.....	26	6.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>48</b>	<b>4.3</b>
Higher education and training.....	42	4.8
Goods market efficiency.....	87	4.2
Labor market efficiency.....	137	3.5
Financial market development.....	124	3.3
Technological readiness.....	37	4.7
Market size.....	10	5.6
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>30</b>	<b>4.2</b>
Business sophistication.....	27	4.7
Innovation.....	38	3.7

### Stage of development



## The most problematic factors for doing business

Tax rates.....	22.5
Access to financing.....	18.6
Inefficient government bureaucracy.....	17.1
Restrictive labor regulations.....	9.3
Tax regulations.....	7.9
Policy instability.....	6.6
Corruption.....	6.5
Inadequate supply of infrastructure.....	5.3
Insufficient capacity to innovate.....	3.2
Crime and theft.....	1.6
Inadequately educated workforce.....	0.6
Government instability/coups.....	0.5
Inflation.....	0.3
Foreign currency regulations.....	0.0
Poor public health.....	0.0
Poor work ethic in national labor force.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3	67
1.02 Intellectual property protection .....	3.7	67
1.03 Diversion of public funds .....	2.8	93
1.04 Public trust in politicians .....	1.8	140
1.05 Irregular payments and bribes .....	3.8	74
1.06 Judicial independence .....	3.7	70
1.07 Favoritism in decisions of government officials .....	2.4	126
1.08 Wastefulness of government spending .....	2.0	139
1.09 Burden of government regulation .....	2.2	146
1.10 Efficiency of legal framework in settling disputes .....	2.3	145
1.11 Efficiency of legal framework in challenging regs. ....	2.5	134
1.12 Transparency of government policymaking .....	3.0	140
1.13 Business costs of terrorism .....	5.7	64
1.14 Business costs of crime and violence .....	4.5	81
1.15 Organized crime .....	3.6	134
1.16 Reliability of police services .....	5.0	38
1.17 Ethical behavior of firms .....	3.6	103
1.18 Strength of auditing and reporting standards .....	4.0	110
1.19 Efficacy of corporate boards .....	3.8	137
1.20 Protection of minority shareholders' interests .....	3.3	133
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.8	53
2.02 Quality of roads .....	4.4	55
2.03 Quality of railroad infrastructure .....	4.2	29
2.04 Quality of port infrastructure .....	4.3	67
2.05 Quality of air transport infrastructure .....	4.4	73
2.06 Available airline seat km/week, millions* .....	2,261.7	18
2.07 Quality of electricity supply .....	5.8	36
2.08 Mobile telephone subscriptions/100 pop.* .....	159.5	14
2.09 Fixed telephone lines/100 pop.* .....	35.5	31
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.0	80
3.02 Gross national savings, % GDP* .....	17.1	85
3.03 Inflation, annual % change* .....	3.3	60
3.04 General government debt, % GDP* .....	127.0	144
3.05 Country credit rating, 0–100 (best)* .....	64.5	40
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	25
4.04 Tuberculosis cases/100,000 pop.* .....	2.8	4
4.05 Business impact of HIV/AIDS .....	6.0	39
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	3.2	14
4.08 Life expectancy, years* .....	82.1	6
4.09 Quality of primary education .....	4.7	40
4.10 Primary education enrollment, net %* .....	97.4	40
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	100.4	38
5.02 Tertiary education enrollment, gross %* .....	65.0	28
5.03 Quality of the educational system .....	3.6	72
5.04 Quality of math and science education .....	4.3	61
5.05 Quality of management schools .....	5.0	31
5.06 Internet access in schools .....	3.7	96
5.07 Availability of research and training services .....	4.8	32
5.08 Extent of staff training .....	3.2	130
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	73
6.02 Extent of market dominance .....	5.0	15
6.03 Effectiveness of anti-monopoly policy .....	3.7	103
6.04 Effect of taxation on incentives to invest .....	2.1	146
6.05 Total tax rate, % profits* .....	68.3	138

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	6	16
6.08 Agricultural policy costs .....	3.5	112
6.09 Prevalence of trade barriers .....	4.3	67
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	3.5	130
6.12 Business impact of rules on FDI .....	3.2	139
6.13 Burden of customs procedures .....	4.1	67
6.14 Imports as a percentage of GDP* .....	29.3	125
6.15 Degree of customer orientation .....	4.9	48
6.16 Buyer sophistication .....	3.9	35
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.4	136
7.02 Flexibility of wage determination .....	3.1	142
7.03 Hiring and firing practices .....	2.6	143
7.04 Redundancy costs, weeks of salary* .....	7.2	19
7.05 Effect of taxation on incentives to work .....	2.0	148
7.06 Pay and productivity .....	2.8	143
7.07 Reliance on professional management .....	3.5	121
7.08 Country capacity to retain talent .....	2.7	117
7.09 Country capacity to attract talent .....	2.4	126
7.10 Women in labor force, ratio to men* .....	0.69	99
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.5	71
8.02 Affordability of financial services .....	3.6	113
8.03 Financing through local equity market .....	3.1	88
8.04 Ease of access to loans .....	1.6	145
8.05 Venture capital availability .....	1.8	138
8.06 Soundness of banks .....	4.7	88
8.07 Regulation of securities exchanges .....	3.7	96
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0	69
9.02 Firm-level technology absorption .....	4.2	112
9.03 FDI and technology transfer .....	3.7	127
9.04 Individuals using Internet, %* .....	58.0	51
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	22.1	33
9.06 Int'l Internet bandwidth, kb/s per user* .....	76.2	27
9.07 Mobile broadband subscriptions/100 pop.* .....	51.8	28
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.5	10
10.02 Foreign market size index, 1–7 (best)* .....	6.0	15
10.03 GDP (PPP\$ billions)* .....	1,832.9	10
10.04 Exports as a percentage of GDP* .....	30.0	98
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.4	14
11.02 Local supplier quality .....	5.1	27
11.03 State of cluster development .....	5.5	2
11.04 Nature of competitive advantage .....	5.8	11
11.05 Value chain breadth .....	4.9	20
11.06 Control of international distribution .....	4.4	39
11.07 Production process sophistication .....	4.9	27
11.08 Extent of marketing .....	4.3	60
11.09 Willingness to delegate authority .....	3.1	129
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.2	31
12.02 Quality of scientific research institutions .....	4.4	40
12.03 Company spending on R&D .....	3.6	38
12.04 University-industry collaboration in R&D .....	3.7	59
12.05 Gov't procurement of advanced tech products .....	2.7	129
12.06 Availability of scientists and engineers .....	4.7	29
12.07 PCT patents, applications/million pop.* .....	51.6	24

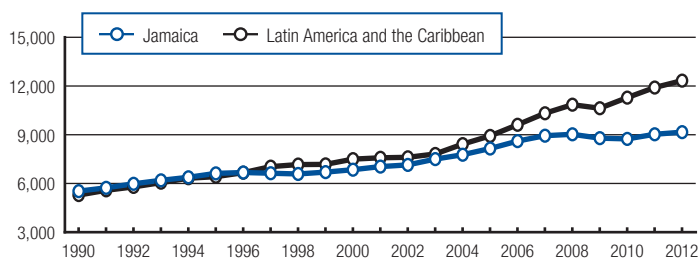
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Jamaica

## Key indicators, 2012

Population (millions).....	2.7
GDP (US\$ billions).....	15.2
GDP per capita (US\$).....	5,541
GDP (PPP) as share (%) of world total.....	0.03

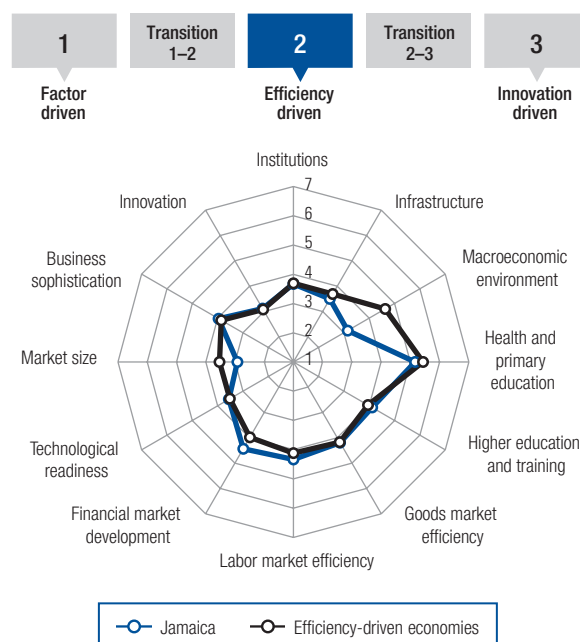
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

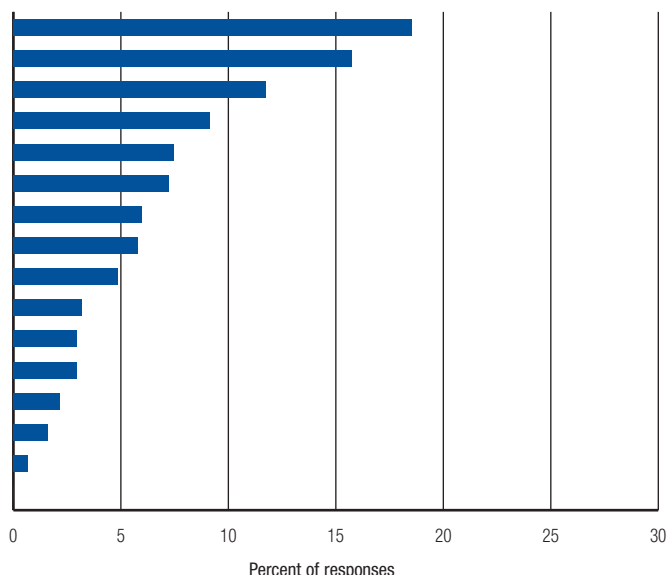
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>94</b>	<b>3.9</b>
GCI 2012–2013 (out of 144).....	97	3.8
GCI 2011–2012 (out of 142).....	107	3.8
<b>Basic requirements (40.0%)</b> .....	<b>111</b>	<b>3.9</b>
Institutions.....	85	3.7
Infrastructure.....	93	3.5
Macroeconomic environment.....	141	3.1
Health and primary education.....	106	5.2
<b>Efficiency enhancers (50.0%)</b> .....	<b>79</b>	<b>3.9</b>
Higher education and training.....	80	4.1
Goods market efficiency.....	84	4.2
Labor market efficiency.....	66	4.3
Financial market development.....	47	4.4
Technological readiness.....	79	3.5
Market size.....	108	2.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>75</b>	<b>3.5</b>
Business sophistication.....	72	4.0
Innovation.....	83	3.1

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	18.6
Crime and theft.....	15.7
Corruption.....	11.8
Tax rates.....	9.2
Access to financing.....	7.5
Tax regulations.....	7.2
Poor work ethic in national labor force.....	6.0
Inflation.....	5.8
Inadequately educated workforce.....	4.9
Inadequate supply of infrastructure.....	3.2
Insufficient capacity to innovate.....	2.9
Policy instability.....	2.9
Foreign currency regulations.....	2.1
Restrictive labor regulations.....	1.6
Government instability/coups.....	0.7
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## Jamaica

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3	64
1.02 Intellectual property protection .....	3.5	83
1.03 Diversion of public funds .....	3.0	88
1.04 Public trust in politicians .....	2.2	113
1.05 Irregular payments and bribes .....	3.7	79
1.06 Judicial independence .....	4.4	49
1.07 Favoritism in decisions of government officials .....	2.6	107
1.08 Wastefulness of government spending .....	2.5	117
1.09 Burden of government regulation .....	2.8	126
1.10 Efficiency of legal framework in settling disputes .....	3.4	94
1.11 Efficiency of legal framework in challenging regs. ....	3.4	77
1.12 Transparency of government policymaking .....	3.8	99
1.13 Business costs of terrorism .....	6.0	44
1.14 Business costs of crime and violence .....	2.3	144
1.15 Organized crime .....	3.1	140
1.16 Reliability of police services .....	3.7	105
1.17 Ethical behavior of firms .....	3.7	97
1.18 Strength of auditing and reporting standards .....	5.3	34
1.19 Efficacy of corporate boards .....	4.6	61
1.20 Protection of minority shareholders' interests .....	4.4	51
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.2	77
2.02 Quality of roads .....	3.6	86
2.03 Quality of railroad infrastructure .....	1.3	116
2.04 Quality of port infrastructure .....	5.1	39
2.05 Quality of air transport infrastructure .....	5.2	45
2.06 Available airline seat km/week, millions* .....	139.1	74
2.07 Quality of electricity supply .....	4.4	86
2.08 Mobile telephone subscriptions/100 pop.* .....	96.5	98
2.09 Fixed telephone lines/100 pop.* .....	9.6	95
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.0	96
3.02 Gross national savings, % GDP* .....	14.3	102
3.03 Inflation, annual % change* .....	7.3	114
3.04 General government debt, % GDP* .....	146.6	146
3.05 Country credit rating, 0–100 (best)* .....	27.9	113
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.9	56
4.04 Tuberculosis cases/100,000 pop.* .....	6.6	21
4.05 Business impact of HIV/AIDS .....	4.7	102
4.06 HIV prevalence, % adult pop.* .....	1.80	126
4.07 Infant mortality, deaths/1,000 live births* .....	15.7	79
4.08 Life expectancy, years* .....	73.1	86
4.09 Quality of primary education .....	3.4	95
4.10 Primary education enrollment, net %* .....	82.0	128
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	92.7	57
5.02 Tertiary education enrollment, gross %* .....	26.0	84
5.03 Quality of the educational system .....	3.7	66
5.04 Quality of math and science education .....	3.2	115
5.05 Quality of management schools .....	4.3	69
5.06 Internet access in schools .....	4.1	75
5.07 Availability of research and training services .....	4.1	80
5.08 Extent of staff training .....	4.1	62
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	55
6.02 Extent of market dominance .....	3.9	56
6.03 Effectiveness of anti-monopoly policy .....	4.2	57
6.04 Effect of taxation on incentives to invest .....	3.1	121
6.05 Total tax rate, % profits* .....	45.6	104

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	7	25
6.08 Agricultural policy costs .....	3.8	72
6.09 Prevalence of trade barriers .....	4.8	22
6.10 Trade tariffs, % duty* .....	7.8	90
6.11 Prevalence of foreign ownership .....	5.1	47
6.12 Business impact of rules on FDI .....	4.4	84
6.13 Burden of customs procedures .....	3.4	105
6.14 Imports as a percentage of GDP* .....	56.5	48
6.15 Degree of customer orientation .....	3.9	126
6.16 Buyer sophistication .....	3.3	78
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	92
7.02 Flexibility of wage determination .....	5.2	59
7.03 Hiring and firing practices .....	4.4	30
7.04 Redundancy costs, weeks of salary* .....	14.0	67
7.05 Effect of taxation on incentives to work .....	3.0	118
7.06 Pay and productivity .....	3.6	95
7.07 Reliance on professional management .....	4.5	52
7.08 Country capacity to retain talent .....	3.0	100
7.09 Country capacity to attract talent .....	3.0	99
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 .....	4.8	54
8.02 Affordability of financial services .....	4.1	75
8.03 Financing through local equity market .....	4.3	31
8.04 Ease of access to loans .....	1.9	128
8.05 Venture capital availability .....	1.9	130
8.06 Soundness of banks .....	5.5	50
8.07 Regulation of securities exchanges .....	5.1	28
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.5	42
9.02 Firm-level technology absorption .....	4.8	65
9.03 FDI and technology transfer .....	4.5	83
9.04 Individuals using Internet, %* .....	46.5	70
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	4.3	84
9.06 Int'l Internet bandwidth, kb/s per user* .....	20.2	69
9.07 Mobile broadband subscriptions/100 pop.* .....	1.6	114
<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)* .....	3.4	117
10.03 GDP (PPP\$ billions)* .....	25.2	110
10.04 Exports as a percentage of GDP* .....	27.8	106
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	99
11.02 Local supplier quality .....	4.4	78
11.03 State of cluster development .....	4.0	57
11.04 Nature of competitive advantage .....	3.9	46
11.05 Value chain breadth .....	3.5	92
11.06 Control of international distribution .....	3.8	90
11.07 Production process sophistication .....	3.6	83
11.08 Extent of marketing .....	4.2	66
11.09 Willingness to delegate authority .....	3.5	93
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.6	60
12.02 Quality of scientific research institutions .....	4.1	48
12.03 Company spending on R&D .....	2.9	87
12.04 University-industry collaboration in R&D .....	3.6	68
12.05 Gov't procurement of advanced tech products .....	2.7	128
12.06 Availability of scientists and engineers .....	3.6	103
12.07 PCT patents, applications/million pop.* .....	0.6	76

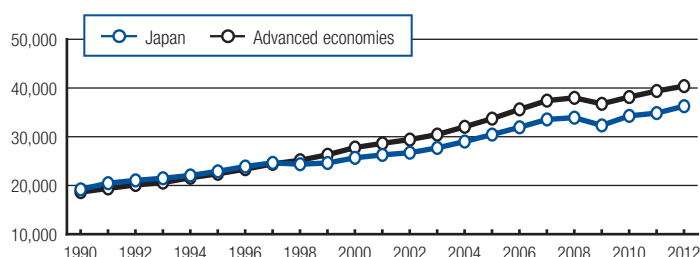
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Japan

## Key indicators, 2012

Population (millions).....	127.8
GDP (US\$ billions).....	5,964.0
GDP per capita (US\$).....	46,736
GDP (PPP) as share (%) of world total.....	5.57

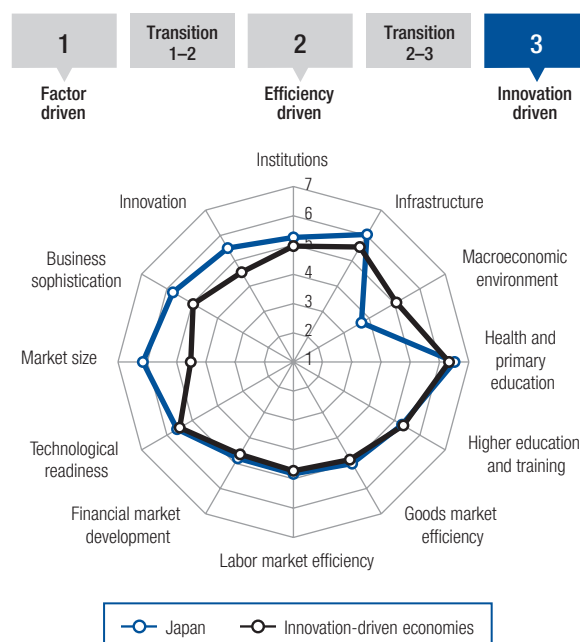
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

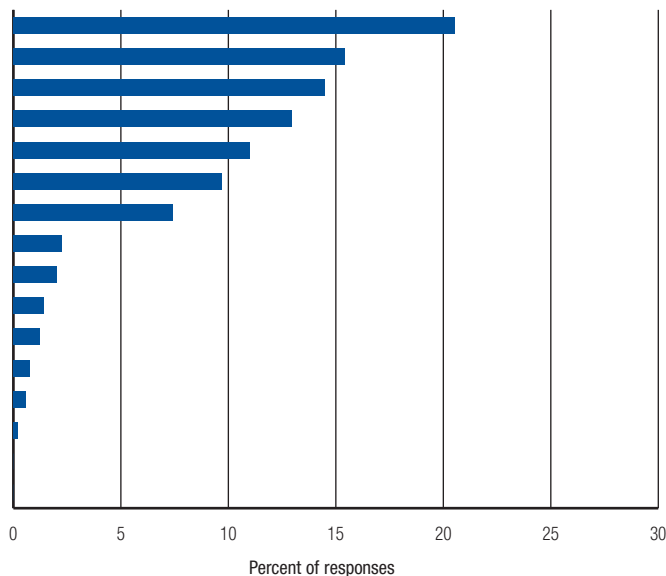
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>9</b>	<b>5.4</b>
GCI 2012–2013 (out of 144).....	10	5.4
GCI 2011–2012 (out of 142).....	9	5.4
<b>Basic requirements (20.0%)</b> .....	<b>28</b>	<b>5.4</b>
Institutions.....	17	5.3
Infrastructure.....	9	6.0
Macroeconomic environment.....	127	3.7
Health and primary education.....	10	6.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>10</b>	<b>5.3</b>
Higher education and training.....	21	5.3
Goods market efficiency.....	16	5.0
Labor market efficiency.....	23	4.8
Financial market development.....	23	4.8
Technological readiness.....	19	5.6
Market size.....	4	6.1
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>3</b>	<b>5.6</b>
Business sophistication.....	1	5.8
Innovation.....	5	5.5

### Stage of development



## The most problematic factors for doing business

Tax rates.....	20.5
Restrictive labor regulations.....	15.4
Inefficient government bureaucracy.....	14.5
Policy instability.....	12.9
Insufficient capacity to innovate.....	11.0
Government instability/coups.....	9.7
Tax regulations.....	7.4
Inadequately educated workforce.....	2.3
Access to financing.....	2.0
Inflation.....	1.4
Inadequate supply of infrastructure.....	1.2
Foreign currency regulations.....	0.8
Poor work ethic in national labor force.....	0.6
Corruption.....	0.2
Crime and theft.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Japan

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.8	16
1.02 Intellectual property protection .....	5.7	11
1.03 Diversion of public funds .....	5.4	17
1.04 Public trust in politicians .....	3.8	33
1.05 Irregular payments and bribes .....	6.1	12
1.06 Judicial independence .....	6.0	14
1.07 Favoritism in decisions of government officials .....	4.8	10
1.08 Wastefulness of government spending .....	3.5	52
1.09 Burden of government regulation .....	3.4	81
1.10 Efficiency of legal framework in settling disputes .....	4.7	28
1.11 Efficiency of legal framework in challenging regs. ....	4.1	35
1.12 Transparency of government policymaking .....	5.2	14
1.13 Business costs of terrorism .....	5.2	91
1.14 Business costs of crime and violence .....	5.2	43
1.15 Organized crime .....	5.2	62
1.16 Reliability of police services .....	5.8	23
1.17 Ethical behavior of firms .....	5.8	11
1.18 Strength of auditing and reporting standards .....	5.5	25
1.19 Efficacy of corporate boards .....	5.3	19
1.20 Protection of minority shareholders' interests .....	5.1	20
1.21 Strength of investor protection, 0–10 (best)* .....	7.0	19
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.0	14
2.02 Quality of roads .....	6.0	12
2.03 Quality of railroad infrastructure .....	6.7	1
2.04 Quality of port infrastructure .....	5.2	30
2.05 Quality of air transport infrastructure .....	5.4	37
2.06 Available airline seat km/week, millions* .....	5,425.2	4
2.07 Quality of electricity supply .....	6.0	34
2.08 Mobile telephone subscriptions/100 pop.* .....	109.4	73
2.09 Fixed telephone lines/100 pop.* .....	50.8	13
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-10.2	144
3.02 Gross national savings, % GDP* .....	21.6	64
3.03 Inflation, annual % change* .....	0.0	64
3.04 General government debt, % GDP* .....	237.9	148
3.05 Country credit rating, 0–100 (best)* .....	82.2	18
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.9	52
4.04 Tuberculosis cases/100,000 pop.* .....	20.0	45
4.05 Business impact of HIV/AIDS .....	5.8	53
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	2.4	8
4.08 Life expectancy, years* .....	82.6	3
4.09 Quality of primary education .....	5.1	21
4.10 Primary education enrollment, net %* .....	100.0	2
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	102.2	27
5.02 Tertiary education enrollment, gross %* .....	59.7	37
5.03 Quality of the educational system .....	4.1	50
5.04 Quality of math and science education .....	4.7	34
5.05 Quality of management schools .....	4.0	86
5.06 Internet access in schools .....	5.2	37
5.07 Availability of research and training services .....	5.5	12
5.08 Extent of staff training .....	5.3	4
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	6.2	1
6.02 Extent of market dominance .....	5.6	3
6.03 Effectiveness of anti-monopoly policy .....	5.2	11
6.04 Effect of taxation on incentives to invest .....	3.6	86
6.05 Total tax rate, % profits* .....	50.0	114

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	23	95
6.08 Agricultural policy costs .....	2.7	145
6.09 Prevalence of trade barriers .....	4.0	111
6.10 Trade tariffs, % duty* .....	3.0	42
6.11 Prevalence of foreign ownership .....	5.0	51
6.12 Business impact of rules on FDI .....	4.8	48
6.13 Burden of customs procedures .....	5.0	25
6.14 Imports as a percentage of GDP* .....	17.8	145
6.15 Degree of customer orientation .....	6.3	1
6.16 Buyer sophistication .....	5.3	1
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.6	9
7.02 Flexibility of wage determination .....	5.8	11
7.03 Hiring and firing practices .....	2.9	134
7.04 Redundancy costs, weeks of salary* .....	4.3	9
7.05 Effect of taxation on incentives to work .....	3.6	76
7.06 Pay and productivity .....	4.7	13
7.07 Reliance on professional management .....	5.5	17
7.08 Country capacity to retain talent .....	4.3	29
7.09 Country capacity to attract talent .....	3.3	80
7.10 Women in labor force, ratio to men* .....	0.74	90
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.3	31
8.02 Affordability of financial services .....	5.2	25
8.03 Financing through local equity market .....	4.7	16
8.04 Ease of access to loans .....	3.4	33
8.05 Venture capital availability .....	3.1	39
8.06 Soundness of banks .....	5.6	43
8.07 Regulation of securities exchanges .....	5.0	29
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.3	14
9.02 Firm-level technology absorption .....	6.1	6
9.03 FDI and technology transfer .....	4.8	55
9.04 Individuals using Internet, %* .....	79.1	24
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	27.9	18
9.06 Int'l Internet bandwidth, kb/s per user* .....	33.0	51
9.07 Mobile broadband subscriptions/100 pop.* .....	113.1	2
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	6.2	4
10.02 Foreign market size index, 1–7 (best)* .....	6.1	8
10.03 GDP (PPP\$ billions)* .....	4,627.9	4
10.04 Exports as a percentage of GDP* .....	15.7	140
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	6.2	1
11.02 Local supplier quality .....	6.1	2
11.03 State of cluster development .....	5.2	7
11.04 Nature of competitive advantage .....	6.3	2
11.05 Value chain breadth .....	6.0	2
11.06 Control of international distribution .....	5.6	2
11.07 Production process sophistication .....	6.5	1
11.08 Extent of marketing .....	5.6	9
11.09 Willingness to delegate authority .....	4.5	30
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.6	6
12.02 Quality of scientific research institutions .....	5.7	9
12.03 Company spending on R&D .....	5.7	2
12.04 University-industry collaboration in R&D .....	5.0	17
12.05 Gov't procurement of advanced tech products .....	3.9	37
12.06 Availability of scientists and engineers .....	5.5	4
12.07 PCT patents, applications/million pop.* .....	258.4	4

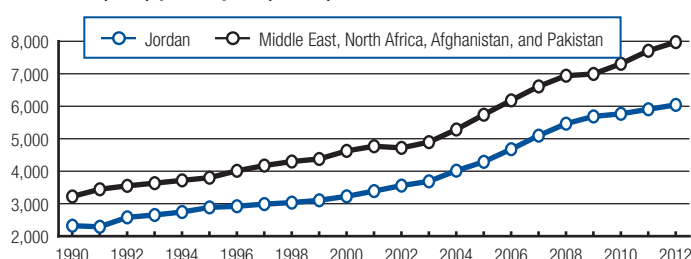
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Jordan

## Key indicators, 2012

Population (millions).....	6.2
GDP (US\$ billions).....	31.2
GDP per capita (US\$).....	4,879
GDP (PPP) as share (%) of world total.....	0.05

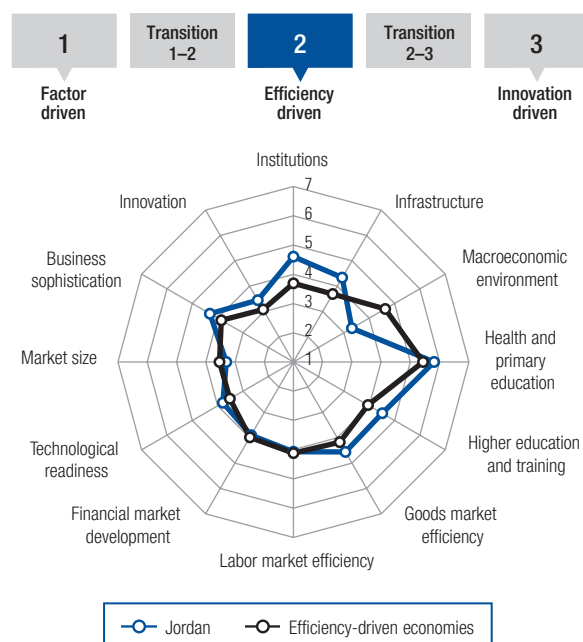
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

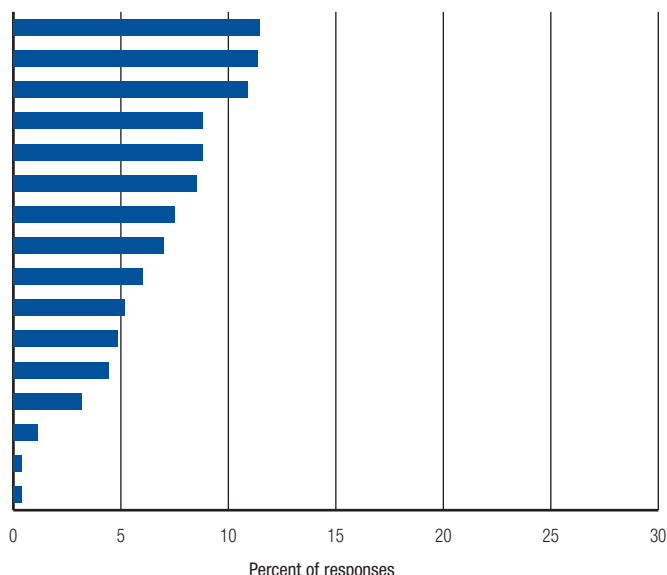
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>68</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	64	4.2
GCI 2011–2012 (out of 142).....	71	4.2
<b>Basic requirements (40.0%)</b> .....	<b>76</b>	<b>4.5</b>
Institutions.....	38	4.6
Infrastructure.....	54	4.3
Macroeconomic environment.....	138	3.3
Health and primary education.....	65	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>70</b>	<b>4.0</b>
Higher education and training.....	56	4.5
Goods market efficiency.....	39	4.5
Labor market efficiency.....	101	4.1
Financial market development.....	79	3.9
Technological readiness.....	70	3.8
Market size.....	87	3.3
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>51</b>	<b>3.9</b>
Business sophistication.....	47	4.3
Innovation.....	53	3.4

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	11.5
Tax rates.....	11.4
Access to financing.....	10.9
Inefficient government bureaucracy.....	8.8
Policy instability.....	8.8
Inadequately educated workforce.....	8.5
Inflation.....	7.5
Tax regulations.....	7.0
Corruption.....	6.0
Poor work ethic in national labor force.....	5.2
Inadequate supply of infrastructure.....	4.9
Insufficient capacity to innovate.....	4.4
Government instability/coups.....	3.2
Crime and theft.....	1.1
Foreign currency regulations.....	0.4
Poor public health.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Jordan

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.3	28
1.02 Intellectual property protection .....	4.6	36
1.03 Diversion of public funds .....	3.9	49
1.04 Public trust in politicians .....	3.5	41
1.05 Irregular payments and bribes .....	4.9	39
1.06 Judicial independence .....	4.4	48
1.07 Favoritism in decisions of government officials .....	3.8	36
1.08 Wastefulness of government spending .....	3.8	35
1.09 Burden of government regulation .....	3.8	36
1.10 Efficiency of legal framework in settling disputes .....	4.3	38
1.11 Efficiency of legal framework in challenging regs. ....	4.4	27
1.12 Transparency of government policymaking .....	4.5	40
1.13 Business costs of terrorism .....	5.8	56
1.14 Business costs of crime and violence .....	5.9	16
1.15 Organized crime .....	6.3	13
1.16 Reliability of police services .....	5.5	28
1.17 Ethical behavior of firms .....	4.4	43
1.18 Strength of auditing and reporting standards .....	4.9	55
1.19 Efficacy of corporate boards .....	4.2	104
1.20 Protection of minority shareholders' interests .....	4.8	28
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.1	38
2.02 Quality of roads .....	4.8	46
2.03 Quality of railroad infrastructure .....	2.0	90
2.04 Quality of port infrastructure .....	4.5	58
2.05 Quality of air transport infrastructure .....	5.5	36
2.06 Available airline seat km/week, millions* .....	181.6	66
2.07 Quality of electricity supply .....	5.8	38
2.08 Mobile telephone subscriptions/100 pop.* .....	139.1	29
2.09 Fixed telephone lines/100 pop.* .....	6.7	104
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-8.2	139
3.02 Gross national savings, % GDP* .....	7.4	137
3.03 Inflation, annual % change* .....	4.8	88
3.04 General government debt, % GDP* .....	79.6	127
3.05 Country credit rating, 0–100 (best)* .....	44.0	73
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	19
4.04 Tuberculosis cases/100,000 pop.* .....	6.0	16
4.05 Business impact of HIV/AIDS .....	6.5	9
4.06 HIV prevalence, % adult pop.* .....	0.02	1
4.07 Infant mortality, deaths/1,000 live births* .....	18.0	83
4.08 Life expectancy, years* .....	73.4	79
4.09 Quality of primary education .....	4.6	44
4.10 Primary education enrollment, net %* .....	90.7	96
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	86.9	79
5.02 Tertiary education enrollment, gross %* .....	37.8	70
5.03 Quality of the educational system .....	4.6	27
5.04 Quality of math and science education .....	4.8	30
5.05 Quality of management schools .....	4.6	47
5.06 Internet access in schools .....	5.0	44
5.07 Availability of research and training services .....	4.6	43
5.08 Extent of staff training .....	3.9	83
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	44
6.02 Extent of market dominance .....	4.2	40
6.03 Effectiveness of anti-monopoly policy .....	4.5	45
6.04 Effect of taxation on incentives to invest .....	3.4	102
6.05 Total tax rate, % profits* .....	28.1	30

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	12	57
6.08 Agricultural policy costs .....	3.8	74
6.09 Prevalence of trade barriers .....	4.4	55
6.10 Trade tariffs, % duty* .....	10.1	108
6.11 Prevalence of foreign ownership .....	4.6	80
6.12 Business impact of rules on FDI .....	4.6	72
6.13 Burden of customs procedures .....	4.6	46
6.14 Imports as a percentage of GDP* .....	80.9	24
6.15 Degree of customer orientation .....	4.9	42
6.16 Buyer sophistication .....	3.3	79
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.6	47
7.02 Flexibility of wage determination .....	5.2	64
7.03 Hiring and firing practices .....	4.0	72
7.04 Redundancy costs, weeks of salary* .....	4.3	14
7.05 Effect of taxation on incentives to work .....	3.4	98
7.06 Pay and productivity .....	4.1	55
7.07 Reliance on professional management .....	4.0	86
7.08 Country capacity to retain talent .....	3.7	53
7.09 Country capacity to attract talent .....	3.7	57
7.10 Women in labor force, ratio to men* .....	0.24	146
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.6	68
8.02 Affordability of financial services .....	4.4	49
8.03 Financing through local equity market .....	3.9	43
8.04 Ease of access to loans .....	3.3	34
8.05 Venture capital availability .....	3.0	45
8.06 Soundness of banks .....	5.2	59
8.07 Regulation of securities exchanges .....	4.4	58
8.08 Legal rights index, 0–10 (best)* .....	2	141
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.7	36
9.02 Firm-level technology absorption .....	5.6	27
9.03 FDI and technology transfer .....	5.1	28
9.04 Individuals using Internet, %* .....	41.0	81
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	3.0	91
9.06 Int'l Internet bandwidth, kb/s per user* .....	5.7	110
9.07 Mobile broadband subscriptions/100 pop.* .....	10.7	83
<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)* .....	3.9	96
10.03 GDP (PPP\$ billions)* .....	38.7	95
10.04 Exports as a percentage of GDP* .....	42.6	66
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	52
11.02 Local supplier quality .....	4.4	74
11.03 State of cluster development .....	4.5	27
11.04 Nature of competitive advantage .....	4.3	32
11.05 Value chain breadth .....	3.9	51
11.06 Control of international distribution .....	4.3	46
11.07 Production process sophistication .....	4.1	56
11.08 Extent of marketing .....	4.3	62
11.09 Willingness to delegate authority .....	4.2	35
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	69
12.02 Quality of scientific research institutions .....	3.8	62
12.03 Company spending on R&D .....	2.9	90
12.04 University-industry collaboration in R&D .....	3.4	85
12.05 Gov't procurement of advanced tech products .....	3.7	51
12.06 Availability of scientists and engineers .....	5.3	7
12.07 PCT patents, applications/million pop.* .....	0.2	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 97.

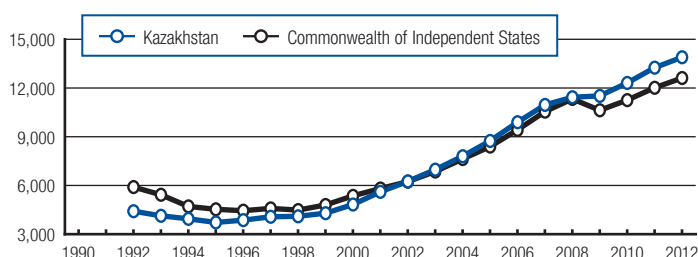


# Kazakhstan

## Key indicators, 2012

Population (millions).....	16.6
GDP (US\$ billions).....	196.4
GDP per capita (US\$).....	11,773
GDP (PPP) as share (%) of world total.....	0.28

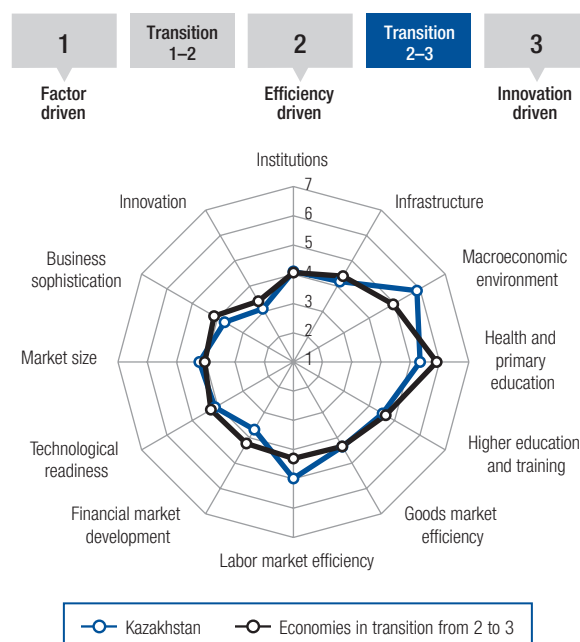
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

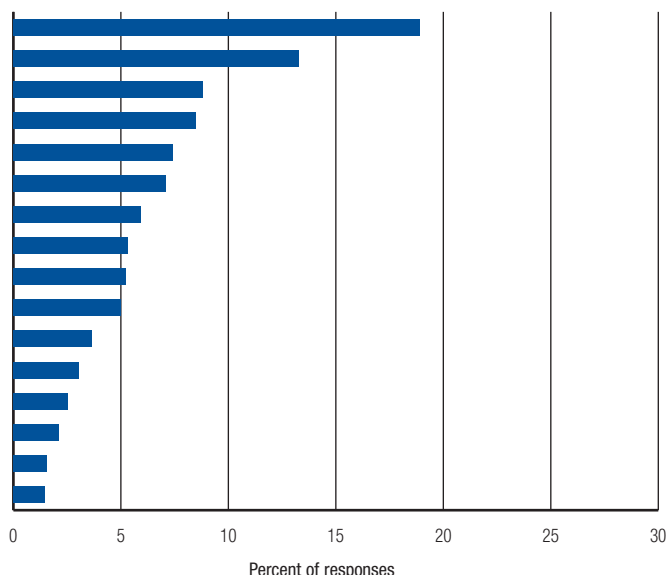
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>50</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	51	4.4
GCI 2011–2012 (out of 142).....	72	4.2
<b>Basic requirements (37.8%)</b> .....	<b>48</b>	<b>4.9</b>
Institutions.....	55	4.1
Infrastructure.....	62	4.2
Macroeconomic environment.....	23	5.9
Health and primary education.....	97	5.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>53</b>	<b>4.3</b>
Higher education and training.....	54	4.5
Goods market efficiency.....	56	4.3
Labor market efficiency.....	15	5.0
Financial market development.....	103	3.7
Technological readiness.....	57	4.1
Market size.....	54	4.2
<b>Innovation and sophistication factors (12.2%)</b> .....	<b>87</b>	<b>3.4</b>
Business sophistication.....	94	3.7
Innovation.....	84	3.1

## Stage of development



## The most problematic factors for doing business

Corruption.....	18.9
Inadequately educated workforce.....	13.3
Inefficient government bureaucracy.....	8.8
Access to financing.....	8.5
Tax regulations.....	7.4
Tax rates.....	7.1
Poor work ethic in national labor force.....	5.9
Inadequate supply of infrastructure.....	5.3
Inflation.....	5.2
Insufficient capacity to innovate.....	5.0
Restrictive labor regulations.....	3.7
Crime and theft.....	3.1
Poor public health.....	2.5
Foreign currency regulations.....	2.1
Policy instability.....	1.6
Government instability/coups.....	1.5



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Kazakhstan

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3 .....	68
1.02 Intellectual property protection .....	3.6 .....	73
1.03 Diversion of public funds .....	3.3 .....	65
1.04 Public trust in politicians .....	3.8 .....	<b>35</b>
1.05 Irregular payments and bribes .....	4.1 .....	65
1.06 Judicial independence .....	3.4 .....	88
1.07 Favoritism in decisions of government officials .....	3.0 .....	77
1.08 Wastefulness of government spending .....	3.8 .....	<b>31</b>
1.09 Burden of government regulation .....	3.7 .....	54
1.10 Efficiency of legal framework in settling disputes .....	3.9 .....	53
1.11 Efficiency of legal framework in challenging regs. ....	3.6 .....	61
1.12 Transparency of government policymaking .....	4.7 .....	<b>29</b>
1.13 Business costs of terrorism .....	5.5 .....	69
1.14 Business costs of crime and violence .....	5.2 .....	<b>44</b>
1.15 Organized crime .....	5.2 .....	67
1.16 Reliability of police services .....	3.9 .....	88
1.17 Ethical behavior of firms .....	4.1 .....	56
1.18 Strength of auditing and reporting standards .....	4.6 .....	76
1.19 Efficacy of corporate boards .....	4.8 .....	53
1.20 Protection of minority shareholders' interests .....	4.1 .....	74
1.21 Strength of investor protection, 0–10 (best)* .....	8.0 .....	<b>10</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.5 .....	64
2.02 Quality of roads .....	2.8 .....	117
2.03 Quality of railroad infrastructure .....	4.4 .....	<b>27</b>
2.04 Quality of port infrastructure .....	4.7 .....	135
2.05 Quality of air transport infrastructure .....	4.1 .....	89
2.06 Available airline seat km/week, millions* .....	234.1 .....	59
2.07 Quality of electricity supply .....	4.8 .....	78
2.08 Mobile telephone subscriptions/100 pop.* .....	175.4 .....	<b>10</b>
2.09 Fixed telephone lines/100 pop.* .....	26.5 .....	<b>45</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	4.7 .....	<b>13</b>
3.02 Gross national savings, % GDP* .....	27.3 .....	<b>36</b>
3.03 Inflation, annual % change* .....	5.1 .....	93
3.04 General government debt, % GDP* .....	12.3 .....	<b>14</b>
3.05 Country credit rating, 0–100 (best)* .....	57.0 .....	53
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl. ....	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	<b>1</b>
4.03 Business impact of tuberculosis .....	4.4 .....	111
4.04 Tuberculosis cases/100,000 pop.* .....	129.0 .....	105
4.05 Business impact of HIV/AIDS .....	5.4 .....	76
4.06 HIV prevalence, % adult pop.* .....	0.20 .....	<b>45</b>
4.07 Infant mortality, deaths/1,000 live births* .....	25.0 .....	98
4.08 Life expectancy, years* .....	68.9 .....	103
4.09 Quality of primary education .....	3.9 .....	69
4.10 Primary education enrollment, net %* .....	86.5 .....	118
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	101.9 .....	<b>29</b>
5.02 Tertiary education enrollment, gross %* .....	43.2 .....	58
5.03 Quality of the educational system .....	3.4 .....	88
5.04 Quality of math and science education .....	4.1 .....	75
5.05 Quality of management schools .....	3.8 .....	96
5.06 Internet access in schools .....	4.7 .....	52
5.07 Availability of research and training services .....	4.3 .....	65
5.08 Extent of staff training .....	4.1 .....	56
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.3 .....	120
6.02 Extent of market dominance .....	3.7 .....	78
6.03 Effectiveness of anti-monopoly policy .....	3.8 .....	91
6.04 Effect of taxation on incentives to invest .....	3.9 .....	54
6.05 Total tax rate, % profits* .....	28.6 .....	<b>33</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6 .....	<b>47</b>
6.07 No. days to start a business* .....	19 .....	82
6.08 Agricultural policy costs .....	4.1 .....	<b>40</b>
6.09 Prevalence of trade barriers .....	4.5 .....	<b>48</b>
6.10 Trade tariffs, % duty* .....	9.5 .....	104
6.11 Prevalence of foreign ownership .....	4.0 .....	114
6.12 Business impact of rules on FDI .....	4.4 .....	91
6.13 Burden of customs procedures .....	4.0 .....	75
6.14 Imports as a percentage of GDP* .....	29.6 .....	124
6.15 Degree of customer orientation .....	4.5 .....	80
6.16 Buyer sophistication .....	4.1 .....	<b>29</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.7 .....	<b>40</b>
7.02 Flexibility of wage determination .....	5.6 .....	<b>24</b>
7.03 Hiring and firing practices .....	4.6 .....	<b>21</b>
7.04 Redundancy costs, weeks of salary* .....	8.7 .....	<b>27</b>
7.05 Effect of taxation on incentives to work .....	3.8 .....	56
7.06 Pay and productivity .....	4.9 .....	<b>9</b>
7.07 Reliance on professional management .....	4.3 .....	70
7.08 Country capacity to retain talent .....	3.3 .....	80
7.09 Country capacity to attract talent .....	3.9 .....	<b>41</b>
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 .....	4.6 .....	60
8.02 Affordability of financial services .....	4.3 .....	58
8.03 Financing through local equity market .....	2.9 .....	100
8.04 Ease of access to loans .....	2.9 .....	61
8.05 Venture capital availability .....	2.6 .....	72
8.06 Soundness of banks .....	4.4 .....	100
8.07 Regulation of securities exchanges .....	3.8 .....	90
8.08 Legal rights index, 0–10 (best)* .....	4 .....	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6 .....	88
9.02 Firm-level technology absorption .....	4.6 .....	78
9.03 FDI and technology transfer .....	4.4 .....	93
9.04 Individuals using Internet, %* .....	53.3 .....	61
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	9.7 .....	63
9.06 Int'l Internet bandwidth, kb/s per user* .....	31.8 .....	54
9.07 Mobile broadband subscriptions/100 pop.* .....	42.0 .....	<b>37</b>
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.9 .....	55
10.02 Foreign market size index, 1–7 (best)* .....	5.1 .....	<b>44</b>
10.03 GDP (PPP\$ billions)* .....	231.8 .....	52
10.04 Exports as a percentage of GDP* .....	49.4 .....	52
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.3 .....	105
11.02 Local supplier quality .....	4.0 .....	102
11.03 State of cluster development .....	3.1 .....	126
11.04 Nature of competitive advantage .....	2.9 .....	118
11.05 Value chain breadth .....	3.2 .....	109
11.06 Control of international distribution .....	3.8 .....	101
11.07 Production process sophistication .....	3.8 .....	63
11.08 Extent of marketing .....	4.1 .....	71
11.09 Willingness to delegate authority .....	3.9 .....	55
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5 .....	74
12.02 Quality of scientific research institutions .....	3.2 .....	102
12.03 Company spending on R&D .....	3.0 .....	77
12.04 University-industry collaboration in R&D .....	3.4 .....	79
12.05 Gov't procurement of advanced tech products .....	3.6 .....	58
12.06 Availability of scientists and engineers .....	3.6 .....	98
12.07 PCT patents, applications/million pop.* .....	1.2 .....	67

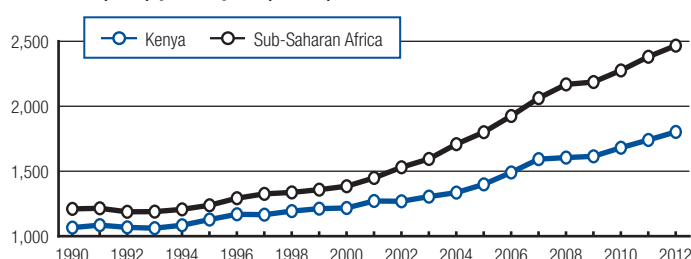
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Kenya

## Key indicators, 2012

Population (millions).....	41.6
GDP (US\$ billions).....	41.1
GDP per capita (US\$).....	977
GDP (PPP) as share (%) of world total.....	0.09

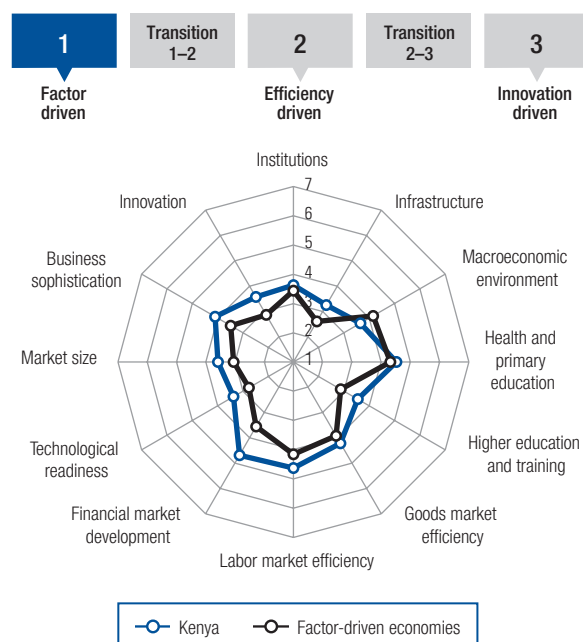
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

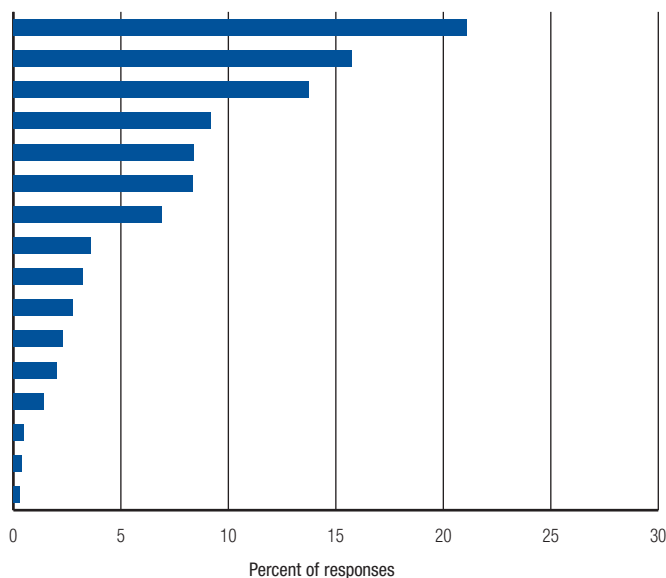
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>96</b> .....	<b>3.8</b>
GCI 2012–2013 (out of 144).....	106.....	3.7
GCI 2011–2012 (out of 142).....	102.....	3.8
<b>Basic requirements (60.0%)</b> .....	<b>121</b> .....	<b>3.8</b>
Institutions.....	88.....	3.6
Infrastructure.....	102.....	3.2
Macroeconomic environment.....	132.....	3.6
Health and primary education.....	119.....	4.5
<b>Efficiency enhancers (35.0%)</b> .....	<b>73</b> .....	<b>4.0</b>
Higher education and training.....	103.....	3.5
Goods market efficiency.....	80.....	4.2
Labor market efficiency.....	35.....	4.6
Financial market development.....	31.....	4.7
Technological readiness.....	89.....	3.4
Market size.....	77.....	3.6
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>53</b> .....	<b>3.8</b>
Business sophistication.....	61.....	4.1
Innovation.....	46.....	3.6

## Stage of development



## The most problematic factors for doing business

Corruption.....	21.1
Access to financing.....	15.7
Tax rates.....	13.8
Inflation.....	9.2
Inefficient government bureaucracy.....	8.4
Inadequate supply of infrastructure.....	8.3
Crime and theft.....	6.9
Poor work ethic in national labor force.....	3.6
Insufficient capacity to innovate.....	3.2
Inadequately educated workforce.....	2.8
Tax regulations.....	2.3
Policy instability.....	2.0
Foreign currency regulations.....	1.4
Government instability/coups.....	0.5
Poor public health.....	0.4
Restrictive labor regulations.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	86
1.02 Intellectual property protection .....	3.4	86
1.03 Diversion of public funds .....	3.0	86
1.04 Public trust in politicians .....	2.7	83
1.05 Irregular payments and bribes .....	3.2	112
1.06 Judicial independence .....	4.0	60
1.07 Favoritism in decisions of government officials .....	2.8	99
1.08 Wastefulness of government spending .....	3.3	64
1.09 Burden of government regulation .....	3.6	60
1.10 Efficiency of legal framework in settling disputes .....	3.9	57
1.11 Efficiency of legal framework in challenging regs. ....	3.7	56
1.12 Transparency of government policymaking .....	3.9	86
1.13 Business costs of terrorism .....	3.6	140
1.14 Business costs of crime and violence .....	3.4	127
1.15 Organized crime .....	4.1	115
1.16 Reliability of police services .....	3.7	102
1.17 Ethical behavior of firms .....	3.8	78
1.18 Strength of auditing and reporting standards .....	4.4	86
1.19 Efficacy of corporate boards .....	4.5	74
1.20 Protection of minority shareholders' interests .....	4.0	82
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.4	68
2.02 Quality of roads .....	4.1	67
2.03 Quality of railroad infrastructure .....	2.5	74
2.04 Quality of port infrastructure .....	4.1	78
2.05 Quality of air transport infrastructure .....	4.7	62
2.06 Available airline seat km/week, millions* .....	264.2	54
2.07 Quality of electricity supply .....	3.8	100
2.08 Mobile telephone subscriptions/100 pop.* .....	71.9	122
2.09 Fixed telephone lines/100 pop.* .....	0.6	137
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.3	122
3.02 Gross national savings, % GDP* .....	12.5	115
3.03 Inflation, annual % change* .....	9.4	131
3.04 General government debt, % GDP* .....	48.2	87
3.05 Country credit rating, 0–100 (best)* .....	31.2	103
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.1	120
4.02 Malaria cases/100,000 pop.* .....	8,301.1	124
4.03 Business impact of tuberculosis .....	4.1	122
4.04 Tuberculosis cases/100,000 pop.* .....	288.0	132
4.05 Business impact of HIV/AIDS .....	3.6	135
4.06 HIV prevalence, % adult pop.* .....	6.20	137
4.07 Infant mortality, deaths/1,000 live births* .....	48.3	122
4.08 Life expectancy, years* .....	57.1	126
4.09 Quality of primary education .....	3.6	89
4.10 Primary education enrollment, net %* .....	82.8	125
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	60.2	111
5.02 Tertiary education enrollment, gross %* .....	4.0	137
5.03 Quality of the educational system .....	4.2	44
5.04 Quality of math and science education .....	3.8	95
5.05 Quality of management schools .....	4.4	57
5.06 Internet access in schools .....	4.0	81
5.07 Availability of research and training services .....	4.6	44
5.08 Extent of staff training .....	4.2	54
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.4	35
6.02 Extent of market dominance .....	3.9	60
6.03 Effectiveness of anti-monopoly policy .....	4.4	50
6.04 Effect of taxation on incentives to invest .....	3.5	93
6.05 Total tax rate, % profits* .....	44.4	100

INDICATOR	VALUE	RANK/148
<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* .....	32	108
6.08 Agricultural policy costs .....	3.9	65
6.09 Prevalence of trade barriers .....	3.8	126
6.10 Trade tariffs, % duty* .....	9.2	98
6.11 Prevalence of foreign ownership .....	4.3	95
6.12 Business impact of rules on FDI .....	4.2	100
6.13 Burden of customs procedures .....	3.6	97
6.14 Imports as a percentage of GDP* .....	42.6	81
6.15 Degree of customer orientation .....	4.9	41
6.16 Buyer sophistication .....	3.2	90
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	73
7.02 Flexibility of wage determination .....	5.1	68
7.03 Hiring and firing practices .....	4.7	14
7.04 Redundancy costs, weeks of salary* .....	15.8	76
7.05 Effect of taxation on incentives to work .....	3.5	92
7.06 Pay and productivity .....	4.1	63
7.07 Reliance on professional management .....	4.5	54
7.08 Country capacity to retain talent .....	3.9	47
7.09 Country capacity to attract talent .....	3.8	50
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 .....	4.8	56
8.02 Affordability of financial services .....	4.1	68
8.03 Financing through local equity market .....	4.2	35
8.04 Ease of access to loans .....	3.2	44
8.05 Venture capital availability .....	3.0	47
8.06 Soundness of banks .....	5.1	67
8.07 Regulation of securities exchanges .....	4.4	55
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0	71
9.02 Firm-level technology absorption .....	4.8	66
9.03 FDI and technology transfer .....	4.7	66
9.04 Individuals using Internet, %* .....	32.1	95
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.1	130
9.06 Int'l Internet bandwidth, kb/s per user* .....	24.0	65
9.07 Mobile broadband subscriptions/100 pop.* .....	2.2	111
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.4	72
10.02 Foreign market size index, 1–7 (best)* .....	4.0	90
10.03 GDP (PPP\$ billions)* .....	75.9	77
10.04 Exports as a percentage of GDP* .....	24.8	122
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	39
11.02 Local supplier quality .....	4.5	65
11.03 State of cluster development .....	4.1	53
11.04 Nature of competitive advantage .....	3.4	76
11.05 Value chain breadth .....	3.9	55
11.06 Control of international distribution .....	4.1	66
11.07 Production process sophistication .....	3.8	64
11.08 Extent of marketing .....	4.0	83
11.09 Willingness to delegate authority .....	3.8	61
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.1	34
12.02 Quality of scientific research institutions .....	4.0	51
12.03 Company spending on R&D .....	3.8	28
12.04 University-industry collaboration in R&D .....	4.3	38
12.05 Gov't procurement of advanced tech products .....	3.4	79
12.06 Availability of scientists and engineers .....	4.3	57
12.07 PCT patents, applications/million pop.* .....	0.1	96

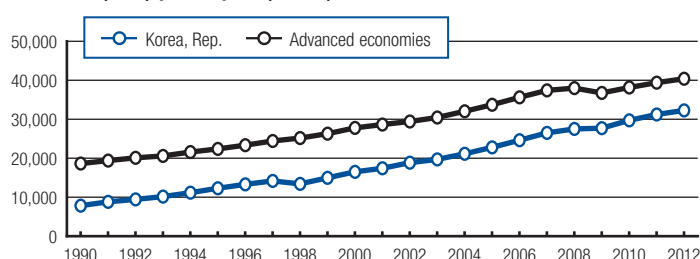
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Korea, Rep.

## Key indicators, 2012

Population (millions).....	49.8
GDP (US\$ billions).....	1,155.9
GDP per capita (US\$).....	23,113
GDP (PPP) as share (%) of world total.....	1.94

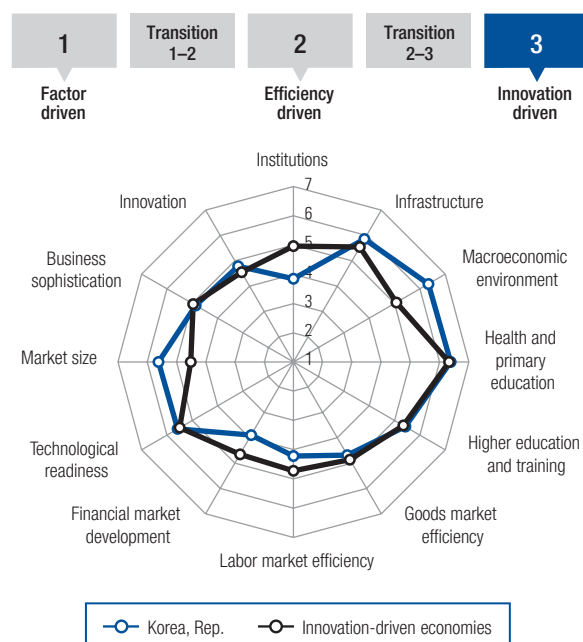
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

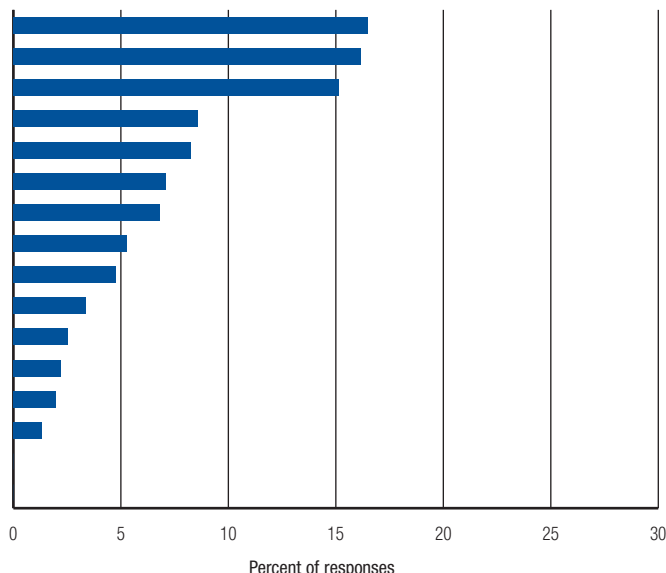
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>25</b>	<b>5.0</b>
GCI 2012–2013 (out of 144).....	19	5.1
GCI 2011–2012 (out of 142).....	24	5.0
<b>Basic requirements (20.0%)</b> .....	<b>20</b>	<b>5.6</b>
Institutions.....	74	3.8
Infrastructure.....	11	5.8
Macroeconomic environment.....	9	6.3
Health and primary education.....	18	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>23</b>	<b>4.9</b>
Higher education and training.....	19	5.4
Goods market efficiency.....	33	4.7
Labor market efficiency.....	78	4.2
Financial market development.....	81	3.9
Technological readiness.....	22	5.6
Market size.....	12	5.6
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>20</b>	<b>4.8</b>
Business sophistication.....	24	4.9
Innovation.....	17	4.8

## Stage of development



## The most problematic factors for doing business

Access to financing.....	16.5
Inefficient government bureaucracy.....	16.1
Policy instability.....	15.2
Restrictive labor regulations.....	8.6
Tax regulations.....	8.2
Corruption.....	7.1
Poor work ethic in national labor force.....	6.8
Insufficient capacity to innovate.....	5.3
Tax rates.....	4.8
Inflation.....	3.4
Inadequately educated workforce.....	2.6
Foreign currency regulations.....	2.2
Inadequate supply of infrastructure.....	2.0
Government instability/coups.....	1.3
Crime and theft.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Korea, Rep.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.5	55
1.02 Intellectual property protection .....	4.0	48
1.03 Diversion of public funds .....	3.3	62
1.04 Public trust in politicians .....	2.2	112
1.05 Irregular payments and bribes .....	4.4	57
1.06 Judicial independence .....	3.5	78
1.07 Favoritism in decisions of government officials .....	3.0	79
1.08 Wastefulness of government spending .....	3.0	80
1.09 Burden of government regulation .....	3.2	95
1.10 Efficiency of legal framework in settling disputes .....	3.5	84
1.11 Efficiency of legal framework in challenging regs. ....	3.0	101
1.12 Transparency of government policymaking .....	3.4	137
1.13 Business costs of terrorism .....	4.9	106
1.14 Business costs of crime and violence .....	4.9	60
1.15 Organized crime .....	5.0	73
1.16 Reliability of police services .....	4.8	47
1.17 Ethical behavior of firms .....	3.8	79
1.18 Strength of auditing and reporting standards .....	4.3	91
1.19 Efficacy of corporate boards .....	3.9	130
1.20 Protection of minority shareholders' interests .....	3.5	124
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.6	23
2.02 Quality of roads .....	5.8	15
2.03 Quality of railroad infrastructure .....	5.7	8
2.04 Quality of port infrastructure .....	5.5	21
2.05 Quality of air transport infrastructure .....	5.8	22
2.06 Available airline seat km/week, millions* .....	2,167.4	19
2.07 Quality of electricity supply .....	5.7	39
2.08 Mobile telephone subscriptions/100 pop.* .....	110.4	70
2.09 Fixed telephone lines/100 pop.* .....	61.9	2
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	1.9	18
3.02 Gross national savings, % GDP* .....	31.4	21
3.03 Inflation, annual % change* .....	2.2	1
3.04 General government debt, % GDP* .....	33.7	50
3.05 Country credit rating, 0–100 (best)* .....	79.4	22
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.7	90
4.02 Malaria cases/100,000 pop.* .....	9.0	86
4.03 Business impact of tuberculosis .....	5.5	73
4.04 Tuberculosis cases/100,000 pop.* .....	100.0	95
4.05 Business impact of HIV/AIDS .....	5.4	77
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	4.1	26
4.08 Life expectancy, years* .....	80.9	19
4.09 Quality of primary education .....	5.0	23
4.10 Primary education enrollment, net %* .....	98.6	28
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	97.1	47
5.02 Tertiary education enrollment, gross %* .....	103.1	1
5.03 Quality of the educational system .....	3.8	64
5.04 Quality of math and science education .....	5.1	20
5.05 Quality of management schools .....	4.5	56
5.06 Internet access in schools .....	6.1	13
5.07 Availability of research and training services .....	4.8	31
5.08 Extent of staff training .....	4.2	51
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.9	8
6.02 Extent of market dominance .....	3.2	118
6.03 Effectiveness of anti-monopoly policy .....	4.4	49
6.04 Effect of taxation on incentives to invest .....	3.4	104
6.05 Total tax rate, % profits* .....	29.8	36

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	7	25
6.08 Agricultural policy costs .....	3.7	86
6.09 Prevalence of trade barriers .....	4.1	98
6.10 Trade tariffs, % duty* .....	8.6	96
6.11 Prevalence of foreign ownership .....	4.2	99
6.12 Business impact of rules on FDI .....	4.4	89
6.13 Burden of customs procedures .....	4.4	49
6.14 Imports as a percentage of GDP* .....	54.0	58
6.15 Degree of customer orientation .....	5.5	11
6.16 Buyer sophistication .....	4.2	21
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.5	132
7.02 Flexibility of wage determination .....	5.2	61
7.03 Hiring and firing practices .....	3.5	108
7.04 Redundancy costs, weeks of salary* .....	27.4	120
7.05 Effect of taxation on incentives to work .....	3.2	111
7.06 Pay and productivity .....	4.6	21
7.07 Reliance on professional management .....	4.7	43
7.08 Country capacity to retain talent .....	4.4	25
7.09 Country capacity to attract talent .....	4.1	31
7.10 Women in labor force, ratio to men* .....	0.72	97
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.0	92
8.02 Affordability of financial services .....	4.1	69
8.03 Financing through local equity market .....	3.4	75
8.04 Ease of access to loans .....	2.2	118
8.05 Venture capital availability .....	2.1	115
8.06 Soundness of banks .....	4.2	113
8.07 Regulation of securities exchanges .....	3.8	94
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.9	27
9.02 Firm-level technology absorption .....	5.7	21
9.03 FDI and technology transfer .....	4.5	84
9.04 Individuals using Internet, %* .....	84.1	15
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	37.6	5
9.06 Int'l Internet bandwidth, kb/s per user* .....	26.0	60
9.07 Mobile broadband subscriptions/100 pop.* .....	106.0	4
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.4	12
10.02 Foreign market size index, 1–7 (best)* .....	6.3	5
10.03 GDP (PPP\$ billions)* .....	1,613.9	12
10.04 Exports as a percentage of GDP* .....	56.8	37
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.2	24
11.02 Local supplier quality .....	5.0	30
11.03 State of cluster development .....	4.5	28
11.04 Nature of competitive advantage .....	5.5	16
11.05 Value chain breadth .....	4.7	22
11.06 Control of international distribution .....	4.8	20
11.07 Production process sophistication .....	5.3	21
11.08 Extent of marketing .....	5.0	31
11.09 Willingness to delegate authority .....	3.9	54
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.5	22
12.02 Quality of scientific research institutions .....	4.9	24
12.03 Company spending on R&D .....	4.6	20
12.04 University-industry collaboration in R&D .....	4.7	26
12.05 Gov't procurement of advanced tech products .....	4.0	31
12.06 Availability of scientists and engineers .....	4.6	33
12.07 PCT patents, applications/million pop.* .....	183.4	9

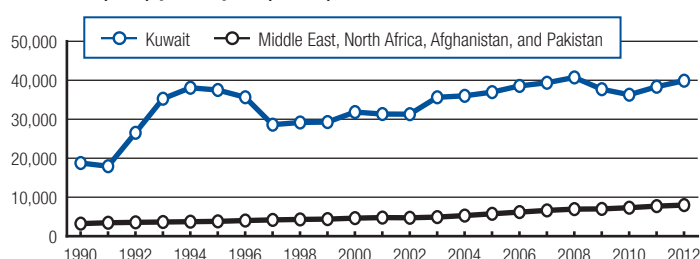
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Kuwait

## Key indicators, 2012

Population (millions).....	2.8
GDP (US\$ billions).....	173.4
GDP per capita (US\$).....	45,824
GDP (PPP) as share (%) of world total.....	0.18

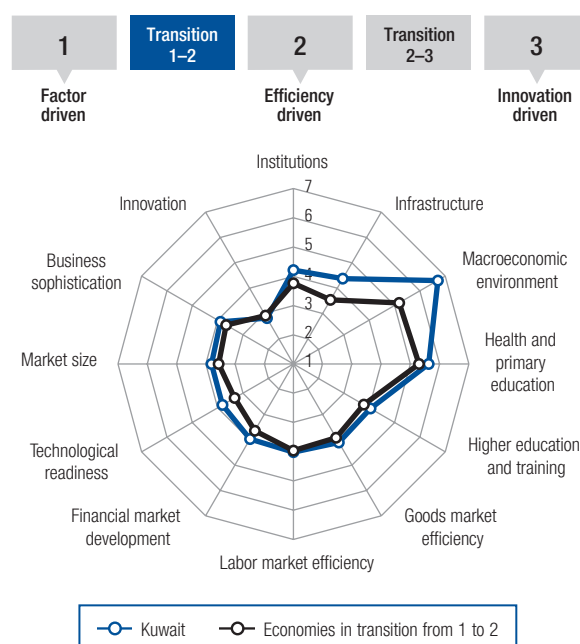
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

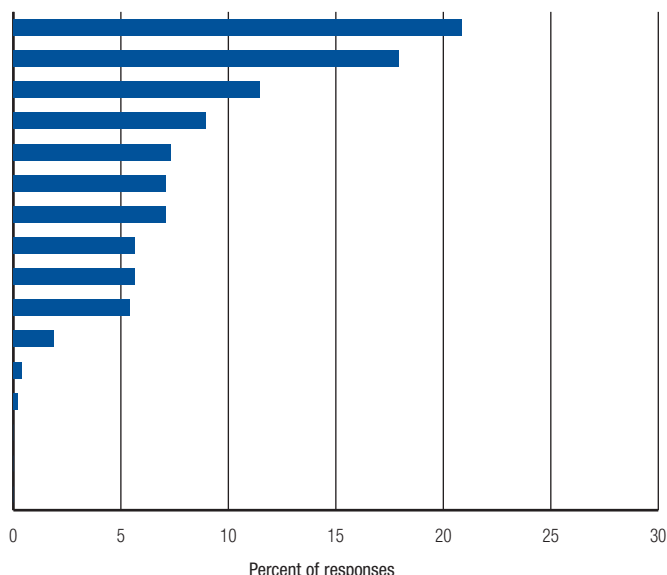
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>36</b>	<b>4.6</b>
GCI 2012–2013 (out of 144).....	37	4.6
GCI 2011–2012 (out of 142).....	34	4.6
<b>Basic requirements (51.2%)</b> .....	<b>32</b>	<b>5.2</b>
Institutions.....	49	4.2
Infrastructure.....	53	4.4
Macroeconomic environment.....	3	6.7
Health and primary education.....	77	5.6
<b>Efficiency enhancers (41.6%)</b> .....	<b>77</b>	<b>4.0</b>
Higher education and training.....	84	4.0
Goods market efficiency.....	90	4.1
Labor market efficiency.....	105	4.0
Financial market development.....	70	4.0
Technological readiness.....	69	3.8
Market size.....	66	3.8
<b>Innovation and sophistication factors (7.2%)</b> .....	<b>101</b>	<b>3.3</b>
Business sophistication.....	77	3.9
Innovation.....	118	2.8

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	20.9
Restrictive labor regulations.....	18.0
Access to financing.....	11.5
Corruption.....	9.0
Policy instability.....	7.3
Inadequately educated workforce.....	7.1
Poor work ethic in national labor force.....	7.1
Government instability/coups.....	5.6
Insufficient capacity to innovate.....	5.6
Inadequate supply of infrastructure.....	5.4
Crime and theft.....	1.9
Inflation.....	0.4
Poor public health.....	0.2
Foreign currency regulations.....	0.0
Tax rates.....	0.0
Tax regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.0 .....	39
1.02 Intellectual property protection .....	3.8 .....	62
1.03 Diversion of public funds .....	3.5 .....	59
1.04 Public trust in politicians .....	3.2 .....	56
1.05 Irregular payments and bribes .....	4.4 .....	54
1.06 Judicial independence .....	5.0 .....	36
1.07 Favoritism in decisions of government officials .....	2.8 .....	100
1.08 Wastefulness of government spending .....	2.8 .....	102
1.09 Burden of government regulation .....	2.2 .....	145
1.10 Efficiency of legal framework in settling disputes .....	3.8 .....	66
1.11 Efficiency of legal framework in challenging regs. ....	3.8 .....	49
1.12 Transparency of government policymaking .....	3.7 .....	113
1.13 Business costs of terrorism .....	5.7 .....	60
1.14 Business costs of crime and violence .....	5.9 .....	<b>14</b>
1.15 Organized crime .....	5.9 .....	<b>29</b>
1.16 Reliability of police services .....	4.8 .....	46
1.17 Ethical behavior of firms .....	3.9 .....	72
1.18 Strength of auditing and reporting standards .....	4.9 .....	56
1.19 Efficacy of corporate boards .....	4.1 .....	117
1.20 Protection of minority shareholders' interests .....	4.3 .....	60
1.21 Strength of investor protection, 0–10 (best)* .....	6.3 .....	<b>31</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.6 .....	59
2.02 Quality of roads .....	4.8 .....	45
2.03 Quality of railroad infrastructure .....	N/Appl. ....	n/a
2.04 Quality of port infrastructure .....	4.1 .....	74
2.05 Quality of air transport infrastructure .....	4.0 .....	93
2.06 Available airline seat km/week, millions* .....	230.9 .....	60
2.07 Quality of electricity supply .....	5.2 .....	62
2.08 Mobile telephone subscriptions/100 pop.* .....	191.1 .....	<b>2</b>
2.09 Fixed telephone lines/100 pop.* .....	17.6 .....	70
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	30.6 .....	<b>2</b>
3.02 Gross national savings, % GDP* .....	62.2 .....	<b>2</b>
3.03 Inflation, annual % change* .....	2.9 .....	44
3.04 General government debt, % GDP* .....	7.3 .....	<b>6</b>
3.05 Country credit rating, 0–100 (best)* .....	74.9 .....	<b>26</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl. ....	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	<b>1</b>
4.03 Business impact of tuberculosis .....	5.9 .....	53
4.04 Tuberculosis cases/100,000 pop.* .....	36.0 .....	63
4.05 Business impact of HIV/AIDS .....	6.1 .....	<b>30</b>
4.06 HIV prevalence, % adult pop.* .....	<0.2 .....	41
4.07 Infant mortality, deaths/1,000 live births* .....	9.3 .....	57
4.08 Life expectancy, years* .....	74.7 .....	58
4.09 Quality of primary education .....	3.4 .....	93
4.10 Primary education enrollment, net %* .....	92.1 .....	91
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	101.0 .....	<b>35</b>
5.02 Tertiary education enrollment, gross %* .....	21.9 .....	90
5.03 Quality of the educational system .....	3.1 .....	106
5.04 Quality of math and science education .....	3.6 .....	99
5.05 Quality of management schools .....	3.9 .....	92
5.06 Internet access in schools .....	4.4 .....	66
5.07 Availability of research and training services .....	3.8 .....	98
5.08 Extent of staff training .....	3.7 .....	94
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5 .....	110
6.02 Extent of market dominance .....	3.5 .....	94
6.03 Effectiveness of anti-monopoly policy .....	3.5 .....	119
6.04 Effect of taxation on incentives to invest .....	4.6 .....	<b>22</b>
6.05 Total tax rate, % profits* .....	10.7 .....	<b>2</b>

INDICATOR	VALUE	RANK/148
<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* .....	32 .....	108
6.08 Agricultural policy costs .....	3.1 .....	131
6.09 Prevalence of trade barriers .....	3.9 .....	115
6.10 Trade tariffs, % duty* .....	4.5 .....	57
6.11 Prevalence of foreign ownership .....	3.1 .....	140
6.12 Business impact of rules on FDI .....	2.9 .....	143
6.13 Burden of customs procedures .....	3.7 .....	94
6.14 Imports as a percentage of GDP* .....	26.3 .....	132
6.15 Degree of customer orientation .....	4.5 .....	83
6.16 Buyer sophistication .....	3.4 .....	72
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4 .....	62
7.02 Flexibility of wage determination .....	5.4 .....	39
7.03 Hiring and firing practices .....	3.6 .....	101
7.04 Redundancy costs, weeks of salary* .....	28.1 .....	126
7.05 Effect of taxation on incentives to work .....	5.2 .....	<b>9</b>
7.06 Pay and productivity .....	3.6 .....	98
7.07 Reliance on professional management .....	3.6 .....	113
7.08 Country capacity to retain talent .....	3.5 .....	66
7.09 Country capacity to attract talent .....	3.9 .....	45
7.10 Women in labor force, ratio to men* .....	0.53 .....	127
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.4 .....	75
8.02 Affordability of financial services .....	4.3 .....	55
8.03 Financing through local equity market .....	3.9 .....	44
8.04 Ease of access to loans .....	2.8 .....	75
8.05 Venture capital availability .....	2.6 .....	71
8.06 Soundness of banks .....	5.6 .....	45
8.07 Regulation of securities exchanges .....	4.0 .....	77
8.08 Legal rights index, 0–10 (best)* .....	4 .....	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0 .....	64
9.02 Firm-level technology absorption .....	4.9 .....	57
9.03 FDI and technology transfer .....	3.2 .....	144
9.04 Individuals using Internet, %* .....	79.2 .....	<b>23</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.6 .....	103
9.06 Int'l Internet bandwidth, kb/s per user* .....	6.0 .....	107
9.07 Mobile broadband subscriptions/100 pop.* .....	n/a .....	n/a
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.4 .....	74
10.02 Foreign market size index, 1–7 (best)* .....	5.0 .....	50
10.03 GDP (PPP\$ billions)* .....	151.0 .....	60
10.04 Exports as a percentage of GDP* .....	70.1 .....	<b>25</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.1 .....	<b>28</b>
11.02 Local supplier quality .....	4.2 .....	87
11.03 State of cluster development .....	3.5 .....	90
11.04 Nature of competitive advantage .....	3.1 .....	98
11.05 Value chain breadth .....	3.1 .....	121
11.06 Control of international distribution .....	4.6 .....	<b>27</b>
11.07 Production process sophistication .....	3.3 .....	106
11.08 Extent of marketing .....	4.0 .....	86
11.09 Willingness to delegate authority .....	4.1 .....	38
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.6 .....	136
12.02 Quality of scientific research institutions .....	3.1 .....	110
12.03 Company spending on R&D .....	2.5 .....	126
12.04 University-industry collaboration in R&D .....	3.0 .....	120
12.05 Gov't procurement of advanced tech products .....	2.9 .....	120
12.06 Availability of scientists and engineers .....	4.0 .....	79
12.07 PCT patents, applications/million pop.* .....	0.2 .....	86

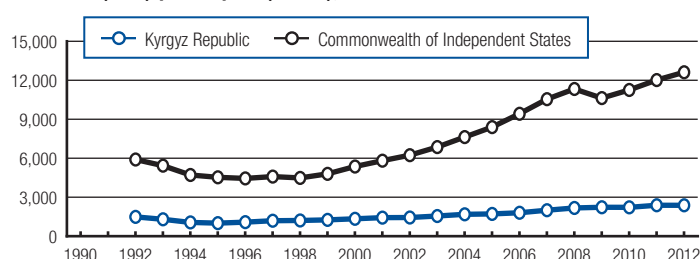
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Kyrgyz Republic

## Key indicators, 2012

Population (millions).....	5.5
GDP (US\$ billions).....	6.5
GDP per capita (US\$).....	1,158
GDP (PPP) as share (%) of world total.....	0.02

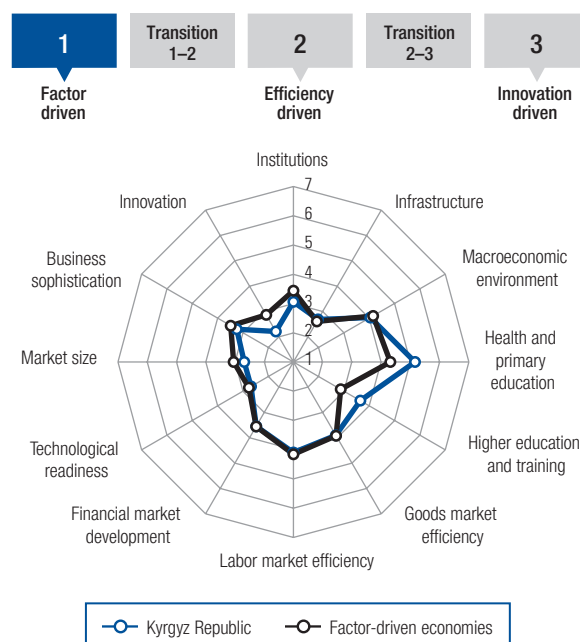
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

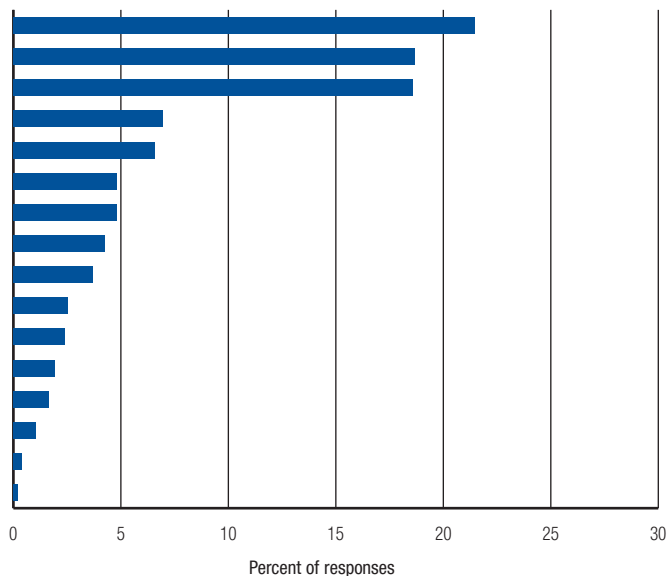
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>121</b>	<b>3.6</b>
GCI 2012–2013 (out of 144).....	127	3.4
GCI 2011–2012 (out of 142).....	126	3.4
<b>Basic requirements (60.0%)</b> .....	<b>122</b>	<b>3.7</b>
Institutions.....	133	3.1
Infrastructure.....	122	2.7
Macroeconomic environment.....	113	4.0
Health and primary education.....	107	5.2
<b>Efficiency enhancers (35.0%)</b> .....	<b>118</b>	<b>3.4</b>
Higher education and training.....	97	3.6
Goods market efficiency.....	116	3.9
Labor market efficiency.....	96	4.1
Financial market development.....	112	3.5
Technological readiness.....	129	2.7
Market size.....	120	2.7
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>140</b>	<b>2.7</b>
Business sophistication.....	130	3.2
Innovation.....	145	2.2

## Stage of development



## The most problematic factors for doing business

Corruption.....	21.5
Government instability/coups.....	18.7
Policy instability.....	18.6
Crime and theft.....	7.0
Inefficient government bureaucracy.....	6.6
Tax rates.....	4.8
Tax regulations.....	4.8
Insufficient capacity to innovate.....	4.3
Access to financing.....	3.7
Inflation.....	2.5
Poor work ethic in national labor force.....	2.4
Inadequately educated workforce.....	1.9
Inadequate supply of infrastructure.....	1.6
Restrictive labor regulations.....	1.1
Foreign currency regulations.....	0.4
Poor public health.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Kyrgyz Republic

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.9	136
1.02 Intellectual property protection .....	2.3	140
1.03 Diversion of public funds .....	2.4	124
1.04 Public trust in politicians .....	2.0	128
1.05 Irregular payments and bribes .....	2.6	134
1.06 Judicial independence .....	2.2	140
1.07 Favoritism in decisions of government officials .....	2.4	129
1.08 Wastefulness of government spending .....	2.4	126
1.09 Burden of government regulation .....	3.2	100
1.10 Efficiency of legal framework in settling disputes .....	2.6	132
1.11 Efficiency of legal framework in challenging regs. ....	2.5	133
1.12 Transparency of government policymaking .....	3.8	97
1.13 Business costs of terrorism .....	4.7	114
1.14 Business costs of crime and violence .....	4.2	97
1.15 Organized crime .....	4.1	123
1.16 Reliability of police services .....	3.0	130
1.17 Ethical behavior of firms .....	3.2	136
1.18 Strength of auditing and reporting standards .....	3.8	125
1.19 Efficacy of corporate boards .....	3.9	128
1.20 Protection of minority shareholders' interests .....	3.5	121
1.21 Strength of investor protection, 0–10 (best)* .....	7.7	13
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	108
2.02 Quality of roads .....	2.5	133
2.03 Quality of railroad infrastructure .....	2.5	76
2.04 Quality of port infrastructure .....	1.3	148
2.05 Quality of air transport infrastructure .....	3.1	128
2.06 Available airline seat km/week, millions* .....	58.4	96
2.07 Quality of electricity supply .....	2.7	122
2.08 Mobile telephone subscriptions/100 pop.* .....	124.8	46
2.09 Fixed telephone lines/100 pop.* .....	9.0	97
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.8	127
3.02 Gross national savings, % GDP* .....	14.0	104
3.03 Inflation, annual % change* .....	2.8	1
3.04 General government debt, % GDP* .....	48.9	88
3.05 Country credit rating, 0–100 (best)* .....	27.9	113
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.4	94
4.02 Malaria cases/100,000 pop.* .....	0.1	76
4.03 Business impact of tuberculosis .....	4.5	108
4.04 Tuberculosis cases/100,000 pop.* .....	128.0	104
4.05 Business impact of HIV/AIDS .....	5.2	84
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	27.0	102
4.08 Life expectancy, years* .....	69.6	98
4.09 Quality of primary education .....	3.0	113
4.10 Primary education enrollment, net %* .....	88.4	105
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	88.2	76
5.02 Tertiary education enrollment, gross %* .....	41.3	63
5.03 Quality of the educational system .....	2.7	123
5.04 Quality of math and science education .....	3.0	122
5.05 Quality of management schools .....	2.7	139
5.06 Internet access in schools .....	3.3	109
5.07 Availability of research and training services .....	3.3	129
5.08 Extent of staff training .....	3.2	131
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.3	124
6.02 Extent of market dominance .....	3.1	124
6.03 Effectiveness of anti-monopoly policy .....	3.1	140
6.04 Effect of taxation on incentives to invest .....	3.4	101
6.05 Total tax rate, % profits* .....	68.9	139

INDICATOR	VALUE	RANK/148
<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* .....	10	49
6.08 Agricultural policy costs .....	3.0	135
6.09 Prevalence of trade barriers .....	4.2	87
6.10 Trade tariffs, % duty* .....	10.9	122
6.11 Prevalence of foreign ownership .....	3.9	117
6.12 Business impact of rules on FDI .....	3.6	123
6.13 Burden of customs procedures .....	3.2	131
6.14 Imports as a percentage of GDP* .....	107.4	7
6.15 Degree of customer orientation .....	4.2	99
6.16 Buyer sophistication .....	3.2	92
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	89
7.02 Flexibility of wage determination .....	5.5	26
7.03 Hiring and firing practices .....	4.3	33
7.04 Redundancy costs, weeks of salary* .....	17.3	85
7.05 Effect of taxation on incentives to work .....	3.3	106
7.06 Pay and productivity .....	4.3	35
7.07 Reliance on professional management .....	3.2	133
7.08 Country capacity to retain talent .....	1.9	144
7.09 Country capacity to attract talent .....	1.9	141
7.10 Women in labor force, ratio to men* .....	0.72	96
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.5	131
8.02 Affordability of financial services .....	3.3	130
8.03 Financing through local equity market .....	2.2	133
8.04 Ease of access to loans .....	1.9	129
8.05 Venture capital availability .....	1.9	133
8.06 Soundness of banks .....	3.6	135
8.07 Regulation of securities exchanges .....	2.9	130
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.6	138
9.02 Firm-level technology absorption .....	3.7	139
9.03 FDI and technology transfer .....	3.6	137
9.04 Individuals using Internet, %* .....	21.7	101
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.6	94
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.9	121
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.4	117
10.02 Foreign market size index, 1–7 (best)* .....	3.4	121
10.03 GDP (PPP\$ billions)* .....	13.3	127
10.04 Exports as a percentage of GDP* .....	48.0	56
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.0	121
11.02 Local supplier quality .....	3.7	123
11.03 State of cluster development .....	2.7	142
11.04 Nature of competitive advantage .....	2.8	128
11.05 Value chain breadth .....	2.9	134
11.06 Control of international distribution .....	3.5	118
11.07 Production process sophistication .....	2.7	135
11.08 Extent of marketing .....	3.7	102
11.09 Willingness to delegate authority .....	3.0	135
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.6	138
12.02 Quality of scientific research institutions .....	2.3	139
12.03 Company spending on R&D .....	2.1	144
12.04 University-industry collaboration in R&D .....	2.2	142
12.05 Gov't procurement of advanced tech products .....	2.3	144
12.06 Availability of scientists and engineers .....	2.8	146
12.07 PCT patents, applications/million pop.* .....	0.1	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 97.

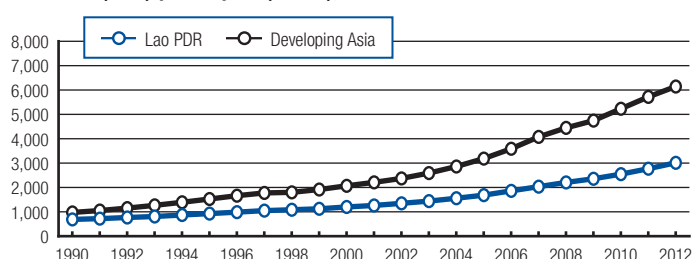


# Lao PDR

## Key indicators, 2012

Population (millions).....	6.3
GDP (US\$ billions).....	9.2
GDP per capita (US\$).....	1,446
GDP (PPP) as share (%) of world total.....	0.02

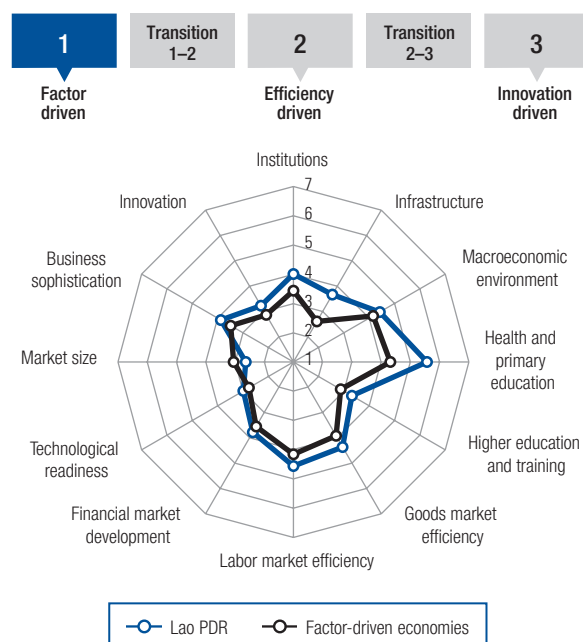
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

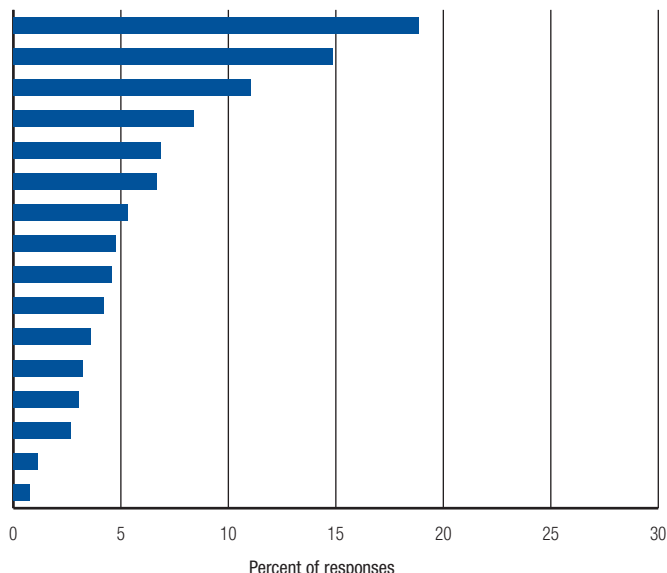
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>81</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	n/a	n/a
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (60.0%)</b> .....	<b>83</b>	<b>4.4</b>
Institutions.....	63	4.0
Infrastructure.....	84	3.7
Macroeconomic environment.....	93	4.4
Health and primary education.....	80	5.6
<b>Efficiency enhancers (35.0%)</b> .....	<b>107</b>	<b>3.6</b>
Higher education and training.....	111	3.3
Goods market efficiency.....	54	4.4
Labor market efficiency.....	44	4.6
Financial market development.....	91	3.8
Technological readiness.....	113	3.0
Market size.....	122	2.6
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>74</b>	<b>3.5</b>
Business sophistication.....	78	3.9
Innovation.....	68	3.2

## Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	18.9
Access to financing.....	14.9
Inadequate supply of infrastructure.....	11.0
Poor work ethic in national labor force.....	8.4
Corruption.....	6.9
Tax regulations.....	6.7
Insufficient capacity to innovate.....	5.3
Tax rates.....	4.8
Policy instability.....	4.6
Inflation.....	4.2
Poor public health.....	3.6
Restrictive labor regulations.....	3.2
Foreign currency regulations.....	3.0
Inefficient government bureaucracy.....	2.7
Government instability/coups.....	1.1
Crime and theft.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Lao PDR

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	85
1.02 Intellectual property protection .....	3.8	64
1.03 Diversion of public funds .....	3.7	54
1.04 Public trust in politicians .....	4.2	<b>23</b>
1.05 Irregular payments and bribes .....	3.7	85
1.06 Judicial independence .....	4.1	56
1.07 Favoritism in decisions of government officials .....	3.5	<b>43</b>
1.08 Wastefulness of government spending .....	4.7	<b>11</b>
1.09 Burden of government regulation .....	3.7	55
1.10 Efficiency of legal framework in settling disputes .....	4.5	<b>35</b>
1.11 Efficiency of legal framework in challenging regs. ....	2.9	114
1.12 Transparency of government policymaking .....	3.8	104
1.13 Business costs of terrorism .....	5.5	71
1.14 Business costs of crime and violence .....	5.0	55
1.15 Organized crime .....	4.7	89
1.16 Reliability of police services .....	4.3	68
1.17 Ethical behavior of firms .....	4.1	62
1.18 Strength of auditing and reporting standards .....	3.7	129
1.19 Efficacy of corporate boards .....	4.7	58
1.20 Protection of minority shareholders' interests .....	4.1	71
1.21 Strength of investor protection, 0–10 (best)* .....	1.7	146
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.4	65
2.02 Quality of roads .....	4.2	65
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	2.6	137
2.05 Quality of air transport infrastructure .....	4.3	76
2.06 Available airline seat km/week, millions* .....	22.1	121
2.07 Quality of electricity supply .....	5.2	61
2.08 Mobile telephone subscriptions/100 pop.* .....	101.9	90
2.09 Fixed telephone lines/100 pop.* .....	1.8	122
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.5	64
3.02 Gross national savings, % GDP* .....	17.3	83
3.03 Inflation, annual % change* .....	4.3	79
3.04 General government debt, % GDP* .....	53.1	100
3.05 Country credit rating, 0–100 (best)* .....	23.1	125
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.7	126
4.02 Malaria cases/100,000 pop.* .....	1,097.4	113
4.03 Business impact of tuberculosis .....	3.7	136
4.04 Tuberculosis cases/100,000 pop.* .....	213.0	122
4.05 Business impact of HIV/AIDS .....	3.9	128
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	33.8	106
4.08 Life expectancy, years* .....	67.4	107
4.09 Quality of primary education .....	3.8	79
4.10 Primary education enrollment, net %* .....	97.4	<b>42</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	45.8	122
5.02 Tertiary education enrollment, gross %* .....	17.7	100
5.03 Quality of the educational system .....	4.0	57
5.04 Quality of math and science education .....	3.8	90
5.05 Quality of management schools .....	4.1	82
5.06 Internet access in schools .....	3.9	87
5.07 Availability of research and training services .....	3.9	88
5.08 Extent of staff training .....	4.2	55
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	56
6.02 Extent of market dominance .....	4.4	<b>31</b>
6.03 Effectiveness of anti-monopoly policy .....	4.6	<b>34</b>
6.04 Effect of taxation on incentives to invest .....	4.1	<b>45</b>
6.05 Total tax rate, % profits* .....	33.3	<b>47</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	<b>47</b>
6.07 No. days to start a business* .....	92	140
6.08 Agricultural policy costs .....	4.2	<b>36</b>
6.09 Prevalence of trade barriers .....	4.3	79
6.10 Trade tariffs, % duty* .....	8.5	95
6.11 Prevalence of foreign ownership .....	4.0	110
6.12 Business impact of rules on FDI .....	5.0	<b>31</b>
6.13 Burden of customs procedures .....	4.2	63
6.14 Imports as a percentage of GDP* .....	32.8	113
6.15 Degree of customer orientation .....	4.5	73
6.16 Buyer sophistication .....	4.0	<b>32</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.3	<b>15</b>
7.02 Flexibility of wage determination .....	5.6	<b>18</b>
7.03 Hiring and firing practices .....	4.1	57
7.04 Redundancy costs, weeks of salary* .....	47.2	138
7.05 Effect of taxation on incentives to work .....	4.2	<b>31</b>
7.06 Pay and productivity .....	4.8	<b>10</b>
7.07 Reliance on professional management .....	4.3	65
7.08 Country capacity to retain talent .....	4.2	<b>34</b>
7.09 Country capacity to attract talent .....	3.4	74
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 .....	4.4	79
8.02 Affordability of financial services .....	4.5	<b>45</b>
8.03 Financing through local equity market .....	2.9	103
8.04 Ease of access to loans .....	3.3	<b>40</b>
8.05 Venture capital availability .....	2.7	66
8.06 Soundness of banks .....	4.8	85
8.07 Regulation of securities exchanges .....	3.9	87
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.2	112
9.02 Firm-level technology absorption .....	4.5	90
9.03 FDI and technology transfer .....	4.9	<b>43</b>
9.04 Individuals using Internet, %* .....	10.7	125
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.5	104
9.06 Int'l Internet bandwidth, kb/s per user* .....	1.8	137
9.07 Mobile broadband subscriptions/100 pop.* .....	0.8	120
<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	122
10.03 GDP (PPP\$ billions)* .....	19.2	120
10.04 Exports as a percentage of GDP* .....	33.0	88
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.3	106
11.02 Local supplier quality .....	4.0	101
11.03 State of cluster development .....	4.3	<b>38</b>
11.04 Nature of competitive advantage .....	3.2	92
11.05 Value chain breadth .....	3.8	63
11.06 Control of international distribution .....	3.5	125
11.07 Production process sophistication .....	3.5	93
11.08 Extent of marketing .....	4.0	80
11.09 Willingness to delegate authority .....	3.9	<b>49</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.8	<b>46</b>
12.02 Quality of scientific research institutions .....	3.6	74
12.03 Company spending on R&D .....	3.7	<b>33</b>
12.04 University-industry collaboration in R&D .....	3.4	83
12.05 Gov't procurement of advanced tech products .....	3.7	<b>44</b>
12.06 Availability of scientists and engineers .....	3.0	135
12.07 PCT patents, applications/million pop.* .....	0.0	126

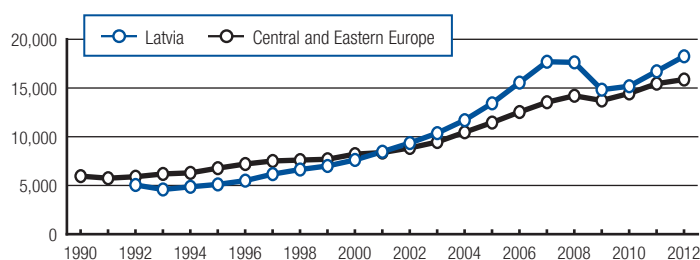
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Latvia

## Key indicators, 2012

Population (millions).....	2.1
GDP (US\$ billions).....	28.4
GDP per capita (US\$).....	13,900
GDP (PPP) as share (%) of world total.....	0.05

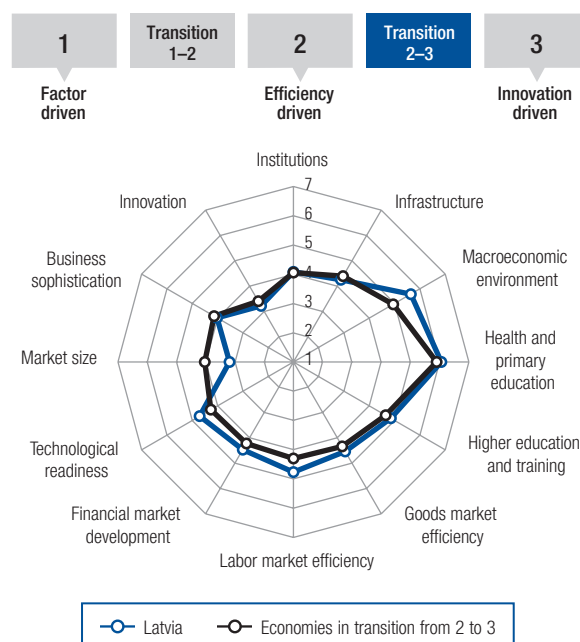
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

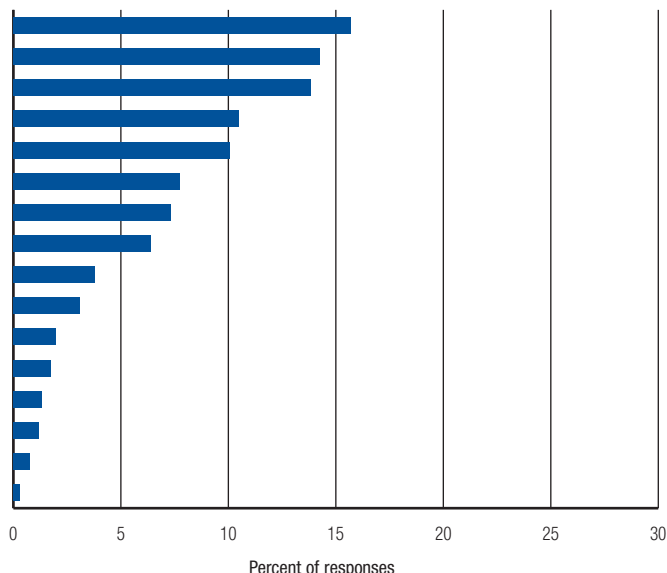
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>52</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	55	4.3
GCI 2011–2012 (out of 142).....	64	4.2
<b>Basic requirements (27.8%)</b> .....	<b>40</b>	<b>5.0</b>
Institutions.....	57	4.1
Infrastructure.....	59	4.2
Macroeconomic environment.....	29	5.6
Health and primary education.....	41	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>41</b>	<b>4.4</b>
Higher education and training.....	40	4.8
Goods market efficiency.....	40	4.5
Labor market efficiency.....	26	4.8
Financial market development.....	45	4.5
Technological readiness.....	38	4.7
Market size.....	95	3.2
<b>Innovation and sophistication factors (22.2%)</b> .....	<b>68</b>	<b>3.6</b>
Business sophistication.....	67	4.0
Innovation.....	70	3.2

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	15.7
Tax rates.....	14.3
Access to financing.....	13.9
Tax regulations.....	10.5
Corruption.....	10.1
Inadequate supply of infrastructure.....	7.7
Insufficient capacity to innovate.....	7.3
Inadequately educated workforce.....	6.4
Policy instability.....	3.8
Poor work ethic in national labor force.....	3.1
Restrictive labor regulations.....	2.0
Inflation.....	1.8
Government instability/coups.....	1.3
Poor public health.....	1.2
Crime and theft.....	0.8
Foreign currency regulations.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3	62
1.02 Intellectual property protection .....	4.0	51
1.03 Diversion of public funds .....	3.3	61
1.04 Public trust in politicians .....	2.5	89
1.05 Irregular payments and bribes .....	4.4	55
1.06 Judicial independence .....	3.9	63
1.07 Favoritism in decisions of government officials .....	3.1	63
1.08 Wastefulness of government spending .....	3.0	85
1.09 Burden of government regulation .....	3.4	79
1.10 Efficiency of legal framework in settling disputes .....	3.0	117
1.11 Efficiency of legal framework in challenging regs. ....	3.1	97
1.12 Transparency of government policymaking .....	4.5	45
1.13 Business costs of terrorism .....	6.2	25
1.14 Business costs of crime and violence .....	5.4	33
1.15 Organized crime .....	5.7	40
1.16 Reliability of police services .....	4.4	62
1.17 Ethical behavior of firms .....	4.1	60
1.18 Strength of auditing and reporting standards .....	5.0	51
1.19 Efficacy of corporate boards .....	4.8	52
1.20 Protection of minority shareholders' interests .....	3.9	88
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.9	50
2.02 Quality of roads .....	3.0	110
2.03 Quality of railroad infrastructure .....	4.2	32
2.04 Quality of port infrastructure .....	5.1	37
2.05 Quality of air transport infrastructure .....	5.4	40
2.06 Available airline seat km/week, millions* .....	72.5	89
2.07 Quality of electricity supply .....	5.3	54
2.08 Mobile telephone subscriptions/100 pop.* .....	103.4	85
2.09 Fixed telephone lines/100 pop.* .....	22.4	51
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.1	29
3.02 Gross national savings, % GDP* .....	24.2	50
3.03 Inflation, annual % change* .....	2.3	1
3.04 General government debt, % GDP* .....	36.4	58
3.05 Country credit rating, 0–100 (best)* .....	55.7	57
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.7	66
4.04 Tuberculosis cases/100,000 pop.* .....	42.0	68
4.05 Business impact of HIV/AIDS .....	5.6	62
4.06 HIV prevalence, % adult pop.* .....	0.70	97
4.07 Infant mortality, deaths/1,000 live births* .....	7.1	46
4.08 Life expectancy, years* .....	73.6	73
4.09 Quality of primary education .....	4.8	34
4.10 Primary education enrollment, net %* .....	95.1	62
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	95.8	50
5.02 Tertiary education enrollment, gross %* .....	57.4	42
5.03 Quality of the educational system .....	3.7	68
5.04 Quality of math and science education .....	4.7	33
5.05 Quality of management schools .....	4.4	59
5.06 Internet access in schools .....	5.7	27
5.07 Availability of research and training services .....	4.3	67
5.08 Extent of staff training .....	4.3	47
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.4	34
6.02 Extent of market dominance .....	3.9	62
6.03 Effectiveness of anti-monopoly policy .....	4.1	75
6.04 Effect of taxation on incentives to invest .....	3.7	83
6.05 Total tax rate, % profits* .....	36.6	69

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	16	73
6.08 Agricultural policy costs .....	3.8	73
6.09 Prevalence of trade barriers .....	4.7	33
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.2	37
6.12 Business impact of rules on FDI .....	4.6	70
6.13 Burden of customs procedures .....	4.3	54
6.14 Imports as a percentage of GDP* .....	68.8	33
6.15 Degree of customer orientation .....	5.1	37
6.16 Buyer sophistication .....	3.1	99
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5	51
7.02 Flexibility of wage determination .....	5.8	13
7.03 Hiring and firing practices .....	4.2	45
7.04 Redundancy costs, weeks of salary* .....	9.7	37
7.05 Effect of taxation on incentives to work .....	3.1	115
7.06 Pay and productivity .....	4.6	20
7.07 Reliance on professional management .....	4.7	42
7.08 Country capacity to retain talent .....	3.0	98
7.09 Country capacity to attract talent .....	2.7	112
7.10 Women in labor force, ratio to men* .....	0.93	17
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.0	47
8.02 Affordability of financial services .....	4.7	42
8.03 Financing through local equity market .....	2.9	99
8.04 Ease of access to loans .....	2.5	96
8.05 Venture capital availability .....	2.8	58
8.06 Soundness of banks .....	4.8	80
8.07 Regulation of securities exchanges .....	4.2	64
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.3	45
9.02 Firm-level technology absorption .....	4.7	68
9.03 FDI and technology transfer .....	4.5	85
9.04 Individuals using Internet, %* .....	74.0	30
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	21.5	34
9.06 Int'l Internet bandwidth, kb/s per user* .....	54.4	39
9.07 Mobile broadband subscriptions/100 pop.* .....	51.2	29
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.9	98
10.02 Foreign market size index, 1–7 (best)* .....	4.2	83
10.03 GDP (PPP\$ billions)* .....	37.3	97
10.04 Exports as a percentage of GDP* .....	65.2	29
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.2	114
11.02 Local supplier quality .....	4.7	53
11.03 State of cluster development .....	3.4	103
11.04 Nature of competitive advantage .....	3.6	63
11.05 Value chain breadth .....	3.7	72
11.06 Control of international distribution .....	4.1	62
11.07 Production process sophistication .....	3.8	66
11.08 Extent of marketing .....	4.3	63
11.09 Willingness to delegate authority .....	4.0	46
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	66
12.02 Quality of scientific research institutions .....	3.9	58
12.03 Company spending on R&D .....	3.1	70
12.04 University-industry collaboration in R&D .....	3.6	67
12.05 Gov't procurement of advanced tech products .....	3.2	101
12.06 Availability of scientists and engineers .....	3.5	105
12.07 PCT patents, applications/million pop.* .....	10.0	34

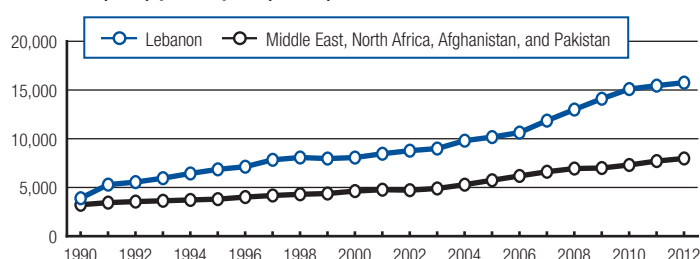
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Lebanon

## Key indicators, 2012

Population (millions).....	4.3
GDP (US\$ billions).....	41.3
GDP per capita (US\$).....	10,311
GDP (PPP) as share (%) of world total.....	0.08

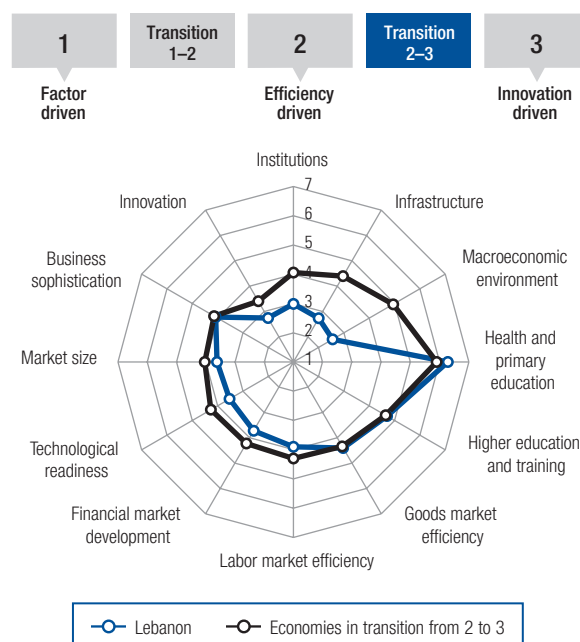
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

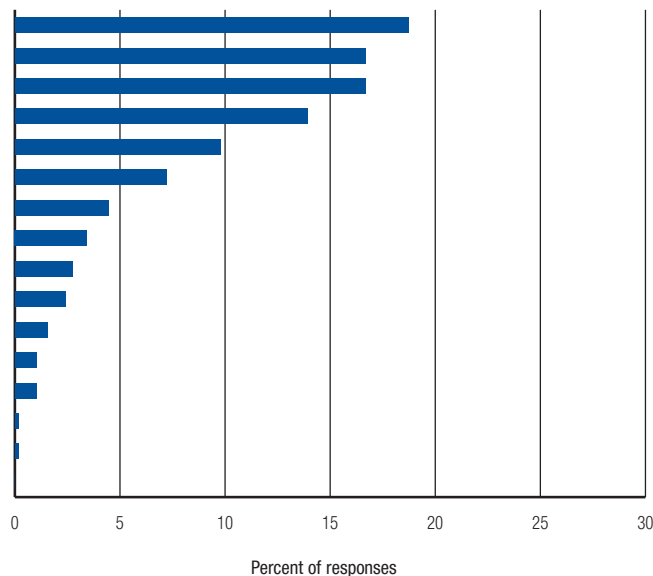
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>103</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	91	3.9
GCI 2011–2012 (out of 142).....	89	3.9
<b>Basic requirements (36.7%)</b> .....	<b>126</b>	<b>3.6</b>
Institutions.....	138	3.0
Infrastructure.....	119	2.7
Macroeconomic environment.....	148	2.5
Health and primary education.....	28	6.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>75</b>	<b>4.0</b>
Higher education and training.....	45	4.7
Goods market efficiency.....	51	4.4
Labor market efficiency.....	120	3.9
Financial market development.....	100	3.7
Technological readiness.....	81	3.5
Market size.....	71	3.6
<b>Innovation and sophistication factors (13.3%)</b> .....	<b>90</b>	<b>3.4</b>
Business sophistication.....	62	4.1
Innovation.....	124	2.7

## Stage of development



## The most problematic factors for doing business

Inadequate supply of infrastructure.....	18.7
Corruption.....	16.7
Inefficient government bureaucracy.....	16.7
Government instability/coups.....	13.9
Policy instability.....	9.8
Access to financing.....	7.2
Inadequately educated workforce.....	4.5
Poor work ethic in national labor force.....	3.4
Inflation.....	2.7
Restrictive labor regulations.....	2.4
Insufficient capacity to innovate.....	1.5
Crime and theft.....	1.0
Tax rates.....	1.0
Poor public health.....	0.2
Tax regulations.....	0.2
Foreign currency regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Lebanon

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	84
1.02 Intellectual property protection .....	2.4	136
1.03 Diversion of public funds .....	2.2	134
1.04 Public trust in politicians .....	1.4	148
1.05 Irregular payments and bribes .....	2.5	138
1.06 Judicial independence .....	2.3	135
1.07 Favoritism in decisions of government officials .....	1.7	147
1.08 Wastefulness of government spending .....	1.8	144
1.09 Burden of government regulation .....	2.9	115
1.10 Efficiency of legal framework in settling disputes .....	2.7	130
1.11 Efficiency of legal framework in challenging regs. ....	2.3	141
1.12 Transparency of government policymaking .....	3.3	139
1.13 Business costs of terrorism .....	3.2	141
1.14 Business costs of crime and violence .....	4.2	96
1.15 Organized crime .....	4.8	81
1.16 Reliability of police services .....	3.2	119
1.17 Ethical behavior of firms .....	3.2	134
1.18 Strength of auditing and reporting standards .....	4.2	98
1.19 Efficacy of corporate boards .....	3.9	133
1.20 Protection of minority shareholders' interests .....	3.7	106
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.3	142
2.02 Quality of roads .....	2.7	123
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	4.3	64
2.05 Quality of air transport infrastructure .....	4.9	53
2.06 Available airline seat km/week, millions* .....	148.8	73
2.07 Quality of electricity supply .....	1.3	148
2.08 Mobile telephone subscriptions/100 pop.* .....	93.2	101
2.09 Fixed telephone lines/100 pop.* .....	20.5	59
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-9.0	143
3.02 Gross national savings, % GDP* .....	8.6	133
3.03 Inflation, annual % change* .....	6.6	108
3.04 General government debt, % GDP* .....	139.5	145
3.05 Country credit rating, 0–100 (best)* .....	30.2	104
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.4	28
4.04 Tuberculosis cases/100,000 pop.* .....	15.0	35
4.05 Business impact of HIV/AIDS .....	6.1	34
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	8.0	50
4.08 Life expectancy, years* .....	72.6	88
4.09 Quality of primary education .....	5.7	7
4.10 Primary education enrollment, net %* .....	94.9	65
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	83.3	87
5.02 Tertiary education enrollment, gross %* .....	57.7	41
5.03 Quality of the educational system .....	5.2	13
5.04 Quality of math and science education .....	5.8	4
5.05 Quality of management schools .....	5.4	13
5.06 Internet access in schools .....	3.4	107
5.07 Availability of research and training services .....	4.4	58
5.08 Extent of staff training .....	3.7	99
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.5	25
6.02 Extent of market dominance .....	3.8	69
6.03 Effectiveness of anti-monopoly policy .....	3.5	115
6.04 Effect of taxation on incentives to invest .....	4.2	33
6.05 Total tax rate, % profits* .....	30.2	37

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	9	43
6.08 Agricultural policy costs .....	3.2	129
6.09 Prevalence of trade barriers .....	4.2	83
6.10 Trade tariffs, % duty* .....	6.3	81
6.11 Prevalence of foreign ownership .....	3.8	120
6.12 Business impact of rules on FDI .....	3.9	114
6.13 Burden of customs procedures .....	3.4	115
6.14 Imports as a percentage of GDP* .....	86.3	15
6.15 Degree of customer orientation .....	4.6	65
6.16 Buyer sophistication .....	3.5	64
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	84
7.02 Flexibility of wage determination .....	5.1	72
7.03 Hiring and firing practices .....	4.2	49
7.04 Redundancy costs, weeks of salary* .....	8.7	27
7.05 Effect of taxation on incentives to work .....	3.9	53
7.06 Pay and productivity .....	4.1	56
7.07 Reliance on professional management .....	3.5	123
7.08 Country capacity to retain talent .....	2.7	115
7.09 Country capacity to attract talent .....	2.4	124
7.10 Women in labor force, ratio to men* .....	0.33	142
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.6	62
8.02 Affordability of financial services .....	4.3	56
8.03 Financing through local equity market .....	2.3	129
8.04 Ease of access to loans .....	2.9	62
8.05 Venture capital availability .....	2.7	62
8.06 Soundness of banks .....	5.8	29
8.07 Regulation of securities exchanges .....	3.6	107
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6	86
9.02 Firm-level technology absorption .....	4.5	86
9.03 FDI and technology transfer .....	3.6	129
9.04 Individuals using Internet, % .....	61.2	46
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	11.7	55
9.06 Int'l Internet bandwidth, kb/s per user* .....	22.8	67
9.07 Mobile broadband subscriptions/100 pop.* .....	0.3	127
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.3	76
10.02 Foreign market size index, 1–7 (best)* .....	4.5	70
10.03 GDP (PPP\$ billions)* .....	63.2	81
10.04 Exports as a percentage of GDP* .....	65.0	31
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	50
11.02 Local supplier quality .....	4.4	77
11.03 State of cluster development .....	3.2	118
11.04 Nature of competitive advantage .....	3.9	47
11.05 Value chain breadth .....	4.1	41
11.06 Control of international distribution .....	4.9	15
11.07 Production process sophistication .....	3.6	76
11.08 Extent of marketing .....	4.6	40
11.09 Willingness to delegate authority .....	3.3	118
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	89
12.02 Quality of scientific research institutions .....	2.6	129
12.03 Company spending on R&D .....	2.4	136
12.04 University-industry collaboration in R&D .....	3.1	110
12.05 Gov't procurement of advanced tech products .....	2.2	146
12.06 Availability of scientists and engineers .....	4.6	35
12.07 PCT patents, applications/million pop.* .....	1.4	61

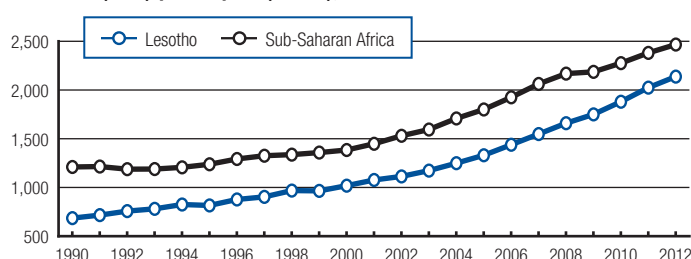
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Lesotho

## Key indicators, 2012

Population (millions).....	2.2
GDP (US\$ billions).....	2.4
GDP per capita (US\$).....	1,283
GDP (PPP) as share (%) of world total.....	0.01

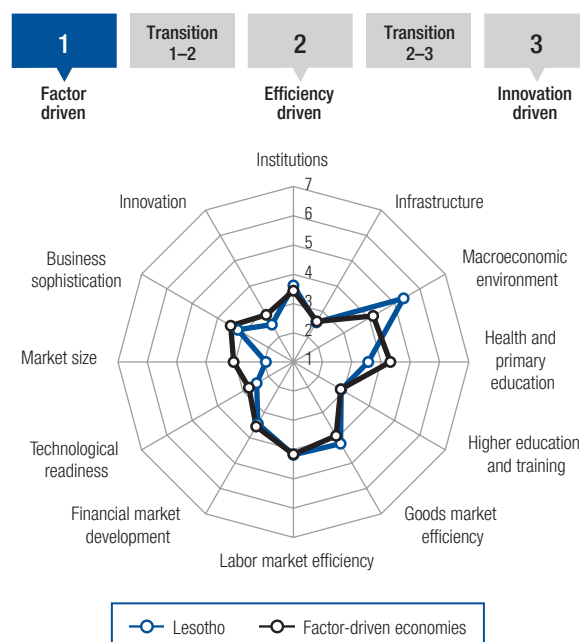
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

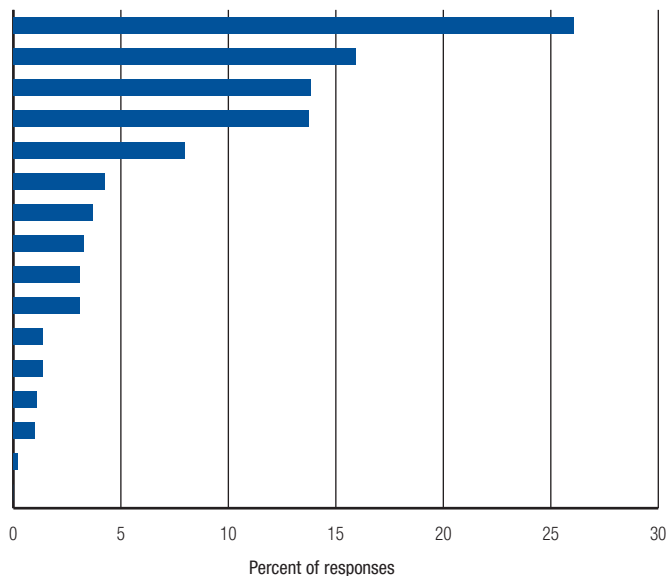
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>123</b>	<b>3.5</b>
GCI 2012–2013 (out of 144).....	137	3.2
GCI 2011–2012 (out of 142).....	135	3.3
<b>Basic requirements (60.0%)</b> .....	<b>119</b>	<b>3.8</b>
Institutions.....	90	3.6
Infrastructure.....	127	2.6
Macroeconomic environment.....	39	5.3
Health and primary education.....	141	3.6
<b>Efficiency enhancers (35.0%)</b> .....	<b>132</b>	<b>3.2</b>
Higher education and training.....	125	2.9
Goods market efficiency.....	79	4.2
Labor market efficiency.....	86	4.2
Financial market development.....	118	3.4
Technological readiness.....	140	2.5
Market size.....	141	1.9
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>135</b>	<b>2.8</b>
Business sophistication.....	136	3.2
Innovation.....	135	2.5

## Stage of development



## The most problematic factors for doing business

Access to financing.....	26.1
Inadequate supply of infrastructure.....	15.9
Inefficient government bureaucracy.....	13.8
Corruption.....	13.7
Crime and theft.....	8.0
Insufficient capacity to innovate.....	4.3
Poor public health.....	3.7
Poor work ethic in national labor force.....	3.3
Inadequately educated workforce.....	3.1
Tax rates.....	3.1
Government instability/coups.....	1.4
Policy instability.....	1.4
Tax regulations.....	1.1
Inflation.....	1.0
Foreign currency regulations.....	0.2
Restrictive labor regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Lesotho

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.3	125
1.02 Intellectual property protection .....	3.3	92
1.03 Diversion of public funds .....	3.3	66
1.04 Public trust in politicians .....	3.1	60
1.05 Irregular payments and bribes .....	4.0	66
1.06 Judicial independence .....	3.5	80
1.07 Favoritism in decisions of government officials .....	3.2	59
1.08 Wastefulness of government spending .....	3.3	66
1.09 Burden of government regulation .....	3.8	42
1.10 Efficiency of legal framework in settling disputes .....	3.6	80
1.11 Efficiency of legal framework in challenging regs. ....	3.4	75
1.12 Transparency of government policymaking .....	3.7	109
1.13 Business costs of terrorism .....	5.4	80
1.14 Business costs of crime and violence .....	3.5	121
1.15 Organized crime .....	4.5	99
1.16 Reliability of police services .....	3.9	92
1.17 Ethical behavior of firms .....	3.7	100
1.18 Strength of auditing and reporting standards .....	3.3	136
1.19 Efficacy of corporate boards .....	4.1	114
1.20 Protection of minority shareholders' interests .....	3.5	120
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	109
2.02 Quality of roads .....	2.9	115
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	2.9	127
2.05 Quality of air transport infrastructure .....	2.3	145
2.06 Available airline seat km/week, millions* .....	0.3	148
2.07 Quality of electricity supply .....	3.5	105
2.08 Mobile telephone subscriptions/100 pop.* .....	59.2	130
2.09 Fixed telephone lines/100 pop.* .....	1.9	120
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	5.9	11
3.02 Gross national savings, % GDP* .....	26.4	39
3.03 Inflation, annual % change* .....	5.3	97
3.04 General government debt, % GDP* .....	41.9	71
3.05 Country credit rating, 0–100 (best)* .....	32.9	98
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	3.8	133
4.04 Tuberculosis cases/100,000 pop.* .....	632.0	144
4.05 Business impact of HIV/AIDS .....	3.0	144
4.06 HIV prevalence, % adult pop.* .....	23.30	145
4.07 Infant mortality, deaths/1,000 live births* .....	62.6	134
4.08 Life expectancy, years* .....	48.0	147
4.09 Quality of primary education .....	3.3	99
4.10 Primary education enrollment, net %* .....	74.5	136
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	49.1	121
5.02 Tertiary education enrollment, gross %* .....	3.5	141
5.03 Quality of the educational system .....	3.6	73
5.04 Quality of math and science education .....	3.4	105
5.05 Quality of management schools .....	3.4	122
5.06 Internet access in schools .....	3.0	120
5.07 Availability of research and training services .....	3.7	102
5.08 Extent of staff training .....	3.6	110
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	94
6.02 Extent of market dominance .....	3.4	101
6.03 Effectiveness of anti-monopoly policy .....	3.6	111
6.04 Effect of taxation on incentives to invest .....	3.9	60
6.05 Total tax rate, % profits* .....	16.0	9

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	24	96
6.08 Agricultural policy costs .....	3.6	100
6.09 Prevalence of trade barriers .....	4.2	85
6.10 Trade tariffs, % duty* .....	6.1	79
6.11 Prevalence of foreign ownership .....	5.0	55
6.12 Business impact of rules on FDI .....	5.1	23
6.13 Burden of customs procedures .....	3.7	95
6.14 Imports as a percentage of GDP* .....	119.8	4
6.15 Degree of customer orientation .....	3.6	136
6.16 Buyer sophistication .....	3.2	91
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.8	122
7.02 Flexibility of wage determination .....	4.4	117
7.03 Hiring and firing practices .....	3.9	85
7.04 Redundancy costs, weeks of salary* .....	15.0	72
7.05 Effect of taxation on incentives to work .....	3.9	52
7.06 Pay and productivity .....	3.4	120
7.07 Reliance on professional management .....	3.8	107
7.08 Country capacity to retain talent .....	3.1	94
7.09 Country capacity to attract talent .....	3.3	84
7.10 Women in labor force, ratio to men* .....	0.81	73
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.4	132
8.02 Affordability of financial services .....	3.5	122
8.03 Financing through local equity market .....	2.5	120
8.04 Ease of access to loans .....	3.1	50
8.05 Venture capital availability .....	2.5	81
8.06 Soundness of banks .....	4.2	115
8.07 Regulation of securities exchanges .....	2.8	131
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.7	132
9.02 Firm-level technology absorption .....	3.7	141
9.03 FDI and technology transfer .....	3.4	141
9.04 Individuals using Internet, %* .....	4.6	134
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.1	127
9.06 Int'l Internet bandwidth, kb/s per user* .....	9.8	96
9.07 Mobile broadband subscriptions/100 pop.* .....	1.7	113
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.7	142
10.02 Foreign market size index, 1–7 (best)* .....	2.7	139
10.03 GDP (PPP\$ billions)* .....	4.1	144
10.04 Exports as a percentage of GDP* .....	48.3	55
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.3	143
11.02 Local supplier quality .....	3.3	139
11.03 State of cluster development .....	3.6	87
11.04 Nature of competitive advantage .....	3.2	93
11.05 Value chain breadth .....	3.0	125
11.06 Control of international distribution .....	3.2	139
11.07 Production process sophistication .....	2.7	137
11.08 Extent of marketing .....	2.9	136
11.09 Willingness to delegate authority .....	3.3	117
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.8	130
12.02 Quality of scientific research institutions .....	2.4	136
12.03 Company spending on R&D .....	2.4	131
12.04 University-industry collaboration in R&D .....	2.7	128
12.05 Gov't procurement of advanced tech products .....	2.7	131
12.06 Availability of scientists and engineers .....	2.9	141
12.07 PCT patents, applications/million pop.* .....	0.0	126

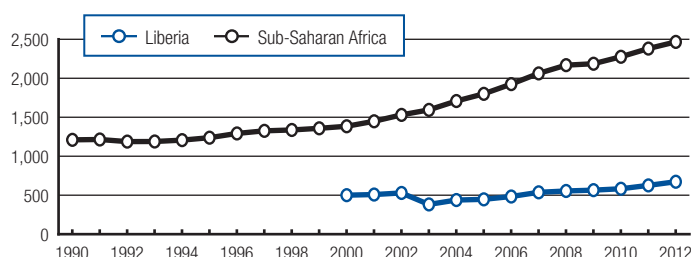
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Liberia

## Key indicators, 2012

Population (millions).....	4.1
GDP (US\$ billions).....	1.7
GDP per capita (US\$).....	436
GDP (PPP) as share (%) of world total.....	0.00

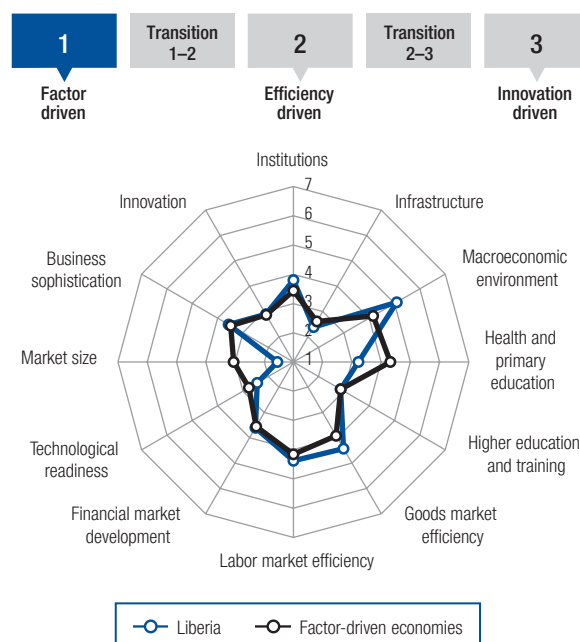
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

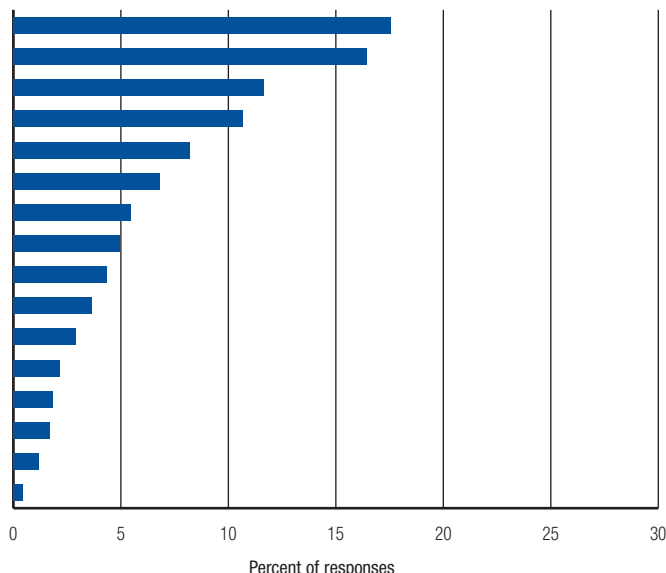
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>128</b>	<b>3.5</b>
GCI 2012–2013 (out of 144).....	111	3.7
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (60.0%)</b> .....	<b>127</b>	<b>3.6</b>
Institutions.....	77	3.8
Infrastructure.....	131	2.4
Macroeconomic environment.....	51	5.1
Health and primary education.....	144	3.2
<b>Efficiency enhancers (35.0%)</b> .....	<b>131</b>	<b>3.2</b>
Higher education and training.....	126	2.9
Goods market efficiency.....	47	4.4
Labor market efficiency.....	60	4.4
Financial market development.....	106	3.6
Technological readiness.....	141	2.4
Market size.....	146	1.5
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>114</b>	<b>3.2</b>
Business sophistication.....	108	3.6
Innovation.....	110	2.9

## Stage of development



## The most problematic factors for doing business

Access to financing.....	17.6
Corruption.....	16.4
Crime and theft.....	11.6
Inefficient government bureaucracy.....	10.7
Inadequate supply of infrastructure.....	8.2
Poor work ethic in national labor force.....	6.8
Inadequately educated workforce.....	5.5
Tax regulations.....	5.0
Foreign currency regulations.....	4.4
Tax rates.....	3.6
Restrictive labor regulations.....	2.9
Poor public health.....	2.1
Insufficient capacity to innovate.....	1.9
Inflation.....	1.7
Policy instability.....	1.2
Government instability/coups.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Liberia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8 .....	99
1.02 Intellectual property protection .....	3.7 .....	68
1.03 Diversion of public funds .....	3.6 .....	57
1.04 Public trust in politicians .....	3.3 .....	52
1.05 Irregular payments and bribes .....	3.4 .....	100
1.06 Judicial independence .....	3.4 .....	83
1.07 Favoritism in decisions of government officials .....	3.4 .....	49
1.08 Wastefulness of government spending .....	3.9 .....	30
1.09 Burden of government regulation .....	4.1 .....	23
1.10 Efficiency of legal framework in settling disputes .....	3.8 .....	67
1.11 Efficiency of legal framework in challenging regs. ....	3.7 .....	57
1.12 Transparency of government policymaking .....	4.3 .....	58
1.13 Business costs of terrorism .....	5.0 .....	97
1.14 Business costs of crime and violence .....	4.2 .....	99
1.15 Organized crime .....	4.7 .....	87
1.16 Reliability of police services .....	3.7 .....	104
1.17 Ethical behavior of firms .....	3.8 .....	77
1.18 Strength of auditing and reporting standards .....	4.0 .....	104
1.19 Efficacy of corporate boards .....	4.3 .....	99
1.20 Protection of minority shareholders' interests .....	3.9 .....	85
1.21 Strength of investor protection, 0–10 (best)* .....	3.7 .....	123
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.5 .....	103
2.02 Quality of roads .....	2.9 .....	113
2.03 Quality of railroad infrastructure .....	2.0 .....	96
2.04 Quality of port infrastructure .....	3.4 .....	117
2.05 Quality of air transport infrastructure .....	3.1 .....	127
2.06 Available airline seat km/week, millions* .....	5.0 .....	143
2.07 Quality of electricity supply .....	2.6 .....	125
2.08 Mobile telephone subscriptions/100 pop.* .....	56.4 .....	133
2.09 Fixed telephone lines/100 pop.* .....	0.0 .....	148
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.5 .....	34
3.02 Gross national savings, % GDP* .....	n/a .....	n/a
3.03 Inflation, annual % change* .....	6.8 .....	112
3.04 General government debt, % GDP* .....	29.1 .....	38
3.05 Country credit rating, 0–100 (best)* .....	18.6 .....	136
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.4 .....	129
4.02 Malaria cases/100,000 pop.* .....	27,023.2 .....	138
4.03 Business impact of tuberculosis .....	3.6 .....	140
4.04 Tuberculosis cases/100,000 pop.* .....	299.0 .....	133
4.05 Business impact of HIV/AIDS .....	4.5 .....	107
4.06 HIV prevalence, % adult pop.* .....	1.00 .....	107
4.07 Infant mortality, deaths/1,000 live births* .....	58.2 .....	132
4.08 Life expectancy, years* .....	56.7 .....	127
4.09 Quality of primary education .....	2.8 .....	123
4.10 Primary education enrollment, net %* .....	40.8 .....	145
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	44.8 .....	124
5.02 Tertiary education enrollment, gross %* .....	19.1 .....	95
5.03 Quality of the educational system .....	3.4 .....	96
5.04 Quality of math and science education .....	2.9 .....	125
5.05 Quality of management schools .....	3.5 .....	117
5.06 Internet access in schools .....	2.6 .....	129
5.07 Availability of research and training services .....	3.4 .....	123
5.08 Extent of staff training .....	3.7 .....	101
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6 .....	103
6.02 Extent of market dominance .....	3.8 .....	68
6.03 Effectiveness of anti-monopoly policy .....	4.3 .....	56
6.04 Effect of taxation on incentives to invest .....	4.2 .....	35
6.05 Total tax rate, % profits* .....	27.4 .....	26

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4 .....	20
6.07 No. days to start a business* .....	6 .....	16
6.08 Agricultural policy costs .....	3.5 .....	109
6.09 Prevalence of trade barriers .....	4.4 .....	63
6.10 Trade tariffs, % duty* .....	10.7 .....	119
6.11 Prevalence of foreign ownership .....	5.3 .....	31
6.12 Business impact of rules on FDI .....	4.4 .....	88
6.13 Burden of customs procedures .....	3.9 .....	79
6.14 Imports as a percentage of GDP* .....	85.1 .....	19
6.15 Degree of customer orientation .....	4.4 .....	90
6.16 Buyer sophistication .....	3.4 .....	74
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2 .....	78
7.02 Flexibility of wage determination .....	4.8 .....	92
7.03 Hiring and firing practices .....	4.2 .....	47
7.04 Redundancy costs, weeks of salary* .....	25.7 .....	113
7.05 Effect of taxation on incentives to work .....	4.3 .....	23
7.06 Pay and productivity .....	3.8 .....	87
7.07 Reliance on professional management .....	3.5 .....	122
7.08 Country capacity to retain talent .....	3.1 .....	89
7.09 Country capacity to attract talent .....	4.1 .....	36
7.10 Women in labor force, ratio to men* .....	0.92 .....	25
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8 .....	114
8.02 Affordability of financial services .....	3.7 .....	108
8.03 Financing through local equity market .....	2.5 .....	117
8.04 Ease of access to loans .....	2.5 .....	92
8.05 Venture capital availability .....	2.7 .....	63
8.06 Soundness of banks .....	4.6 .....	91
8.07 Regulation of securities exchanges .....	2.6 .....	134
8.08 Legal rights index, 0–10 (best)* .....	7 .....	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.6 .....	136
9.02 Firm-level technology absorption .....	3.8 .....	136
9.03 FDI and technology transfer .....	3.8 .....	122
9.04 Individuals using Internet, %* .....	3.8 .....	137
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0 .....	147
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.0 .....	135
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0 .....	135
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.2 .....	146
10.02 Foreign market size index, 1–7 (best)* .....	2.5 .....	144
10.03 GDP (PPP\$ billions)* .....	2.7 .....	146
10.04 Exports as a percentage of GDP* .....	47.6 .....	58
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.1 .....	119
11.02 Local supplier quality .....	3.9 .....	109
11.03 State of cluster development .....	3.7 .....	77
11.04 Nature of competitive advantage .....	3.3 .....	83
11.05 Value chain breadth .....	3.5 .....	99
11.06 Control of international distribution .....	3.5 .....	124
11.07 Production process sophistication .....	3.2 .....	118
11.08 Extent of marketing .....	3.3 .....	123
11.09 Willingness to delegate authority .....	3.5 .....	95
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5 .....	68
12.02 Quality of scientific research institutions .....	2.8 .....	122
12.03 Company spending on R&D .....	2.9 .....	95
12.04 University-industry collaboration in R&D .....	2.9 .....	122
12.05 Gov't procurement of advanced tech products .....	3.8 .....	40
12.06 Availability of scientists and engineers .....	2.8 .....	142
12.07 PCT patents, applications/million pop.* .....	0.0 .....	126

**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 97.

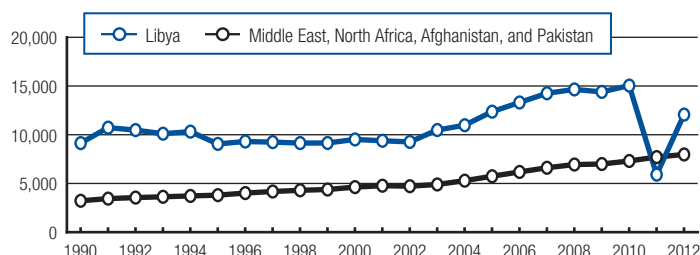


# Libya

## Key indicators, 2012

Population (millions).....	6.4
GDP (US\$ billions).....	81.9
GDP per capita (US\$).....	12,778
GDP (PPP) as share (%) of world total.....	0.09

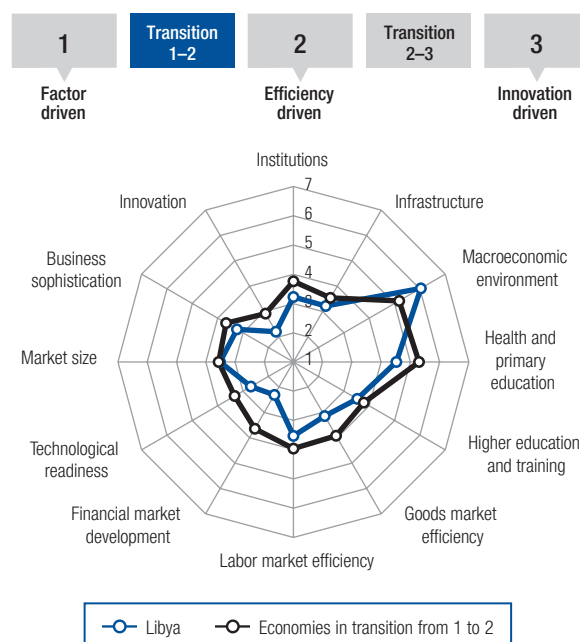
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

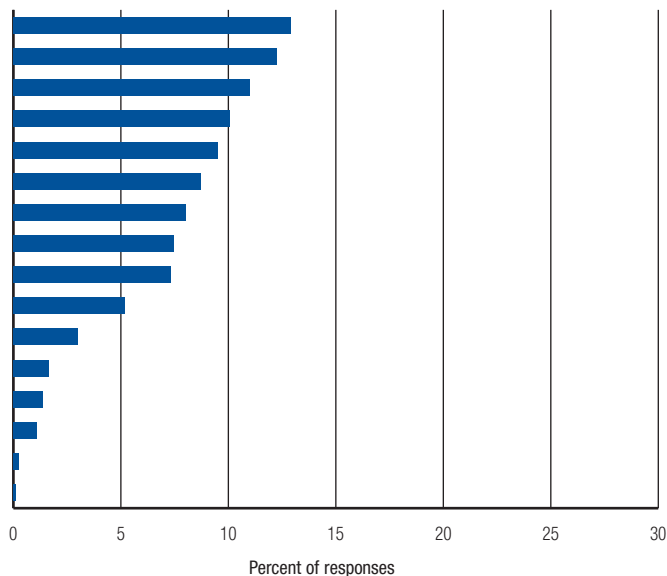
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>108</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	113	3.7
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (57.0%)</b> .....	<b>93</b>	<b>4.2</b>
Institutions.....	125	3.2
Infrastructure.....	103	3.2
Macroeconomic environment.....	16	6.0
Health and primary education.....	120	4.5
<b>Efficiency enhancers (37.3%)</b> .....	<b>139</b>	<b>3.1</b>
Higher education and training.....	104	3.5
Goods market efficiency.....	143	3.1
Labor market efficiency.....	136	3.5
Financial market development.....	147	2.3
Technological readiness.....	128	2.7
Market size.....	80	3.5
<b>Innovation and sophistication factors (5.8%)</b> .....	<b>141</b>	<b>2.7</b>
Business sophistication.....	131	3.2
Innovation.....	146	2.2

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	12.9
Inadequate supply of infrastructure.....	12.2
Inadequately educated workforce.....	11.0
Corruption.....	10.1
Policy instability.....	9.5
Access to financing.....	8.7
Poor work ethic in national labor force.....	8.0
Restrictive labor regulations.....	7.5
Foreign currency regulations.....	7.3
Government instability/coups.....	5.2
Insufficient capacity to innovate.....	3.0
Tax regulations.....	1.6
Crime and theft.....	1.4
Poor public health.....	1.1
Tax rates.....	0.3
Inflation.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.4 .....	116
1.02 Intellectual property protection .....	2.2 .....	146
1.03 Diversion of public funds .....	2.4 .....	118
1.04 Public trust in politicians .....	3.1 .....	67
1.05 Irregular payments and bribes .....	3.3 .....	102
1.06 Judicial independence .....	3.2 .....	97
1.07 Favoritism in decisions of government officials .....	2.9 .....	90
1.08 Wastefulness of government spending .....	2.8 .....	100
1.09 Burden of government regulation .....	2.9 .....	121
1.10 Efficiency of legal framework in settling disputes .....	2.9 .....	124
1.11 Efficiency of legal framework in challenging regs. ....	2.9 .....	115
1.12 Transparency of government policymaking .....	3.5 .....	125
1.13 Business costs of terrorism .....	4.1 .....	132
1.14 Business costs of crime and violence .....	4.3 .....	88
1.15 Organized crime .....	5.5 .....	52
1.16 Reliability of police services .....	2.7 .....	140
1.17 Ethical behavior of firms .....	3.6 .....	102
1.18 Strength of auditing and reporting standards .....	2.6 .....	146
1.19 Efficacy of corporate boards .....	3.1 .....	147
1.20 Protection of minority shareholders' interests .....	2.6 .....	147
1.21 Strength of investor protection, 0–10 (best)* .....	n/a .....	n/a
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.3 .....	144
2.02 Quality of roads .....	2.5 .....	134
2.03 Quality of railroad infrastructure .....	N/Apl. ....	n/a
2.04 Quality of port infrastructure .....	3.0 .....	124
2.05 Quality of air transport infrastructure .....	2.9 .....	136
2.06 Available airline seat km/week, millions* .....	82.1 .....	87
2.07 Quality of electricity supply .....	3.9 .....	96
2.08 Mobile telephone subscriptions/100 pop.* .....	148.2 .....	22
2.09 Fixed telephone lines/100 pop.* .....	12.6 .....	85
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	20.9 .....	4
3.02 Gross national savings, % GDP* .....	52.4 .....	4
3.03 Inflation, annual % change* .....	6.1 .....	103
3.04 General government debt, % GDP* .....	0.0 .....	1
3.05 Country credit rating, 0–100 (best)* .....	37.4 .....	87
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl. ....	1
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	1
4.03 Business impact of tuberculosis .....	5.2 .....	84
4.04 Tuberculosis cases/100,000 pop.* .....	40.0 .....	66
4.05 Business impact of HIV/AIDS .....	5.3 .....	78
4.06 HIV prevalence, % adult pop.* .....	<0.2 .....	41
4.07 Infant mortality, deaths/1,000 live births* .....	12.8 .....	67
4.08 Life expectancy, years* .....	75.0 .....	53
4.09 Quality of primary education .....	2.5 .....	132
4.10 Primary education enrollment, net %* .....	n/a .....	n/a
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	110.3 .....	12
5.02 Tertiary education enrollment, gross %* .....	54.4 .....	47
5.03 Quality of the educational system .....	1.9 .....	148
5.04 Quality of math and science education .....	2.7 .....	130
5.05 Quality of management schools .....	2.2 .....	146
5.06 Internet access in schools .....	1.8 .....	145
5.07 Availability of research and training services .....	2.5 .....	148
5.08 Extent of staff training .....	2.9 .....	143
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.7 .....	139
6.02 Extent of market dominance .....	2.9 .....	135
6.03 Effectiveness of anti-monopoly policy .....	2.7 .....	144
6.04 Effect of taxation on incentives to invest .....	3.3 .....	106
6.05 Total tax rate, % profits* .....	n/a .....	n/a

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	n/a .....	n/a
6.07 No. days to start a business* .....	n/a .....	n/a
6.08 Agricultural policy costs .....	2.5 .....	147
6.09 Prevalence of trade barriers .....	3.8 .....	121
6.10 Trade tariffs, % duty* .....	0.0 .....	1
6.11 Prevalence of foreign ownership .....	2.5 .....	147
6.12 Business impact of rules on FDI .....	3.3 .....	135
6.13 Burden of customs procedures .....	2.9 .....	141
6.14 Imports as a percentage of GDP* .....	33.4 .....	108
6.15 Degree of customer orientation .....	3.7 .....	132
6.16 Buyer sophistication .....	2.6 .....	129
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2 .....	85
7.02 Flexibility of wage determination .....	4.7 .....	101
7.03 Hiring and firing practices .....	3.8 .....	86
7.04 Redundancy costs, weeks of salary* .....	n/a .....	n/a
7.05 Effect of taxation on incentives to work .....	4.0 .....	43
7.06 Pay and productivity .....	3.3 .....	126
7.07 Reliance on professional management .....	3.3 .....	129
7.08 Country capacity to retain talent .....	3.1 .....	87
7.09 Country capacity to attract talent .....	2.2 .....	129
7.10 Women in labor force, ratio to men* .....	0.40 .....	135
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	2.5 .....	147
8.02 Affordability of financial services .....	2.3 .....	148
8.03 Financing through local equity market .....	1.9 .....	142
8.04 Ease of access to loans .....	1.9 .....	130
8.05 Venture capital availability .....	2.0 .....	128
8.06 Soundness of banks .....	2.8 .....	145
8.07 Regulation of securities exchanges .....	2.1 .....	140
8.08 Legal rights index, 0–10 (best)* .....	n/a .....	n/a
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.4 .....	141
9.02 Firm-level technology absorption .....	3.6 .....	142
9.03 FDI and technology transfer .....	3.0 .....	148
9.04 Individuals using Internet, %* .....	19.9 .....	103
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.0 .....	109
9.06 Int'l Internet bandwidth, kb/s per user* .....	9.3 .....	97
9.07 Mobile broadband subscriptions/100 pop.* .....	13.8 .....	78
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.2 .....	80
10.02 Foreign market size index, 1–7 (best)* .....	4.5 .....	72
10.03 GDP (PPP\$ billions)* .....	77.4 .....	76
10.04 Exports as a percentage of GDP* .....	52.0 .....	47
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.1 .....	29
11.02 Local supplier quality .....	3.2 .....	142
11.03 State of cluster development .....	2.8 .....	139
11.04 Nature of competitive advantage .....	2.6 .....	135
11.05 Value chain breadth .....	2.7 .....	143
11.06 Control of international distribution .....	3.8 .....	93
11.07 Production process sophistication .....	2.8 .....	134
11.08 Extent of marketing .....	2.7 .....	141
11.09 Willingness to delegate authority .....	3.4 .....	102
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.5 .....	143
12.02 Quality of scientific research institutions .....	2.1 .....	144
12.03 Company spending on R&D .....	2.0 .....	146
12.04 University-industry collaboration in R&D .....	2.0 .....	148
12.05 Gov't procurement of advanced tech products .....	2.3 .....	143
12.06 Availability of scientists and engineers .....	3.3 .....	117
12.07 PCT patents, applications/million pop.* .....	0.4 .....	82

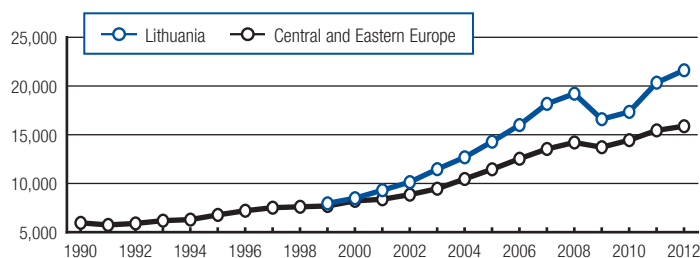
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Lithuania

## Key indicators, 2012

Population (millions).....	3.0
GDP (US\$ billions).....	42.2
GDP per capita (US\$).....	14,018
GDP (PPP) as share (%) of world total.....	0.08

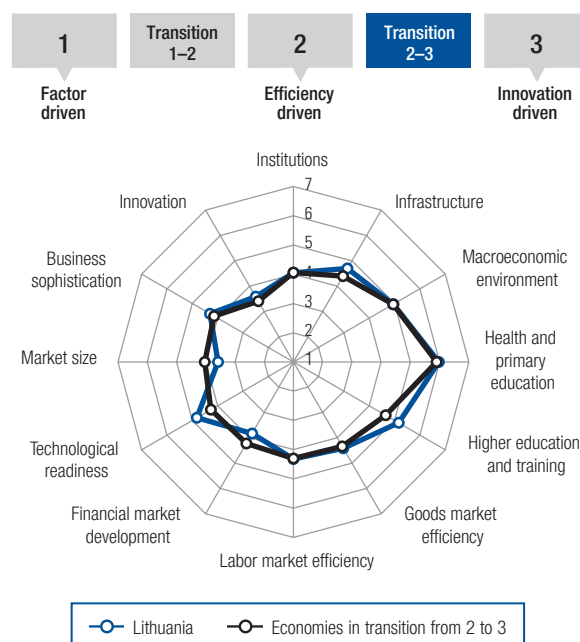
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

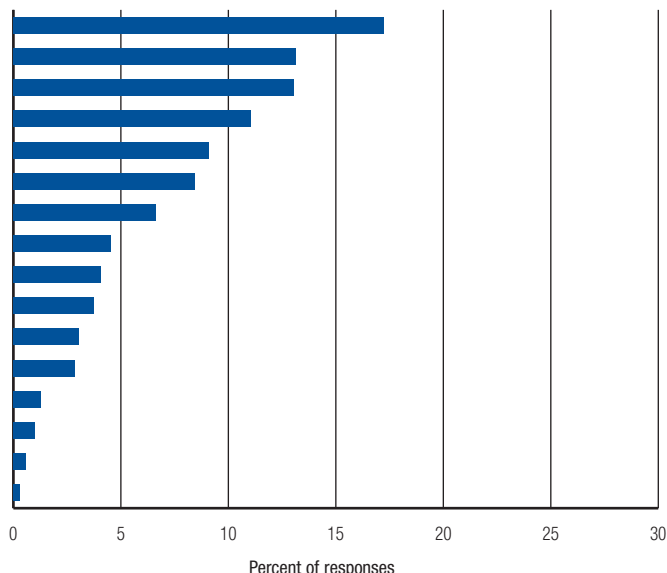
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>48</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	45	4.4
GCI 2011–2012 (out of 142).....	44	4.4
<b>Basic requirements (27.5%)</b> .....	<b>43</b>	<b>4.9</b>
Institutions.....	61	4.0
Infrastructure.....	41	4.7
Macroeconomic environment.....	58	4.9
Health and primary education.....	50	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>47</b>	<b>4.3</b>
Higher education and training.....	27	5.2
Goods market efficiency.....	49	4.4
Labor market efficiency.....	69	4.3
Financial market development.....	87	3.8
Technological readiness.....	35	4.8
Market size.....	78	3.6
<b>Innovation and sophistication factors (22.5%)</b> .....	<b>44</b>	<b>3.9</b>
Business sophistication.....	48	4.3
Innovation.....	44	3.6

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	17.2
Tax rates.....	13.1
Restrictive labor regulations.....	13.0
Tax regulations.....	11.1
Access to financing.....	9.1
Corruption.....	8.5
Inadequately educated workforce.....	6.6
Government instability/coups.....	4.5
Insufficient capacity to innovate.....	4.0
Policy instability.....	3.7
Inadequate supply of infrastructure.....	3.1
Poor work ethic in national labor force.....	2.9
Inflation.....	1.3
Crime and theft.....	1.0
Poor public health.....	0.6
Foreign currency regulations.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Lithuania

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.2	71
1.02 Intellectual property protection .....	3.7	66
1.03 Diversion of public funds .....	3.2	73
1.04 Public trust in politicians .....	2.4	95
1.05 Irregular payments and bribes .....	4.6	50
1.06 Judicial independence .....	3.7	71
1.07 Favoritism in decisions of government officials .....	3.1	62
1.08 Wastefulness of government spending .....	2.9	95
1.09 Burden of government regulation .....	3.0	107
1.10 Efficiency of legal framework in settling disputes .....	3.4	96
1.11 Efficiency of legal framework in challenging regs. ....	3.2	90
1.12 Transparency of government policymaking .....	4.7	34
1.13 Business costs of terrorism .....	6.3	23
1.14 Business costs of crime and violence .....	5.1	49
1.15 Organized crime .....	5.5	50
1.16 Reliability of police services .....	4.2	70
1.17 Ethical behavior of firms .....	4.3	49
1.18 Strength of auditing and reporting standards .....	4.9	54
1.19 Efficacy of corporate boards .....	5.0	31
1.20 Protection of minority shareholders' interests .....	3.9	92
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.1	44
2.02 Quality of roads .....	5.0	34
2.03 Quality of railroad infrastructure .....	4.7	21
2.04 Quality of port infrastructure .....	5.1	35
2.05 Quality of air transport infrastructure .....	4.3	75
2.06 Available airline seat km/week, millions* .....	51.3	97
2.07 Quality of electricity supply .....	5.5	46
2.08 Mobile telephone subscriptions/100 pop.* .....	151.8	19
2.09 Fixed telephone lines/100 pop.* .....	20.3	61
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.0	78
3.02 Gross national savings, % GDP* .....	16.2	91
3.03 Inflation, annual % change* .....	3.2	56
3.04 General government debt, % GDP* .....	39.6	67
3.05 Country credit rating, 0–100 (best)* .....	60.6	46
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.6	71
4.04 Tuberculosis cases/100,000 pop.* .....	59.0	78
4.05 Business impact of HIV/AIDS .....	6.2	27
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	4.7	31
4.08 Life expectancy, years* .....	73.6	74
4.09 Quality of primary education .....	5.0	26
4.10 Primary education enrollment, net %* .....	91.1	95
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	98.8	41
5.02 Tertiary education enrollment, gross %* .....	69.5	24
5.03 Quality of the educational system .....	4.0	59
5.04 Quality of math and science education .....	5.2	16
5.05 Quality of management schools .....	4.4	60
5.06 Internet access in schools .....	5.8	23
5.07 Availability of research and training services .....	4.7	40
5.08 Extent of staff training .....	4.1	59
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.4	36
6.02 Extent of market dominance .....	3.4	96
6.03 Effectiveness of anti-monopoly policy .....	3.8	98
6.04 Effect of taxation on incentives to invest .....	3.2	114
6.05 Total tax rate, % profits* .....	43.7	96

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	20	88
6.08 Agricultural policy costs .....	3.9	63
6.09 Prevalence of trade barriers .....	4.4	54
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.3	92
6.12 Business impact of rules on FDI .....	4.0	111
6.13 Burden of customs procedures .....	4.6	43
6.14 Imports as a percentage of GDP* .....	85.5	17
6.15 Degree of customer orientation .....	5.3	27
6.16 Buyer sophistication .....	3.1	101
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.3	72
7.02 Flexibility of wage determination .....	5.9	7
7.03 Hiring and firing practices .....	3.1	130
7.04 Redundancy costs, weeks of salary* .....	24.6	111
7.05 Effect of taxation on incentives to work .....	3.0	120
7.06 Pay and productivity .....	4.7	14
7.07 Reliance on professional management .....	4.6	48
7.08 Country capacity to retain talent .....	2.5	127
7.09 Country capacity to attract talent .....	2.1	135
7.10 Women in labor force, ratio to men* .....	0.95	10
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.8	58
8.02 Affordability of financial services .....	4.5	47
8.03 Financing through local equity market .....	3.4	73
8.04 Ease of access to loans .....	2.4	109
8.05 Venture capital availability .....	2.5	84
8.06 Soundness of banks .....	4.2	111
8.07 Regulation of securities exchanges .....	4.2	65
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.7	38
9.02 Firm-level technology absorption .....	5.2	42
9.03 FDI and technology transfer .....	5.3	9
9.04 Individuals using Internet, %* .....	68.0	38
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	19.5	36
9.06 Int'l Internet bandwidth, kb/s per user* .....	70.1	31
9.07 Mobile broadband subscriptions/100 pop.* .....	8.6	88
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.2	79
10.02 Foreign market size index, 1–7 (best)* .....	4.6	65
10.03 GDP (PPP\$ billions)* .....	65.0	80
10.04 Exports as a percentage of GDP* .....	83.6	19
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.0	35
11.02 Local supplier quality .....	5.0	34
11.03 State of cluster development .....	3.3	109
11.04 Nature of competitive advantage .....	3.7	59
11.05 Value chain breadth .....	4.2	37
11.06 Control of international distribution .....	4.5	31
11.07 Production process sophistication .....	4.2	45
11.08 Extent of marketing .....	4.7	38
11.09 Willingness to delegate authority .....	3.9	52
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.0	40
12.02 Quality of scientific research institutions .....	4.8	32
12.03 Company spending on R&D .....	3.1	63
12.04 University-industry collaboration in R&D .....	4.6	28
12.05 Gov't procurement of advanced tech products .....	3.0	109
12.06 Availability of scientists and engineers .....	4.3	61
12.07 PCT patents, applications/million pop.* .....	4.7	45

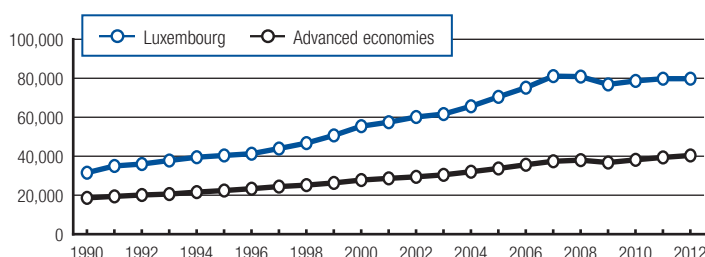
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Luxembourg

## Key indicators, 2012

Population (millions).....	0.5
GDP (US\$ billions).....	56.7
GDP per capita (US\$).....	107,206
GDP (PPP) as share (%) of world total.....	0.05

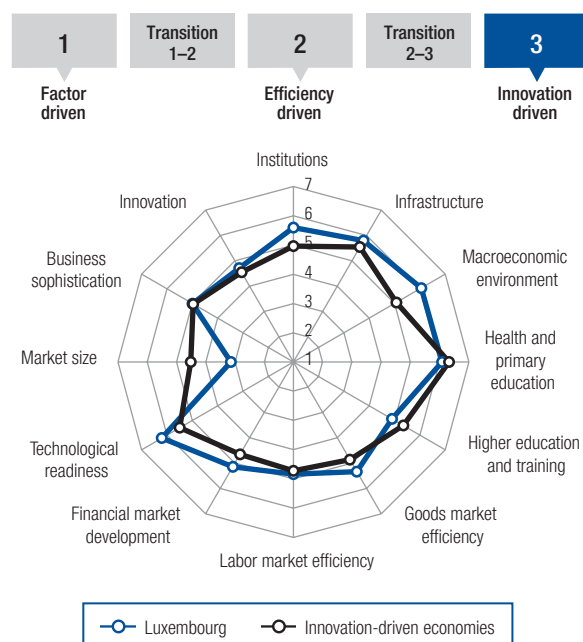
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

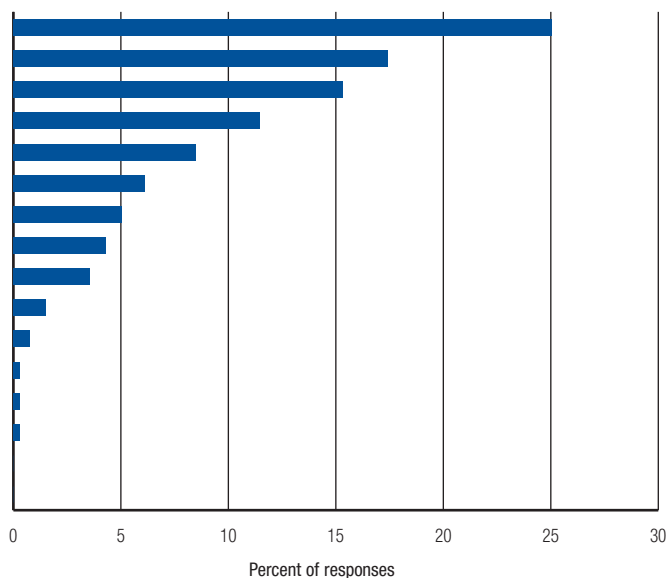
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>22</b>	<b>5.1</b>
GCI 2012–2013 (out of 144).....	22	5.1
GCI 2011–2012 (out of 142).....	23	5.0
<b>Basic requirements (20.0%)</b> .....	<b>11</b>	<b>5.9</b>
Institutions.....	10	5.6
Infrastructure.....	13	5.8
Macroeconomic environment.....	15	6.0
Health and primary education.....	36	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>22</b>	<b>4.9</b>
Higher education and training.....	36	4.9
Goods market efficiency.....	5	5.3
Labor market efficiency.....	22	4.8
Financial market development.....	14	5.1
Technological readiness.....	2	6.2
Market size.....	97	3.1
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>17</b>	<b>4.8</b>
Business sophistication.....	22	5.0
Innovation.....	18	4.7

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	25.0
Inadequately educated workforce.....	17.4
Inefficient government bureaucracy.....	15.4
Insufficient capacity to innovate.....	11.5
Access to financing.....	8.5
Inflation.....	6.1
Tax rates.....	5.1
Inadequate supply of infrastructure.....	4.3
Tax regulations.....	3.6
Poor work ethic in national labor force.....	1.5
Foreign currency regulations.....	0.7
Corruption.....	0.3
Policy instability.....	0.3
Poor public health.....	0.3
Crime and theft.....	0.0
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Luxembourg

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.0	7
1.02 Intellectual property protection .....	5.9	6
1.03 Diversion of public funds .....	6.0	7
1.04 Public trust in politicians .....	5.3	11
1.05 Irregular payments and bribes .....	6.2	8
1.06 Judicial independence .....	5.7	18
1.07 Favoritism in decisions of government officials .....	4.4	14
1.08 Wastefulness of government spending .....	4.4	18
1.09 Burden of government regulation .....	4.2	18
1.10 Efficiency of legal framework in settling disputes .....	5.2	15
1.11 Efficiency of legal framework in challenging regs. ....	5.2	9
1.12 Transparency of government policymaking .....	5.5	7
1.13 Business costs of terrorism .....	6.3	19
1.14 Business costs of crime and violence .....	6.3	5
1.15 Organized crime .....	6.5	7
1.16 Reliability of police services .....	6.0	15
1.17 Ethical behavior of firms .....	5.9	10
1.18 Strength of auditing and reporting standards .....	6.1	7
1.19 Efficacy of corporate boards .....	5.5	8
1.20 Protection of minority shareholders' interests .....	5.5	9
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.0	13
2.02 Quality of roads .....	5.8	16
2.03 Quality of railroad infrastructure .....	5.0	13
2.04 Quality of port infrastructure .....	5.4	26
2.05 Quality of air transport infrastructure .....	5.6	29
2.06 Available airline seat km/week, millions* .....	25.3	118
2.07 Quality of electricity supply .....	6.6	12
2.08 Mobile telephone subscriptions/100 pop.* .....	145.5	25
2.09 Fixed telephone lines/100 pop.* .....	51.0	12
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.9	57
3.02 Gross national savings, % GDP* .....	27.5	34
3.03 Inflation, annual % change* .....	2.9	1
3.04 General government debt, % GDP* .....	21.1	25
3.05 Country credit rating, 0–100 (best)* .....	91.8	8
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	18
4.04 Tuberculosis cases/100,000 pop.* .....	0.5	1
4.05 Business impact of HIV/AIDS .....	6.3	20
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	2.3	6
4.08 Life expectancy, years* .....	81.0	16
4.09 Quality of primary education .....	4.7	39
4.10 Primary education enrollment, net %* .....	92.1	90
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	101.2	34
5.02 Tertiary education enrollment, gross %* .....	18.2	96
5.03 Quality of the educational system .....	4.4	34
5.04 Quality of math and science education .....	4.5	44
5.05 Quality of management schools .....	4.5	55
5.06 Internet access in schools .....	6.2	9
5.07 Availability of research and training services .....	5.3	21
5.08 Extent of staff training .....	5.4	3
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.1	59
6.02 Extent of market dominance .....	4.5	25
6.03 Effectiveness of anti-monopoly policy .....	5.0	15
6.04 Effect of taxation on incentives to invest .....	5.3	8
6.05 Total tax rate, % profits* .....	21.0	12

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	19	82
6.08 Agricultural policy costs .....	4.9	4
6.09 Prevalence of trade barriers .....	5.2	7
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	6.3	1
6.12 Business impact of rules on FDI .....	5.8	4
6.13 Burden of customs procedures .....	5.4	10
6.14 Imports as a percentage of GDP* .....	121.4	3
6.15 Degree of customer orientation .....	5.2	31
6.16 Buyer sophistication .....	4.7	7
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.1	22
7.02 Flexibility of wage determination .....	4.7	98
7.03 Hiring and firing practices .....	3.3	116
7.04 Redundancy costs, weeks of salary* .....	21.7	101
7.05 Effect of taxation on incentives to work .....	5.2	8
7.06 Pay and productivity .....	4.2	47
7.07 Reliance on professional management .....	5.6	16
7.08 Country capacity to retain talent .....	5.1	11
7.09 Country capacity to attract talent .....	5.4	8
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 .....	6.1	4
8.02 Affordability of financial services .....	6.0	2
8.03 Financing through local equity market .....	4.4	26
8.04 Ease of access to loans .....	4.2	13
8.05 Venture capital availability .....	4.0	13
8.06 Soundness of banks .....	6.0	21
8.07 Regulation of securities exchanges .....	6.0	3
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.3	10
9.02 Firm-level technology absorption .....	5.9	11
9.03 FDI and technology transfer .....	5.5	7
9.04 Individuals using Internet, %* .....	92.0	6
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	32.6	12
9.06 Int'l Internet bandwidth, kb/s per user* .....	4,091.4	1
9.07 Mobile broadband subscriptions/100 pop.* .....	72.6	11
<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)* .....	4.7	60
10.03 GDP (PPP\$ billions)* .....	42.2	91
10.04 Exports as a percentage of GDP* .....	158.3	3
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.2	110
11.02 Local supplier quality .....	5.3	23
11.03 State of cluster development .....	4.7	22
11.04 Nature of competitive advantage .....	5.6	14
11.05 Value chain breadth .....	5.0	16
11.06 Control of international distribution .....	4.2	57
11.07 Production process sophistication .....	5.5	18
11.08 Extent of marketing .....	5.3	17
11.09 Willingness to delegate authority .....	4.7	20
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.1	11
12.02 Quality of scientific research institutions .....	4.9	30
12.03 Company spending on R&D .....	4.7	13
12.04 University-industry collaboration in R&D .....	4.9	19
12.05 Gov't procurement of advanced tech products .....	4.4	11
12.06 Availability of scientists and engineers .....	4.3	62
12.07 PCT patents, applications/million pop.* .....	101.4	16

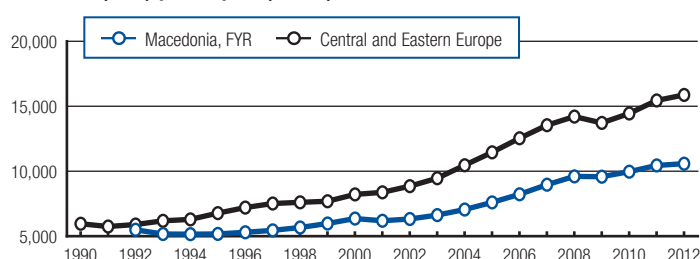
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Macedonia, FYR

## Key indicators, 2012

Population (millions).....	2.1
GDP (US\$ billions).....	9.7
GDP per capita (US\$).....	4,683
GDP (PPP) as share (%) of world total.....	0.03

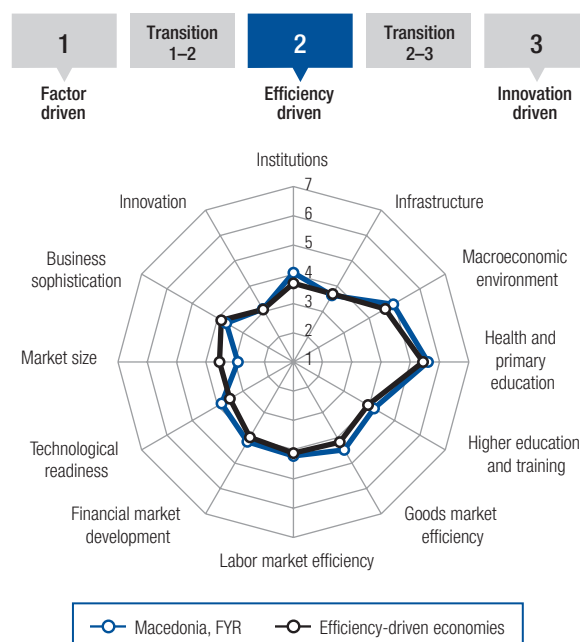
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

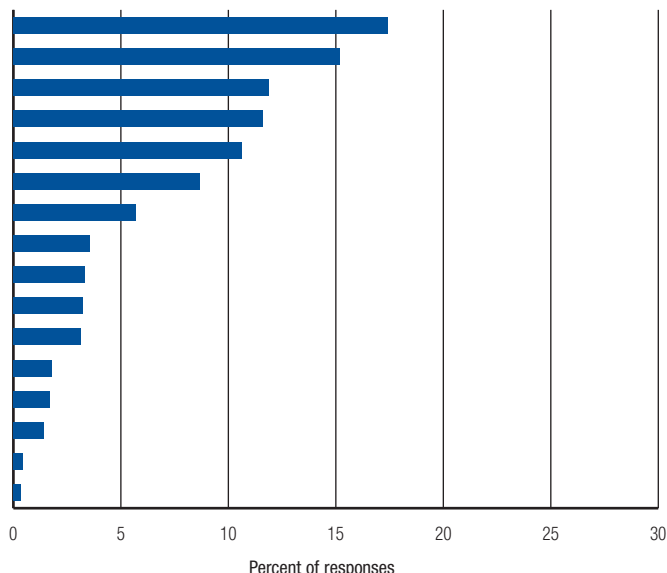
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>73</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	80	4.0
GCI 2011–2012 (out of 142).....	79	4.1
<b>Basic requirements (40.0%)</b> .....	<b>70</b>	<b>4.6</b>
Institutions.....	60	4.0
Infrastructure.....	86	3.6
Macroeconomic environment.....	59	4.9
Health and primary education.....	79	5.6
<b>Efficiency enhancers (50.0%)</b> .....	<b>76</b>	<b>4.0</b>
Higher education and training.....	76	4.2
Goods market efficiency.....	44	4.5
Labor market efficiency.....	79	4.2
Financial market development.....	62	4.1
Technological readiness.....	67	3.8
Market size.....	109	2.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>94</b>	<b>3.4</b>
Business sophistication.....	100	3.6
Innovation.....	86	3.1

## Stage of development



## The most problematic factors for doing business

Access to financing.....	17.4
Inadequate supply of infrastructure.....	15.2
Inadequately educated workforce.....	11.9
Poor work ethic in national labor force.....	11.6
Inefficient government bureaucracy.....	10.6
Corruption.....	8.7
Insufficient capacity to innovate.....	5.7
Tax rates.....	3.6
Policy instability.....	3.3
Poor public health.....	3.2
Tax regulations.....	3.1
Restrictive labor regulations.....	1.8
Crime and theft.....	1.7
Government instability/coups.....	1.4
Inflation.....	0.4
Foreign currency regulations.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Macedonia, FYR

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.5	56
1.02 Intellectual property protection .....	3.9	54
1.03 Diversion of public funds .....	3.8	50
1.04 Public trust in politicians .....	3.0	69
1.05 Irregular payments and bribes .....	4.6	47
1.06 Judicial independence .....	3.2	98
1.07 Favoritism in decisions of government officials .....	3.4	48
1.08 Wastefulness of government spending .....	3.6	43
1.09 Burden of government regulation .....	3.8	38
1.10 Efficiency of legal framework in settling disputes .....	3.5	87
1.11 Efficiency of legal framework in challenging regs. ....	2.9	112
1.12 Transparency of government policymaking .....	4.4	47
1.13 Business costs of terrorism .....	5.7	61
1.14 Business costs of crime and violence .....	4.9	59
1.15 Organized crime .....	4.6	98
1.16 Reliability of police services .....	4.4	61
1.17 Ethical behavior of firms .....	3.9	74
1.18 Strength of auditing and reporting standards .....	4.7	71
1.19 Efficacy of corporate boards .....	4.3	97
1.20 Protection of minority shareholders' interests .....	4.0	78
1.21 Strength of investor protection, 0–10 (best)* .....	7.0	19
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.9	87
2.02 Quality of roads .....	3.0	111
2.03 Quality of railroad infrastructure .....	1.9	99
2.04 Quality of port infrastructure .....	3.8	92
2.05 Quality of air transport infrastructure .....	4.3	78
2.06 Available airline seat km/week, millions* .....	13.1	133
2.07 Quality of electricity supply .....	4.9	74
2.08 Mobile telephone subscriptions/100 pop.* .....	108.2	77
2.09 Fixed telephone lines/100 pop.* .....	19.7	63
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.8	95
3.02 Gross national savings, % GDP* .....	24.9	47
3.03 Inflation, annual % change* .....	3.3	61
3.04 General government debt, % GDP* .....	33.3	48
3.05 Country credit rating, 0–100 (best)* .....	39.8	79
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.7	67
4.04 Tuberculosis cases/100,000 pop.* .....	20.0	45
4.05 Business impact of HIV/AIDS .....	5.7	58
4.06 HIV prevalence, % adult pop.* .....	<0.01	1
4.07 Infant mortality, deaths/1,000 live births* .....	8.7	53
4.08 Life expectancy, years* .....	74.8	56
4.09 Quality of primary education .....	3.9	70
4.10 Primary education enrollment, net %* .....	88.0	109
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	83.7	85
5.02 Tertiary education enrollment, gross %* .....	38.6	68
5.03 Quality of the educational system .....	3.7	70
5.04 Quality of math and science education .....	4.4	51
5.05 Quality of management schools .....	3.8	99
5.06 Internet access in schools .....	5.1	40
5.07 Availability of research and training services .....	4.1	78
5.08 Extent of staff training .....	3.7	104
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.8	85
6.02 Extent of market dominance .....	3.5	89
6.03 Effectiveness of anti-monopoly policy .....	4.0	81
6.04 Effect of taxation on incentives to invest .....	4.2	37
6.05 Total tax rate, % profits* .....	9.4	1

INDICATOR	VALUE	RANK/148
<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	2
6.08 Agricultural policy costs .....	4.4	26
6.09 Prevalence of trade barriers .....	4.3	69
6.10 Trade tariffs, % duty* .....	5.3	71
6.11 Prevalence of foreign ownership .....	4.0	109
6.12 Business impact of rules on FDI .....	4.9	43
6.13 Burden of customs procedures .....	4.6	45
6.14 Imports as a percentage of GDP* .....	77.8	27
6.15 Degree of customer orientation .....	4.5	74
6.16 Buyer sophistication .....	2.5	136
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	98
7.02 Flexibility of wage determination .....	5.5	28
7.03 Hiring and firing practices .....	4.2	51
7.04 Redundancy costs, weeks of salary* .....	13.0	59
7.05 Effect of taxation on incentives to work .....	4.1	39
7.06 Pay and productivity .....	4.2	49
7.07 Reliance on professional management .....	3.7	110
7.08 Country capacity to retain talent .....	2.6	123
7.09 Country capacity to attract talent .....	2.1	134
7.10 Women in labor force, ratio to men* .....	0.65	108
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.3	82
8.02 Affordability of financial services .....	4.0	84
8.03 Financing through local equity market .....	3.3	81
8.04 Ease of access to loans .....	2.9	63
8.05 Venture capital availability .....	2.5	90
8.06 Soundness of banks .....	5.3	55
8.07 Regulation of securities exchanges .....	4.2	66
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.7	80
9.02 Firm-level technology absorption .....	4.0	121
9.03 FDI and technology transfer .....	4.4	92
9.04 Individuals using Internet, %* .....	63.1	43
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	14.6	44
9.06 Int'l Internet bandwidth, kb/s per user* .....	31.4	55
9.07 Mobile broadband subscriptions/100 pop.* .....	21.6	67
<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)* .....	3.7	103
10.03 GDP (PPP\$ billions)* .....	21.9	114
10.04 Exports as a percentage of GDP* .....	52.6	45
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	79
11.02 Local supplier quality .....	4.3	81
11.03 State of cluster development .....	3.5	95
11.04 Nature of competitive advantage .....	2.5	143
11.05 Value chain breadth .....	3.4	103
11.06 Control of international distribution .....	3.8	96
11.07 Production process sophistication .....	3.5	88
11.08 Extent of marketing .....	4.0	84
11.09 Willingness to delegate authority .....	3.2	121
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	94
12.02 Quality of scientific research institutions .....	3.4	86
12.03 Company spending on R&D .....	2.9	91
12.04 University-industry collaboration in R&D .....	3.4	81
12.05 Gov't procurement of advanced tech products .....	3.4	81
12.06 Availability of scientists and engineers .....	3.8	92
12.07 PCT patents, applications/million pop.* .....	0.7	72

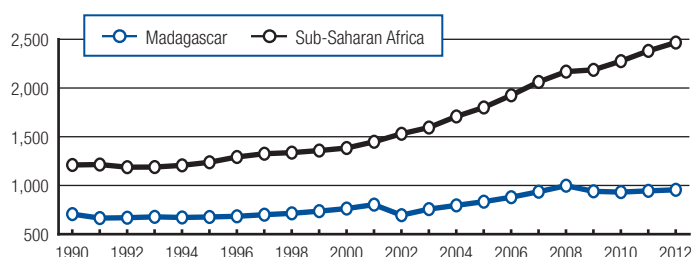
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Madagascar

## Key indicators, 2012

Population (millions).....	21.3
GDP (US\$ billions).....	10.1
GDP per capita (US\$).....	451
GDP (PPP) as share (%) of world total.....	0.03

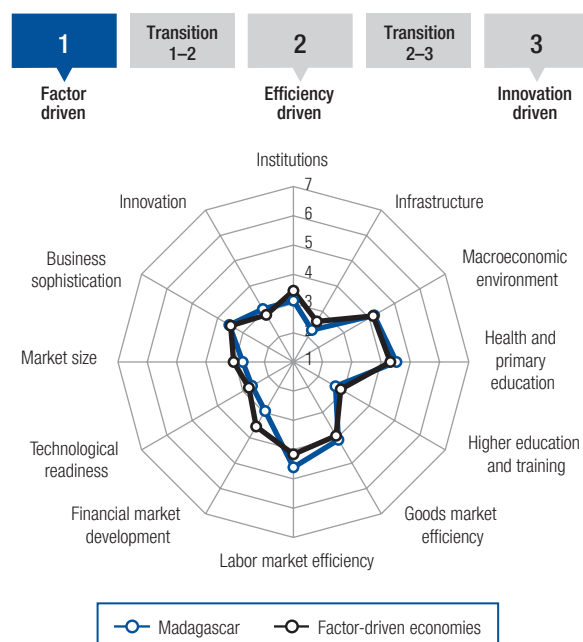
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

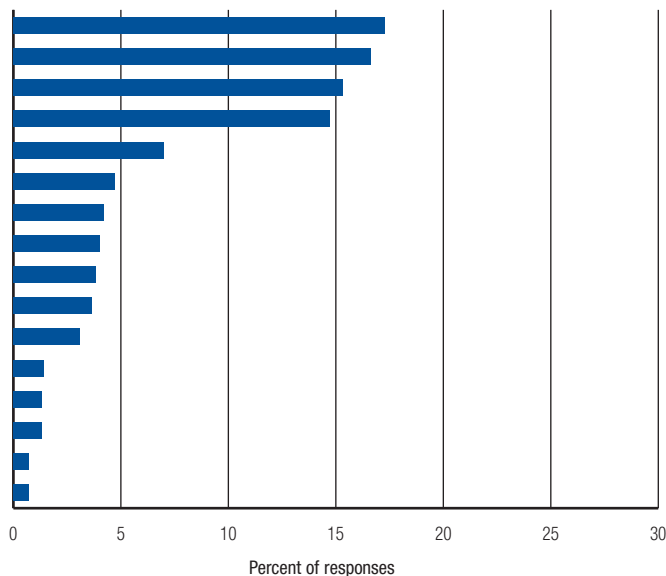
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>132</b>	<b>3.4</b>
GCI 2012–2013 (out of 144).....	130	3.4
GCI 2011–2012 (out of 142).....	130	3.4
<b>Basic requirements (60.0%)</b> .....	<b>130</b>	<b>3.5</b>
Institutions.....	128	3.1
Infrastructure.....	136	2.3
Macroeconomic environment.....	108	4.2
Health and primary education.....	118	4.5
<b>Efficiency enhancers (35.0%)</b> .....	<b>127</b>	<b>3.3</b>
Higher education and training.....	132	2.7
Goods market efficiency.....	94	4.1
Labor market efficiency.....	37	4.6
Financial market development.....	137	2.9
Technological readiness.....	131	2.6
Market size.....	116	2.7
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>105</b>	<b>3.3</b>
Business sophistication.....	111	3.5
Innovation.....	85	3.1

## Stage of development



## The most problematic factors for doing business

Policy instability.....	17.3
Corruption.....	16.6
Access to financing.....	15.3
Government instability/coups.....	14.7
Inadequate supply of infrastructure.....	7.0
Crime and theft.....	4.7
Inefficient government bureaucracy.....	4.2
Tax regulations.....	4.0
Inadequately educated workforce.....	3.8
Tax rates.....	3.7
Inflation.....	3.1
Poor work ethic in national labor force.....	1.4
Foreign currency regulations.....	1.3
Insufficient capacity to innovate.....	1.3
Poor public health.....	0.7
Restrictive labor regulations.....	0.7



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Madagascar

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.9	135
1.02 Intellectual property protection .....	2.9	108
1.03 Diversion of public funds .....	2.3	132
1.04 Public trust in politicians .....	2.0	126
1.05 Irregular payments and bribes .....	3.0	119
1.06 Judicial independence .....	2.1	141
1.07 Favoritism in decisions of government officials .....	2.9	91
1.08 Wastefulness of government spending .....	2.4	122
1.09 Burden of government regulation .....	3.3	93
1.10 Efficiency of legal framework in settling disputes .....	2.9	121
1.11 Efficiency of legal framework in challenging regs. ....	2.8	121
1.12 Transparency of government policymaking .....	3.0	142
1.13 Business costs of terrorism .....	4.8	111
1.14 Business costs of crime and violence .....	3.5	120
1.15 Organized crime .....	4.2	112
1.16 Reliability of police services .....	2.8	138
1.17 Ethical behavior of firms .....	3.2	133
1.18 Strength of auditing and reporting standards .....	3.9	114
1.19 Efficacy of corporate boards .....	4.4	87
1.20 Protection of minority shareholders' interests .....	3.5	122
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.2	123
2.02 Quality of roads .....	2.6	129
2.03 Quality of railroad infrastructure .....	2.0	94
2.04 Quality of port infrastructure .....	3.5	105
2.05 Quality of air transport infrastructure .....	3.6	106
2.06 Available airline seat km/week, millions* .....	45.2	101
2.07 Quality of electricity supply .....	2.5	127
2.08 Mobile telephone subscriptions/100 pop.* .....	39.1	141
2.09 Fixed telephone lines/100 pop.* .....	0.7	134
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.1	82
3.02 Gross national savings, % GDP* .....	15.7	92
3.03 Inflation, annual % change* .....	6.5	106
3.04 General government debt, % GDP* .....	38.3	64
3.05 Country credit rating, 0–100 (best)* .....	18.1	139
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.4	131
4.02 Malaria cases/100,000 pop.* .....	3,556.9	120
4.03 Business impact of tuberculosis .....	4.4	112
4.04 Tuberculosis cases/100,000 pop.* .....	238.0	127
4.05 Business impact of HIV/AIDS .....	5.0	91
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	42.8	115
4.08 Life expectancy, years* .....	66.7	109
4.09 Quality of primary education .....	2.7	126
4.10 Primary education enrollment, net %* .....	79.2	131
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	31.1	139
5.02 Tertiary education enrollment, gross %* .....	4.1	136
5.03 Quality of the educational system .....	3.0	117
5.04 Quality of math and science education .....	4.0	82
5.05 Quality of management schools .....	4.0	87
5.06 Internet access in schools .....	2.4	132
5.07 Availability of research and training services .....	3.6	111
5.08 Extent of staff training .....	3.7	102
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.8	82
6.02 Extent of market dominance .....	3.4	103
6.03 Effectiveness of anti-monopoly policy .....	3.5	117
6.04 Effect of taxation on incentives to invest .....	3.2	115
6.05 Total tax rate, % profits* .....	36.0	67

INDICATOR	VALUE	RANK/148
<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* .....	8	34
6.08 Agricultural policy costs .....	3.5	105
6.09 Prevalence of trade barriers .....	3.7	129
6.10 Trade tariffs, % duty* .....	7.8	89
6.11 Prevalence of foreign ownership .....	4.5	82
6.12 Business impact of rules on FDI .....	4.0	109
6.13 Burden of customs procedures .....	3.5	100
6.14 Imports as a percentage of GDP* .....	39.6	91
6.15 Degree of customer orientation .....	4.6	68
6.16 Buyer sophistication .....	2.7	123
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4	66
7.02 Flexibility of wage determination .....	5.1	74
7.03 Hiring and firing practices .....	4.3	38
7.04 Redundancy costs, weeks of salary* .....	12.3	56
7.05 Effect of taxation on incentives to work .....	3.4	100
7.06 Pay and productivity .....	4.1	54
7.07 Reliance on professional management .....	4.0	84
7.08 Country capacity to retain talent .....	3.0	96
7.09 Country capacity to attract talent .....	3.0	95
7.10 Women in labor force, ratio to men* .....	0.95	9
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.6	126
8.02 Affordability of financial services .....	3.2	133
8.03 Financing through local equity market .....	2.3	128
8.04 Ease of access to loans .....	2.7	81
8.05 Venture capital availability .....	2.5	89
8.06 Soundness of banks .....	4.3	108
8.07 Regulation of securities exchanges .....	2.6	135
8.08 Legal rights index, 0–10 (best)* .....	2	141
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.3	109
9.02 Firm-level technology absorption .....	4.3	106
9.03 FDI and technology transfer .....	4.1	104
9.04 Individuals using Internet, %* .....	2.1	142
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	136
9.06 Int'l Internet bandwidth, kb/s per user* .....	0.5	143
9.07 Mobile broadband subscriptions/100 pop.* .....	0.1	133
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.5	112
10.02 Foreign market size index, 1–7 (best)* .....	3.3	123
10.03 GDP (PPP\$ billions)* .....	21.4	116
10.04 Exports as a percentage of GDP* .....	26.1	115
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	65
11.02 Local supplier quality .....	4.0	103
11.03 State of cluster development .....	3.0	127
11.04 Nature of competitive advantage .....	2.9	117
11.05 Value chain breadth .....	3.3	107
11.06 Control of international distribution .....	3.4	129
11.07 Production process sophistication .....	3.2	112
11.08 Extent of marketing .....	3.3	124
11.09 Willingness to delegate authority .....	3.6	87
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	73
12.02 Quality of scientific research institutions .....	3.2	105
12.03 Company spending on R&D .....	3.1	71
12.04 University-industry collaboration in R&D .....	3.3	96
12.05 Gov't procurement of advanced tech products .....	3.4	86
12.06 Availability of scientists and engineers .....	4.4	55
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 97.

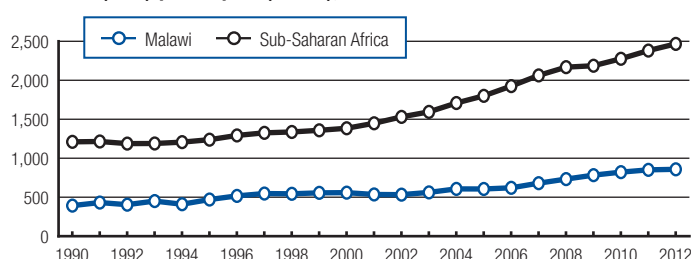


# Malawi

## Key indicators, 2012

Population (millions).....	15.4
GDP (US\$ billions).....	4.2
GDP per capita (US\$).....	253
GDP (PPP) as share (%) of world total.....	0.02

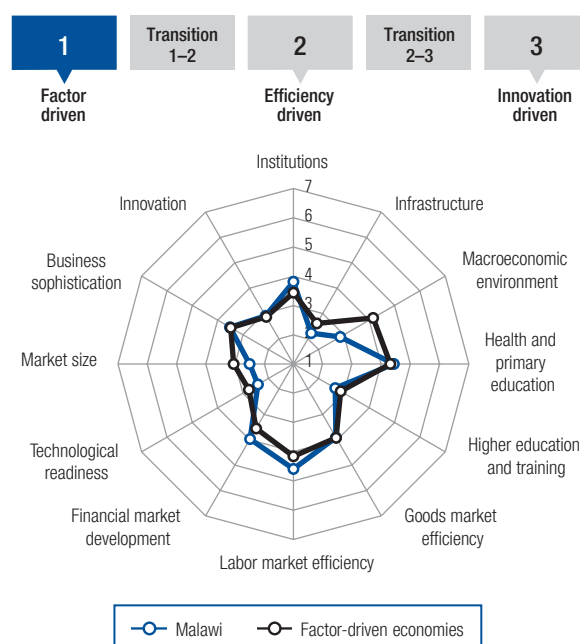
GDP (PPP) per capita (int'l \$), 1990–2012



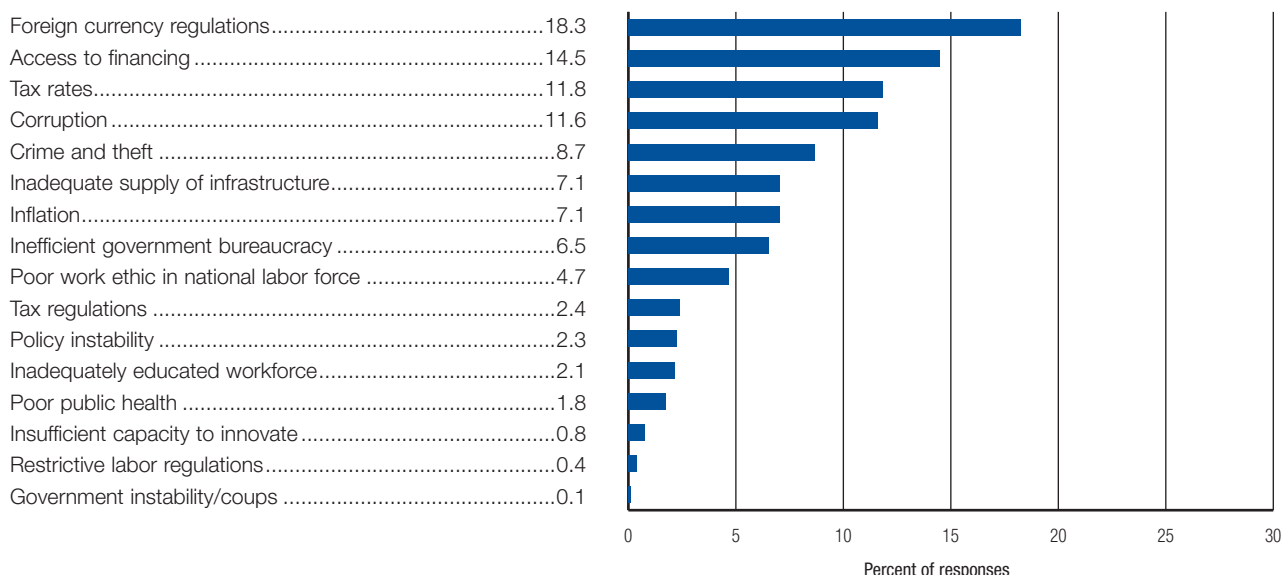
## Global Competitiveness Index

	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>136</b>	<b>3.3</b>
GCI 2012–2013 (out of 144).....	129	3.4
GCI 2011–2012 (out of 142).....	117	3.6
<b>Basic requirements (60.0%)</b> .....	<b>140</b>	<b>3.3</b>
Institutions.....	76	3.8
Infrastructure.....	137	2.2
Macroeconomic environment.....	146	2.8
Health and primary education.....	123	4.4
<b>Efficiency enhancers (35.0%)</b> .....	<b>122</b>	<b>3.3</b>
Higher education and training.....	133	2.6
Goods market efficiency.....	115	3.9
Labor market efficiency.....	39	4.6
Financial market development.....	71	4.0
Technological readiness.....	144	2.4
Market size.....	126	2.5
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>115</b>	<b>3.2</b>
Business sophistication.....	114	3.5
Innovation.....	108	2.9

## Stage of development



## The most problematic factors for doing business



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Malawi

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8	95
1.02 Intellectual property protection .....	3.4	89
1.03 Diversion of public funds .....	3.1	77
1.04 Public trust in politicians .....	2.8	78
1.05 Irregular payments and bribes .....	3.3	103
1.06 Judicial independence .....	4.0	59
1.07 Favoritism in decisions of government officials .....	2.8	92
1.08 Wastefulness of government spending .....	3.0	88
1.09 Burden of government regulation .....	3.7	49
1.10 Efficiency of legal framework in settling disputes .....	3.9	56
1.11 Efficiency of legal framework in challenging regs. ....	3.9	44
1.12 Transparency of government policymaking .....	3.9	96
1.13 Business costs of terrorism .....	5.7	62
1.14 Business costs of crime and violence .....	3.9	111
1.15 Organized crime .....	5.4	58
1.16 Reliability of police services .....	3.9	85
1.17 Ethical behavior of firms .....	3.8	84
1.18 Strength of auditing and reporting standards .....	4.7	70
1.19 Efficacy of corporate boards .....	4.5	79
1.20 Protection of minority shareholders' interests .....	4.4	55
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.2	121
2.02 Quality of roads .....	3.3	96
2.03 Quality of railroad infrastructure .....	1.9	97
2.04 Quality of port infrastructure .....	3.3	118
2.05 Quality of air transport infrastructure .....	2.9	137
2.06 Available airline seat km/week, millions* .....	5.9	142
2.07 Quality of electricity supply .....	2.6	123
2.08 Mobile telephone subscriptions/100 pop.* .....	27.8	145
2.09 Fixed telephone lines/100 pop.* .....	1.4	125
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.6	113
3.02 Gross national savings, % GDP* .....	13.5	110
3.03 Inflation, annual % change* .....	21.3	146
3.04 General government debt, % GDP* .....	54.9	103
3.05 Country credit rating, 0–100 (best)* .....	22.0	128
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.9	141
4.02 Malaria cases/100,000 pop.* .....	26,033.1	136
4.03 Business impact of tuberculosis .....	3.7	137
4.04 Tuberculosis cases/100,000 pop.* .....	191.0	117
4.05 Business impact of HIV/AIDS .....	2.8	146
4.06 HIV prevalence, % adult pop.* .....	10.00	139
4.07 Infant mortality, deaths/1,000 live births* .....	52.9	127
4.08 Life expectancy, years* .....	54.1	132
4.09 Quality of primary education .....	2.9	122
4.10 Primary education enrollment, net %* .....	96.9	48
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	34.2	137
5.02 Tertiary education enrollment, gross %* .....	0.8	146
5.03 Quality of the educational system .....	3.4	92
5.04 Quality of math and science education .....	3.2	113
5.05 Quality of management schools .....	3.3	124
5.06 Internet access in schools .....	2.8	123
5.07 Availability of research and training services .....	3.7	104
5.08 Extent of staff training .....	3.9	84
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.3	125
6.02 Extent of market dominance .....	3.2	117
6.03 Effectiveness of anti-monopoly policy .....	3.9	86
6.04 Effect of taxation on incentives to invest .....	3.8	71
6.05 Total tax rate, % profits* .....	34.7	58

INDICATOR	VALUE	RANK/148
<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* .....	39	121
6.08 Agricultural policy costs .....	3.6	102
6.09 Prevalence of trade barriers .....	4.1	100
6.10 Trade tariffs, % duty* .....	10.2	109
6.11 Prevalence of foreign ownership .....	4.6	78
6.12 Business impact of rules on FDI .....	4.1	106
6.13 Burden of customs procedures .....	3.4	116
6.14 Imports as a percentage of GDP* .....	46.8	70
6.15 Degree of customer orientation .....	4.2	110
6.16 Buyer sophistication .....	3.0	109
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	95
7.02 Flexibility of wage determination .....	5.2	60
7.03 Hiring and firing practices .....	4.0	66
7.04 Redundancy costs, weeks of salary* .....	16.7	82
7.05 Effect of taxation on incentives to work .....	3.3	104
7.06 Pay and productivity .....	4.0	66
7.07 Reliance on professional management .....	4.2	71
7.08 Country capacity to retain talent .....	3.3	75
7.09 Country capacity to attract talent .....	3.6	60
7.10 Women in labor force, ratio to men* .....	1.06	1
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.7	116
8.02 Affordability of financial services .....	3.5	121
8.03 Financing through local equity market .....	3.7	52
8.04 Ease of access to loans .....	2.6	91
8.05 Venture capital availability .....	2.4	96
8.06 Soundness of banks .....	5.1	68
8.07 Regulation of securities exchanges .....	3.9	81
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.9	127
9.02 Firm-level technology absorption .....	3.8	133
9.03 FDI and technology transfer .....	3.6	130
9.04 Individuals using Internet, %* .....	4.4	135
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.0	143
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.8	129
9.07 Mobile broadband subscriptions/100 pop.* .....	3.5	106
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.3	127
10.02 Foreign market size index, 1–7 (best)* .....	3.1	129
10.03 GDP (PPP\$ billions)* .....	14.3	126
10.04 Exports as a percentage of GDP* .....	26.7	112
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.5	94
11.02 Local supplier quality .....	3.9	114
11.03 State of cluster development .....	3.7	81
11.04 Nature of competitive advantage .....	3.0	115
11.05 Value chain breadth .....	3.0	126
11.06 Control of international distribution .....	3.7	107
11.07 Production process sophistication .....	2.9	129
11.08 Extent of marketing .....	3.2	128
11.09 Willingness to delegate authority .....	3.4	98
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0	116
12.02 Quality of scientific research institutions .....	3.2	104
12.03 Company spending on R&D .....	2.7	113
12.04 University-industry collaboration in R&D .....	3.1	111
12.05 Gov't procurement of advanced tech products .....	3.4	83
12.06 Availability of scientists and engineers .....	3.6	101
12.07 PCT patents, applications/million pop.* .....	0.0	122

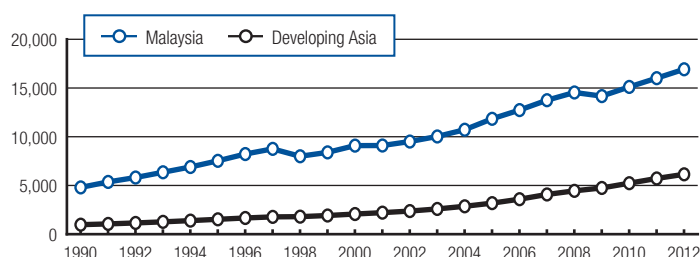
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Malaysia

## Key indicators, 2012

Population (millions).....	28.9
GDP (US\$ billions).....	303.5
GDP per capita (US\$).....	10,304
GDP (PPP) as share (%) of world total.....	0.60

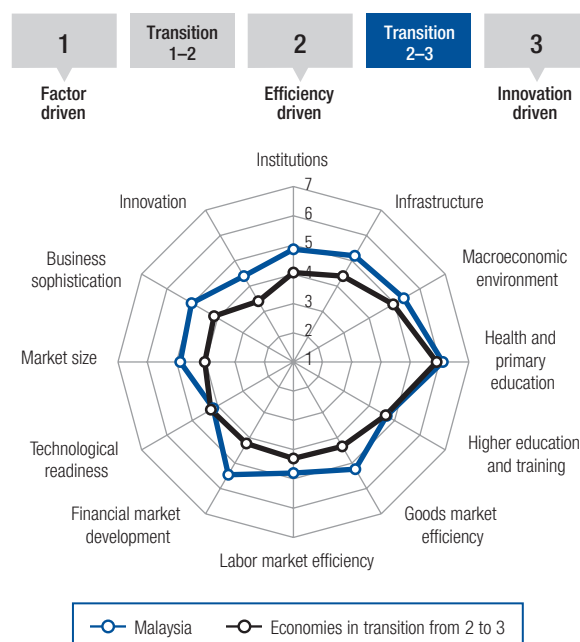
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

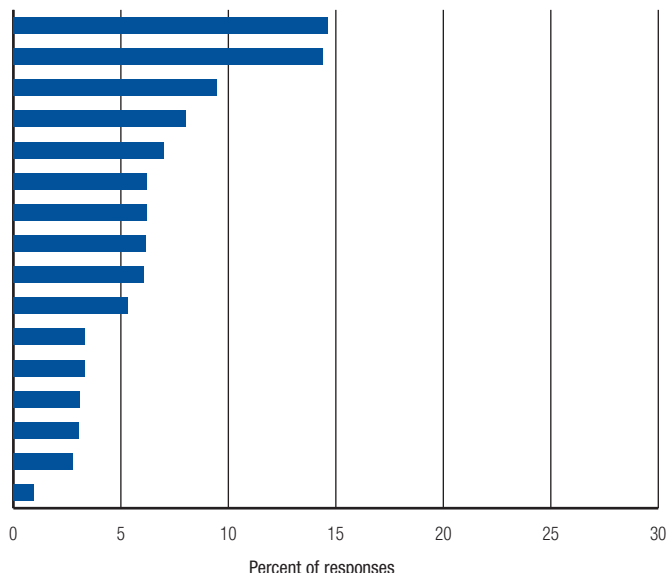
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>24</b>	<b>5.0</b>
GCI 2012–2013 (out of 144).....	25	5.1
GCI 2011–2012 (out of 142).....	21	5.1
<b>Basic requirements (36.7%)</b> .....	<b>27</b>	<b>5.4</b>
Institutions.....	29	4.8
Infrastructure.....	29	5.2
Macroeconomic environment.....	38	5.4
Health and primary education.....	33	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>25</b>	<b>4.9</b>
Higher education and training.....	46	4.7
Goods market efficiency.....	10	5.2
Labor market efficiency.....	25	4.8
Financial market development.....	6	5.4
Technological readiness.....	51	4.2
Market size.....	26	4.9
<b>Innovation and sophistication factors (13.3%)</b> .....	<b>23</b>	<b>4.7</b>
Business sophistication.....	20	5.0
Innovation.....	25	4.4

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	14.7
Corruption.....	14.4
Poor work ethic in national labor force.....	9.5
Insufficient capacity to innovate.....	8.0
Inadequately educated workforce.....	7.0
Access to financing.....	6.2
Tax rates.....	6.2
Crime and theft.....	6.2
Restrictive labor regulations.....	6.1
Inflation.....	5.3
Government instability/coups.....	3.3
Policy instability.....	3.3
Inadequate supply of infrastructure.....	3.1
Tax regulations.....	3.0
Foreign currency regulations.....	2.8
Poor public health.....	1.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Malaysia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.2	31
1.02 Intellectual property protection .....	4.8	30
1.03 Diversion of public funds .....	4.2	42
1.04 Public trust in politicians .....	4.3	20
1.05 Irregular payments and bribes .....	4.7	44
1.06 Judicial independence .....	4.5	44
1.07 Favoritism in decisions of government officials .....	4.0	25
1.08 Wastefulness of government spending .....	4.3	21
1.09 Burden of government regulation .....	4.6	8
1.10 Efficiency of legal framework in settling disputes .....	5.1	18
1.11 Efficiency of legal framework in challenging regs. ....	4.7	17
1.12 Transparency of government policymaking .....	5.0	20
1.13 Business costs of terrorism .....	5.3	85
1.14 Business costs of crime and violence .....	4.6	75
1.15 Organized crime .....	5.2	63
1.16 Reliability of police services .....	4.9	42
1.17 Ethical behavior of firms .....	5.0	28
1.18 Strength of auditing and reporting standards .....	5.4	27
1.19 Efficacy of corporate boards .....	5.3	13
1.20 Protection of minority shareholders' interests .....	5.1	21
1.21 Strength of investor protection, 0–10 (best)* .....	8.7	4
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.5	25
2.02 Quality of roads .....	5.4	23
2.03 Quality of railroad infrastructure .....	4.8	18
2.04 Quality of port infrastructure .....	5.4	24
2.05 Quality of air transport infrastructure .....	5.8	20
2.06 Available airline seat km/week, millions* .....	1,683.0	23
2.07 Quality of electricity supply .....	5.8	37
2.08 Mobile telephone subscriptions/100 pop.* .....	140.9	27
2.09 Fixed telephone lines/100 pop.* .....	15.7	79
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.3	103
3.02 Gross national savings, % GDP* .....	31.9	20
3.03 Inflation, annual % change* .....	1.7	1
3.04 General government debt, % GDP* .....	55.5	105
3.05 Country credit rating, 0–100 (best)* .....	71.7	30
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.4	96
4.02 Malaria cases/100,000 pop.* .....	56.2	96
4.03 Business impact of tuberculosis .....	5.1	87
4.04 Tuberculosis cases/100,000 pop.* .....	81.0	90
4.05 Business impact of HIV/AIDS .....	5.0	88
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	5.6	37
4.08 Life expectancy, years* .....	74.3	63
4.09 Quality of primary education .....	4.8	33
4.10 Primary education enrollment, net %* .....	95.9	55
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	69.1	105
5.02 Tertiary education enrollment, gross %* .....	42.3	62
5.03 Quality of the educational system .....	5.0	19
5.04 Quality of math and science education .....	4.9	27
5.05 Quality of management schools .....	4.9	35
5.06 Internet access in schools .....	5.2	36
5.07 Availability of research and training services .....	5.3	20
5.08 Extent of staff training .....	5.1	11
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.4	32
6.02 Extent of market dominance .....	4.8	18
6.03 Effectiveness of anti-monopoly policy .....	4.8	23
6.04 Effect of taxation on incentives to invest .....	5.0	12
6.05 Total tax rate, % profits* .....	24.5	20

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	6	16
6.08 Agricultural policy costs .....	5.0	2
6.09 Prevalence of trade barriers .....	4.8	30
6.10 Trade tariffs, % duty* .....	5.0	68
6.11 Prevalence of foreign ownership .....	5.1	48
6.12 Business impact of rules on FDI .....	5.4	14
6.13 Burden of customs procedures .....	5.0	23
6.14 Imports as a percentage of GDP* .....	78.6	26
6.15 Degree of customer orientation .....	5.4	18
6.16 Buyer sophistication .....	4.6	11
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.2	19
7.02 Flexibility of wage determination .....	5.5	33
7.03 Hiring and firing practices .....	4.5	26
7.04 Redundancy costs, weeks of salary* .....	23.9	110
7.05 Effect of taxation on incentives to work .....	5.0	10
7.06 Pay and productivity .....	5.2	2
7.07 Reliance on professional management .....	5.4	21
7.08 Country capacity to retain talent .....	4.6	20
7.09 Country capacity to attract talent .....	4.6	22
7.10 Women in labor force, ratio to men* .....	0.59	121
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.5	22
8.02 Affordability of financial services .....	5.4	15
8.03 Financing through local equity market .....	4.9	9
8.04 Ease of access to loans .....	4.4	5
8.05 Venture capital availability .....	4.2	7
8.06 Soundness of banks .....	5.7	40
8.07 Regulation of securities exchanges .....	5.3	18
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.7	37
9.02 Firm-level technology absorption .....	5.5	33
9.03 FDI and technology transfer .....	5.3	13
9.04 Individuals using Internet, %* .....	65.8	39
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	8.4	66
9.06 Int'l Internet bandwidth, kb/s per user* .....	16.4	77
9.07 Mobile broadband subscriptions/100 pop.* .....	13.5	79
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.5	29
10.02 Foreign market size index, 1–7 (best)* .....	5.8	20
10.03 GDP (PPP\$ billions)* .....	498.5	29
10.04 Exports as a percentage of GDP* .....	87.4	15
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.3	17
11.02 Local supplier quality .....	5.0	31
11.03 State of cluster development .....	5.0	14
11.04 Nature of competitive advantage .....	4.6	27
11.05 Value chain breadth .....	5.0	17
11.06 Control of international distribution .....	5.0	11
11.07 Production process sophistication .....	5.0	26
11.08 Extent of marketing .....	5.1	30
11.09 Willingness to delegate authority .....	5.0	13
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.9	15
12.02 Quality of scientific research institutions .....	4.9	27
12.03 Company spending on R&D .....	4.6	17
12.04 University-industry collaboration in R&D .....	5.0	16
12.05 Gov't procurement of advanced tech products .....	4.8	4
12.06 Availability of scientists and engineers .....	4.9	19
12.07 PCT patents, applications/million pop.* .....	12.1	31

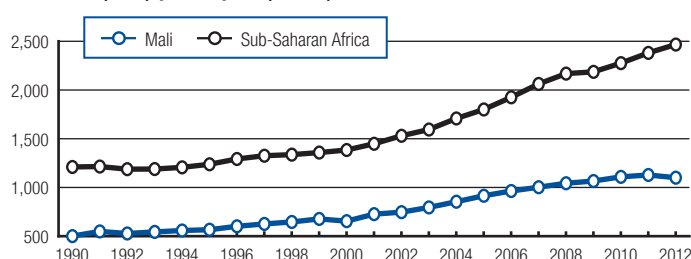
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Mali

## Key indicators, 2012

Population (millions).....	15.8
GDP (US\$ billions).....	10.3
GDP per capita (US\$).....	631
GDP (PPP) as share (%) of world total.....	0.02

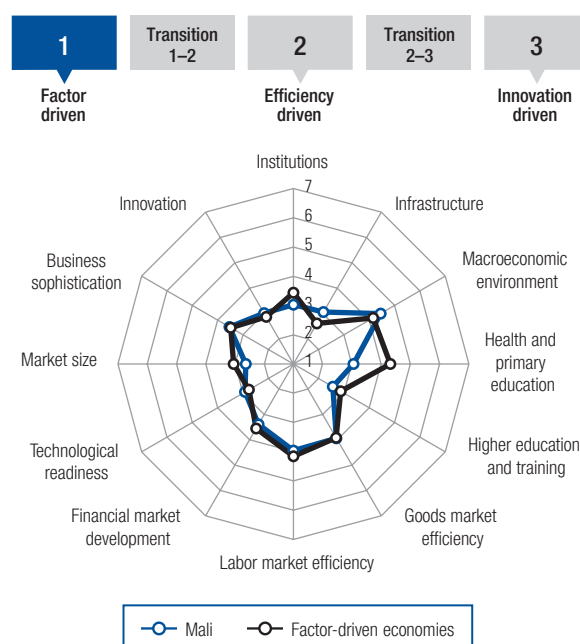
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

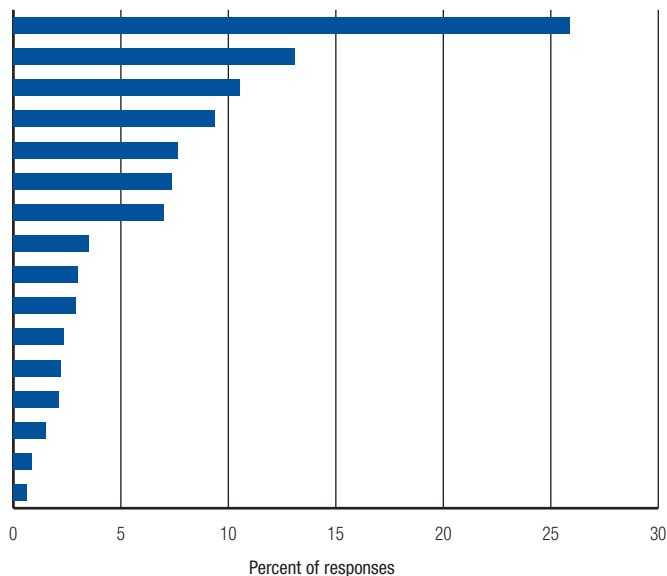
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>135</b>	<b>3.3</b>
GCI 2012–2013 (out of 144).....	128	3.4
GCI 2011–2012 (out of 142).....	128	3.4
<b>Basic requirements (60.0%)</b> .....	<b>137</b>	<b>3.4</b>
Institutions.....	136	3.0
Infrastructure.....	108	3.0
Macroeconomic environment.....	86	4.4
Health and primary education.....	145	3.1
<b>Efficiency enhancers (35.0%)</b> .....	<b>129</b>	<b>3.2</b>
Higher education and training.....	136	2.6
Goods market efficiency.....	109	3.9
Labor market efficiency.....	112	4.0
Financial market development.....	122	3.4
Technological readiness.....	117	2.9
Market size.....	123	2.6
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>111</b>	<b>3.3</b>
Business sophistication.....	112	3.5
Innovation.....	98	3.0

## Stage of development



## The most problematic factors for doing business

Access to financing.....	25.9
Corruption.....	13.1
Government instability/coups.....	10.5
Inadequate supply of infrastructure.....	9.4
Inefficient government bureaucracy.....	7.6
Inadequately educated workforce.....	7.4
Policy instability.....	7.0
Tax rates.....	3.5
Crime and theft.....	3.0
Restrictive labor regulations.....	2.9
Tax regulations.....	2.4
Insufficient capacity to innovate.....	2.2
Poor work ethic in national labor force.....	2.1
Foreign currency regulations.....	1.5
Inflation.....	0.9
Poor public health.....	0.6



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.3	126
1.02 Intellectual property protection .....	2.7	127
1.03 Diversion of public funds .....	2.3	130
1.04 Public trust in politicians .....	2.3	109
1.05 Irregular payments and bribes .....	2.3	144
1.06 Judicial independence .....	2.6	122
1.07 Favoritism in decisions of government officials .....	2.5	119
1.08 Wastefulness of government spending .....	2.8	97
1.09 Burden of government regulation .....	3.4	89
1.10 Efficiency of legal framework in settling disputes .....	3.1	111
1.11 Efficiency of legal framework in challenging regs. ....	3.3	83
1.12 Transparency of government policymaking .....	3.4	134
1.13 Business costs of terrorism .....	2.9	143
1.14 Business costs of crime and violence .....	3.3	128
1.15 Organized crime .....	3.6	133
1.16 Reliability of police services .....	3.5	112
1.17 Ethical behavior of firms .....	3.5	115
1.18 Strength of auditing and reporting standards .....	3.1	139
1.19 Efficacy of corporate boards .....	3.6	142
1.20 Protection of minority shareholders' interests .....	3.7	108
1.21 Strength of investor protection, 0–10 (best)* .....	3.7	123
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	95
2.02 Quality of roads .....	3.5	89
2.03 Quality of railroad infrastructure .....	2.4	81
2.04 Quality of port infrastructure .....	4.0	83
2.05 Quality of air transport infrastructure .....	4.1	86
2.06 Available airline seat km/week, millions* .....	20.7	126
2.07 Quality of electricity supply .....	3.4	106
2.08 Mobile telephone subscriptions/100 pop.* .....	89.5	108
2.09 Fixed telephone lines/100 pop.* .....	0.7	133
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.1	45
3.02 Gross national savings, % GDP* .....	11.3	120
3.03 Inflation, annual % change* .....	5.3	96
3.04 General government debt, % GDP* .....	32.0	41
3.05 Country credit rating, 0–100 (best)* .....	20.4	134
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.7	144
4.02 Malaria cases/100,000 pop.* .....	23,225.5	132
4.03 Business impact of tuberculosis .....	3.9	129
4.04 Tuberculosis cases/100,000 pop.* .....	62.0	80
4.05 Business impact of HIV/AIDS .....	3.7	131
4.06 HIV prevalence, % adult pop.* .....	1.10	112
4.07 Infant mortality, deaths/1,000 live births* .....	98.2	147
4.08 Life expectancy, years* .....	51.4	139
4.09 Quality of primary education .....	2.5	128
4.10 Primary education enrollment, net %* .....	62.9	141
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	39.5	130
5.02 Tertiary education enrollment, gross %* .....	6.1	129
5.03 Quality of the educational system .....	2.9	122
5.04 Quality of math and science education .....	2.9	126
5.05 Quality of management schools .....	3.4	119
5.06 Internet access in schools .....	3.1	117
5.07 Availability of research and training services .....	3.5	114
5.08 Extent of staff training .....	3.1	135
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5	111
6.02 Extent of market dominance .....	4.0	51
6.03 Effectiveness of anti-monopoly policy .....	4.1	67
6.04 Effect of taxation on incentives to invest .....	2.7	134
6.05 Total tax rate, % profits* .....	51.7	118

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	8	34
6.08 Agricultural policy costs .....	3.9	62
6.09 Prevalence of trade barriers .....	3.6	137
6.10 Trade tariffs, % duty* .....	10.5	113
6.11 Prevalence of foreign ownership .....	3.6	125
6.12 Business impact of rules on FDI .....	3.9	112
6.13 Burden of customs procedures .....	3.8	86
6.14 Imports as a percentage of GDP* .....	41.6	84
6.15 Degree of customer orientation .....	4.3	97
6.16 Buyer sophistication .....	2.6	130
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5	54
7.02 Flexibility of wage determination .....	5.0	80
7.03 Hiring and firing practices .....	4.1	58
7.04 Redundancy costs, weeks of salary* .....	13.7	65
7.05 Effect of taxation on incentives to work .....	2.9	124
7.06 Pay and productivity .....	3.4	115
7.07 Reliance on professional management .....	3.1	140
7.08 Country capacity to retain talent .....	3.5	61
7.09 Country capacity to attract talent .....	3.4	75
7.10 Women in labor force, ratio to men* .....	0.53	126
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.6	127
8.02 Affordability of financial services .....	3.7	104
8.03 Financing through local equity market .....	2.7	109
8.04 Ease of access to loans .....	2.8	74
8.05 Venture capital availability .....	2.3	99
8.06 Soundness of banks .....	4.1	119
8.07 Regulation of securities exchanges .....	2.5	138
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6	84
9.02 Firm-level technology absorption .....	4.5	84
9.03 FDI and technology transfer .....	4.3	97
9.04 Individuals using Internet, %* .....	2.2	140
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	139
9.06 Int'l Internet bandwidth, kb/s per user* .....	4.8	115
9.07 Mobile broadband subscriptions/100 pop.* .....	0.7	121
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.4	118
10.02 Foreign market size index, 1–7 (best)* .....	3.2	126
10.03 GDP (PPP\$ billions)* .....	18.0	121
10.04 Exports as a percentage of GDP* .....	26.0	116
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	45
11.02 Local supplier quality .....	4.2	90
11.03 State of cluster development .....	3.7	79
11.04 Nature of competitive advantage .....	2.9	119
11.05 Value chain breadth .....	3.2	117
11.06 Control of international distribution .....	3.7	111
11.07 Production process sophistication .....	3.1	120
11.08 Extent of marketing .....	3.1	132
11.09 Willingness to delegate authority .....	3.1	126
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	104
12.02 Quality of scientific research institutions .....	3.4	87
12.03 Company spending on R&D .....	2.9	97
12.04 University-industry collaboration in R&D .....	2.9	123
12.05 Gov't procurement of advanced tech products .....	3.6	59
12.06 Availability of scientists and engineers .....	4.2	65
12.07 PCT patents, applications/million pop.* .....	0.0	126

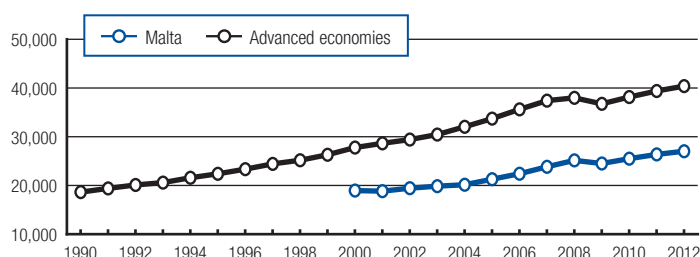
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Malta

## Key indicators, 2012

Population (millions).....	0.4
GDP (US\$ billions).....	8.7
GDP per capita (US\$).....	20,852
GDP (PPP) as share (%) of world total.....	0.01

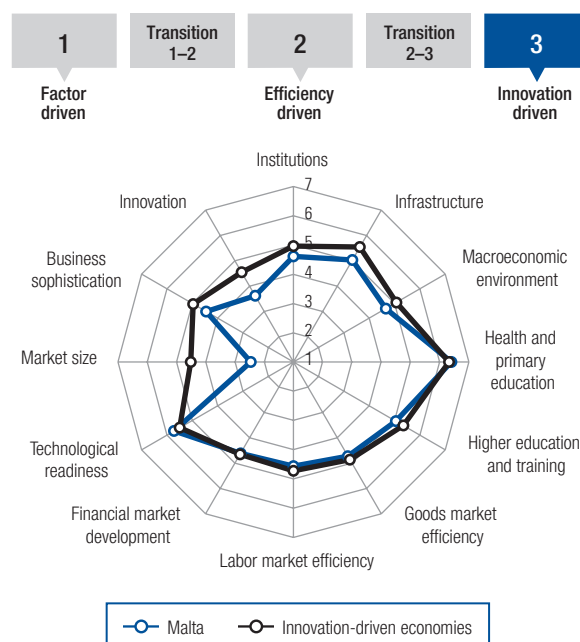
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

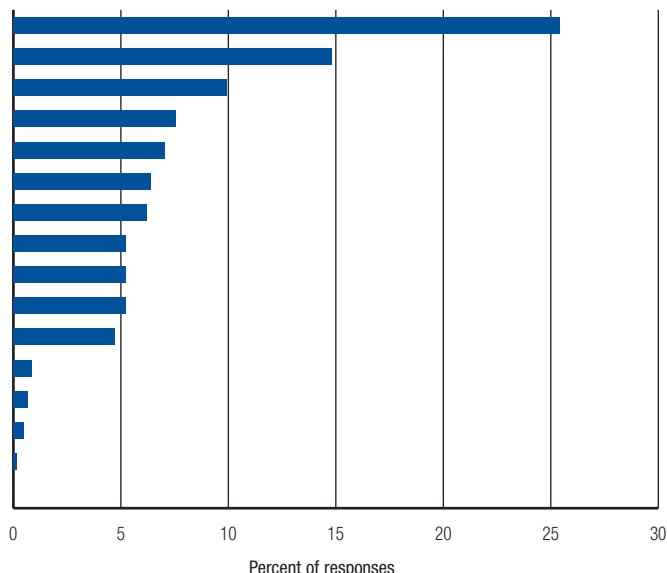
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>41</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	47	4.4
GCI 2011–2012 (out of 142).....	51	4.3
<b>Basic requirements (20.0%)</b> .....	<b>34</b>	<b>5.2</b>
Institutions.....	37	4.6
Infrastructure.....	34	5.0
Macroeconomic environment.....	74	4.6
Health and primary education.....	15	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>36</b>	<b>4.5</b>
Higher education and training.....	31	5.0
Goods market efficiency.....	32	4.7
Labor market efficiency.....	43	4.6
Financial market development.....	34	4.6
Technological readiness.....	16	5.7
Market size.....	127	2.5
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>40</b>	<b>4.0</b>
Business sophistication.....	36	4.4
Innovation.....	42	3.6

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	25.4
Access to financing.....	14.8
Inadequate supply of infrastructure.....	9.9
Insufficient capacity to innovate.....	7.6
Tax rates.....	7.1
Tax regulations.....	6.4
Corruption.....	6.2
Inadequately educated workforce.....	5.2
Poor work ethic in national labor force.....	5.2
Restrictive labor regulations.....	5.2
Inflation.....	4.7
Policy instability.....	0.8
Government instability/coups.....	0.7
Crime and theft.....	0.5
Poor public health.....	0.2
Foreign currency regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.5	22
1.02 Intellectual property protection .....	4.9	28
1.03 Diversion of public funds .....	4.3	39
1.04 Public trust in politicians .....	3.4	44
1.05 Irregular payments and bribes .....	4.2	60
1.06 Judicial independence .....	4.8	39
1.07 Favoritism in decisions of government officials .....	3.2	60
1.08 Wastefulness of government spending .....	3.8	32
1.09 Burden of government regulation .....	3.4	86
1.10 Efficiency of legal framework in settling disputes .....	4.2	46
1.11 Efficiency of legal framework in challenging regs. ....	3.7	55
1.12 Transparency of government policymaking .....	4.2	60
1.13 Business costs of terrorism .....	5.8	50
1.14 Business costs of crime and violence .....	5.8	19
1.15 Organized crime .....	6.0	25
1.16 Reliability of police services .....	5.3	33
1.17 Ethical behavior of firms .....	4.4	42
1.18 Strength of auditing and reporting standards .....	5.9	13
1.19 Efficacy of corporate boards .....	4.6	63
1.20 Protection of minority shareholders' interests .....	5.2	18
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.2	36
2.02 Quality of roads .....	3.4	91
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	5.8	13
2.05 Quality of air transport infrastructure .....	5.7	23
2.06 Available airline seat km/week, millions* .....	70.3	93
2.07 Quality of electricity supply .....	5.1	69
2.08 Mobile telephone subscriptions/100 pop.* .....	128.7	41
2.09 Fixed telephone lines/100 pop.* .....	54.8	8
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.0	79
3.02 Gross national savings, % GDP* .....	12.7	114
3.03 Inflation, annual % change* .....	3.2	58
3.04 General government debt, % GDP* .....	72.5	120
3.05 Country credit rating, 0–100 (best)* .....	70.3	33
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.0	46
4.04 Tuberculosis cases/100,000 pop.* .....	9.1	29
4.05 Business impact of HIV/AIDS .....	5.9	48
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	5.1	35
4.08 Life expectancy, years* .....	82.0	7
4.09 Quality of primary education .....	5.7	9
4.10 Primary education enrollment, net %* .....	93.8	75
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	100.9	36
5.02 Tertiary education enrollment, gross %* .....	35.3	72
5.03 Quality of the educational system .....	5.3	8
5.04 Quality of math and science education .....	5.5	8
5.05 Quality of management schools .....	5.2	21
5.06 Internet access in schools .....	5.9	20
5.07 Availability of research and training services .....	4.7	39
5.08 Extent of staff training .....	4.4	35
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	6.0	4
6.02 Extent of market dominance .....	4.1	46
6.03 Effectiveness of anti-monopoly policy .....	4.8	22
6.04 Effect of taxation on incentives to invest .....	4.2	34
6.05 Total tax rate, % profits* .....	41.6	87

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	11	126
6.07 No. days to start a business* .....	40	124
6.08 Agricultural policy costs .....	4.4	24
6.09 Prevalence of trade barriers .....	4.8	29
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.7	70
6.12 Business impact of rules on FDI .....	5.4	13
6.13 Burden of customs procedures .....	4.8	34
6.14 Imports as a percentage of GDP* .....	104.3	8
6.15 Degree of customer orientation .....	4.7	60
6.16 Buyer sophistication .....	3.9	34
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.0	27
7.02 Flexibility of wage determination .....	5.3	42
7.03 Hiring and firing practices .....	3.9	82
7.04 Redundancy costs, weeks of salary* .....	7.3	21
7.05 Effect of taxation on incentives to work .....	4.0	46
7.06 Pay and productivity .....	4.3	43
7.07 Reliance on professional management .....	3.9	99
7.08 Country capacity to retain talent .....	4.2	32
7.09 Country capacity to attract talent .....	4.7	19
7.10 Women in labor force, ratio to men* .....	0.55	125
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.4	27
8.02 Affordability of financial services .....	5.1	27
8.03 Financing through local equity market .....	4.4	25
8.04 Ease of access to loans .....	3.9	15
8.05 Venture capital availability .....	3.2	37
8.06 Soundness of banks .....	6.3	14
8.07 Regulation of securities exchanges .....	5.4	17
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.1	22
9.02 Firm-level technology absorption .....	5.5	31
9.03 FDI and technology transfer .....	5.2	18
9.04 Individuals using Internet, %* .....	70.0	36
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	31.7	14
9.06 Int'l Internet bandwidth, kb/s per user* .....	638.5	3
9.07 Mobile broadband subscriptions/100 pop.* .....	57.6	21
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.0	133
10.02 Foreign market size index, 1–7 (best)* .....	3.7	105
10.03 GDP (PPP\$ billions)* .....	11.3	132
10.04 Exports as a percentage of GDP* .....	100.4	8
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.4	12
11.02 Local supplier quality .....	4.7	54
11.03 State of cluster development .....	3.9	64
11.04 Nature of competitive advantage .....	4.3	31
11.05 Value chain breadth .....	4.3	33
11.06 Control of international distribution .....	4.8	19
11.07 Production process sophistication .....	4.5	34
11.08 Extent of marketing .....	4.6	39
11.09 Willingness to delegate authority .....	3.7	75
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.8	47
12.02 Quality of scientific research institutions .....	4.0	57
12.03 Company spending on R&D .....	3.4	49
12.04 University-industry collaboration in R&D .....	3.8	55
12.05 Gov't procurement of advanced tech products .....	3.9	35
12.06 Availability of scientists and engineers .....	4.5	42
12.07 PCT patents, applications/million pop.* .....	9.9	35

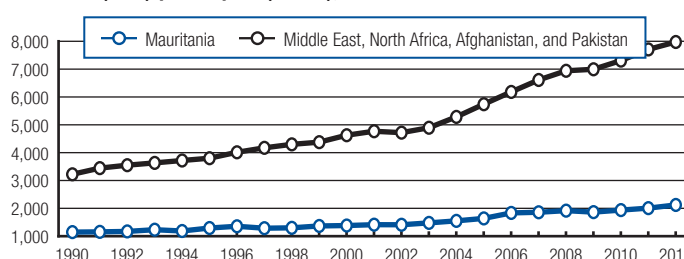
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Mauritania

## Key indicators, 2012

Population (millions).....	3.5
GDP (US\$ billions).....	4.2
GDP per capita (US\$).....	1,157
GDP (PPP) as share (%) of world total.....	0.01

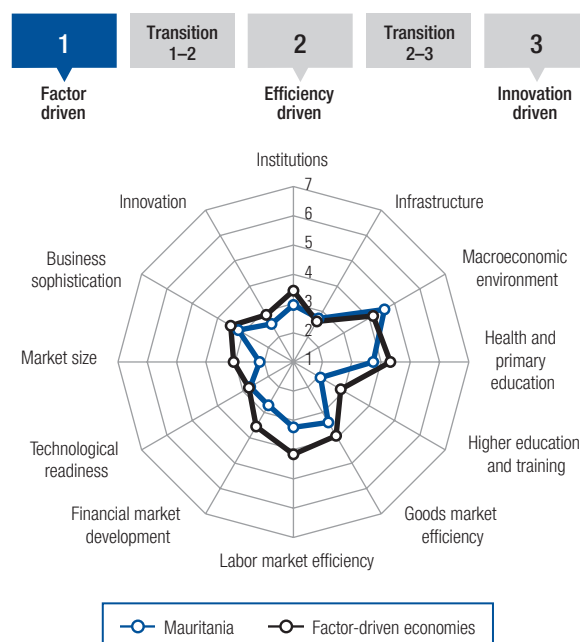
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

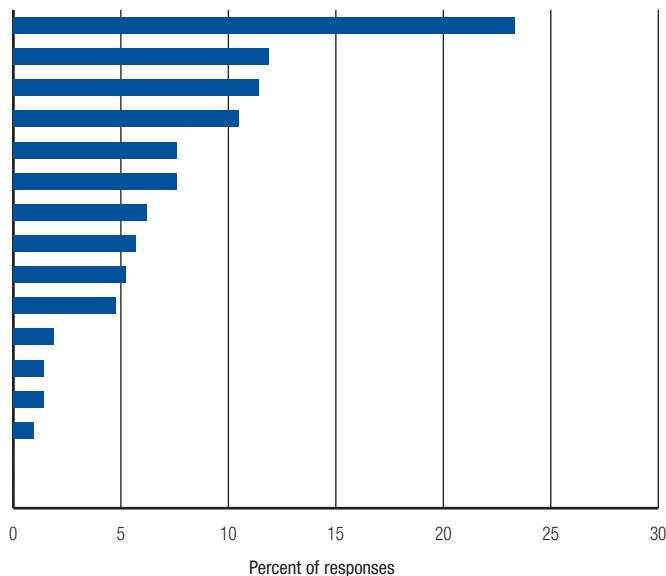
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>141</b>	<b>3.2</b>
GCI 2012–2013 (out of 144).....	134	3.3
GCI 2011–2012 (out of 142).....	137	3.2
<b>Basic requirements (60.0%)</b> .....	<b>132</b>	<b>3.5</b>
Institutions.....	139	2.9
Infrastructure.....	120	2.7
Macroeconomic environment.....	78	4.6
Health and primary education.....	136	3.7
<b>Efficiency enhancers (35.0%)</b> .....	<b>147</b>	<b>2.7</b>
Higher education and training.....	146	2.1
Goods market efficiency.....	141	3.4
Labor market efficiency.....	143	3.2
Financial market development.....	140	2.7
Technological readiness.....	125	2.7
Market size.....	134	2.2
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>134</b>	<b>2.8</b>
Business sophistication.....	138	3.2
Innovation.....	133	2.5

## Stage of development



## The most problematic factors for doing business

Access to financing.....	23.3
Corruption.....	11.9
Policy instability.....	11.4
Government instability/coups.....	10.5
Inadequately educated workforce.....	7.6
Inefficient government bureaucracy.....	7.6
Inadequate supply of infrastructure.....	6.2
Inflation.....	5.7
Poor work ethic in national labor force.....	5.2
Insufficient capacity to innovate.....	4.8
Restrictive labor regulations.....	1.9
Foreign currency regulations.....	1.4
Tax regulations.....	1.4
Poor public health.....	1.0
Crime and theft.....	0.0
Tax rates.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Mauritania

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.8	139
1.02 Intellectual property protection .....	2.5	132
1.03 Diversion of public funds .....	2.4	121
1.04 Public trust in politicians .....	2.3	103
1.05 Irregular payments and bribes .....	2.6	136
1.06 Judicial independence .....	2.4	130
1.07 Favoritism in decisions of government officials .....	2.1	142
1.08 Wastefulness of government spending .....	2.3	128
1.09 Burden of government regulation .....	3.3	91
1.10 Efficiency of legal framework in settling disputes .....	2.8	127
1.11 Efficiency of legal framework in challenging regs. ....	2.8	119
1.12 Transparency of government policymaking .....	2.8	145
1.13 Business costs of terrorism .....	4.8	109
1.14 Business costs of crime and violence .....	5.3	<b>38</b>
1.15 Organized crime .....	5.4	55
1.16 Reliability of police services .....	3.0	128
1.17 Ethical behavior of firms .....	2.8	148
1.18 Strength of auditing and reporting standards .....	2.7	145
1.19 Efficacy of corporate boards .....	3.2	145
1.20 Protection of minority shareholders' interests .....	2.9	142
1.21 Strength of investor protection, 0–10 (best)* .....	3.7	123
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.6	138
2.02 Quality of roads .....	2.7	124
2.03 Quality of railroad infrastructure .....	2.0	92
2.04 Quality of port infrastructure .....	2.9	126
2.05 Quality of air transport infrastructure .....	2.3	144
2.06 Available airline seat km/week, millions* .....	11.0	136
2.07 Quality of electricity supply .....	3.3	108
2.08 Mobile telephone subscriptions/100 pop.* .....	111.1	68
2.09 Fixed telephone lines/100 pop.* .....	1.8	121
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	2.6	<b>16</b>
3.02 Gross national savings, % GDP* .....	16.9	86
3.03 Inflation, annual % change* .....	4.9	89
3.04 General government debt, % GDP* .....	79.7	128
3.05 Country credit rating, 0–100 (best)* .....	23.1	125
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.4	114
4.02 Malaria cases/100,000 pop.* .....	17,311.2	128
4.03 Business impact of tuberculosis .....	4.2	121
4.04 Tuberculosis cases/100,000 pop.* .....	344.0	135
4.05 Business impact of HIV/AIDS .....	4.6	106
4.06 HIV prevalence, % adult pop.* .....	1.10	112
4.07 Infant mortality, deaths/1,000 live births* .....	75.6	138
4.08 Life expectancy, years* .....	58.5	123
4.09 Quality of primary education .....	2.2	140
4.10 Primary education enrollment, net %* .....	74.5	135
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	27.0	144
5.02 Tertiary education enrollment, gross %* .....	4.7	134
5.03 Quality of the educational system .....	2.6	136
5.04 Quality of math and science education .....	2.7	133
5.05 Quality of management schools .....	2.5	143
5.06 Internet access in schools .....	2.0	141
5.07 Availability of research and training services .....	3.0	138
5.08 Extent of staff training .....	2.5	148
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5	108
6.02 Extent of market dominance .....	3.1	126
6.03 Effectiveness of anti-monopoly policy .....	3.3	129
6.04 Effect of taxation on incentives to invest .....	2.7	133
6.05 Total tax rate, % profits* .....	68.2	137

INDICATOR	VALUE	RANK/148
<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	82
6.08 Agricultural policy costs .....	3.0	136
6.09 Prevalence of trade barriers .....	3.6	138
6.10 Trade tariffs, % duty* .....	9.3	101
6.11 Prevalence of foreign ownership .....	3.1	142
6.12 Business impact of rules on FDI .....	3.5	124
6.13 Burden of customs procedures .....	3.3	122
6.14 Imports as a percentage of GDP* .....	72.7	<b>30</b>
6.15 Degree of customer orientation .....	3.1	145
6.16 Buyer sophistication .....	2.5	137
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.3	142
7.02 Flexibility of wage determination .....	5.0	81
7.03 Hiring and firing practices .....	3.7	94
7.04 Redundancy costs, weeks of salary* .....	10.5	<b>44</b>
7.05 Effect of taxation on incentives to work .....	2.3	141
7.06 Pay and productivity .....	2.6	145
7.07 Reliance on professional management .....	2.3	146
7.08 Country capacity to retain talent .....	2.1	136
7.09 Country capacity to attract talent .....	2.1	137
7.10 Women in labor force, ratio to men* .....	0.36	138
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.1	139
8.02 Affordability of financial services .....	3.1	136
8.03 Financing through local equity market .....	2.4	125
8.04 Ease of access to loans .....	1.9	132
8.05 Venture capital availability .....	1.9	132
8.06 Soundness of banks .....	3.5	136
8.07 Regulation of securities exchanges .....	2.6	136
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.5	98
9.02 Firm-level technology absorption .....	4.2	109
9.03 FDI and technology transfer .....	3.2	145
9.04 Individuals using Internet, %* .....	5.4	131
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.2	123
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.2	127
9.07 Mobile broadband subscriptions/100 pop.* .....	3.2	108
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.8	137
10.02 Foreign market size index, 1–7 (best)* .....	3.3	124
10.03 GDP (PPP\$ billions)* .....	7.7	135
10.04 Exports as a percentage of GDP* .....	68.1	<b>26</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.5	91
11.02 Local supplier quality .....	3.2	141
11.03 State of cluster development .....	3.3	110
11.04 Nature of competitive advantage .....	3.0	105
11.05 Value chain breadth .....	3.2	111
11.06 Control of international distribution .....	3.5	123
11.07 Production process sophistication .....	2.8	131
11.08 Extent of marketing .....	2.7	142
11.09 Willingness to delegate authority .....	2.7	143
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.6	137
12.02 Quality of scientific research institutions .....	2.5	134
12.03 Company spending on R&D .....	3.0	79
12.04 University-industry collaboration in R&D .....	2.3	140
12.05 Gov't procurement of advanced tech products .....	3.1	104
12.06 Availability of scientists and engineers .....	2.9	139
12.07 PCT patents, applications/million pop.* .....	0.0	126

**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 97.

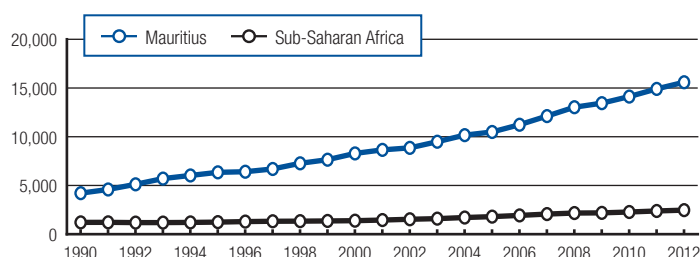


# Mauritius

## Key indicators, 2012

Population (millions).....	1.3
GDP (US\$ billions).....	11.5
GDP per capita (US\$).....	8,850
GDP (PPP) as share (%) of world total.....	0.02

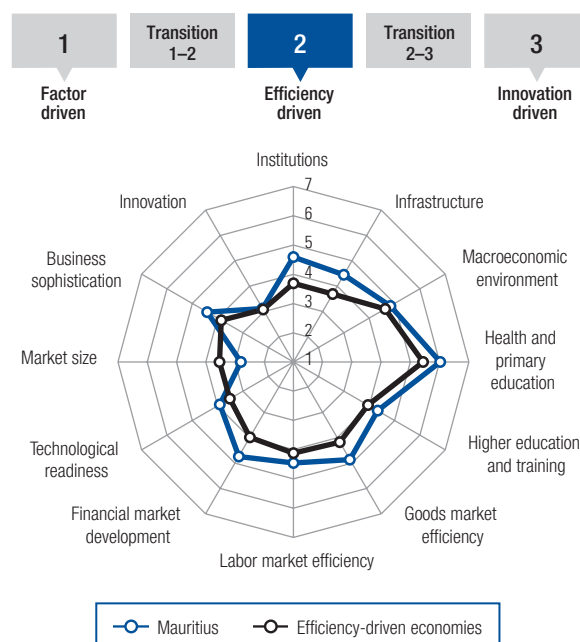
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

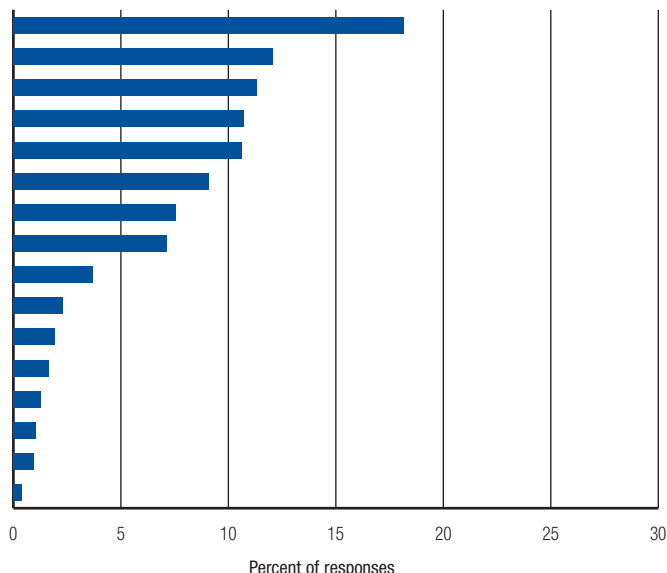
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>45</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	54	4.4
GCI 2011–2012 (out of 142).....	54	4.3
<b>Basic requirements (40.0%)</b> .....	<b>42</b>	<b>5.0</b>
Institutions.....	39	4.6
Infrastructure.....	50	4.4
Macroeconomic environment.....	67	4.8
Health and primary education.....	43	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>61</b>	<b>4.2</b>
Higher education and training.....	61	4.3
Goods market efficiency.....	25	4.9
Labor market efficiency.....	55	4.5
Financial market development.....	26	4.7
Technological readiness.....	63	3.9
Market size.....	112	2.8
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>57</b>	<b>3.8</b>
Business sophistication.....	41	4.4
Innovation.....	81	3.1

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	18.2
Insufficient capacity to innovate.....	12.1
Corruption.....	11.3
Access to financing.....	10.7
Inadequate supply of infrastructure.....	10.6
Inadequately educated workforce.....	9.1
Poor work ethic in national labor force.....	7.5
Restrictive labor regulations.....	7.2
Policy instability.....	3.7
Inflation.....	2.3
Tax rates.....	1.9
Foreign currency regulations.....	1.6
Crime and theft.....	1.3
Government instability/coups.....	1.1
Poor public health.....	1.0
Tax regulations.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Mauritius

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.1	37
1.02 Intellectual property protection .....	4.0	49
1.03 Diversion of public funds .....	3.8	51
1.04 Public trust in politicians .....	3.1	66
1.05 Irregular payments and bribes .....	4.6	45
1.06 Judicial independence .....	5.0	35
1.07 Favoritism in decisions of government officials .....	3.1	66
1.08 Wastefulness of government spending .....	3.6	47
1.09 Burden of government regulation .....	3.8	35
1.10 Efficiency of legal framework in settling disputes .....	4.8	23
1.11 Efficiency of legal framework in challenging regs. ....	4.4	22
1.12 Transparency of government policymaking .....	4.5	38
1.13 Business costs of terrorism .....	6.3	20
1.14 Business costs of crime and violence .....	5.2	46
1.15 Organized crime .....	6.1	21
1.16 Reliability of police services .....	4.6	54
1.17 Ethical behavior of firms .....	4.5	41
1.18 Strength of auditing and reporting standards .....	5.5	24
1.19 Efficacy of corporate boards .....	5.0	26
1.20 Protection of minority shareholders' interests .....	5.2	19
1.21 Strength of investor protection, 0–10 (best)* .....	7.7	13
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.8	52
2.02 Quality of roads .....	4.5	52
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	4.9	44
2.05 Quality of air transport infrastructure .....	5.0	50
2.06 Available airline seat km/week, millions* .....	162.7	72
2.07 Quality of electricity supply .....	5.1	66
2.08 Mobile telephone subscriptions/100 pop.* .....	113.1	66
2.09 Fixed telephone lines/100 pop.* .....	26.6	44
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.8	56
3.02 Gross national savings, % GDP* .....	14.7	100
3.03 Inflation, annual % change* .....	3.9	74
3.04 General government debt, % GDP* .....	50.3	92
3.05 Country credit rating, 0–100 (best)* .....	54.5	59
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.7	64
4.04 Tuberculosis cases/100,000 pop.* .....	21.0	47
4.05 Business impact of HIV/AIDS .....	5.3	80
4.06 HIV prevalence, % adult pop.* .....	1.00	107
4.07 Infant mortality, deaths/1,000 live births* .....	12.8	67
4.08 Life expectancy, years* .....	73.3	82
4.09 Quality of primary education .....	4.5	47
4.10 Primary education enrollment, net %* .....	97.0	46
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	83.8	84
5.02 Tertiary education enrollment, gross %* .....	32.4	75
5.03 Quality of the educational system .....	4.3	37
5.04 Quality of math and science education .....	4.5	43
5.05 Quality of management schools .....	4.4	61
5.06 Internet access in schools .....	4.3	67
5.07 Availability of research and training services .....	4.3	63
5.08 Extent of staff training .....	4.4	38
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.5	30
6.02 Extent of market dominance .....	3.6	81
6.03 Effectiveness of anti-monopoly policy .....	4.5	44
6.04 Effect of taxation on incentives to invest .....	5.2	9
6.05 Total tax rate, % profits* .....	28.5	32

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	6	16
6.08 Agricultural policy costs .....	4.4	25
6.09 Prevalence of trade barriers .....	4.8	26
6.10 Trade tariffs, % duty* .....	0.9	31
6.11 Prevalence of foreign ownership .....	4.7	67
6.12 Business impact of rules on FDI .....	5.6	9
6.13 Burden of customs procedures .....	4.6	44
6.14 Imports as a percentage of GDP* .....	66.4	36
6.15 Degree of customer orientation .....	4.9	46
6.16 Buyer sophistication .....	3.9	36
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.8	38
7.02 Flexibility of wage determination .....	4.6	104
7.03 Hiring and firing practices .....	4.0	67
7.04 Redundancy costs, weeks of salary* .....	10.6	46
7.05 Effect of taxation on incentives to work .....	4.9	12
7.06 Pay and productivity .....	4.0	65
7.07 Reliance on professional management .....	4.5	53
7.08 Country capacity to retain talent .....	3.1	92
7.09 Country capacity to attract talent .....	3.9	42
7.10 Women in labor force, ratio to men* .....	0.60	118
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.2	33
8.02 Affordability of financial services .....	4.9	34
8.03 Financing through local equity market .....	4.1	37
8.04 Ease of access to loans .....	3.5	27
8.05 Venture capital availability .....	3.0	46
8.06 Soundness of banks .....	6.1	16
8.07 Regulation of securities exchanges .....	5.3	22
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.3	46
9.02 Firm-level technology absorption .....	5.0	52
9.03 FDI and technology transfer .....	4.9	41
9.04 Individuals using Internet, %* .....	41.4	80
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	10.6	59
9.06 Int'l Internet bandwidth, kb/s per user* .....	14.6	83
9.07 Mobile broadband subscriptions/100 pop.* .....	21.5	68
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.5	114
10.02 Foreign market size index, 1–7 (best)* .....	3.7	107
10.03 GDP (PPP\$ billions)* .....	20.2	118
10.04 Exports as a percentage of GDP* .....	53.5	44
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	41
11.02 Local supplier quality .....	4.7	55
11.03 State of cluster development .....	4.0	54
11.04 Nature of competitive advantage .....	4.1	37
11.05 Value chain breadth .....	4.5	27
11.06 Control of international distribution .....	4.7	22
11.07 Production process sophistication .....	4.4	40
11.08 Extent of marketing .....	4.4	55
11.09 Willingness to delegate authority .....	3.9	59
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	72
12.02 Quality of scientific research institutions .....	3.4	92
12.03 Company spending on R&D .....	3.1	64
12.04 University-industry collaboration in R&D .....	3.3	94
12.05 Gov't procurement of advanced tech products .....	3.5	75
12.06 Availability of scientists and engineers .....	3.6	102
12.07 PCT patents, applications/million pop.* .....	0.1	105

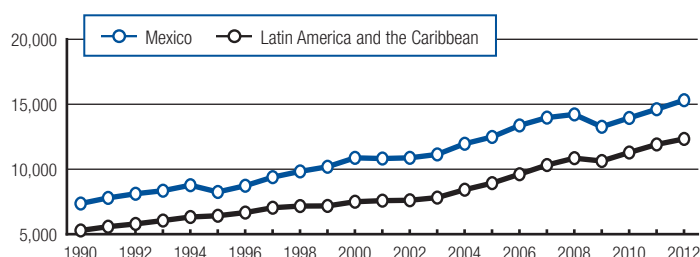
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Mexico

## Key indicators, 2012

Population (millions).....	114.8
GDP (US\$ billions).....	1,177.1
GDP per capita (US\$).....	10,247
GDP (PPP) as share (%) of world total.....	2.12

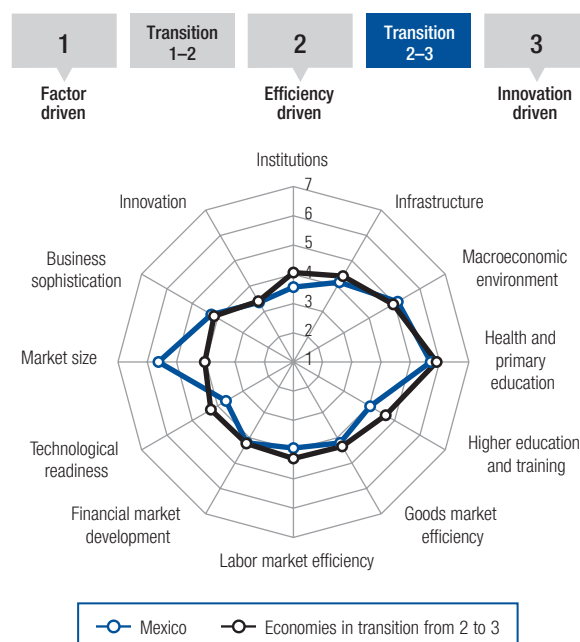
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

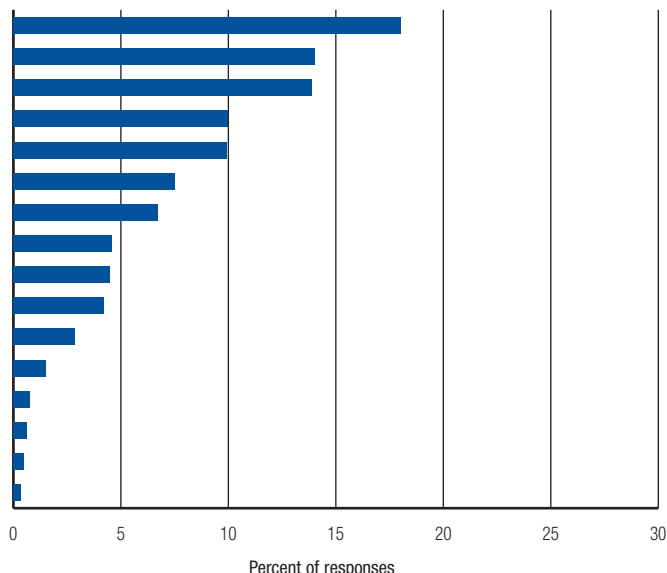
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>55</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	53	4.4
GCI 2011–2012 (out of 142).....	58	4.3
<b>Basic requirements (36.9%)</b> .....	<b>63</b>	<b>4.6</b>
Institutions.....	96	3.6
Infrastructure.....	64	4.1
Macroeconomic environment.....	49	5.1
Health and primary education.....	73	5.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>55</b>	<b>4.3</b>
Higher education and training.....	85	4.0
Goods market efficiency.....	83	4.2
Labor market efficiency.....	113	3.9
Financial market development.....	59	4.2
Technological readiness.....	74	3.7
Market size.....	11	5.6
<b>Innovation and sophistication factors (13.1%)</b> .....	<b>55</b>	<b>3.8</b>
Business sophistication.....	55	4.2
Innovation.....	61	3.3

## Stage of development



## The most problematic factors for doing business

Corruption.....	18.0
Crime and theft.....	14.0
Inefficient government bureaucracy.....	13.9
Tax regulations.....	10.0
Access to financing.....	9.9
Restrictive labor regulations.....	7.5
Inadequate supply of infrastructure.....	6.7
Tax rates.....	4.6
Insufficient capacity to innovate.....	4.5
Inadequately educated workforce.....	4.2
Poor work ethic in national labor force.....	2.8
Policy instability.....	1.5
Inflation.....	0.8
Poor public health.....	0.6
Government instability/coups.....	0.5
Foreign currency regulations.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Mexico

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.2	75
1.02 Intellectual property protection .....	3.6	77
1.03 Diversion of public funds .....	2.7	105
1.04 Public trust in politicians .....	2.3	105
1.05 Irregular payments and bribes .....	3.6	88
1.06 Judicial independence .....	3.3	90
1.07 Favoritism in decisions of government officials .....	2.9	86
1.08 Wastefulness of government spending .....	3.0	81
1.09 Burden of government regulation .....	3.0	111
1.10 Efficiency of legal framework in settling disputes .....	3.4	98
1.11 Efficiency of legal framework in challenging regs. ....	3.3	78
1.12 Transparency of government policymaking .....	4.2	67
1.13 Business costs of terrorism .....	4.8	110
1.14 Business costs of crime and violence .....	2.8	139
1.15 Organized crime .....	2.9	143
1.16 Reliability of police services .....	3.0	126
1.17 Ethical behavior of firms .....	3.7	88
1.18 Strength of auditing and reporting standards .....	5.0	45
1.19 Efficacy of corporate boards .....	4.5	78
1.20 Protection of minority shareholders' interests .....	4.4	56
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.4	66
2.02 Quality of roads .....	4.6	51
2.03 Quality of railroad infrastructure .....	2.8	60
2.04 Quality of port infrastructure .....	4.4	62
2.05 Quality of air transport infrastructure .....	4.7	64
2.06 Available airline seat km/week, millions* .....	1,849.4	21
2.07 Quality of electricity supply .....	4.7	81
2.08 Mobile telephone subscriptions/100 pop.* .....	86.8	112
2.09 Fixed telephone lines/100 pop.* .....	17.4	71
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.7	93
3.02 Gross national savings, % GDP* .....	23.8	51
3.03 Inflation, annual % change* .....	4.1	77
3.04 General government debt, % GDP* .....	43.5	77
3.05 Country credit rating, 0–100 (best)* .....	68.5	36
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.5	76
4.02 Malaria cases/100,000 pop.* .....	1.3	83
4.03 Business impact of tuberculosis .....	6.2	37
4.04 Tuberculosis cases/100,000 pop.* .....	23.0	51
4.05 Business impact of HIV/AIDS .....	5.6	68
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	13.4	72
4.08 Life expectancy, years* .....	76.9	39
4.09 Quality of primary education .....	2.8	124
4.10 Primary education enrollment, net %* .....	97.8	37
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	90.7	67
5.02 Tertiary education enrollment, gross %* .....	28.8	79
5.03 Quality of the educational system .....	3.0	119
5.04 Quality of math and science education .....	2.7	131
5.05 Quality of management schools .....	4.3	65
5.06 Internet access in schools .....	3.8	90
5.07 Availability of research and training services .....	4.4	50
5.08 Extent of staff training .....	4.0	72
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	65
6.02 Extent of market dominance .....	3.3	107
6.03 Effectiveness of anti-monopoly policy .....	3.5	114
6.04 Effect of taxation on incentives to invest .....	3.6	87
6.05 Total tax rate, % profits* .....	52.5	119

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	9	43
6.08 Agricultural policy costs .....	3.1	132
6.09 Prevalence of trade barriers .....	4.4	56
6.10 Trade tariffs, % duty* .....	8.3	93
6.11 Prevalence of foreign ownership .....	5.3	34
6.12 Business impact of rules on FDI .....	4.8	46
6.13 Burden of customs procedures .....	4.0	76
6.14 Imports as a percentage of GDP* .....	34.5	104
6.15 Degree of customer orientation .....	4.8	54
6.16 Buyer sophistication .....	3.7	54
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.6	44
7.02 Flexibility of wage determination .....	4.9	87
7.03 Hiring and firing practices .....	3.4	113
7.04 Redundancy costs, weeks of salary* .....	22.0	104
7.05 Effect of taxation on incentives to work .....	3.3	102
7.06 Pay and productivity .....	3.8	88
7.07 Reliance on professional management .....	4.2	76
7.08 Country capacity to retain talent .....	3.6	56
7.09 Country capacity to attract talent .....	3.3	79
7.10 Women in labor force, ratio to men* .....	0.56	123
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.6	61
8.02 Affordability of financial services .....	4.0	85
8.03 Financing through local equity market .....	3.5	65
8.04 Ease of access to loans .....	2.5	94
8.05 Venture capital availability .....	2.6	76
8.06 Soundness of banks .....	5.8	30
8.07 Regulation of securities exchanges .....	4.4	51
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.1	61
9.02 Firm-level technology absorption .....	4.8	64
9.03 FDI and technology transfer .....	5.3	16
9.04 Individuals using Internet, %* .....	38.4	85
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	10.9	56
9.06 Int'l Internet bandwidth, kb/s per user* .....	16.3	80
9.07 Mobile broadband subscriptions/100 pop.* .....	9.7	86
<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	14
10.03 GDP (PPP\$ billions)* .....	1,758.9	11
10.04 Exports as a percentage of GDP* .....	32.9	89
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	48
11.02 Local supplier quality .....	4.9	39
11.03 State of cluster development .....	4.3	35
11.04 Nature of competitive advantage .....	3.5	72
11.05 Value chain breadth .....	4.2	36
11.06 Control of international distribution .....	4.0	71
11.07 Production process sophistication .....	4.2	46
11.08 Extent of marketing .....	4.4	56
11.09 Willingness to delegate authority .....	3.8	64
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	75
12.02 Quality of scientific research institutions .....	4.0	54
12.03 Company spending on R&D .....	3.2	61
12.04 University-industry collaboration in R&D .....	4.1	44
12.05 Gov't procurement of advanced tech products .....	3.6	63
12.06 Availability of scientists and engineers .....	4.0	77
12.07 PCT patents, applications/million pop.* .....	1.7	57

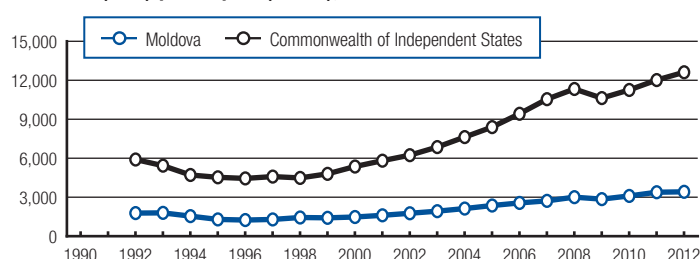
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Moldova

## Key indicators, 2012

Population (millions).....	3.6
GDP (US\$ billions).....	7.3
GDP per capita (US\$).....	2,037
GDP (PPP) as share (%) of world total.....	0.02

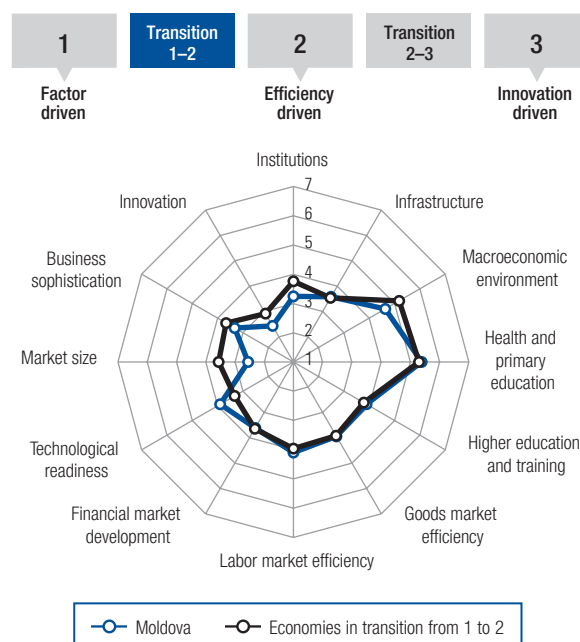
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

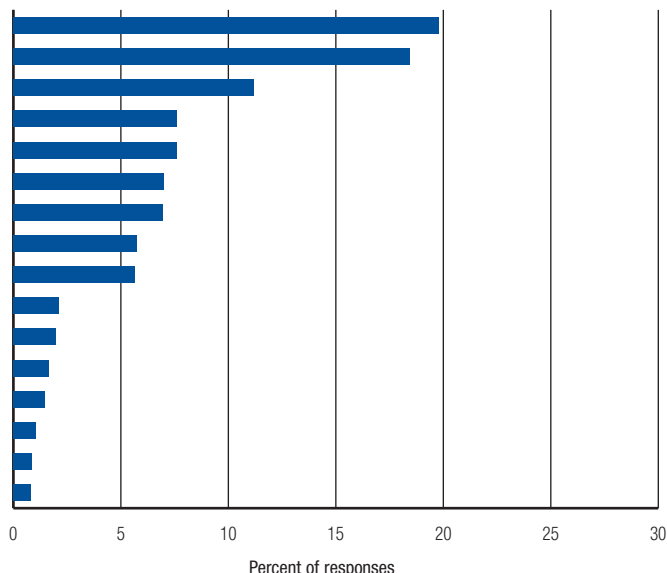
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>89</b>	<b>3.9</b>
GCI 2012–2013 (out of 144).....	87	3.9
GCI 2011–2012 (out of 142).....	93	3.9
<b>Basic requirements (59.3%)</b> .....	<b>97</b>	<b>4.2</b>
Institutions.....	122	3.2
Infrastructure.....	88	3.6
Macroeconomic environment.....	77	4.6
Health and primary education.....	93	5.4
<b>Efficiency enhancers (35.6%)</b> .....	<b>102</b>	<b>3.7</b>
Higher education and training.....	90	3.9
Goods market efficiency.....	107	3.9
Labor market efficiency.....	95	4.1
Financial market development.....	105	3.6
Technological readiness.....	64	3.9
Market size.....	124	2.5
<b>Innovation and sophistication factors (5.2%)</b> .....	<b>133</b>	<b>2.9</b>
Business sophistication.....	125	3.3
Innovation.....	138	2.4

## Stage of development



## The most problematic factors for doing business

Corruption.....	19.8
Policy instability.....	18.5
Government instability/coups.....	11.2
Inefficient government bureaucracy.....	7.6
Tax regulations.....	7.6
Inadequately educated workforce.....	7.0
Access to financing.....	6.9
Inadequate supply of infrastructure.....	5.7
Tax rates.....	5.7
Restrictive labor regulations.....	2.1
Crime and theft.....	2.0
Insufficient capacity to innovate.....	1.7
Poor work ethic in national labor force.....	1.5
Inflation.....	1.1
Poor public health.....	0.9
Foreign currency regulations.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## Moldova

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.2 .....	131
1.02 Intellectual property protection .....	2.7 .....	125
1.03 Diversion of public funds .....	2.4 .....	123
1.04 Public trust in politicians .....	2.1 .....	118
1.05 Irregular payments and bribes .....	3.2 .....	114
1.06 Judicial independence .....	1.9 .....	145
1.07 Favoritism in decisions of government officials .....	2.3 .....	131
1.08 Wastefulness of government spending .....	2.6 .....	111
1.09 Burden of government regulation .....	2.8 .....	122
1.10 Efficiency of legal framework in settling disputes .....	2.6 .....	131
1.11 Efficiency of legal framework in challenging regs. ....	2.5 .....	137
1.12 Transparency of government policymaking .....	4.0 .....	81
1.13 Business costs of terrorism .....	6.4 .....	<b>10</b>
1.14 Business costs of crime and violence .....	5.0 .....	54
1.15 Organized crime .....	4.8 .....	83
1.16 Reliability of police services .....	3.0 .....	124
1.17 Ethical behavior of firms .....	3.4 .....	119
1.18 Strength of auditing and reporting standards .....	4.1 .....	102
1.19 Efficacy of corporate boards .....	4.2 .....	101
1.20 Protection of minority shareholders' interests .....	3.5 .....	118
1.21 Strength of investor protection, 0–10 (best)* .....	5.3 .....	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.5 .....	105
2.02 Quality of roads .....	1.7 .....	148
2.03 Quality of railroad infrastructure .....	2.6 .....	68
2.04 Quality of port infrastructure .....	2.6 .....	138
2.05 Quality of air transport infrastructure .....	3.5 .....	116
2.06 Available airline seat km/week, millions* .....	18.9 .....	128
2.07 Quality of electricity supply .....	4.3 .....	87
2.08 Mobile telephone subscriptions/100 pop.* .....	115.9 .....	59
2.09 Fixed telephone lines/100 pop.* .....	34.3 .....	<b>32</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.1 .....	59
3.02 Gross national savings, % GDP* .....	14.0 .....	103
3.03 Inflation, annual % change* .....	4.7 .....	87
3.04 General government debt, % GDP* .....	23.8 .....	<b>29</b>
3.05 Country credit rating, 0–100 (best)* .....	28.3 .....	111
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl. ....	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	<b>1</b>
4.03 Business impact of tuberculosis .....	5.0 .....	97
4.04 Tuberculosis cases/100,000 pop.* .....	161.0 .....	111
4.05 Business impact of HIV/AIDS .....	5.7 .....	59
4.06 HIV prevalence, % adult pop.* .....	0.50 .....	88
4.07 Infant mortality, deaths/1,000 live births* .....	13.8 .....	73
4.08 Life expectancy, years* .....	69.2 .....	100
4.09 Quality of primary education .....	3.7 .....	80
4.10 Primary education enrollment, net %* .....	87.8 .....	111
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	87.7 .....	77
5.02 Tertiary education enrollment, gross %* .....	39.4 .....	66
5.03 Quality of the educational system .....	3.0 .....	115
5.04 Quality of math and science education .....	4.1 .....	74
5.05 Quality of management schools .....	3.2 .....	133
5.06 Internet access in schools .....	4.6 .....	56
5.07 Availability of research and training services .....	3.3 .....	128
5.08 Extent of staff training .....	3.2 .....	126
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.4 .....	119
6.02 Extent of market dominance .....	3.0 .....	133
6.03 Effectiveness of anti-monopoly policy .....	3.2 .....	133
6.04 Effect of taxation on incentives to invest .....	3.0 .....	126
6.05 Total tax rate, % profits* .....	31.2 .....	<b>40</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7 .....	74
6.07 No. days to start a business* .....	9 .....	<b>43</b>
6.08 Agricultural policy costs .....	2.9 .....	138
6.09 Prevalence of trade barriers .....	4.4 .....	64
6.10 Trade tariffs, % duty* .....	4.2 .....	54
6.11 Prevalence of foreign ownership .....	3.9 .....	119
6.12 Business impact of rules on FDI .....	3.9 .....	115
6.13 Burden of customs procedures .....	3.4 .....	108
6.14 Imports as a percentage of GDP* .....	84.9 .....	<b>20</b>
6.15 Degree of customer orientation .....	3.9 .....	125
6.16 Buyer sophistication .....	3.1 .....	103
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2 .....	77
7.02 Flexibility of wage determination .....	5.4 .....	<b>34</b>
7.03 Hiring and firing practices .....	3.6 .....	95
7.04 Redundancy costs, weeks of salary* .....	22.6 .....	106
7.05 Effect of taxation on incentives to work .....	2.6 .....	136
7.06 Pay and productivity .....	4.4 .....	<b>34</b>
7.07 Reliance on professional management .....	3.7 .....	111
7.08 Country capacity to retain talent .....	1.9 .....	145
7.09 Country capacity to attract talent .....	1.7 .....	146
7.10 Women in labor force, ratio to men* .....	0.91 .....	<b>28</b>
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.7 .....	118
8.02 Affordability of financial services .....	3.6 .....	114
8.03 Financing through local equity market .....	2.5 .....	119
8.04 Ease of access to loans .....	2.4 .....	104
8.05 Venture capital availability .....	2.1 .....	118
8.06 Soundness of banks .....	4.1 .....	118
8.07 Regulation of securities exchanges .....	3.1 .....	124
8.08 Legal rights index, 0–10 (best)* .....	8 .....	<b>28</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.1 .....	116
9.02 Firm-level technology absorption .....	4.0 .....	124
9.03 FDI and technology transfer .....	4.1 .....	109
9.04 Individuals using Internet, %* .....	43.4 .....	77
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	11.9 .....	52
9.06 Int'l Internet bandwidth, kb/s per user* .....	94.0 .....	<b>23</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	5.1 .....	97
<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)* .....	3.3 .....	125
10.03 GDP (PPP\$ billions)* .....	12.2 .....	131
10.04 Exports as a percentage of GDP* .....	42.1 .....	68
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.9 .....	127
11.02 Local supplier quality .....	3.8 .....	115
11.03 State of cluster development .....	2.3 .....	147
11.04 Nature of competitive advantage .....	2.8 .....	127
11.05 Value chain breadth .....	3.2 .....	118
11.06 Control of international distribution .....	3.7 .....	110
11.07 Production process sophistication .....	2.9 .....	125
11.08 Extent of marketing .....	3.7 .....	105
11.09 Willingness to delegate authority .....	3.4 .....	108
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.7 .....	134
12.02 Quality of scientific research institutions .....	2.6 .....	132
12.03 Company spending on R&D .....	2.1 .....	142
12.04 University-industry collaboration in R&D .....	2.7 .....	129
12.05 Gov't procurement of advanced tech products .....	2.5 .....	139
12.06 Availability of scientists and engineers .....	3.1 .....	131
12.07 PCT patents, applications/million pop.* .....	0.4 .....	81

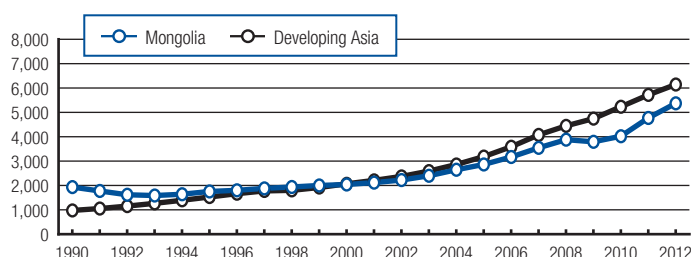
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Mongolia

## Key indicators, 2012

Population (millions).....	2.8
GDP (US\$ billions).....	10.3
GDP per capita (US\$).....	3,627
GDP (PPP) as share (%) of world total.....	0.02

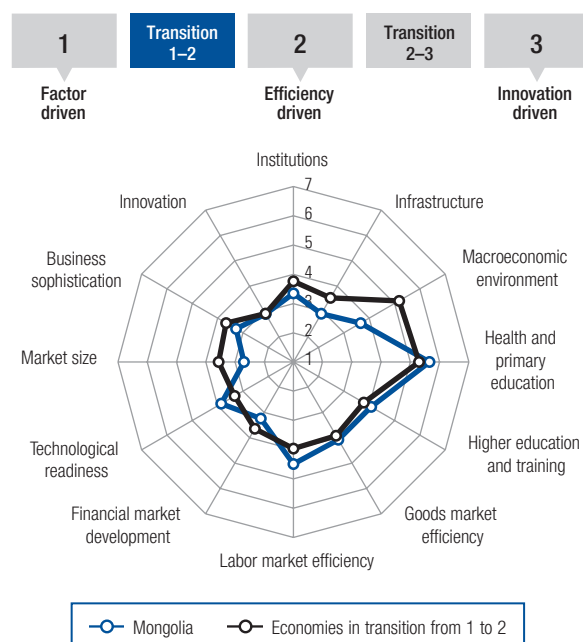
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

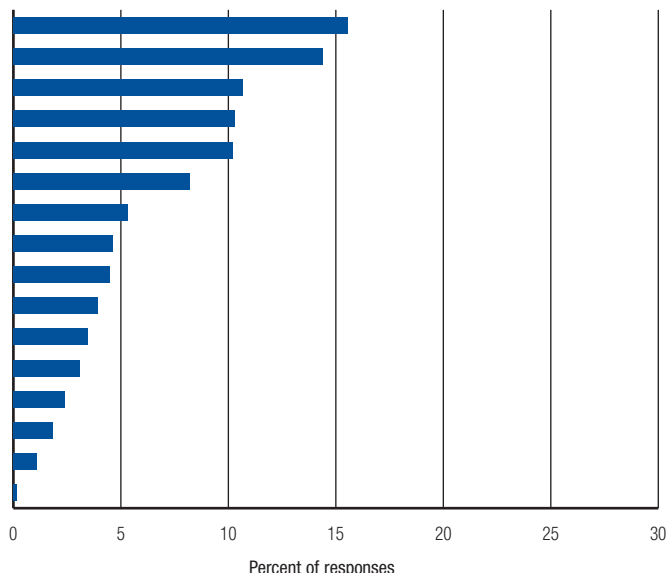
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>107</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	93	3.9
GCI 2011–2012 (out of 142).....	96	3.9
<b>Basic requirements (46.5%)</b> .....	<b>108</b>	<b>3.9</b>
Institutions.....	113	3.3
Infrastructure.....	113	2.9
Macroeconomic environment.....	130	3.7
Health and primary education.....	76	5.6
<b>Efficiency enhancers (45.1%)</b> .....	<b>94</b>	<b>3.7</b>
Higher education and training.....	82	4.1
Goods market efficiency.....	96	4.1
Labor market efficiency.....	51	4.5
Financial market development.....	129	3.2
Technological readiness.....	66	3.8
Market size.....	119	2.7
<b>Innovation and sophistication factors (8.4%)</b> .....	<b>121</b>	<b>3.1</b>
Business sophistication.....	128	3.3
Innovation.....	109	2.9

## Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	15.6
Inefficient government bureaucracy.....	14.4
Inadequate supply of infrastructure.....	10.7
Access to financing.....	10.3
Policy instability.....	10.2
Corruption.....	8.2
Inflation.....	5.3
Government instability/coups.....	4.7
Tax regulations.....	4.5
Foreign currency regulations.....	4.0
Poor work ethic in national labor force.....	3.5
Tax rates.....	3.1
Insufficient capacity to innovate.....	2.4
Restrictive labor regulations.....	1.9
Poor public health.....	1.1
Crime and theft.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Mongolia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.6 .....	110
1.02 Intellectual property protection .....	2.5 .....	134
1.03 Diversion of public funds .....	2.4 .....	120
1.04 Public trust in politicians .....	2.1 .....	124
1.05 Irregular payments and bribes .....	3.5 .....	94
1.06 Judicial independence .....	2.9 .....	111
1.07 Favoritism in decisions of government officials .....	2.3 .....	132
1.08 Wastefulness of government spending .....	2.2 .....	133
1.09 Burden of government regulation .....	2.9 .....	119
1.10 Efficiency of legal framework in settling disputes .....	3.2 .....	110
1.11 Efficiency of legal framework in challenging regs. ....	2.6 .....	129
1.12 Transparency of government policymaking .....	3.7 .....	105
1.13 Business costs of terrorism .....	5.8 .....	<b>49</b>
1.14 Business costs of crime and violence .....	4.7 .....	65
1.15 Organized crime .....	4.8 .....	79
1.16 Reliability of police services .....	3.7 .....	99
1.17 Ethical behavior of firms .....	3.5 .....	117
1.18 Strength of auditing and reporting standards .....	3.4 .....	135
1.19 Efficacy of corporate boards .....	3.8 .....	136
1.20 Protection of minority shareholders' interests .....	3.6 .....	112
1.21 Strength of investor protection, 0–10 (best)* .....	6.7 .....	<b>25</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.8 .....	133
2.02 Quality of roads .....	2.3 .....	141
2.03 Quality of railroad infrastructure .....	2.6 .....	66
2.04 Quality of port infrastructure .....	2.6 .....	140
2.05 Quality of air transport infrastructure .....	3.2 .....	126
2.06 Available airline seat km/week, millions* .....	29.9 .....	112
2.07 Quality of electricity supply .....	3.6 .....	103
2.08 Mobile telephone subscriptions/100 pop.* .....	117.6 .....	55
2.09 Fixed telephone lines/100 pop.* .....	6.2 .....	105
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-7.0 .....	133
3.02 Gross national savings, % GDP* .....	28.4 .....	<b>33</b>
3.03 Inflation, annual % change* .....	15.0 .....	142
3.04 General government debt, % GDP* .....	51.7 .....	94
3.05 Country credit rating, 0–100 (best)* .....	38.0 .....	84
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl. ....	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	<b>1</b>
4.03 Business impact of tuberculosis .....	5.3 .....	83
4.04 Tuberculosis cases/100,000 pop.* .....	223.0 .....	124
4.05 Business impact of HIV/AIDS .....	5.7 .....	60
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	25.5 .....	99
4.08 Life expectancy, years* .....	68.5 .....	106
4.09 Quality of primary education .....	3.5 .....	91
4.10 Primary education enrollment, net %* .....	98.6 .....	<b>27</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	92.6 .....	58
5.02 Tertiary education enrollment, gross %* .....	57.2 .....	<b>43</b>
5.03 Quality of the educational system .....	2.6 .....	137
5.04 Quality of math and science education .....	4.1 .....	68
5.05 Quality of management schools .....	2.9 .....	136
5.06 Internet access in schools .....	3.9 .....	83
5.07 Availability of research and training services .....	2.7 .....	145
5.08 Extent of staff training .....	4.0 .....	73
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6 .....	98
6.02 Extent of market dominance .....	2.6 .....	146
6.03 Effectiveness of anti-monopoly policy .....	3.4 .....	123
6.04 Effect of taxation on incentives to invest .....	3.7 .....	81
6.05 Total tax rate, % profits* .....	24.6 .....	<b>21</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7 .....	74
6.07 No. days to start a business* .....	12 .....	57
6.08 Agricultural policy costs .....	3.7 .....	82
6.09 Prevalence of trade barriers .....	4.2 .....	88
6.10 Trade tariffs, % duty* .....	4.6 .....	63
6.11 Prevalence of foreign ownership .....	4.9 .....	61
6.12 Business impact of rules on FDI .....	4.1 .....	107
6.13 Burden of customs procedures .....	3.1 .....	135
6.14 Imports as a percentage of GDP* .....	85.1 .....	<b>18</b>
6.15 Degree of customer orientation .....	3.9 .....	124
6.16 Buyer sophistication .....	2.9 .....	110
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0 .....	109
7.02 Flexibility of wage determination .....	5.8 .....	<b>16</b>
7.03 Hiring and firing practices .....	4.1 .....	63
7.04 Redundancy costs, weeks of salary* .....	8.7 .....	<b>27</b>
7.05 Effect of taxation on incentives to work .....	3.5 .....	79
7.06 Pay and productivity .....	4.4 .....	<b>30</b>
7.07 Reliance on professional management .....	3.6 .....	120
7.08 Country capacity to retain talent .....	2.7 .....	118
7.09 Country capacity to attract talent .....	2.2 .....	130
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 .....	3.6 .....	124
8.02 Affordability of financial services .....	3.6 .....	115
8.03 Financing through local equity market .....	2.4 .....	123
8.04 Ease of access to loans .....	1.7 .....	142
8.05 Venture capital availability .....	1.7 .....	144
8.06 Soundness of banks .....	4.3 .....	110
8.07 Regulation of securities exchanges .....	2.7 .....	133
8.08 Legal rights index, 0–10 (best)* .....	6 .....	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6 .....	90
9.02 Firm-level technology absorption .....	4.6 .....	79
9.03 FDI and technology transfer .....	4.7 .....	67
9.04 Individuals using Internet, %* .....	16.4 .....	111
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	3.6 .....	89
9.06 Int'l Internet bandwidth, kb/s per user* .....	91.9 .....	<b>24</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	26.7 .....	60
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.4 .....	119
10.02 Foreign market size index, 1–7 (best)* .....	3.5 .....	115
10.03 GDP (PPP\$ billions)* .....	15.2 .....	125
10.04 Exports as a percentage of GDP* .....	50.1 .....	<b>48</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.6 .....	137
11.02 Local supplier quality .....	3.4 .....	136
11.03 State of cluster development .....	2.8 .....	140
11.04 Nature of competitive advantage .....	3.5 .....	73
11.05 Value chain breadth .....	2.9 .....	135
11.06 Control of international distribution .....	3.0 .....	145
11.07 Production process sophistication .....	3.2 .....	114
11.08 Extent of marketing .....	3.7 .....	101
11.09 Willingness to delegate authority .....	3.1 .....	128
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1 .....	107
12.02 Quality of scientific research institutions .....	3.3 .....	99
12.03 Company spending on R&D .....	2.8 .....	100
12.04 University-industry collaboration in R&D .....	3.0 .....	114
12.05 Gov't procurement of advanced tech products .....	3.1 .....	106
12.06 Availability of scientists and engineers .....	4.1 .....	70
12.07 PCT patents, applications/million pop.* .....	0.1 .....	106

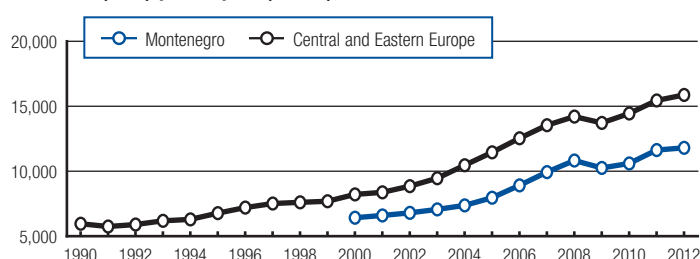
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Montenegro

## Key indicators, 2012

Population (millions).....	0.6
GDP (US\$ billions).....	4.3
GDP per capita (US\$).....	6,882
GDP (PPP) as share (%) of world total.....	0.01

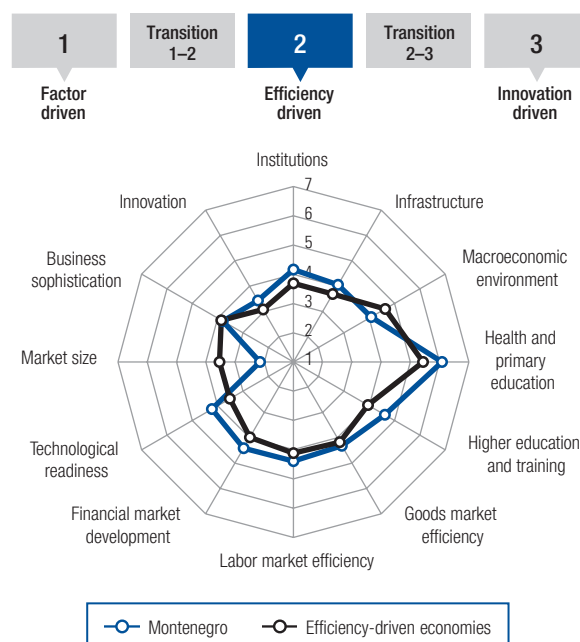
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

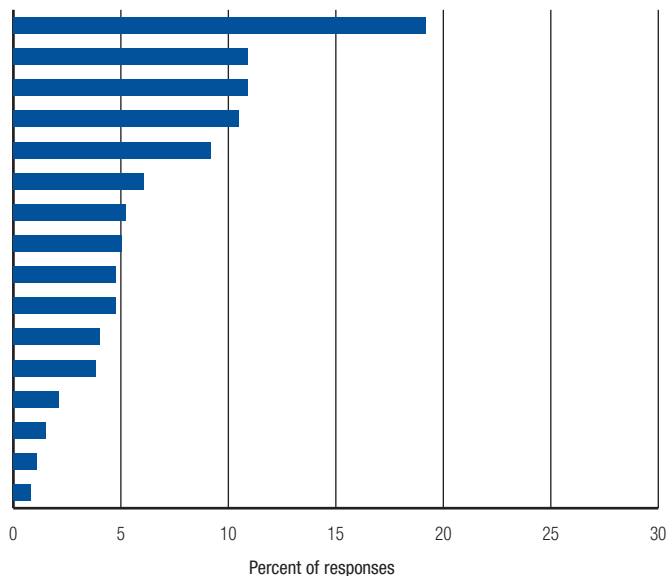
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>67</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	72	4.1
GCI 2011–2012 (out of 142).....	60	4.3
<b>Basic requirements (40.0%)</b> .....	<b>68</b>	<b>4.6</b>
Institutions.....	52	4.2
Infrastructure.....	70	4.0
Macroeconomic environment.....	112	4.1
Health and primary education.....	37	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>72</b>	<b>4.0</b>
Higher education and training.....	50	4.6
Goods market efficiency.....	64	4.3
Labor market efficiency.....	58	4.4
Financial market development.....	49	4.4
Technological readiness.....	49	4.2
Market size.....	135	2.1
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>70</b>	<b>3.6</b>
Business sophistication.....	89	3.8
Innovation.....	54	3.4

## Stage of development



## The most problematic factors for doing business

Access to financing.....	19.2
Corruption.....	10.9
Inefficient government bureaucracy.....	10.9
Tax rates.....	10.5
Inadequate supply of infrastructure.....	9.2
Poor work ethic in national labor force.....	6.1
Inadequately educated workforce.....	5.3
Restrictive labor regulations.....	5.1
Insufficient capacity to innovate.....	4.7
Tax regulations.....	4.7
Inflation.....	4.0
Crime and theft.....	3.8
Policy instability.....	2.1
Poor public health.....	1.5
Government instability/coups.....	1.1
Foreign currency regulations.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Montenegro

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.2	73
1.02 Intellectual property protection .....	3.6	76
1.03 Diversion of public funds .....	4.1	<b>43</b>
1.04 Public trust in politicians .....	3.6	<b>39</b>
1.05 Irregular payments and bribes .....	4.1	62
1.06 Judicial independence .....	3.6	75
1.07 Favoritism in decisions of government officials .....	3.8	<b>35</b>
1.08 Wastefulness of government spending .....	3.6	<b>46</b>
1.09 Burden of government regulation .....	3.6	59
1.10 Efficiency of legal framework in settling disputes .....	3.9	58
1.11 Efficiency of legal framework in challenging regs. ....	3.5	63
1.12 Transparency of government policymaking .....	4.5	<b>41</b>
1.13 Business costs of terrorism .....	6.1	<b>39</b>
1.14 Business costs of crime and violence .....	5.2	<b>47</b>
1.15 Organized crime .....	4.9	76
1.16 Reliability of police services .....	4.7	51
1.17 Ethical behavior of firms .....	4.1	58
1.18 Strength of auditing and reporting standards .....	4.2	96
1.19 Efficacy of corporate boards .....	4.3	94
1.20 Protection of minority shareholders' interests .....	4.1	70
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	<b>31</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	91
2.02 Quality of roads .....	3.3	95
2.03 Quality of railroad infrastructure .....	3.0	56
2.04 Quality of port infrastructure .....	3.9	86
2.05 Quality of air transport infrastructure .....	4.2	82
2.06 Available airline seat km/week, millions* .....	21.6	123
2.07 Quality of electricity supply .....	4.5	82
2.08 Mobile telephone subscriptions/100 pop.* .....	177.9	<b>9</b>
2.09 Fixed telephone lines/100 pop.* .....	25.8	<b>46</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.0	97
3.02 Gross national savings, % GDP* .....	-1.2	144
3.03 Inflation, annual % change* .....	3.6	66
3.04 General government debt, % GDP* .....	51.1	93
3.05 Country credit rating, 0–100 (best)* .....	38.3	83
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	5.8	61
4.04 Tuberculosis cases/100,000 pop.* .....	17.0	<b>38</b>
4.05 Business impact of HIV/AIDS .....	5.6	64
4.06 HIV prevalence, % adult pop.* .....	0.00	<b>1</b>
4.07 Infant mortality, deaths/1,000 live births* .....	6.5	<b>43</b>
4.08 Life expectancy, years* .....	74.5	61
4.09 Quality of primary education .....	5.0	<b>27</b>
4.10 Primary education enrollment, net %* .....	93.7	77
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	95.4	53
5.02 Tertiary education enrollment, gross %* .....	47.6	54
5.03 Quality of the educational system .....	4.4	<b>35</b>
5.04 Quality of math and science education .....	4.9	<b>23</b>
5.05 Quality of management schools .....	4.8	<b>36</b>
5.06 Internet access in schools .....	4.3	71
5.07 Availability of research and training services .....	3.8	99
5.08 Extent of staff training .....	4.1	63
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.9	135
6.02 Extent of market dominance .....	3.6	80
6.03 Effectiveness of anti-monopoly policy .....	3.8	94
6.04 Effect of taxation on incentives to invest .....	4.0	<b>46</b>
6.05 Total tax rate, % profits* .....	22.3	<b>14</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	<b>47</b>
6.07 No. days to start a business* .....	10	<b>49</b>
6.08 Agricultural policy costs .....	4.3	<b>30</b>
6.09 Prevalence of trade barriers .....	4.3	82
6.10 Trade tariffs, % duty* .....	3.5	<b>45</b>
6.11 Prevalence of foreign ownership .....	4.7	66
6.12 Business impact of rules on FDI .....	4.5	78
6.13 Burden of customs procedures .....	4.1	68
6.14 Imports as a percentage of GDP* .....	65.3	<b>38</b>
6.15 Degree of customer orientation .....	4.5	75
6.16 Buyer sophistication .....	2.9	117
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	94
7.02 Flexibility of wage determination .....	4.9	86
7.03 Hiring and firing practices .....	4.1	64
7.04 Redundancy costs, weeks of salary* .....	11.2	<b>48</b>
7.05 Effect of taxation on incentives to work .....	3.8	63
7.06 Pay and productivity .....	3.8	80
7.07 Reliance on professional management .....	4.1	81
7.08 Country capacity to retain talent .....	3.5	65
7.09 Country capacity to attract talent .....	3.1	92
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 .....	4.2	86
8.02 Affordability of financial services .....	4.1	78
8.03 Financing through local equity market .....	3.4	74
8.04 Ease of access to loans .....	3.3	<b>35</b>
8.05 Venture capital availability .....	3.2	<b>36</b>
8.06 Soundness of banks .....	4.3	104
8.07 Regulation of securities exchanges .....	4.2	67
8.08 Legal rights index, 0–10 (best)* .....	10	<b>1</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.7	83
9.02 Firm-level technology absorption .....	4.5	89
9.03 FDI and technology transfer .....	4.6	74
9.04 Individuals using Internet, %* .....	56.8	52
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	8.3	68
9.06 Int'l Internet bandwidth, kb/s per user* .....	59.5	<b>36</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	27.0	58
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.9	135
10.02 Foreign market size index, 1–7 (best)* .....	2.9	137
10.03 GDP (PPP\$ billions)* .....	7.3	136
10.04 Exports as a percentage of GDP* .....	38.3	79
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.9	128
11.02 Local supplier quality .....	4.1	96
11.03 State of cluster development .....	3.2	121
11.04 Nature of competitive advantage .....	3.5	71
11.05 Value chain breadth .....	3.6	85
11.06 Control of international distribution .....	3.9	76
11.07 Production process sophistication .....	3.5	94
11.08 Extent of marketing .....	4.1	75
11.09 Willingness to delegate authority .....	4.1	<b>37</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.6	59
12.02 Quality of scientific research institutions .....	4.0	56
12.03 Company spending on R&D .....	3.3	54
12.04 University-industry collaboration in R&D .....	4.0	<b>46</b>
12.05 Gov't procurement of advanced tech products .....	3.9	<b>32</b>
12.06 Availability of scientists and engineers .....	4.0	78
12.07 PCT patents, applications/million pop.* .....	3.2	<b>49</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 97.

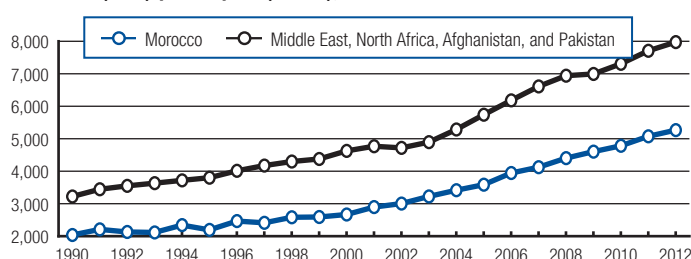


# Morocco

## Key indicators, 2012

Population (millions).....	32.3
GDP (US\$ billions).....	97.5
GDP per capita (US\$).....	2,999
GDP (PPP) as share (%) of world total.....	0.21

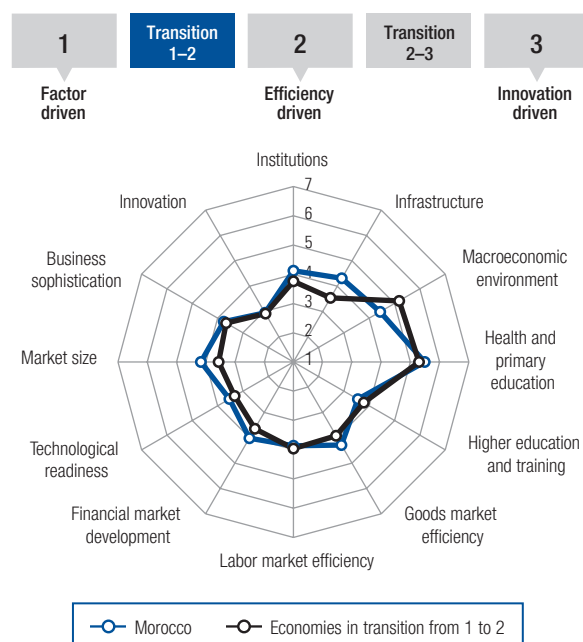
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

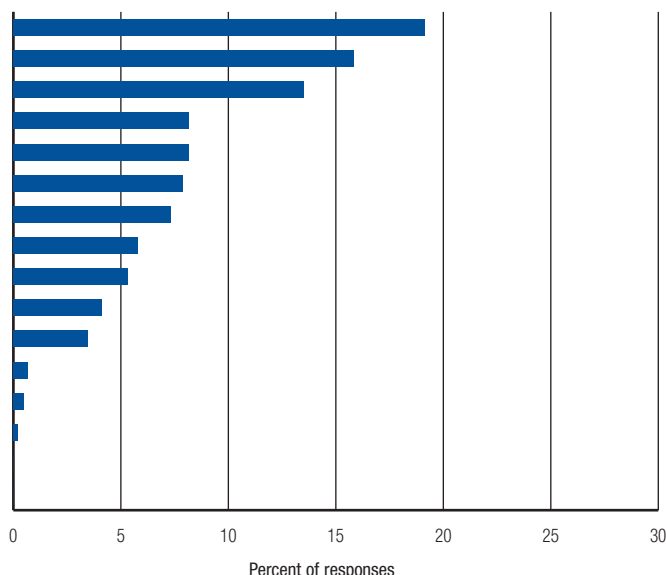
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>77</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	70	4.1
GCI 2011–2012 (out of 142).....	73	4.2
<b>Basic requirements (40.0%)</b> .....	<b>69</b>	<b>4.6</b>
Institutions.....	53	4.1
Infrastructure.....	57	4.3
Macroeconomic environment.....	90	4.4
Health and primary education.....	82	5.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>84</b>	<b>3.9</b>
Higher education and training.....	102	3.5
Goods market efficiency.....	69	4.3
Labor market efficiency.....	122	3.9
Financial market development.....	69	4.0
Technological readiness.....	80	3.5
Market size.....	56	4.2
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>100</b>	<b>3.3</b>
Business sophistication.....	92	3.7
Innovation.....	106	2.9

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	19.1
Corruption.....	15.8
Access to financing.....	13.5
Restrictive labor regulations.....	8.2
Tax regulations.....	8.2
Inadequately educated workforce.....	7.9
Tax rates.....	7.3
Insufficient capacity to innovate.....	5.8
Foreign currency regulations.....	5.3
Inadequate supply of infrastructure.....	4.1
Poor work ethic in national labor force.....	3.5
Crime and theft.....	0.7
Policy instability.....	0.5
Inflation.....	0.2
Government instability/coups.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Morocco

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.8	45
1.02 Intellectual property protection .....	3.3	90
1.03 Diversion of public funds .....	3.8	52
1.04 Public trust in politicians .....	3.1	64
1.05 Irregular payments and bribes .....	4.3	59
1.06 Judicial independence .....	3.4	87
1.07 Favoritism in decisions of government officials .....	3.4	46
1.08 Wastefulness of government spending .....	3.5	50
1.09 Burden of government regulation .....	3.5	64
1.10 Efficiency of legal framework in settling disputes .....	3.7	71
1.11 Efficiency of legal framework in challenging regs. ....	3.4	74
1.12 Transparency of government policymaking .....	4.2	66
1.13 Business costs of terrorism .....	5.3	81
1.14 Business costs of crime and violence .....	5.3	41
1.15 Organized crime .....	5.7	41
1.16 Reliability of police services .....	4.7	50
1.17 Ethical behavior of firms .....	4.0	63
1.18 Strength of auditing and reporting standards .....	4.7	68
1.19 Efficacy of corporate boards .....	4.9	40
1.20 Protection of minority shareholders' interests .....	4.2	63
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.9	48
2.02 Quality of roads .....	4.5	53
2.03 Quality of railroad infrastructure .....	3.9	37
2.04 Quality of port infrastructure .....	5.0	41
2.05 Quality of air transport infrastructure .....	5.0	49
2.06 Available airline seat km/week, millions* .....	408.2	47
2.07 Quality of electricity supply .....	5.5	47
2.08 Mobile telephone subscriptions/100 pop.* .....	119.7	52
2.09 Fixed telephone lines/100 pop.* .....	10.1	93
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-7.5	135
3.02 Gross national savings, % GDP* .....	26.3	41
3.03 Inflation, annual % change* .....	1.3	1
3.04 General government debt, % GDP* .....	59.6	109
3.05 Country credit rating, 0–100 (best)* .....	49.7	69
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.1	39
4.04 Tuberculosis cases/100,000 pop.* .....	103.0	98
4.05 Business impact of HIV/AIDS .....	6.1	35
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	28.2	103
4.08 Life expectancy, years* .....	72.1	90
4.09 Quality of primary education .....	2.9	118
4.10 Primary education enrollment, net %* .....	96.0	54
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	69.8	103
5.02 Tertiary education enrollment, gross %* .....	14.1	106
5.03 Quality of the educational system .....	3.1	110
5.04 Quality of math and science education .....	4.3	52
5.05 Quality of management schools .....	4.6	45
5.06 Internet access in schools .....	3.1	113
5.07 Availability of research and training services .....	4.1	81
5.08 Extent of staff training .....	3.7	96
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.1	60
6.02 Extent of market dominance .....	4.0	53
6.03 Effectiveness of anti-monopoly policy .....	4.1	65
6.04 Effect of taxation on incentives to invest .....	3.9	62
6.05 Total tax rate, % profits* .....	49.6	113

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	12	57
6.08 Agricultural policy costs .....	4.4	27
6.09 Prevalence of trade barriers .....	4.9	20
6.10 Trade tariffs, % duty* .....	12.3	129
6.11 Prevalence of foreign ownership .....	5.2	41
6.12 Business impact of rules on FDI .....	5.4	12
6.13 Burden of customs procedures .....	4.3	58
6.14 Imports as a percentage of GDP* .....	52.5	61
6.15 Degree of customer orientation .....	4.2	101
6.16 Buyer sophistication .....	3.1	95
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	91
7.02 Flexibility of wage determination .....	5.3	43
7.03 Hiring and firing practices .....	3.7	93
7.04 Redundancy costs, weeks of salary* .....	20.7	97
7.05 Effect of taxation on incentives to work .....	4.0	48
7.06 Pay and productivity .....	4.0	67
7.07 Reliance on professional management .....	4.0	90
7.08 Country capacity to retain talent .....	3.6	54
7.09 Country capacity to attract talent .....	3.9	43
7.10 Women in labor force, ratio to men* .....	0.34	141
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.6	64
8.02 Affordability of financial services .....	4.2	67
8.03 Financing through local equity market .....	4.0	39
8.04 Ease of access to loans .....	2.8	69
8.05 Venture capital availability .....	2.8	56
8.06 Soundness of banks .....	5.7	41
8.07 Regulation of securities exchanges .....	4.6	46
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0	66
9.02 Firm-level technology absorption .....	4.4	95
9.03 FDI and technology transfer .....	4.7	61
9.04 Individuals using Internet, %* .....	55.0	57
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.1	99
9.06 Int'l Internet bandwidth, kb/s per user* .....	14.8	82
9.07 Mobile broadband subscriptions/100 pop.* .....	10.0	85
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.0	52
10.02 Foreign market size index, 1–7 (best)* .....	4.7	64
10.03 GDP (PPP\$ billions)* .....	171.2	58
10.04 Exports as a percentage of GDP* .....	35.1	85
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	84
11.02 Local supplier quality .....	4.4	71
11.03 State of cluster development .....	4.0	60
11.04 Nature of competitive advantage .....	3.2	94
11.05 Value chain breadth .....	3.7	76
11.06 Control of international distribution .....	3.7	113
11.07 Production process sophistication .....	3.1	122
11.08 Extent of marketing .....	3.6	110
11.09 Willingness to delegate authority .....	3.4	107
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.8	129
12.02 Quality of scientific research institutions .....	3.2	103
12.03 Company spending on R&D .....	2.5	125
12.04 University-industry collaboration in R&D .....	3.0	116
12.05 Gov't procurement of advanced tech products .....	3.2	96
12.06 Availability of scientists and engineers .....	4.5	39
12.07 PCT patents, applications/million pop.* .....	0.6	77

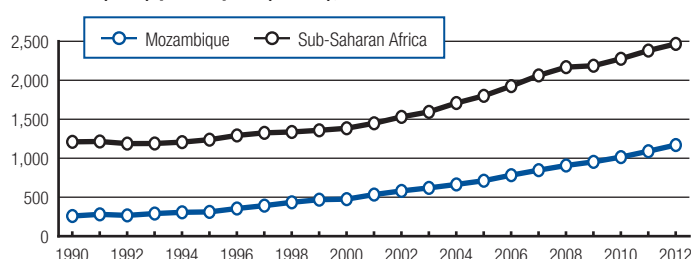
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Mozambique

## Key indicators, 2012

Population (millions).....	23.9
GDP (US\$ billions).....	14.6
GDP per capita (US\$).....	650
GDP (PPP) as share (%) of world total.....	0.03

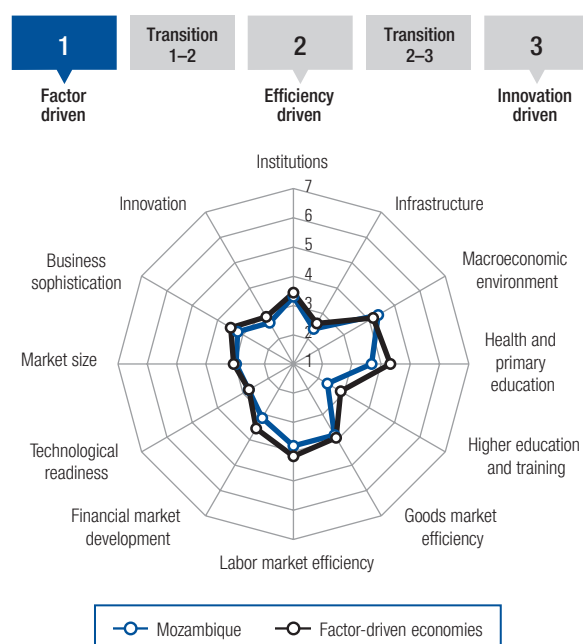
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

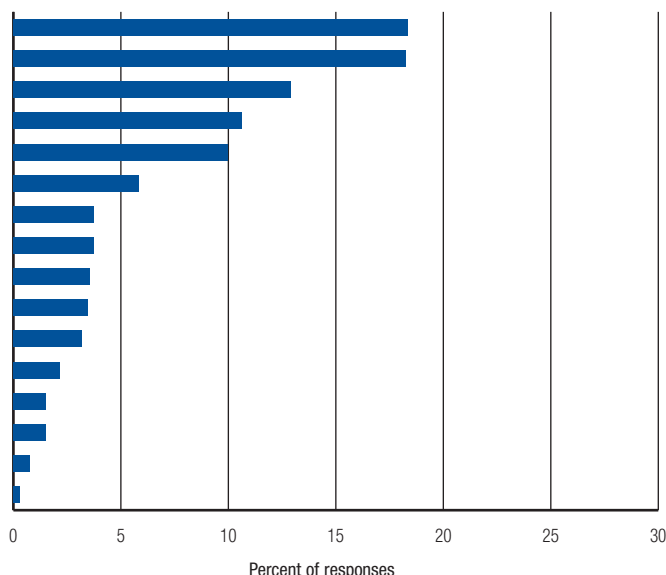
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>137</b>	<b>3.3</b>
GCI 2012–2013 (out of 144).....	138	3.2
GCI 2011–2012 (out of 142).....	133	3.3
<b>Basic requirements (60.0%)</b> .....	<b>133</b>	<b>3.4</b>
Institutions.....	120	3.3
Infrastructure.....	130	2.4
Macroeconomic environment.....	98	4.3
Health and primary education.....	138	3.7
<b>Efficiency enhancers (35.0%)</b> .....	<b>135</b>	<b>3.1</b>
Higher education and training.....	143	2.3
Goods market efficiency.....	125	3.8
Labor market efficiency.....	125	3.8
Financial market development.....	132	3.1
Technological readiness.....	123	2.8
Market size.....	104	3.0
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>131</b>	<b>2.9</b>
Business sophistication.....	135	3.2
Innovation.....	128	2.6

## Stage of development



## The most problematic factors for doing business

Access to financing.....	18.4
Corruption.....	18.3
Inefficient government bureaucracy.....	12.9
Inadequately educated workforce.....	10.6
Inadequate supply of infrastructure.....	10.0
Restrictive labor regulations.....	5.8
Crime and theft.....	3.8
Tax rates.....	3.8
Poor work ethic in national labor force.....	3.6
Tax regulations.....	3.5
Policy instability.....	3.2
Insufficient capacity to innovate.....	2.2
Foreign currency regulations.....	1.5
Inflation.....	1.5
Poor public health.....	0.8
Government instability/coups.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Mozambique

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.5 .....	115
1.02 Intellectual property protection .....	2.7 .....	129
1.03 Diversion of public funds .....	2.4 .....	125
1.04 Public trust in politicians .....	2.3 .....	102
1.05 Irregular payments and bribes .....	3.2 .....	113
1.06 Judicial independence .....	2.6 .....	125
1.07 Favoritism in decisions of government officials .....	2.7 .....	101
1.08 Wastefulness of government spending .....	2.6 .....	109
1.09 Burden of government regulation .....	3.4 .....	76
1.10 Efficiency of legal framework in settling disputes .....	3.3 .....	105
1.11 Efficiency of legal framework in challenging regs. ....	2.9 .....	117
1.12 Transparency of government policymaking .....	4.0 .....	83
1.13 Business costs of terrorism .....	5.1 .....	95
1.14 Business costs of crime and violence .....	3.9 .....	104
1.15 Organized crime .....	4.1 .....	122
1.16 Reliability of police services .....	3.2 .....	118
1.17 Ethical behavior of firms .....	3.3 .....	124
1.18 Strength of auditing and reporting standards .....	4.0 .....	111
1.19 Efficacy of corporate boards .....	4.1 .....	113
1.20 Protection of minority shareholders' interests .....	3.7 .....	107
1.21 Strength of investor protection, 0–10 (best)* .....	6.0 .....	<b>41</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.1 .....	126
2.02 Quality of roads .....	2.3 .....	142
2.03 Quality of railroad infrastructure .....	2.1 .....	88
2.04 Quality of port infrastructure .....	3.5 .....	107
2.05 Quality of air transport infrastructure .....	3.6 .....	109
2.06 Available airline seat km/week, millions* .....	34.5 .....	110
2.07 Quality of electricity supply .....	3.2 .....	109
2.08 Mobile telephone subscriptions/100 pop.* .....	33.1 .....	144
2.09 Fixed telephone lines/100 pop.* .....	0.4 .....	141
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.0 .....	77
3.02 Gross national savings, % GDP* .....	10.9 .....	122
3.03 Inflation, annual % change* .....	2.1 .....	<b>1</b>
3.04 General government debt, % GDP* .....	46.6 .....	84
3.05 Country credit rating, 0–100 (best)* .....	29.8 .....	105
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.2 .....	135
4.02 Malaria cases/100,000 pop.* .....	31,221.2 .....	144
4.03 Business impact of tuberculosis .....	3.6 .....	139
4.04 Tuberculosis cases/100,000 pop.* .....	548.0 .....	142
4.05 Business impact of HIV/AIDS .....	3.3 .....	136
4.06 HIV prevalence, % adult pop.* .....	11.30 .....	140
4.07 Infant mortality, deaths/1,000 live births* .....	71.6 .....	137
4.08 Life expectancy, years* .....	50.2 .....	143
4.09 Quality of primary education .....	2.2 .....	139
4.10 Primary education enrollment, net %* .....	90.4 .....	98
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	26.0 .....	145
5.02 Tertiary education enrollment, gross %* .....	4.9 .....	133
5.03 Quality of the educational system .....	2.7 .....	129
5.04 Quality of math and science education .....	2.6 .....	137
5.05 Quality of management schools .....	2.8 .....	137
5.06 Internet access in schools .....	2.6 .....	128
5.07 Availability of research and training services .....	3.3 .....	127
5.08 Extent of staff training .....	3.3 .....	120
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.2 .....	126
6.02 Extent of market dominance .....	3.1 .....	129
6.03 Effectiveness of anti-monopoly policy .....	3.3 .....	128
6.04 Effect of taxation on incentives to invest .....	3.4 .....	99
6.05 Total tax rate, % profits* .....	34.3 .....	54

INDICATOR	VALUE	RANK/148
<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 .....	63
6.08 Agricultural policy costs .....	2.9 .....	141
6.09 Prevalence of trade barriers .....	4.2 .....	91
6.10 Trade tariffs, % duty* .....	7.7 .....	88
6.11 Prevalence of foreign ownership .....	4.9 .....	60
6.12 Business impact of rules on FDI .....	4.6 .....	62
6.13 Burden of customs procedures .....	3.4 .....	107
6.14 Imports as a percentage of GDP* .....	60.0 .....	<b>44</b>
6.15 Degree of customer orientation .....	3.7 .....	131
6.16 Buyer sophistication .....	2.8 .....	122
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.6 .....	130
7.02 Flexibility of wage determination .....	3.9 .....	133
7.03 Hiring and firing practices .....	3.6 .....	98
7.04 Redundancy costs, weeks of salary* .....	37.5 .....	137
7.05 Effect of taxation on incentives to work .....	3.4 .....	93
7.06 Pay and productivity .....	2.8 .....	138
7.07 Reliance on professional management .....	3.4 .....	125
7.08 Country capacity to retain talent .....	3.2 .....	82
7.09 Country capacity to attract talent .....	3.7 .....	56
7.10 Women in labor force, ratio to men* .....	1.05 .....	<b>2</b>
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.7 .....	121
8.02 Affordability of financial services .....	3.3 .....	129
8.03 Financing through local equity market .....	2.5 .....	116
8.04 Ease of access to loans .....	1.8 .....	139
8.05 Venture capital availability .....	2.1 .....	121
8.06 Soundness of banks .....	4.9 .....	77
8.07 Regulation of securities exchanges .....	3.1 .....	123
8.08 Legal rights index, 0–10 (best)* .....	3 .....	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.4 .....	104
9.02 Firm-level technology absorption .....	4.3 .....	107
9.03 FDI and technology transfer .....	4.9 .....	<b>45</b>
9.04 Individuals using Internet, %* .....	4.8 .....	133
9.05 Fixed broadband Internet subscriptions/100 pop.* ...	0.1 .....	131
9.06 Int'l Internet bandwidth, kb/s per user* .....	1.7 .....	139
9.07 Mobile broadband subscriptions/100 pop.* .....	1.8 .....	112
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.8 .....	103
10.02 Foreign market size index, 1–7 (best)* .....	3.6 .....	111
10.03 GDP (PPP\$ billions)* .....	26.3 .....	107
10.04 Exports as a percentage of GDP* .....	32.8 .....	90
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.9 .....	126
11.02 Local supplier quality .....	3.4 .....	134
11.03 State of cluster development .....	3.4 .....	101
11.04 Nature of competitive advantage .....	2.5 .....	140
11.05 Value chain breadth .....	2.8 .....	139
11.06 Control of international distribution .....	3.3 .....	132
11.07 Production process sophistication .....	2.8 .....	132
11.08 Extent of marketing .....	3.5 .....	117
11.09 Willingness to delegate authority .....	3.0 .....	136
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.8 .....	132
12.02 Quality of scientific research institutions .....	2.8 .....	123
12.03 Company spending on R&D .....	2.4 .....	130
12.04 University-industry collaboration in R&D .....	3.3 .....	95
12.05 Gov't procurement of advanced tech products .....	3.2 .....	95
12.06 Availability of scientists and engineers .....	2.8 .....	143
12.07 PCT patents, applications/million pop.* .....	0.0 .....	126

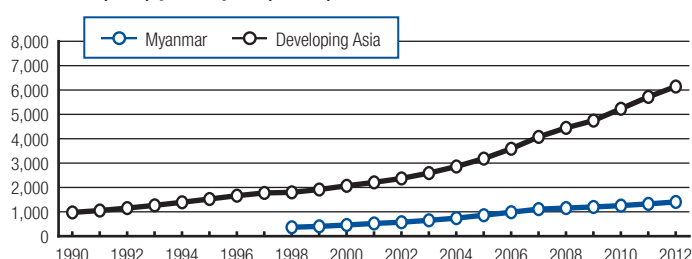
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Myanmar

## Key indicators, 2012

Population (millions).....	48.3
GDP (US\$ billions).....	53.1
GDP per capita (US\$).....	835
GDP (PPP) as share (%) of world total.....	0.11

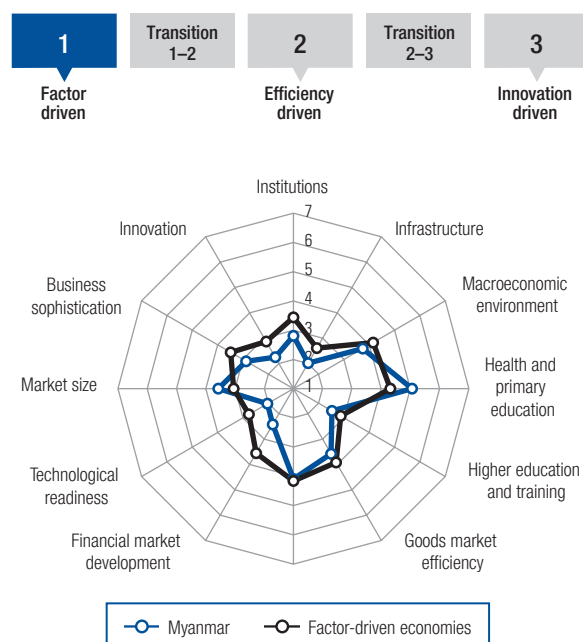
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

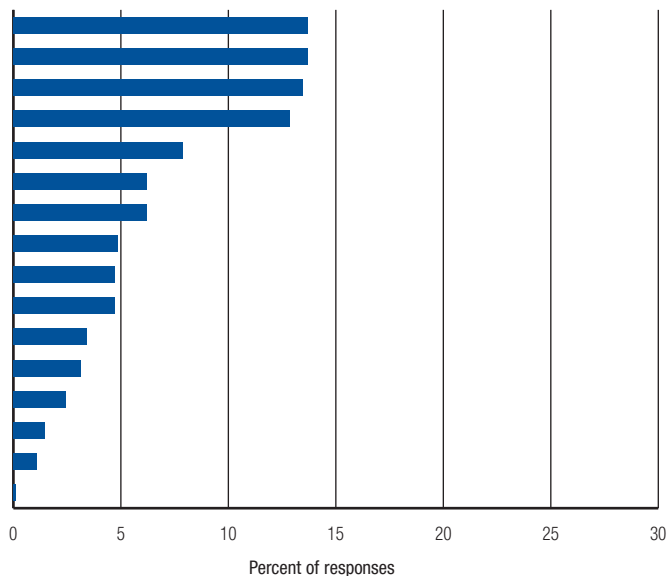
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>139</b>	<b>3.2</b>
GCI 2012–2013 (out of 144).....	n/a	n/a
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (60.0%)</b> .....	<b>135</b>	<b>3.4</b>
Institutions.....	141	2.8
Infrastructure.....	141	2.0
Macroeconomic environment.....	125	3.7
Health and primary education.....	111	5.1
<b>Efficiency enhancers (35.0%)</b> .....	<b>140</b>	<b>3.0</b>
Higher education and training.....	139	2.5
Goods market efficiency.....	135	3.6
Labor market efficiency.....	98	4.1
Financial market development.....	144	2.4
Technological readiness.....	148	2.0
Market size.....	79	3.6
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>146</b>	<b>2.6</b>
Business sophistication.....	146	2.9
Innovation.....	143	2.2

## Stage of development



## The most problematic factors for doing business

Access to financing.....	13.7
Policy instability.....	13.7
Corruption.....	13.5
Inadequately educated workforce.....	12.9
Inefficient government bureaucracy.....	7.9
Insufficient capacity to innovate.....	6.2
Poor work ethic in national labor force.....	6.2
Tax rates.....	4.9
Inadequate supply of infrastructure.....	4.7
Tax regulations.....	4.7
Inflation.....	3.4
Foreign currency regulations.....	3.2
Government instability/coups.....	2.4
Poor public health.....	1.5
Restrictive labor regulations.....	1.1
Crime and theft.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Myanmar

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.5	144
1.02 Intellectual property protection .....	2.7	126
1.03 Diversion of public funds .....	2.3	128
1.04 Public trust in politicians .....	3.1	62
1.05 Irregular payments and bribes .....	2.3	145
1.06 Judicial independence .....	2.8	113
1.07 Favoritism in decisions of government officials .....	2.2	136
1.08 Wastefulness of government spending .....	2.9	90
1.09 Burden of government regulation .....	2.7	131
1.10 Efficiency of legal framework in settling disputes .....	2.6	134
1.11 Efficiency of legal framework in challenging regs. ....	2.2	143
1.12 Transparency of government policymaking .....	2.9	143
1.13 Business costs of terrorism .....	2.7	146
1.14 Business costs of crime and violence .....	3.0	135
1.15 Organized crime .....	2.9	142
1.16 Reliability of police services .....	3.0	125
1.17 Ethical behavior of firms .....	3.3	126
1.18 Strength of auditing and reporting standards .....	2.3	148
1.19 Efficacy of corporate boards .....	4.4	86
1.20 Protection of minority shareholders' interests .....	3.0	140
1.21 Strength of investor protection, 0–10 (best)* .....	n/a	n/a
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.1	146
2.02 Quality of roads .....	2.4	138
2.03 Quality of railroad infrastructure .....	1.8	104
2.04 Quality of port infrastructure .....	2.6	136
2.05 Quality of air transport infrastructure .....	2.2	146
2.06 Available airline seat km/week, millions* .....	69.8	94
2.07 Quality of electricity supply .....	2.9	118
2.08 Mobile telephone subscriptions/100 pop.* .....	11.2	148
2.09 Fixed telephone lines/100 pop.* .....	1.1	127
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.3	123
3.02 Gross national savings, % GDP* .....	12.8	113
3.03 Inflation, annual % change* .....	6.1	104
3.04 General government debt, % GDP* .....	47.5	86
3.05 Country credit rating, 0–100 (best)* .....	18.4	138
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.4	117
4.02 Malaria cases/100,000 pop.* .....	3,155.0	119
4.03 Business impact of tuberculosis .....	3.7	135
4.04 Tuberculosis cases/100,000 pop.* .....	381.0	136
4.05 Business impact of HIV/AIDS .....	4.2	121
4.06 HIV prevalence, % adult pop.* .....	0.60	92
4.07 Infant mortality, deaths/1,000 live births* .....	47.9	121
4.08 Life expectancy, years* .....	65.2	114
4.09 Quality of primary education .....	2.1	143
4.10 Primary education enrollment, net %* .....	99.6	9
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	54.3	115
5.02 Tertiary education enrollment, gross %* .....	14.8	103
5.03 Quality of the educational system .....	2.7	125
5.04 Quality of math and science education .....	2.7	134
5.05 Quality of management schools .....	2.7	141
5.06 Internet access in schools .....	2.2	139
5.07 Availability of research and training services .....	2.9	140
5.08 Extent of staff training .....	2.6	146
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6	97
6.02 Extent of market dominance .....	2.4	147
6.03 Effectiveness of anti-monopoly policy .....	3.4	124
6.04 Effect of taxation on incentives to invest .....	3.6	91
6.05 Total tax rate, % profits* .....	n/a	n/a

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	n/a	n/a
6.07 No. days to start a business* .....	n/a	n/a
6.08 Agricultural policy costs .....	3.9	69
6.09 Prevalence of trade barriers .....	4.0	108
6.10 Trade tariffs, % duty* .....	3.9	50
6.11 Prevalence of foreign ownership .....	3.2	136
6.12 Business impact of rules on FDI .....	3.3	132
6.13 Burden of customs procedures .....	3.3	127
6.14 Imports as a percentage of GDP* .....	19.6	142
6.15 Degree of customer orientation .....	4.4	86
6.16 Buyer sophistication .....	2.6	132
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.6	131
7.02 Flexibility of wage determination .....	5.6	23
7.03 Hiring and firing practices .....	4.2	41
7.04 Redundancy costs, weeks of salary* .....	n/a	n/a
7.05 Effect of taxation on incentives to work .....	3.6	73
7.06 Pay and productivity .....	3.7	89
7.07 Reliance on professional management .....	2.9	141
7.08 Country capacity to retain talent .....	1.7	148
7.09 Country capacity to attract talent .....	2.4	122
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 .....	2.9	142
8.02 Affordability of financial services .....	3.0	138
8.03 Financing through local equity market .....	1.7	147
8.04 Ease of access to loans .....	1.5	147
8.05 Venture capital availability .....	1.5	148
8.06 Soundness of banks .....	3.4	138
8.07 Regulation of securities exchanges .....	2.0	144
8.08 Legal rights index, 0–10 (best)* .....	n/a	n/a
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	2.5	148
9.02 Firm-level technology absorption .....	2.7	148
9.03 FDI and technology transfer .....	3.5	138
9.04 Individuals using Internet, %* .....	1.1	147
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	140
9.06 Int'l Internet bandwidth, kb/s per user* .....	10.2	94
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0	134
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.4	70
10.02 Foreign market size index, 1–7 (best)* .....	4.0	94
10.03 GDP (PPP\$ billions)* .....	89.5	71
10.04 Exports as a percentage of GDP* .....	19.1	135
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.2	146
11.02 Local supplier quality .....	3.0	144
11.03 State of cluster development .....	2.5	146
11.04 Nature of competitive advantage .....	2.1	148
11.05 Value chain breadth .....	3.0	131
11.06 Control of international distribution .....	3.3	133
11.07 Production process sophistication .....	2.3	144
11.08 Extent of marketing .....	3.1	133
11.09 Willingness to delegate authority .....	3.3	113
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.7	135
12.02 Quality of scientific research institutions .....	2.2	143
12.03 Company spending on R&D .....	2.2	140
12.04 University-industry collaboration in R&D .....	2.1	147
12.05 Gov't procurement of advanced tech products .....	2.2	145
12.06 Availability of scientists and engineers .....	3.1	129
12.07 PCT patents, applications/million pop.* .....	0.0	126

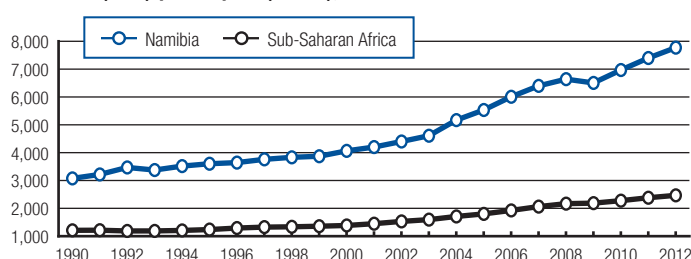
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Namibia

## Key indicators, 2012

Population (millions).....	2.3
GDP (US\$ billions).....	12.3
GDP per capita (US\$).....	5,705
GDP (PPP) as share (%) of world total.....	0.02

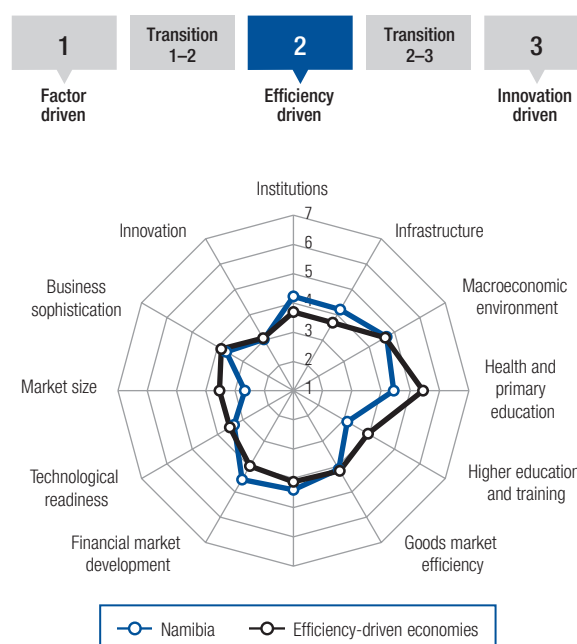
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

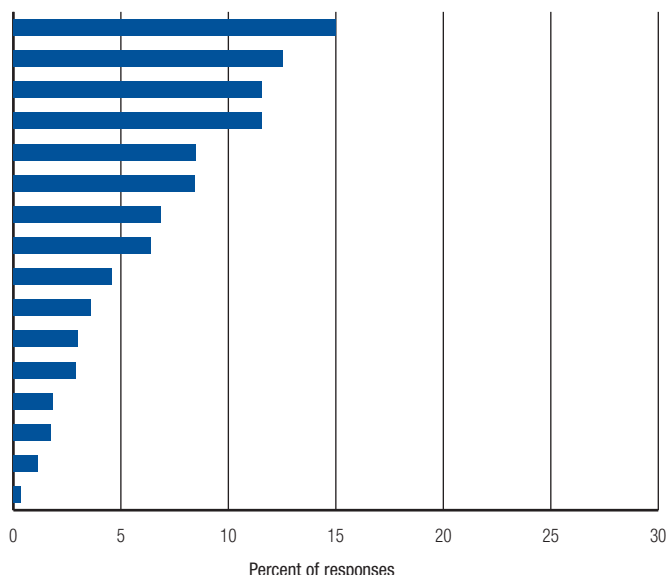
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>90</b>	<b>3.9</b>
GCI 2012–2013 (out of 144).....	92	3.9
GCI 2011–2012 (out of 142).....	83	4.0
<b>Basic requirements (40.0%)</b> .....	<b>85</b>	<b>4.4</b>
Institutions.....	48	4.2
Infrastructure.....	60	4.2
Macroeconomic environment.....	70	4.7
Health and primary education.....	125	4.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>99</b>	<b>3.7</b>
Higher education and training.....	115	3.1
Goods market efficiency.....	91	4.1
Labor market efficiency.....	59	4.4
Financial market development.....	39	4.5
Technological readiness.....	90	3.3
Market size.....	121	2.7
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>102</b>	<b>3.3</b>
Business sophistication.....	99	3.7
Innovation.....	94	3.0

## Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	15.0
Corruption.....	12.5
Access to financing.....	11.6
Poor work ethic in national labor force.....	11.6
Inefficient government bureaucracy.....	8.5
Restrictive labor regulations.....	8.4
Crime and theft.....	6.8
Insufficient capacity to innovate.....	6.4
Inadequate supply of infrastructure.....	4.6
Tax rates.....	3.6
Poor public health.....	3.0
Foreign currency regulations.....	2.9
Inflation.....	1.8
Tax regulations.....	1.8
Policy instability.....	1.1
Government instability/coups.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Namibia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.1	36
1.02 Intellectual property protection .....	4.3	41
1.03 Diversion of public funds .....	3.2	71
1.04 Public trust in politicians .....	3.3	51
1.05 Irregular payments and bribes .....	4.1	64
1.06 Judicial independence .....	4.7	41
1.07 Favoritism in decisions of government officials .....	2.9	87
1.08 Wastefulness of government spending .....	3.3	65
1.09 Burden of government regulation .....	3.5	67
1.10 Efficiency of legal framework in settling disputes .....	4.5	32
1.11 Efficiency of legal framework in challenging regs. ....	3.9	42
1.12 Transparency of government policymaking .....	4.0	79
1.13 Business costs of terrorism .....	6.0	40
1.14 Business costs of crime and violence .....	3.9	112
1.15 Organized crime .....	4.9	74
1.16 Reliability of police services .....	4.0	78
1.17 Ethical behavior of firms .....	4.2	53
1.18 Strength of auditing and reporting standards .....	5.4	30
1.19 Efficacy of corporate boards .....	4.4	83
1.20 Protection of minority shareholders' interests .....	4.7	35
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.2	32
2.02 Quality of roads .....	5.3	30
2.03 Quality of railroad infrastructure .....	3.5	45
2.04 Quality of port infrastructure .....	5.3	27
2.05 Quality of air transport infrastructure .....	4.8	58
2.06 Available airline seat km/week, millions* .....	31.0	111
2.07 Quality of electricity supply .....	5.5	45
2.08 Mobile telephone subscriptions/100 pop.* .....	103.0	88
2.09 Fixed telephone lines/100 pop.* .....	7.2	103
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.1	101
3.02 Gross national savings, % GDP* .....	19.5	73
3.03 Inflation, annual % change* .....	6.7	109
3.04 General government debt, % GDP* .....	26.6	32
3.05 Country credit rating, 0–100 (best)* .....	52.3	63
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.3	118
4.02 Malaria cases/100,000 pop.* .....	128.9	101
4.03 Business impact of tuberculosis .....	3.4	141
4.04 Tuberculosis cases/100,000 pop.* .....	723.0	145
4.05 Business impact of HIV/AIDS .....	2.9	145
4.06 HIV prevalence, % adult pop.* .....	13.40	142
4.07 Infant mortality, deaths/1,000 live births* .....	29.6	105
4.08 Life expectancy, years* .....	62.3	119
4.09 Quality of primary education .....	3.0	110
4.10 Primary education enrollment, net %* .....	85.1	121
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	64.0	109
5.02 Tertiary education enrollment, gross %* .....	9.0	119
5.03 Quality of the educational system .....	3.0	118
5.04 Quality of math and science education .....	2.9	128
5.05 Quality of management schools .....	3.4	121
5.06 Internet access in schools .....	3.2	111
5.07 Availability of research and training services .....	3.5	116
5.08 Extent of staff training .....	4.0	69
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6	99
6.02 Extent of market dominance .....	3.5	90
6.03 Effectiveness of anti-monopoly policy .....	4.1	66
6.04 Effect of taxation on incentives to invest .....	4.0	52
6.05 Total tax rate, % profits* .....	22.7	16

INDICATOR	VALUE	RANK/148
<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	136
6.08 Agricultural policy costs .....	4.2	39
6.09 Prevalence of trade barriers .....	4.3	74
6.10 Trade tariffs, % duty* .....	6.1	80
6.11 Prevalence of foreign ownership .....	5.1	45
6.12 Business impact of rules on FDI .....	4.2	101
6.13 Burden of customs procedures .....	4.0	73
6.14 Imports as a percentage of GDP* .....	59.8	45
6.15 Degree of customer orientation .....	3.6	140
6.16 Buyer sophistication .....	3.5	66
<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	89
7.03 Hiring and firing practices .....	2.9	135
7.04 Redundancy costs, weeks of salary* .....	9.7	37
7.05 Effect of taxation on incentives to work .....	4.0	49
7.06 Pay and productivity .....	3.6	103
7.07 Reliance on professional management .....	4.2	75
7.08 Country capacity to retain talent .....	3.5	70
7.09 Country capacity to attract talent .....	3.5	72
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 .....	4.8	55
8.02 Affordability of financial services .....	4.2	61
8.03 Financing through local equity market .....	3.4	68
8.04 Ease of access to loans .....	2.9	60
8.05 Venture capital availability .....	2.5	88
8.06 Soundness of banks .....	5.9	23
8.07 Regulation of securities exchanges .....	4.6	43
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.2	52
9.02 Firm-level technology absorption .....	4.9	58
9.03 FDI and technology transfer .....	4.5	80
9.04 Individuals using Internet, %* .....	12.9	119
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.8	92
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.4	124
9.07 Mobile broadband subscriptions/100 pop.* .....	28.8	55
<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)* .....	3.4	118
10.03 GDP (PPP\$ billions)* .....	16.8	122
10.04 Exports as a percentage of GDP* .....	40.2	73
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.7	134
11.02 Local supplier quality .....	4.2	83
11.03 State of cluster development .....	3.6	82
11.04 Nature of competitive advantage .....	3.3	85
11.05 Value chain breadth .....	3.0	130
11.06 Control of international distribution .....	3.5	119
11.07 Production process sophistication .....	3.6	81
11.08 Extent of marketing .....	3.8	96
11.09 Willingness to delegate authority .....	3.7	79
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	84
12.02 Quality of scientific research institutions .....	3.5	82
12.03 Company spending on R&D .....	3.0	80
12.04 University-industry collaboration in R&D .....	3.5	73
12.05 Gov't procurement of advanced tech products .....	3.2	97
12.06 Availability of scientists and engineers .....	2.9	140
12.07 PCT patents, applications/million pop.* .....	0.1	104

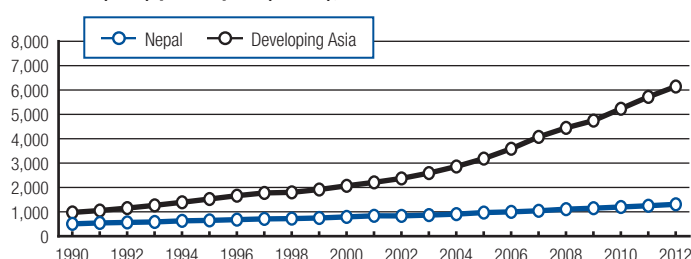
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Nepal

## Key indicators, 2012

Population (millions).....	30.5
GDP (US\$ billions).....	19.4
GDP per capita (US\$).....	626
GDP (PPP) as share (%) of world total.....	0.05

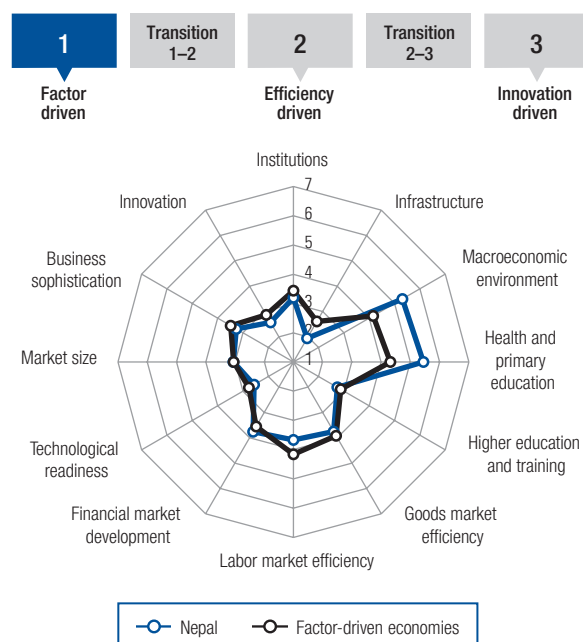
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

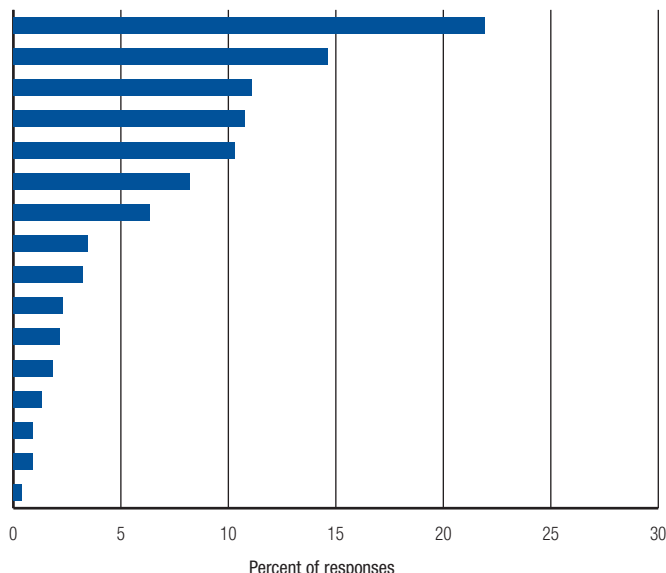
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>117</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	125	3.5
GCI 2011–2012 (out of 142).....	125	3.5
<b>Basic requirements (60.0%)</b> .....	<b>105</b>	<b>4.0</b>
Institutions.....	127	3.2
Infrastructure.....	144	1.9
Macroeconomic environment.....	41	5.3
Health and primary education.....	88	5.4
<b>Efficiency enhancers (35.0%)</b> .....	<b>128</b>	<b>3.2</b>
Higher education and training.....	130	2.7
Goods market efficiency.....	127	3.7
Labor market efficiency.....	133	3.7
Financial market development.....	95	3.8
Technological readiness.....	133	2.6
Market size.....	100	3.1
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>132</b>	<b>2.9</b>
Business sophistication.....	129	3.3
Innovation.....	129	2.6

## Stage of development



## The most problematic factors for doing business

Government instability/coups.....	21.9
Corruption.....	14.7
Inefficient government bureaucracy.....	11.1
Inadequate supply of infrastructure.....	10.8
Policy instability.....	10.3
Restrictive labor regulations.....	8.2
Poor work ethic in national labor force.....	6.4
Inadequately educated workforce.....	3.5
Access to financing.....	3.3
Inflation.....	2.3
Tax regulations.....	2.2
Tax rates.....	1.9
Insufficient capacity to innovate.....	1.3
Crime and theft.....	0.9
Foreign currency regulations.....	0.9
Poor public health.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.5 .....	114
1.02 Intellectual property protection .....	2.9 .....	117
1.03 Diversion of public funds .....	2.8 .....	96
1.04 Public trust in politicians .....	1.8 .....	142
1.05 Irregular payments and bribes .....	2.8 .....	126
1.06 Judicial independence .....	3.3 .....	92
1.07 Favoritism in decisions of government officials .....	2.7 .....	103
1.08 Wastefulness of government spending .....	2.7 .....	105
1.09 Burden of government regulation .....	3.1 .....	103
1.10 Efficiency of legal framework in settling disputes .....	2.9 .....	123
1.11 Efficiency of legal framework in challenging regs. ....	3.0 .....	104
1.12 Transparency of government policymaking .....	3.7 .....	110
1.13 Business costs of terrorism .....	4.0 .....	134
1.14 Business costs of crime and violence .....	3.3 .....	129
1.15 Organized crime .....	3.5 .....	135
1.16 Reliability of police services .....	3.7 .....	103
1.17 Ethical behavior of firms .....	3.2 .....	132
1.18 Strength of auditing and reporting standards .....	3.8 .....	121
1.19 Efficacy of corporate boards .....	3.9 .....	129
1.20 Protection of minority shareholders' interests .....	3.5 .....	123
1.21 Strength of investor protection, 0–10 (best)* .....	5.3 .....	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.9 .....	132
2.02 Quality of roads .....	2.7 .....	126
2.03 Quality of railroad infrastructure .....	1.1 .....	121
2.04 Quality of port infrastructure .....	2.7 .....	134
2.05 Quality of air transport infrastructure .....	3.0 .....	131
2.06 Available airline seat km/week, millions* .....	90.1 .....	83
2.07 Quality of electricity supply .....	1.6 .....	144
2.08 Mobile telephone subscriptions/100 pop.* .....	52.8 .....	135
2.09 Fixed telephone lines/100 pop.* .....	2.7 .....	116
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.6 .....	37
3.02 Gross national savings, % GDP* .....	39.1 .....	14
3.03 Inflation, annual % change* .....	8.3 .....	121
3.04 General government debt, % GDP* .....	33.1 .....	47
3.05 Country credit rating, 0–100 (best)* .....	20.7 .....	133
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.3 .....	99
4.02 Malaria cases/100,000 pop.* .....	63.1 .....	98
4.03 Business impact of tuberculosis .....	4.6 .....	105
4.04 Tuberculosis cases/100,000 pop.* .....	163.0 .....	112
4.05 Business impact of HIV/AIDS .....	4.6 .....	104
4.06 HIV prevalence, % adult pop.* .....	0.30 .....	60
4.07 Infant mortality, deaths/1,000 live births* .....	39.0 .....	112
4.08 Life expectancy, years* .....	68.7 .....	105
4.09 Quality of primary education .....	3.5 .....	90
4.10 Primary education enrollment, net %* .....	94.5 .....	68
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	43.5 .....	127
5.02 Tertiary education enrollment, gross %* .....	7.3 .....	126
5.03 Quality of the educational system .....	3.4 .....	94
5.04 Quality of math and science education .....	3.8 .....	89
5.05 Quality of management schools .....	3.8 .....	100
5.06 Internet access in schools .....	3.4 .....	105
5.07 Availability of research and training services .....	3.1 .....	137
5.08 Extent of staff training .....	3.2 .....	133
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5 .....	109
6.02 Extent of market dominance .....	2.7 .....	139
6.03 Effectiveness of anti-monopoly policy .....	3.6 .....	107
6.04 Effect of taxation on incentives to invest .....	3.3 .....	105
6.05 Total tax rate, % profits* .....	31.5 .....	42

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7 .....	74
6.07 No. days to start a business* .....	29 .....	106
6.08 Agricultural policy costs .....	3.5 .....	108
6.09 Prevalence of trade barriers .....	4.0 .....	110
6.10 Trade tariffs, % duty* .....	16.3 .....	141
6.11 Prevalence of foreign ownership .....	3.1 .....	139
6.12 Business impact of rules on FDI .....	3.6 .....	120
6.13 Burden of customs procedures .....	3.3 .....	125
6.14 Imports as a percentage of GDP* .....	34.4 .....	105
6.15 Degree of customer orientation .....	4.0 .....	120
6.16 Buyer sophistication .....	2.9 .....	113
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.0 .....	146
7.02 Flexibility of wage determination .....	4.1 .....	126
7.03 Hiring and firing practices .....	3.2 .....	125
7.04 Redundancy costs, weeks of salary* .....	27.2 .....	118
7.05 Effect of taxation on incentives to work .....	3.3 .....	101
7.06 Pay and productivity .....	2.9 .....	135
7.07 Reliance on professional management .....	3.4 .....	126
7.08 Country capacity to retain talent .....	2.5 .....	129
7.09 Country capacity to attract talent .....	2.0 .....	138
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 .....	4.1 .....	90
8.02 Affordability of financial services .....	3.9 .....	88
8.03 Financing through local equity market .....	3.7 .....	53
8.04 Ease of access to loans .....	2.4 .....	107
8.05 Venture capital availability .....	2.3 .....	102
8.06 Soundness of banks .....	4.1 .....	122
8.07 Regulation of securities exchanges .....	3.4 .....	114
8.08 Legal rights index, 0–10 (best)* .....	7 .....	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.0 .....	120
9.02 Firm-level technology absorption .....	3.9 .....	128
9.03 FDI and technology transfer .....	3.7 .....	126
9.04 Individuals using Internet, %* .....	11.1 .....	123
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.4 .....	116
9.06 Int'l Internet bandwidth, kb/s per user* .....	1.4 .....	140
9.07 Mobile broadband subscriptions/100 pop.* .....	0.1 .....	132
<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)* .....	3.1 .....	131
10.03 GDP (PPP\$ billions)* .....	40.6 .....	93
10.04 Exports as a percentage of GDP* .....	8.9 .....	146
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.1 .....	115
11.02 Local supplier quality .....	3.4 .....	137
11.03 State of cluster development .....	3.4 .....	107
11.04 Nature of competitive advantage .....	3.0 .....	109
11.05 Value chain breadth .....	3.1 .....	120
11.06 Control of international distribution .....	3.2 .....	135
11.07 Production process sophistication .....	2.9 .....	128
11.08 Extent of marketing .....	3.1 .....	134
11.09 Willingness to delegate authority .....	3.0 .....	133
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.9 .....	125
12.02 Quality of scientific research institutions .....	2.4 .....	137
12.03 Company spending on R&D .....	2.7 .....	115
12.04 University-industry collaboration in R&D .....	2.8 .....	127
12.05 Gov't procurement of advanced tech products .....	2.7 .....	132
12.06 Availability of scientists and engineers .....	3.4 .....	114
12.07 PCT patents, applications/million pop.* .....	0.0 .....	123

**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 97.

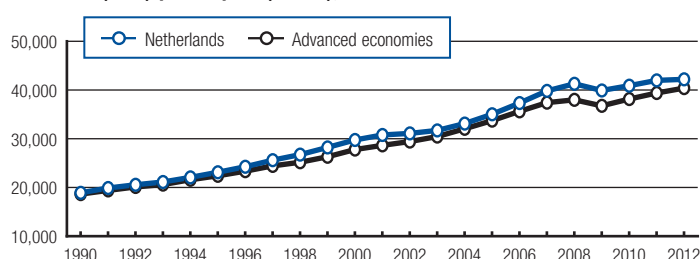


# Netherlands

## Key indicators, 2012

Population (millions).....	16.7
GDP (US\$ billions).....	773.1
GDP per capita (US\$).....	46,142
GDP (PPP) as share (%) of world total.....	0.85

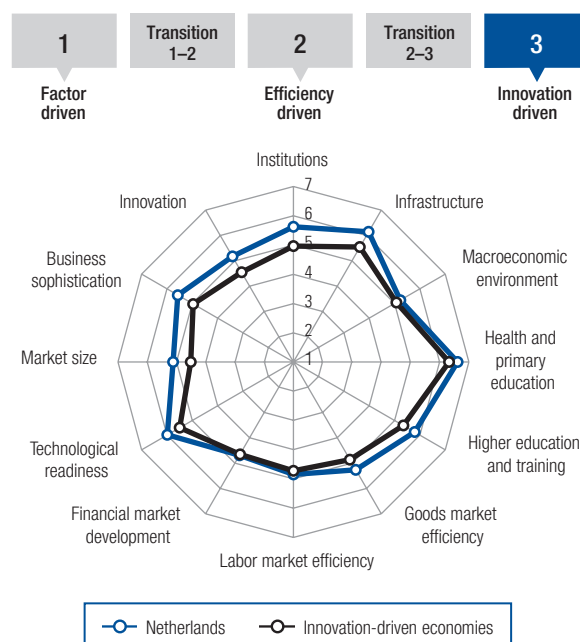
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

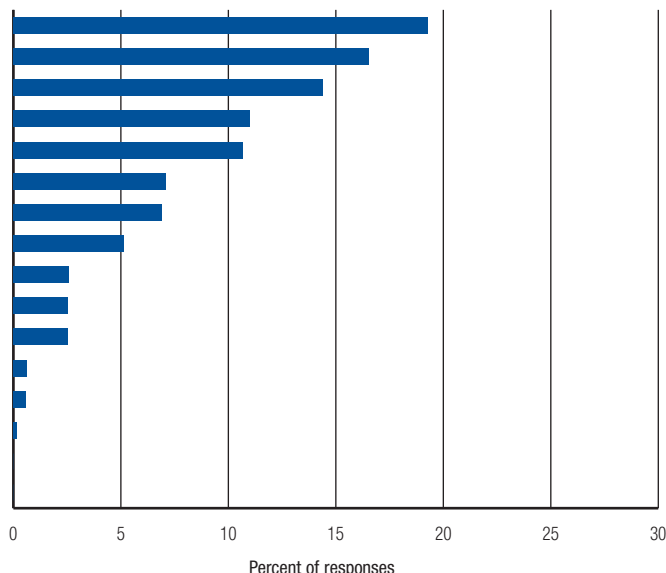
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>8</b> .....	<b>5.4</b>
GCI 2012–2013 (out of 144).....	5.....	5.5
GCI 2011–2012 (out of 142).....	7.....	5.4
<b>Basic requirements (20.0%)</b> .....	<b>10</b> .....	<b>5.9</b>
Institutions.....	8.....	5.6
Infrastructure.....	7.....	6.1
Macroeconomic environment.....	45.....	5.2
Health and primary education.....	4.....	6.6
<b>Efficiency enhancers (50.0%)</b> .....	<b>11</b> .....	<b>5.3</b>
Higher education and training.....	6.....	5.8
Goods market efficiency.....	8.....	5.3
Labor market efficiency.....	21.....	4.8
Financial market development.....	30.....	4.7
Technological readiness.....	8.....	6.0
Market size.....	21.....	5.1
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>7</b> .....	<b>5.4</b>
Business sophistication.....	4.....	5.6
Innovation.....	10.....	5.2

## Stage of development



## The most problematic factors for doing business

Access to financing.....	19.3
Restrictive labor regulations.....	16.5
Inefficient government bureaucracy.....	14.4
Insufficient capacity to innovate.....	11.0
Tax rates.....	10.7
Tax regulations.....	7.1
Policy instability.....	6.9
Inadequately educated workforce.....	5.1
Inflation.....	2.6
Inadequate supply of infrastructure.....	2.5
Poor work ethic in national labor force.....	2.5
Foreign currency regulations.....	0.7
Government instability/coups.....	0.6
Crime and theft.....	0.2
Corruption.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Netherlands

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.0	9
1.02 Intellectual property protection .....	5.7	9
1.03 Diversion of public funds .....	5.8	10
1.04 Public trust in politicians .....	5.3	9
1.05 Irregular payments and bribes .....	6.1	14
1.06 Judicial independence .....	6.2	7
1.07 Favoritism in decisions of government officials .....	5.1	6
1.08 Wastefulness of government spending .....	4.5	17
1.09 Burden of government regulation .....	4.0	28
1.10 Efficiency of legal framework in settling disputes .....	5.6	9
1.11 Efficiency of legal framework in challenging regs. ....	5.4	5
1.12 Transparency of government policymaking .....	5.2	13
1.13 Business costs of terrorism .....	6.1	36
1.14 Business costs of crime and violence .....	5.5	32
1.15 Organized crime .....	6.2	14
1.16 Reliability of police services .....	6.1	10
1.17 Ethical behavior of firms .....	6.0	9
1.18 Strength of auditing and reporting standards .....	5.9	12
1.19 Efficacy of corporate boards .....	5.5	10
1.20 Protection of minority shareholders' interests .....	5.4	11
1.21 Strength of investor protection, 0–10 (best)* .....	4.7	100
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.2	9
2.02 Quality of roads .....	6.0	10
2.03 Quality of railroad infrastructure .....	5.5	11
2.04 Quality of port infrastructure .....	6.8	1
2.05 Quality of air transport infrastructure .....	6.5	4
2.06 Available airline seat km/week, millions* .....	1,759.5	22
2.07 Quality of electricity supply .....	6.7	3
2.08 Mobile telephone subscriptions/100 pop.* .....	117.5	56
2.09 Fixed telephone lines/100 pop.* .....	42.4	23
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.1	102
3.02 Gross national savings, % GDP* .....	25.5	44
3.03 Inflation, annual % change* .....	2.8	1
3.04 General government debt, % GDP* .....	71.7	118
3.05 Country credit rating, 0–100 (best)* .....	89.6	11
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.7	9
4.04 Tuberculosis cases/100,000 pop.* .....	6.8	22
4.05 Business impact of HIV/AIDS .....	6.4	14
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	3.4	18
4.08 Life expectancy, years* .....	81.2	14
4.09 Quality of primary education .....	5.7	10
4.10 Primary education enrollment, net %* .....	99.8	5
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	121.5	4
5.02 Tertiary education enrollment, gross %* .....	65.4	27
5.03 Quality of the educational system .....	5.2	12
5.04 Quality of math and science education .....	5.3	14
5.05 Quality of management schools .....	5.7	9
5.06 Internet access in schools .....	6.3	6
5.07 Availability of research and training services .....	6.1	3
5.08 Extent of staff training .....	5.1	9
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	6.0	5
6.02 Extent of market dominance .....	5.4	6
6.03 Effectiveness of anti-monopoly policy .....	5.4	5
6.04 Effect of taxation on incentives to invest .....	4.6	20
6.05 Total tax rate, % profits* .....	40.1	79

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	5	10
6.08 Agricultural policy costs .....	4.7	8
6.09 Prevalence of trade barriers .....	5.1	9
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.4	26
6.12 Business impact of rules on FDI .....	5.3	18
6.13 Burden of customs procedures .....	5.5	6
6.14 Imports as a percentage of GDP* .....	91.3	12
6.15 Degree of customer orientation .....	5.2	30
6.16 Buyer sophistication .....	4.5	14
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.7	5
7.02 Flexibility of wage determination .....	3.7	137
7.03 Hiring and firing practices .....	3.2	128
7.04 Redundancy costs, weeks of salary* .....	8.7	27
7.05 Effect of taxation on incentives to work .....	3.8	60
7.06 Pay and productivity .....	3.8	79
7.07 Reliance on professional management .....	6.1	5
7.08 Country capacity to retain talent .....	4.8	14
7.09 Country capacity to attract talent .....	4.7	18
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 .....	6.0	12
8.02 Affordability of financial services .....	5.3	23
8.03 Financing through local equity market .....	4.3	30
8.04 Ease of access to loans .....	3.2	47
8.05 Venture capital availability .....	3.5	21
8.06 Soundness of banks .....	4.9	74
8.07 Regulation of securities exchanges .....	5.2	23
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.4	9
9.02 Firm-level technology absorption .....	5.7	22
9.03 FDI and technology transfer .....	5.0	38
9.04 Individuals using Internet, %* .....	93.0	4
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	39.4	2
9.06 Int'l Internet bandwidth, kb/s per user* .....	172.9	13
9.07 Mobile broadband subscriptions/100 pop.* .....	61.0	20
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.8	25
10.02 Foreign market size index, 1–7 (best)* .....	6.1	9
10.03 GDP (PPP\$ billions)* .....	707.0	23
10.04 Exports as a percentage of GDP* .....	101.2	7
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.4	11
11.02 Local supplier quality .....	5.8	6
11.03 State of cluster development .....	5.2	9
11.04 Nature of competitive advantage .....	5.9	9
11.05 Value chain breadth .....	5.3	9
11.06 Control of international distribution .....	4.8	18
11.07 Production process sophistication .....	6.0	5
11.08 Extent of marketing .....	5.8	4
11.09 Willingness to delegate authority .....	5.6	5
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.1	9
12.02 Quality of scientific research institutions .....	5.8	7
12.03 Company spending on R&D .....	4.6	18
12.04 University-industry collaboration in R&D .....	5.3	12
12.05 Gov't procurement of advanced tech products .....	4.1	26
12.06 Availability of scientists and engineers .....	4.5	41
12.07 PCT patents, applications/million pop.* .....	184.7	8

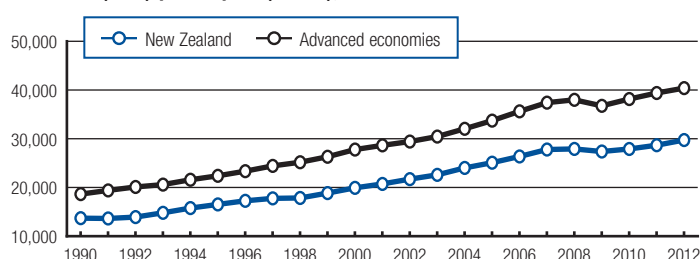
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# New Zealand

## Key indicators, 2012

Population (millions).....	4.4
GDP (US\$ billions).....	169.7
GDP per capita (US\$).....	38,222
GDP (PPP) as share (%) of world total.....	0.16

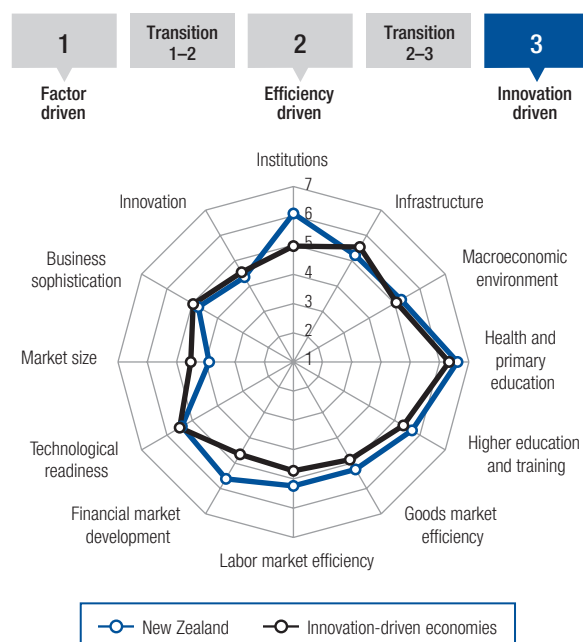
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

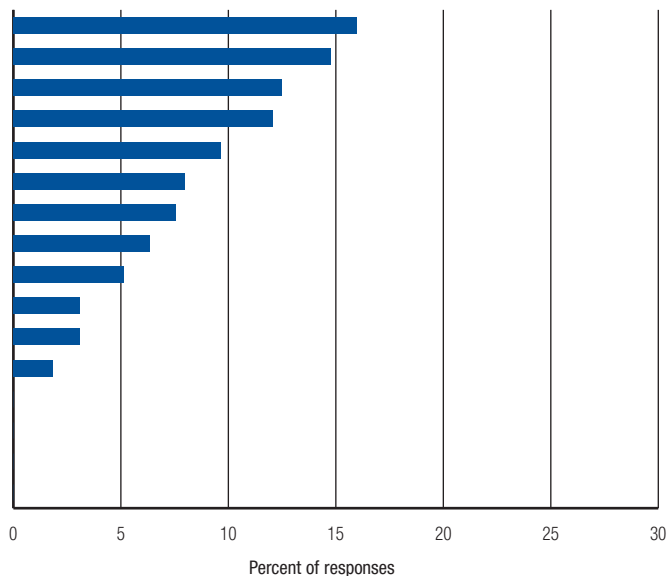
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>18</b>	<b>5.1</b>
GCI 2012–2013 (out of 144).....	23	5.1
GCI 2011–2012 (out of 142).....	25	4.9
<b>Basic requirements (20.0%)</b> .....	<b>12</b>	<b>5.8</b>
Institutions.....	2	6.1
Infrastructure.....	27	5.2
Macroeconomic environment.....	43	5.2
Health and primary education.....	5	6.6
<b>Efficiency enhancers (50.0%)</b> .....	<b>14</b>	<b>5.2</b>
Higher education and training.....	9	5.7
Goods market efficiency.....	9	5.2
Labor market efficiency.....	8	5.2
Financial market development.....	4	5.6
Technological readiness.....	24	5.4
Market size.....	62	3.9
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>27</b>	<b>4.5</b>
Business sophistication.....	26	4.8
Innovation.....	26	4.3

### Stage of development



## The most problematic factors for doing business

Inadequate supply of infrastructure.....	16.0
Inadequately educated workforce.....	14.8
Insufficient capacity to innovate.....	12.5
Inefficient government bureaucracy.....	12.1
Access to financing.....	9.6
Tax rates.....	8.0
Policy instability.....	7.6
Restrictive labor regulations.....	6.4
Tax regulations.....	5.1
Foreign currency regulations.....	3.1
Poor work ethic in national labor force.....	3.1
Inflation.....	1.8
Corruption.....	0.0
Crime and theft.....	0.0
Government instability/coups.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# New Zealand

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.9	12
1.02 Intellectual property protection .....	6.0	3
1.03 Diversion of public funds .....	6.5	1
1.04 Public trust in politicians .....	5.6	5
1.05 Irregular payments and bribes .....	6.7	1
1.06 Judicial independence .....	6.7	1
1.07 Favoritism in decisions of government officials .....	5.3	3
1.08 Wastefulness of government spending .....	4.8	10
1.09 Burden of government regulation .....	4.3	13
1.10 Efficiency of legal framework in settling disputes .....	5.8	4
1.11 Efficiency of legal framework in challenging regs. ....	5.6	3
1.12 Transparency of government policymaking .....	5.9	4
1.13 Business costs of terrorism .....	6.4	14
1.14 Business costs of crime and violence .....	5.8	17
1.15 Organized crime .....	6.6	6
1.16 Reliability of police services .....	6.4	2
1.17 Ethical behavior of firms .....	6.6	1
1.18 Strength of auditing and reporting standards .....	6.2	3
1.19 Efficacy of corporate boards .....	5.9	2
1.20 Protection of minority shareholders' interests .....	5.9	5
1.21 Strength of investor protection, 0–10 (best)* .....	9.7	1
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.1	43
2.02 Quality of roads .....	5.0	37
2.03 Quality of railroad infrastructure .....	3.7	39
2.04 Quality of port infrastructure .....	5.5	19
2.05 Quality of air transport infrastructure .....	6.0	17
2.06 Available airline seat km/week, millions* .....	693.6	34
2.07 Quality of electricity supply .....	6.1	33
2.08 Mobile telephone subscriptions/100 pop.* .....	110.3	71
2.09 Fixed telephone lines/100 pop.* .....	42.1	24
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.6	70
3.02 Gross national savings, % GDP* .....	14.5	101
3.03 Inflation, annual % change* .....	1.1	1
3.04 General government debt, % GDP* .....	38.2	63
3.05 Country credit rating, 0–100 (best)* .....	85.0	16
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.8	6
4.04 Tuberculosis cases/100,000 pop.* .....	7.6	27
4.05 Business impact of HIV/AIDS .....	6.6	7
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	4.7	31
4.08 Life expectancy, years* .....	80.9	18
4.09 Quality of primary education .....	5.8	6
4.10 Primary education enrollment, net %* .....	99.3	16
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	119.1	5
5.02 Tertiary education enrollment, gross %* .....	82.6	9
5.03 Quality of the educational system .....	5.2	11
5.04 Quality of math and science education .....	5.4	12
5.05 Quality of management schools .....	5.2	24
5.06 Internet access in schools .....	5.7	28
5.07 Availability of research and training services .....	4.9	28
5.08 Extent of staff training .....	5.0	15
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.4	31
6.02 Extent of market dominance .....	4.4	29
6.03 Effectiveness of anti-monopoly policy .....	5.4	6
6.04 Effect of taxation on incentives to invest .....	4.6	19
6.05 Total tax rate, % profits* .....	33.5	50

INDICATOR	VALUE	RANK/148
<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* .....	1	1
6.08 Agricultural policy costs .....	6.1	1
6.09 Prevalence of trade barriers .....	5.7	2
6.10 Trade tariffs, % duty* .....	2.0	35
6.11 Prevalence of foreign ownership .....	5.8	9
6.12 Business impact of rules on FDI .....	4.6	64
6.13 Burden of customs procedures .....	5.9	4
6.14 Imports as a percentage of GDP* .....	29.0	126
6.15 Degree of customer orientation .....	5.6	6
6.16 Buyer sophistication .....	4.1	28
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.5	11
7.02 Flexibility of wage determination .....	5.8	10
7.03 Hiring and firing practices .....	4.1	61
7.04 Redundancy costs, weeks of salary* .....	0.0	1
7.05 Effect of taxation on incentives to work .....	4.8	13
7.06 Pay and productivity .....	4.7	16
7.07 Reliance on professional management .....	6.3	1
7.08 Country capacity to retain talent .....	3.3	79
7.09 Country capacity to attract talent .....	4.3	29
7.10 Women in labor force, ratio to men* .....	0.86	49
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.7	18
8.02 Affordability of financial services .....	5.4	14
8.03 Financing through local equity market .....	4.9	10
8.04 Ease of access to loans .....	4.2	9
8.05 Venture capital availability .....	3.6	18
8.06 Soundness of banks .....	6.7	2
8.07 Regulation of securities exchanges .....	5.7	9
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.1	21
9.02 Firm-level technology absorption .....	5.7	19
9.03 FDI and technology transfer .....	5.2	21
9.04 Individuals using Internet, %* .....	89.5	8
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	27.8	19
9.06 Int'l Internet bandwidth, kb/s per user* .....	31.1	56
9.07 Mobile broadband subscriptions/100 pop.* .....	65.2	18
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.7	60
10.02 Foreign market size index, 1–7 (best)* .....	4.4	74
10.03 GDP (PPP\$ billions)* .....	132.0	61
10.04 Exports as a percentage of GDP* .....	27.9	104
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	75
11.02 Local supplier quality .....	5.5	11
11.03 State of cluster development .....	3.8	73
11.04 Nature of competitive advantage .....	4.1	36
11.05 Value chain breadth .....	3.8	58
11.06 Control of international distribution .....	4.4	37
11.07 Production process sophistication .....	4.9	28
11.08 Extent of marketing .....	5.2	24
11.09 Willingness to delegate authority .....	5.5	6
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.6	21
12.02 Quality of scientific research institutions .....	5.3	18
12.03 Company spending on R&D .....	3.7	34
12.04 University-industry collaboration in R&D .....	4.9	20
12.05 Gov't procurement of advanced tech products .....	3.6	65
12.06 Availability of scientists and engineers .....	4.3	58
12.07 PCT patents, applications/million pop.* .....	74.2	22

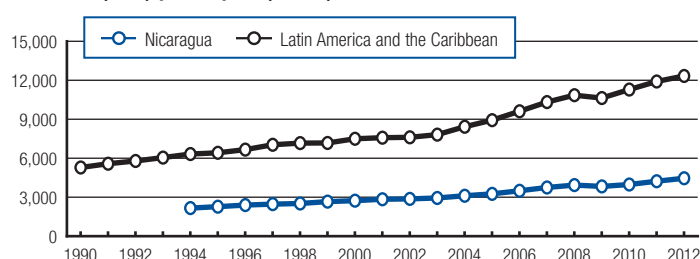
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Nicaragua

## Key indicators, 2012

Population (millions).....	5.9
GDP (US\$ billions).....	10.5
GDP per capita (US\$).....	1,757
GDP (PPP) as share (%) of world total.....	0.03

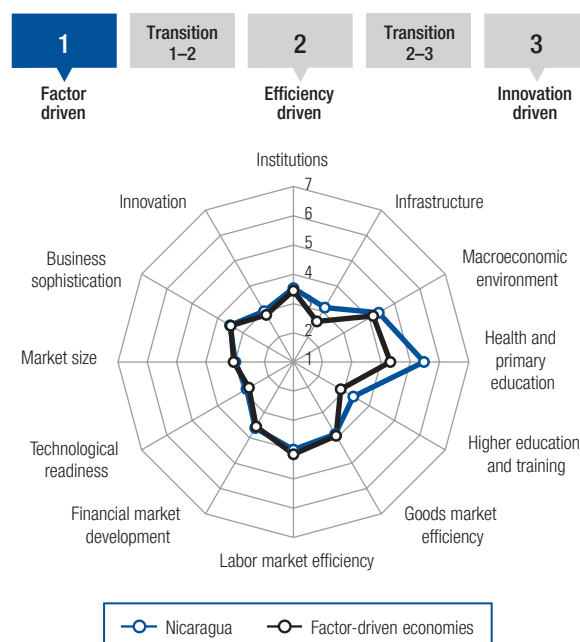
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

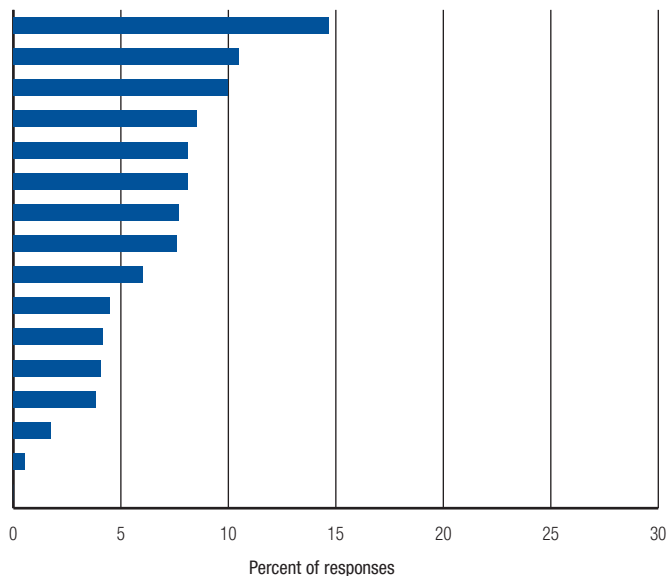
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>99</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	108	3.7
GCI 2011–2012 (out of 142).....	115	3.6
<b>Basic requirements (60.0%)</b> .....	<b>101</b>	<b>4.1</b>
Institutions.....	100	3.5
Infrastructure.....	105	3.1
Macroeconomic environment.....	97	4.4
Health and primary education.....	87	5.5
<b>Efficiency enhancers (35.0%)</b> .....	<b>116</b>	<b>3.4</b>
Higher education and training.....	109	3.4
Goods market efficiency.....	122	3.8
Labor market efficiency.....	107	4.0
Financial market development.....	104	3.6
Technological readiness.....	119	2.8
Market size.....	102	3.0
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>113</b>	<b>3.3</b>
Business sophistication.....	115	3.5
Innovation.....	99	3.0

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	14.7
Policy instability.....	10.5
Corruption.....	10.0
Government instability/coups.....	8.5
Inadequately educated workforce.....	8.1
Poor work ethic in national labor force.....	8.1
Inadequate supply of infrastructure.....	7.7
Foreign currency regulations.....	7.6
Crime and theft.....	6.0
Tax regulations.....	4.5
Restrictive labor regulations.....	4.2
Access to financing.....	4.1
Tax rates.....	3.8
Insufficient capacity to innovate.....	1.8
Inflation.....	0.5
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Nicaragua

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.3	124
1.02 Intellectual property protection .....	3.5	82
1.03 Diversion of public funds .....	2.9	90
1.04 Public trust in politicians .....	2.8	76
1.05 Irregular payments and bribes .....	3.6	86
1.06 Judicial independence .....	2.6	121
1.07 Favoritism in decisions of government officials .....	3.2	61
1.08 Wastefulness of government spending .....	3.4	54
1.09 Burden of government regulation .....	3.6	58
1.10 Efficiency of legal framework in settling disputes .....	3.4	89
1.11 Efficiency of legal framework in challenging regs. ....	3.1	98
1.12 Transparency of government policymaking .....	3.9	91
1.13 Business costs of terrorism .....	4.5	121
1.14 Business costs of crime and violence .....	4.1	100
1.15 Organized crime .....	4.3	109
1.16 Reliability of police services .....	3.9	91
1.17 Ethical behavior of firms .....	3.7	96
1.18 Strength of auditing and reporting standards .....	4.1	101
1.19 Efficacy of corporate boards .....	4.0	125
1.20 Protection of minority shareholders' interests .....	3.6	113
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.5	104
2.02 Quality of roads .....	3.7	79
2.03 Quality of railroad infrastructure .....	2.8	62
2.04 Quality of port infrastructure .....	3.5	111
2.05 Quality of air transport infrastructure .....	3.9	99
2.06 Available airline seat km/week, millions* .....	21.0	125
2.07 Quality of electricity supply .....	3.9	97
2.08 Mobile telephone subscriptions/100 pop.* .....	89.8	107
2.09 Fixed telephone lines/100 pop.* .....	5.4	107
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.5	36
3.02 Gross national savings, % GDP* .....	16.6	89
3.03 Inflation, annual % change* .....	7.9	119
3.04 General government debt, % GDP* .....	52.1	95
3.05 Country credit rating, 0–100 (best)* .....	21.1	131
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.8	86
4.02 Malaria cases/100,000 pop.* .....	22.1	90
4.03 Business impact of tuberculosis .....	6.0	48
4.04 Tuberculosis cases/100,000 pop.* .....	40.0	66
4.05 Business impact of HIV/AIDS .....	5.5	73
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	21.6	94
4.08 Life expectancy, years* .....	74.0	67
4.09 Quality of primary education .....	3.0	109
4.10 Primary education enrollment, net %* .....	92.5	88
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	69.4	104
5.02 Tertiary education enrollment, gross %* .....	18.0	97
5.03 Quality of the educational system .....	3.1	107
5.04 Quality of math and science education .....	3.1	118
5.05 Quality of management schools .....	3.7	103
5.06 Internet access in schools .....	3.5	102
5.07 Availability of research and training services .....	3.5	115
5.08 Extent of staff training .....	3.8	85
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.8	136
6.02 Extent of market dominance .....	3.4	100
6.03 Effectiveness of anti-monopoly policy .....	3.8	100
6.04 Effect of taxation on incentives to invest .....	3.6	90
6.05 Total tax rate, % profits* .....	65.0	132

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	39	121
6.08 Agricultural policy costs .....	3.9	60
6.09 Prevalence of trade barriers .....	3.6	135
6.10 Trade tariffs, % duty* .....	4.0	51
6.11 Prevalence of foreign ownership .....	4.1	107
6.12 Business impact of rules on FDI .....	4.2	104
6.13 Burden of customs procedures .....	3.5	104
6.14 Imports as a percentage of GDP* .....	64.1	39
6.15 Degree of customer orientation .....	3.7	129
6.16 Buyer sophistication .....	3.5	70
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	90
7.02 Flexibility of wage determination .....	4.4	114
7.03 Hiring and firing practices .....	3.9	79
7.04 Redundancy costs, weeks of salary* .....	14.9	71
7.05 Effect of taxation on incentives to work .....	3.5	85
7.06 Pay and productivity .....	3.7	90
7.07 Reliance on professional management .....	3.6	116
7.08 Country capacity to retain talent .....	3.3	81
7.09 Country capacity to attract talent .....	3.3	78
7.10 Women in labor force, ratio to men* .....	0.59	120
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.6	128
8.02 Affordability of financial services .....	3.8	99
8.03 Financing through local equity market .....	3.3	79
8.04 Ease of access to loans .....	3.2	42
8.05 Venture capital availability .....	3.3	29
8.06 Soundness of banks .....	4.5	97
8.07 Regulation of securities exchanges .....	4.0	73
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.7	133
9.02 Firm-level technology absorption .....	3.9	130
9.03 FDI and technology transfer .....	4.1	105
9.04 Individuals using Internet, %* .....	13.5	116
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.7	102
9.06 Int'l Internet bandwidth, kb/s per user* .....	24.9	63
9.07 Mobile broadband subscriptions/100 pop.* .....	1.0	119
<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)* .....	3.6	112
10.03 GDP (PPP\$ billions)* .....	26.7	105
10.04 Exports as a percentage of GDP* .....	31.5	94
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.5	140
11.02 Local supplier quality .....	3.7	122
11.03 State of cluster development .....	3.4	100
11.04 Nature of competitive advantage .....	3.2	96
11.05 Value chain breadth .....	3.4	104
11.06 Control of international distribution .....	3.6	114
11.07 Production process sophistication .....	3.4	98
11.08 Extent of marketing .....	3.6	113
11.09 Willingness to delegate authority .....	3.6	90
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	79
12.02 Quality of scientific research institutions .....	3.1	112
12.03 Company spending on R&D .....	3.0	83
12.04 University-industry collaboration in R&D .....	3.3	89
12.05 Gov't procurement of advanced tech products .....	3.4	78
12.06 Availability of scientists and engineers .....	3.6	104
12.07 PCT patents, applications/million pop.* .....	0.0	126

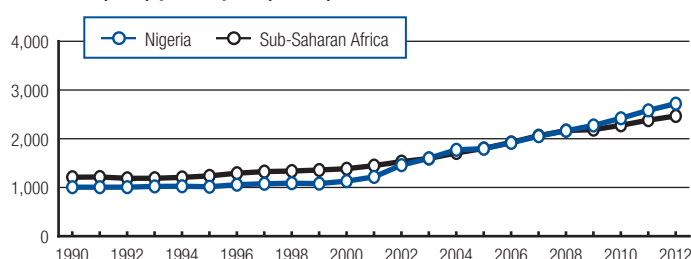
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Nigeria

## Key indicators, 2012

Population (millions).....	162.5
GDP (US\$ billions).....	268.7
GDP per capita (US\$).....	1,631
GDP (PPP) as share (%) of world total.....	0.54

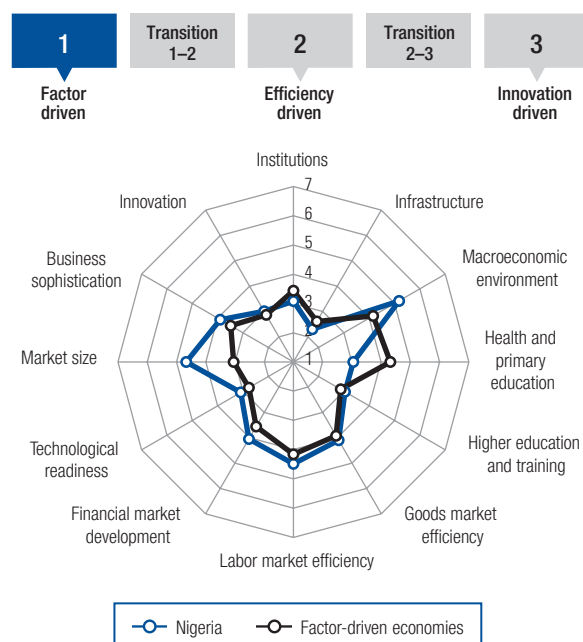
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

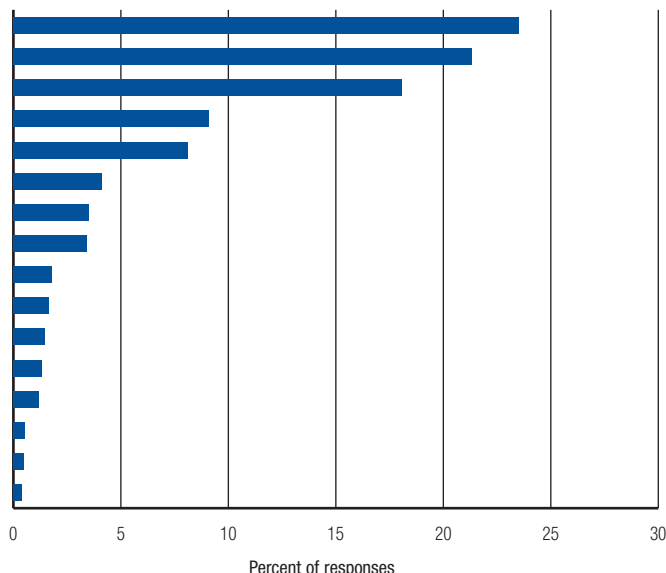
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>120</b>	<b>3.6</b>
GCI 2012–2013 (out of 144).....	115	3.7
GCI 2011–2012 (out of 142).....	127	3.4
<b>Basic requirements (60.0%)</b> .....	<b>136</b>	<b>3.4</b>
Institutions.....	129	3.1
Infrastructure.....	135	2.3
Macroeconomic environment.....	46	5.2
Health and primary education.....	146	3.0
<b>Efficiency enhancers (35.0%)</b> .....	<b>83</b>	<b>3.9</b>
Higher education and training.....	120	3.0
Goods market efficiency.....	93	4.1
Labor market efficiency.....	52	4.5
Financial market development.....	66	4.0
Technological readiness.....	108	3.1
Market size.....	32	4.7
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>82</b>	<b>3.4</b>
Business sophistication.....	75	3.9
Innovation.....	100	3.0

## Stage of development



## The most problematic factors for doing business

Inadequate supply of infrastructure.....	23.5
Corruption.....	21.3
Access to financing.....	18.1
Policy instability.....	9.1
Inefficient government bureaucracy.....	8.1
Inadequately educated workforce.....	4.1
Poor work ethic in national labor force.....	3.5
Crime and theft.....	3.4
Tax regulations.....	1.8
Inflation.....	1.6
Insufficient capacity to innovate.....	1.5
Foreign currency regulations.....	1.3
Tax rates.....	1.2
Government instability/coups.....	0.5
Poor public health.....	0.5
Restrictive labor regulations.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Nigeria

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.4	117
1.02 Intellectual property protection .....	2.8	121
1.03 Diversion of public funds .....	1.9	143
1.04 Public trust in politicians .....	2.1	121
1.05 Irregular payments and bribes .....	2.6	135
1.06 Judicial independence .....	3.2	96
1.07 Favoritism in decisions of government officials .....	2.2	141
1.08 Wastefulness of government spending .....	2.4	124
1.09 Burden of government regulation .....	3.5	63
1.10 Efficiency of legal framework in settling disputes .....	3.6	77
1.11 Efficiency of legal framework in challenging regs. ....	3.2	92
1.12 Transparency of government policymaking .....	3.7	111
1.13 Business costs of terrorism .....	2.9	142
1.14 Business costs of crime and violence .....	2.9	136
1.15 Organized crime .....	3.4	136
1.16 Reliability of police services .....	2.9	131
1.17 Ethical behavior of firms .....	3.2	131
1.18 Strength of auditing and reporting standards .....	4.0	106
1.19 Efficacy of corporate boards .....	4.1	108
1.20 Protection of minority shareholders' interests .....	3.8	101
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.0	129
2.02 Quality of roads .....	2.7	127
2.03 Quality of railroad infrastructure .....	1.8	101
2.04 Quality of port infrastructure .....	3.4	112
2.05 Quality of air transport infrastructure .....	3.6	108
2.06 Available airline seat km/week, millions* .....	285.3	52
2.07 Quality of electricity supply .....	1.8	141
2.08 Mobile telephone subscriptions/100 pop.* .....	67.7	124
2.09 Fixed telephone lines/100 pop.* .....	0.3	145
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.9	21
3.02 Gross national savings, % GDP* .....	28.7	31
3.03 Inflation, annual % change* .....	12.2	139
3.04 General government debt, % GDP* .....	17.8	19
3.05 Country credit rating, 0–100 (best)* .....	37.8	85
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.6	127
4.02 Malaria cases/100,000 pop.* .....	31,118.0	143
4.03 Business impact of tuberculosis .....	4.8	102
4.04 Tuberculosis cases/100,000 pop.* .....	118.0	101
4.05 Business impact of HIV/AIDS .....	4.3	117
4.06 HIV prevalence, % adult pop.* .....	3.70	133
4.07 Infant mortality, deaths/1,000 live births* .....	78.0	139
4.08 Life expectancy, years* .....	51.9	137
4.09 Quality of primary education .....	2.9	119
4.10 Primary education enrollment, net %* .....	57.6	144
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	44.0	126
5.02 Tertiary education enrollment, gross %* .....	10.3	116
5.03 Quality of the educational system .....	3.1	113
5.04 Quality of math and science education .....	3.1	117
5.05 Quality of management schools .....	3.7	102
5.06 Internet access in schools .....	3.5	101
5.07 Availability of research and training services .....	4.0	83
5.08 Extent of staff training .....	4.3	45
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9	76
6.02 Extent of market dominance .....	4.0	52
6.03 Effectiveness of anti-monopoly policy .....	3.9	87
6.04 Effect of taxation on incentives to invest .....	3.9	61
6.05 Total tax rate, % profits* .....	33.8	52

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	34	114
6.08 Agricultural policy costs .....	3.7	89
6.09 Prevalence of trade barriers .....	4.1	95
6.10 Trade tariffs, % duty* .....	11.0	124
6.11 Prevalence of foreign ownership .....	4.9	59
6.12 Business impact of rules on FDI .....	4.6	65
6.13 Burden of customs procedures .....	3.2	129
6.14 Imports as a percentage of GDP* .....	28.9	127
6.15 Degree of customer orientation .....	4.2	108
6.16 Buyer sophistication .....	3.2	87
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	100
7.02 Flexibility of wage determination .....	5.3	54
7.03 Hiring and firing practices .....	4.8	11
7.04 Redundancy costs, weeks of salary* .....	16.2	81
7.05 Effect of taxation on incentives to work .....	4.1	36
7.06 Pay and productivity .....	3.8	77
7.07 Reliance on professional management .....	4.4	55
7.08 Country capacity to retain talent .....	2.9	102
7.09 Country capacity to attract talent .....	3.8	48
7.10 Women in labor force, ratio to men* .....	0.76	83
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.0	98
8.02 Affordability of financial services .....	3.8	94
8.03 Financing through local equity market .....	3.7	51
8.04 Ease of access to loans .....	1.9	134
8.05 Venture capital availability .....	2.3	101
8.06 Soundness of banks .....	4.3	106
8.07 Regulation of securities exchanges .....	4.0	72
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6	87
9.02 Firm-level technology absorption .....	4.6	80
9.03 FDI and technology transfer .....	4.5	79
9.04 Individuals using Internet, %* .....	32.9	94
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	0.0	141
9.06 Int'l Internet bandwidth, kb/s per user* .....	0.3	145
9.07 Mobile broadband subscriptions/100 pop.* .....	10.2	84
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.4	32
10.02 Foreign market size index, 1–7 (best)* .....	5.4	33
10.03 GDP (PPP\$ billions)* .....	448.1	30
10.04 Exports as a percentage of GDP* .....	43.2	63
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	73
11.02 Local supplier quality .....	4.2	91
11.03 State of cluster development .....	3.9	65
11.04 Nature of competitive advantage .....	3.3	89
11.05 Value chain breadth .....	3.7	75
11.06 Control of international distribution .....	3.8	91
11.07 Production process sophistication .....	3.6	84
11.08 Extent of marketing .....	4.0	88
11.09 Willingness to delegate authority .....	3.6	85
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	80
12.02 Quality of scientific research institutions .....	3.1	111
12.03 Company spending on R&D .....	2.9	93
12.04 University-industry collaboration in R&D .....	3.3	92
12.05 Gov't procurement of advanced tech products .....	3.4	77
12.06 Availability of scientists and engineers .....	4.0	80
12.07 PCT patents, applications/million pop.* .....	0.0	121

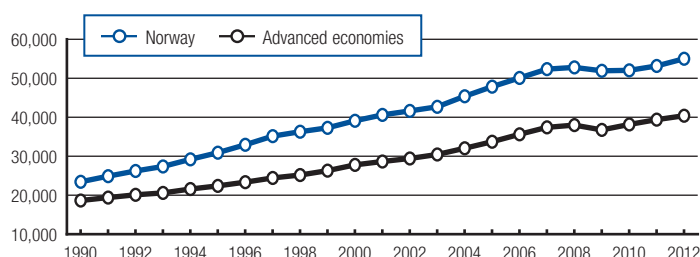
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Norway

## Key indicators, 2012

Population (millions).....	5.0
GDP (US\$ billions).....	501.1
GDP per capita (US\$).....	99,462
GDP (PPP) as share (%) of world total.....	0.33

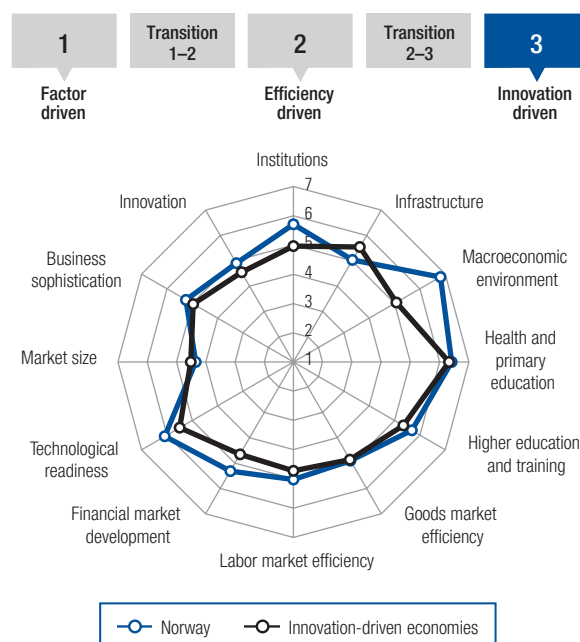
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

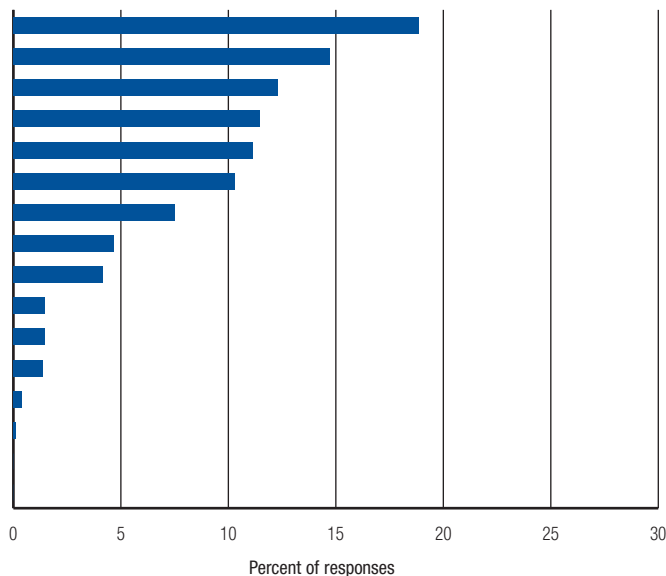
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>11</b>	<b>5.3</b>
GCI 2012–2013 (out of 144).....	15	5.3
GCI 2011–2012 (out of 142).....	16	5.2
<b>Basic requirements (20.0%)</b> .....	<b>6</b>	<b>6.0</b>
Institutions.....	6	5.7
Infrastructure.....	33	5.0
Macroeconomic environment.....	2	6.8
Health and primary education.....	14	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>12</b>	<b>5.2</b>
Higher education and training.....	10	5.7
Goods market efficiency.....	22	4.9
Labor market efficiency.....	14	5.0
Financial market development.....	9	5.3
Technological readiness.....	3	6.1
Market size.....	51	4.3
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>16</b>	<b>5.1</b>
Business sophistication.....	13	5.2
Innovation.....	13	4.9

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	18.9
Inadequate supply of infrastructure.....	14.7
Inefficient government bureaucracy.....	12.3
Tax rates.....	11.5
Tax regulations.....	11.2
Insufficient capacity to innovate.....	10.3
Access to financing.....	7.5
Poor work ethic in national labor force.....	4.7
Inadequately educated workforce.....	4.2
Inflation.....	1.5
Policy instability.....	1.5
Foreign currency regulations.....	1.4
Crime and theft.....	0.4
Poor public health.....	0.1
Corruption.....	0.0
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Norway

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.0	10
1.02 Intellectual property protection .....	5.5	15
1.03 Diversion of public funds .....	5.8	9
1.04 Public trust in politicians .....	5.7	4
1.05 Irregular payments and bribes .....	6.3	6
1.06 Judicial independence .....	6.3	5
1.07 Favoritism in decisions of government officials .....	5.0	8
1.08 Wastefulness of government spending .....	4.6	15
1.09 Burden of government regulation .....	3.6	62
1.10 Efficiency of legal framework in settling disputes .....	5.6	7
1.11 Efficiency of legal framework in challenging regs. ....	5.1	10
1.12 Transparency of government policymaking .....	5.1	17
1.13 Business costs of terrorism .....	5.7	58
1.14 Business costs of crime and violence .....	5.7	24
1.15 Organized crime .....	6.2	15
1.16 Reliability of police services .....	6.0	13
1.17 Ethical behavior of firms .....	6.2	5
1.18 Strength of auditing and reporting standards .....	6.1	5
1.19 Efficacy of corporate boards .....	5.9	3
1.20 Protection of minority shareholders' interests .....	5.9	6
1.21 Strength of investor protection, 0–10 (best)* .....	6.7	25
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.3	29
2.02 Quality of roads .....	3.7	83
2.03 Quality of railroad infrastructure .....	3.6	43
2.04 Quality of port infrastructure .....	5.5	22
2.05 Quality of air transport infrastructure .....	6.1	9
2.06 Available airline seat km/week, millions* .....	565.2	36
2.07 Quality of electricity supply .....	6.6	11
2.08 Mobile telephone subscriptions/100 pop.* .....	115.5	60
2.09 Fixed telephone lines/100 pop.* .....	29.5	42
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	13.8	7
3.02 Gross national savings, % GDP* .....	39.2	13
3.03 Inflation, annual % change* .....	0.7	1
3.04 General government debt, % GDP* .....	34.1	52
3.05 Country credit rating, 0–100 (best)* .....	95.7	1
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.9	1
4.04 Tuberculosis cases/100,000 pop.* .....	6.1	19
4.05 Business impact of HIV/AIDS .....	6.8	3
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	2.6	9
4.08 Life expectancy, years* .....	81.3	13
4.09 Quality of primary education .....	4.9	29
4.10 Primary education enrollment, net %* .....	99.1	18
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	111.0	10
5.02 Tertiary education enrollment, gross %* .....	74.4	16
5.03 Quality of the educational system .....	5.0	18
5.04 Quality of math and science education .....	4.4	47
5.05 Quality of management schools .....	5.2	20
5.06 Internet access in schools .....	6.3	5
5.07 Availability of research and training services .....	5.5	13
5.08 Extent of staff training .....	5.2	8
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	39
6.02 Extent of market dominance .....	5.1	13
6.03 Effectiveness of anti-monopoly policy .....	5.2	10
6.04 Effect of taxation on incentives to invest .....	4.2	38
6.05 Total tax rate, % profits* .....	41.6	87

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	7	25
6.08 Agricultural policy costs .....	3.7	91
6.09 Prevalence of trade barriers .....	4.5	46
6.10 Trade tariffs, % duty* .....	3.6	49
6.11 Prevalence of foreign ownership .....	5.2	43
6.12 Business impact of rules on FDI .....	4.7	56
6.13 Burden of customs procedures .....	5.1	20
6.14 Imports as a percentage of GDP* .....	27.2	130
6.15 Degree of customer orientation .....	5.3	22
6.16 Buyer sophistication .....	4.5	13
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.8	4
7.02 Flexibility of wage determination .....	3.7	136
7.03 Hiring and firing practices .....	2.7	141
7.04 Redundancy costs, weeks of salary* .....	8.7	27
7.05 Effect of taxation on incentives to work .....	4.3	26
7.06 Pay and productivity .....	3.8	84
7.07 Reliance on professional management .....	6.2	3
7.08 Country capacity to retain talent .....	5.6	5
7.09 Country capacity to attract talent .....	5.1	11
7.10 Women in labor force, ratio to men* .....	0.94	15
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	6.0	11
8.02 Affordability of financial services .....	5.7	8
8.03 Financing through local equity market .....	4.8	13
8.04 Ease of access to loans .....	4.2	11
8.05 Venture capital availability .....	4.3	4
8.06 Soundness of banks .....	6.4	8
8.07 Regulation of securities exchanges .....	5.7	8
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.5	3
9.02 Firm-level technology absorption .....	6.0	8
9.03 FDI and technology transfer .....	4.8	54
9.04 Individuals using Internet, %* .....	95.0	2
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	36.9	6
9.06 Int'l Internet bandwidth, kb/s per user* .....	189.1	9
9.07 Mobile broadband subscriptions/100 pop.* .....	84.6	8
<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)* .....	5.1	43
10.03 GDP (PPP\$ billions)* .....	277.1	45
10.04 Exports as a percentage of GDP* .....	42.0	69
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	61
11.02 Local supplier quality .....	5.5	15
11.03 State of cluster development .....	5.0	15
11.04 Nature of competitive advantage .....	5.1	22
11.05 Value chain breadth .....	4.4	29
11.06 Control of international distribution .....	4.6	30
11.07 Production process sophistication .....	5.9	8
11.08 Extent of marketing .....	5.6	11
11.09 Willingness to delegate authority .....	5.9	3
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.0	12
12.02 Quality of scientific research institutions .....	5.1	22
12.03 Company spending on R&D .....	4.6	19
12.04 University-industry collaboration in R&D .....	5.1	14
12.05 Gov't procurement of advanced tech products .....	4.2	20
12.06 Availability of scientists and engineers .....	4.5	45
12.07 PCT patents, applications/million pop.* .....	149.7	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 97.

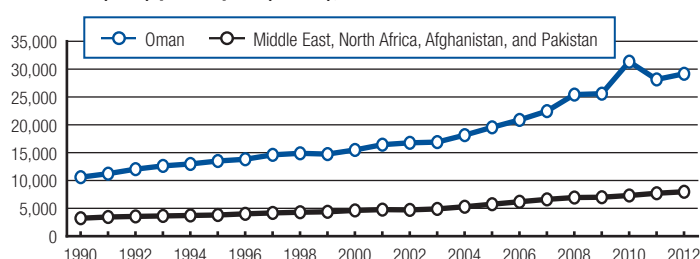


# Oman

## Key indicators, 2012

Population (millions).....	2.8
GDP (US\$ billions).....	76.5
GDP per capita (US\$).....	24,765
GDP (PPP) as share (%) of world total.....	0.11

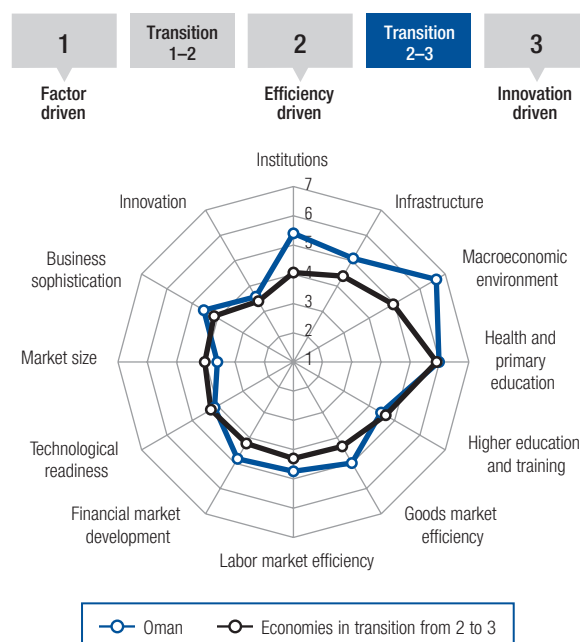
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

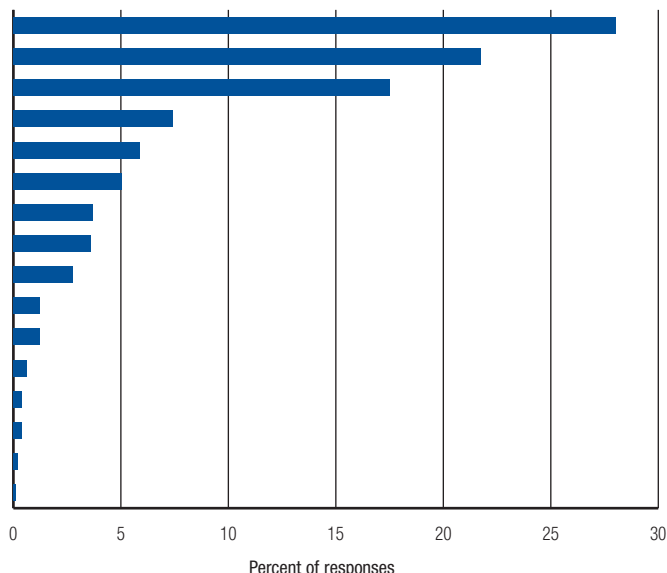
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>33</b>	<b>4.6</b>
GCI 2012–2013 (out of 144).....	32	4.7
GCI 2011–2012 (out of 142).....	32	4.6
<b>Basic requirements (22.8%)</b> .....	<b>13</b>	<b>5.8</b>
Institutions.....	13	5.4
Infrastructure.....	32	5.1
Macroeconomic environment.....	5	6.6
Health and primary education.....	48	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>39</b>	<b>4.5</b>
Higher education and training.....	57	4.5
Goods market efficiency.....	18	5.0
Labor market efficiency.....	28	4.7
Financial market development.....	21	4.8
Technological readiness.....	56	4.1
Market size.....	73	3.6
<b>Innovation and sophistication factors (27.2%)</b> .....	<b>39</b>	<b>4.1</b>
Business sophistication.....	32	4.5
Innovation.....	45	3.6

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	28.0
Inadequately educated workforce.....	21.8
Poor work ethic in national labor force.....	17.5
Inefficient government bureaucracy.....	7.4
Insufficient capacity to innovate.....	5.9
Inflation.....	5.1
Inadequate supply of infrastructure.....	3.7
Access to financing.....	3.6
Policy instability.....	2.8
Corruption.....	1.2
Tax rates.....	1.2
Foreign currency regulations.....	0.6
Crime and theft.....	0.4
Tax regulations.....	0.4
Government instability/coups.....	0.2
Poor public health.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148	INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>			<b>6th pillar: Goods market efficiency (cont'd.)</b>		
1.01 Property rights .....	5.6	21	6.06 No. procedures to start a business* .....	5	30
1.02 Intellectual property protection .....	5.2	24	6.07 No. days to start a business* .....	8	34
1.03 Diversion of public funds .....	5.4	15	6.08 Agricultural policy costs .....	5.0	3
1.04 Public trust in politicians .....	5.1	13	6.09 Prevalence of trade barriers .....	5.0	11
1.05 Irregular payments and bribes .....	5.8	17	6.10 Trade tariffs, % duty* .....	4.6	60
1.06 Judicial independence .....	5.3	29	6.11 Prevalence of foreign ownership .....	4.8	63
1.07 Favoritism in decisions of government officials .....	4.6	12	6.12 Business impact of rules on FDI .....	5.2	22
1.08 Wastefulness of government spending .....	5.4	5	6.13 Burden of customs procedures .....	5.1	19
1.09 Burden of government regulation .....	4.7	7	6.14 Imports as a percentage of GDP* .....	44.2	76
1.10 Efficiency of legal framework in settling disputes .....	5.2	14	6.15 Degree of customer orientation .....	5.3	26
1.11 Efficiency of legal framework in challenging regs. ....	4.7	18	6.16 Buyer sophistication .....	3.8	41
1.12 Transparency of government policymaking .....	5.0	21	<b>7th pillar: Labor market efficiency</b>		
1.13 Business costs of terrorism .....	6.6	4	7.01 Cooperation in labor-employer relations .....	5.3	16
1.14 Business costs of crime and violence .....	6.3	4	7.02 Flexibility of wage determination .....	5.6	22
1.15 Organized crime .....	6.8	3	7.03 Hiring and firing practices .....	4.2	50
1.16 Reliability of police services .....	5.8	22	7.04 Redundancy costs, weeks of salary* .....	4.3	9
1.17 Ethical behavior of firms .....	5.5	20	7.05 Effect of taxation on incentives to work .....	5.6	6
1.18 Strength of auditing and reporting standards .....	5.6	19	7.06 Pay and productivity .....	4.3	40
1.19 Efficacy of corporate boards .....	5.0	28	7.07 Reliance on professional management .....	5.2	27
1.20 Protection of minority shareholders' interests .....	5.3	12	7.08 Country capacity to retain talent .....	4.8	16
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84	7.09 Country capacity to attract talent .....	4.8	15
<b>2nd pillar: Infrastructure</b>			7.10 Women in labor force, ratio to men* .....	0.36	139
2.01 Quality of overall infrastructure .....	5.8	17	<b>8th pillar: Financial market development</b>		
2.02 Quality of roads .....	6.4	3	8.01 Availability of financial services .....	5.1	39
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a	8.02 Affordability of financial services .....	5.4	16
2.04 Quality of port infrastructure .....	5.5	23	8.03 Financing through local equity market .....	4.5	23
2.05 Quality of air transport infrastructure .....	5.5	35	8.04 Ease of access to loans .....	4.4	6
2.06 Available airline seat km/week, millions* .....	201.6	63	8.05 Venture capital availability .....	3.9	14
2.07 Quality of electricity supply .....	6.4	19	8.06 Soundness of banks .....	6.0	18
2.08 Mobile telephone subscriptions/100 pop.* .....	181.7	8	8.07 Regulation of securities exchanges .....	5.6	10
2.09 Fixed telephone lines/100 pop.* .....	10.5	89	8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>3rd pillar: Macroeconomic environment</b>			<b>9th pillar: Technological readiness</b>		
3.01 Government budget balance, % GDP* .....	11.8	8	9.01 Availability of latest technologies .....	5.2	56
3.02 Gross national savings, % GDP* .....	44.6	8	9.02 Firm-level technology absorption .....	5.0	53
3.03 Inflation, annual % change* .....	2.9	46	9.03 FDI and technology transfer .....	4.9	48
3.04 General government debt, % GDP* .....	6.1	5	9.04 Individuals using Internet, % .....	60.0	49
3.05 Country credit rating, 0–100 (best)* .....	69.8	34	9.05 Fixed broadband Internet subscriptions/100 pop.* .....	2.5	95
<b>4th pillar: Health and primary education</b>			9.06 Int'l Internet bandwidth, kb/s per user* .....	10.2	95
4.01 Business impact of malaria .....	N/Appl.	1	9.07 Mobile broadband subscriptions/100 pop.* .....	56.7	22
4.02 Malaria cases/100,000 pop.* .....	0.0	1	<b>10th pillar: Market size</b>		
4.03 Business impact of tuberculosis .....	5.5	72	10.01 Domestic market size index, 1–7 (best)* .....	3.2	78
4.04 Tuberculosis cases/100,000 pop.* .....	14.0	33	10.02 Foreign market size index, 1–7 (best)* .....	4.7	62
4.05 Business impact of HIV/AIDS .....	5.2	83	10.03 GDP (PPP\$ billions)* .....	90.1	70
4.06 HIV prevalence, % adult pop.* .....	0.10	11	10.04 Exports as a percentage of GDP* .....	70.4	24
4.07 Infant mortality, deaths/1,000 live births* .....	7.3	47	<b>11th pillar: Business sophistication</b>		
4.08 Life expectancy, years* .....	73.3	80	11.01 Local supplier quantity .....	4.9	40
4.09 Quality of primary education .....	4.2	57	11.02 Local supplier quality .....	4.9	36
4.10 Primary education enrollment, net %* .....	96.6	51	11.03 State of cluster development .....	4.3	36
<b>5th pillar: Higher education and training</b>			11.04 Nature of competitive advantage .....	3.9	44
5.01 Secondary education enrollment, gross %* .....	104.1	22	11.05 Value chain breadth .....	3.9	49
5.02 Tertiary education enrollment, gross %* .....	28.7	80	11.06 Control of international distribution .....	5.0	10
5.03 Quality of the educational system .....	4.0	53	11.07 Production process sophistication .....	4.5	37
5.04 Quality of math and science education .....	3.9	87	11.08 Extent of marketing .....	4.4	57
5.05 Quality of management schools .....	4.0	88	11.09 Willingness to delegate authority .....	4.6	24
5.06 Internet access in schools .....	4.9	47	<b>12th pillar: Innovation</b>		
5.07 Availability of research and training services .....	4.2	73	12.01 Capacity for innovation .....	3.6	61
5.08 Extent of staff training .....	4.5	33	12.02 Quality of scientific research institutions .....	3.6	71
<b>6th pillar: Goods market efficiency</b>			12.03 Company spending on R&D .....	3.5	47
6.01 Intensity of local competition .....	5.2	54	12.04 University-industry collaboration in R&D .....	4.0	45
6.02 Extent of market dominance .....	4.1	45	12.05 Gov't procurement of advanced tech products .....	4.4	12
6.03 Effectiveness of anti-monopoly policy .....	4.9	19	12.06 Availability of scientists and engineers .....	4.1	72
6.04 Effect of taxation on incentives to invest .....	5.6	7	12.07 PCT patents, applications/million pop.* .....	1.3	65
6.05 Total tax rate, % profits* .....	22.0	13			

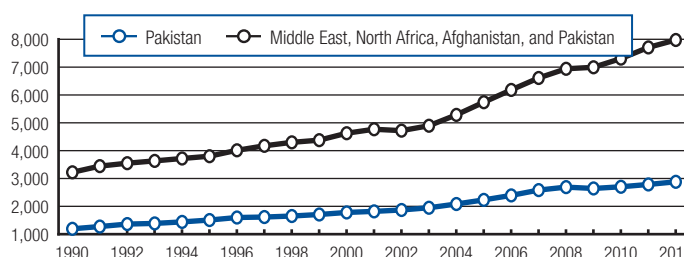
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Pakistan

## Key indicators, 2012

Population (millions).....	176.7
GDP (US\$ billions).....	231.9
GDP per capita (US\$).....	1,296
GDP (PPP) as share (%) of world total.....	0.62

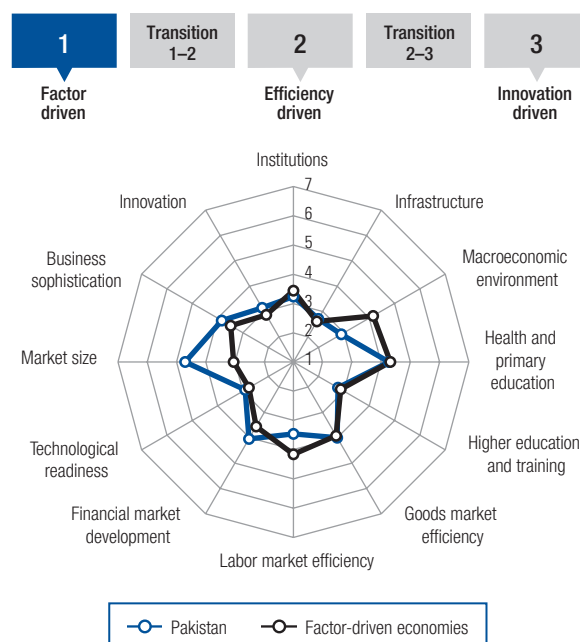
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

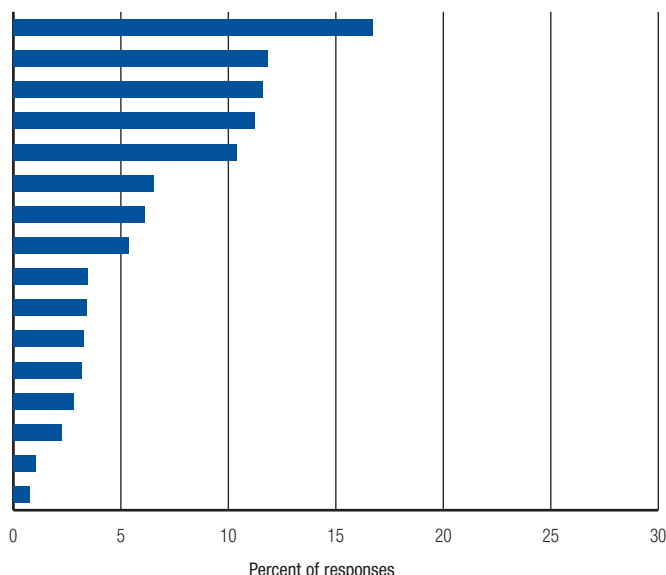
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>133</b>	<b>3.4</b>
GCI 2012–2013 (out of 144).....	124	3.5
GCI 2011–2012 (out of 142).....	118	3.6
<b>Basic requirements (60.0%)</b> .....	<b>142</b>	<b>3.3</b>
Institutions.....	123	3.2
Infrastructure.....	121	2.7
Macroeconomic environment.....	145	2.9
Health and primary education.....	128	4.3
<b>Efficiency enhancers (35.0%)</b> .....	<b>104</b>	<b>3.6</b>
Higher education and training.....	129	2.8
Goods market efficiency.....	103	4.0
Labor market efficiency.....	138	3.5
Financial market development.....	67	4.0
Technological readiness.....	118	2.9
Market size.....	30	4.7
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>78</b>	<b>3.5</b>
Business sophistication.....	85	3.8
Innovation.....	77	3.1

## Stage of development



## The most problematic factors for doing business

Corruption.....	16.7
Policy instability.....	11.8
Access to financing.....	11.6
Inadequate supply of infrastructure.....	11.2
Inefficient government bureaucracy.....	10.4
Inflation.....	6.5
Government instability/coups.....	6.1
Crime and theft.....	5.4
Foreign currency regulations.....	3.5
Tax rates.....	3.4
Tax regulations.....	3.3
Inadequately educated workforce.....	3.2
Poor work ethic in national labor force.....	2.8
Insufficient capacity to innovate.....	2.3
Poor public health.....	1.1
Restrictive labor regulations.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Pakistan

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.3 .....	123
1.02 Intellectual property protection .....	2.9 .....	109
1.03 Diversion of public funds .....	2.7 .....	103
1.04 Public trust in politicians .....	2.2 .....	110
1.05 Irregular payments and bribes .....	2.9 .....	123
1.06 Judicial independence .....	4.1 .....	55
1.07 Favoritism in decisions of government officials .....	2.3 .....	130
1.08 Wastefulness of government spending .....	2.5 .....	116
1.09 Burden of government regulation .....	3.4 .....	82
1.10 Efficiency of legal framework in settling disputes .....	3.1 .....	112
1.11 Efficiency of legal framework in challenging regs. ....	3.0 .....	108
1.12 Transparency of government policymaking .....	3.7 .....	116
1.13 Business costs of terrorism .....	2.7 .....	144
1.14 Business costs of crime and violence .....	2.8 .....	138
1.15 Organized crime .....	3.1 .....	141
1.16 Reliability of police services .....	2.8 .....	135
1.17 Ethical behavior of firms .....	3.5 .....	112
1.18 Strength of auditing and reporting standards .....	4.4 .....	88
1.19 Efficacy of corporate boards .....	4.0 .....	123
1.20 Protection of minority shareholders' interests .....	4.1 .....	73
1.21 Strength of investor protection, 0–10 (best)* .....	6.3 .....	<b>31</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.3 .....	119
2.02 Quality of roads .....	4.0 .....	72
2.03 Quality of railroad infrastructure .....	2.5 .....	75
2.04 Quality of port infrastructure .....	4.5 .....	55
2.05 Quality of air transport infrastructure .....	4.1 .....	88
2.06 Available airline seat km/week, millions* .....	409.4 .....	<b>46</b>
2.07 Quality of electricity supply .....	2.0 .....	135
2.08 Mobile telephone subscriptions/100 pop.* .....	66.8 .....	125
2.09 Fixed telephone lines/100 pop.* .....	3.2 .....	115
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-8.2 .....	138
3.02 Gross national savings, % GDP* .....	10.5 .....	126
3.03 Inflation, annual % change* .....	11.0 .....	136
3.04 General government debt, % GDP* .....	62.1 .....	113
3.05 Country credit rating, 0–100 (best)* .....	23.6 .....	123
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.0 .....	123
4.02 Malaria cases/100,000 pop.* .....	1,007.7 .....	112
4.03 Business impact of tuberculosis .....	4.3 .....	114
4.04 Tuberculosis cases/100,000 pop.* .....	231.0 .....	126
4.05 Business impact of HIV/AIDS .....	4.8 .....	97
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	59.2 .....	133
4.08 Life expectancy, years* .....	65.4 .....	113
4.09 Quality of primary education .....	2.9 .....	116
4.10 Primary education enrollment, net %* .....	72.1 .....	137
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	35.0 .....	136
5.02 Tertiary education enrollment, gross %* .....	8.3 .....	121
5.03 Quality of the educational system .....	3.5 .....	84
5.04 Quality of math and science education .....	3.4 .....	104
5.05 Quality of management schools .....	4.3 .....	72
5.06 Internet access in schools .....	3.7 .....	92
5.07 Availability of research and training services .....	3.6 .....	107
5.08 Extent of staff training .....	3.2 .....	128
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9 .....	79
6.02 Extent of market dominance .....	3.7 .....	77
6.03 Effectiveness of anti-monopoly policy .....	3.9 .....	85
6.04 Effect of taxation on incentives to invest .....	3.7 .....	82
6.05 Total tax rate, % profits* .....	35.3 .....	64

INDICATOR	VALUE	RANK/148
<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* .....	21 .....	91
6.08 Agricultural policy costs .....	3.5 .....	106
6.09 Prevalence of trade barriers .....	4.2 .....	92
6.10 Trade tariffs, % duty* .....	16.7 .....	142
6.11 Prevalence of foreign ownership .....	3.8 .....	121
6.12 Business impact of rules on FDI .....	4.5 .....	75
6.13 Burden of customs procedures .....	3.7 .....	91
6.14 Imports as a percentage of GDP* .....	22.1 .....	138
6.15 Degree of customer orientation .....	4.2 .....	106
6.16 Buyer sophistication .....	3.2 .....	88
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0 .....	105
7.02 Flexibility of wage determination .....	4.8 .....	97
7.03 Hiring and firing practices .....	4.3 .....	<b>35</b>
7.04 Redundancy costs, weeks of salary* .....	27.2 .....	118
7.05 Effect of taxation on incentives to work .....	3.5 .....	83
7.06 Pay and productivity .....	3.8 .....	86
7.07 Reliance on professional management .....	3.8 .....	102
7.08 Country capacity to retain talent .....	2.9 .....	105
7.09 Country capacity to attract talent .....	2.7 .....	111
7.10 Women in labor force, ratio to men* .....	0.27 .....	144
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.1 .....	88
8.02 Affordability of financial services .....	3.8 .....	100
8.03 Financing through local equity market .....	3.6 .....	58
8.04 Ease of access to loans .....	2.8 .....	72
8.05 Venture capital availability .....	2.6 .....	77
8.06 Soundness of banks .....	5.0 .....	71
8.07 Regulation of securities exchanges .....	4.5 .....	<b>48</b>
8.08 Legal rights index, 0–10 (best)* .....	6 .....	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.8 .....	79
9.02 Firm-level technology absorption .....	4.6 .....	81
9.03 FDI and technology transfer .....	4.0 .....	110
9.04 Individuals using Internet, %* .....	10.0 .....	126
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.5 .....	115
9.06 Int'l Internet bandwidth, kb/s per user* .....	7.3 .....	101
9.07 Mobile broadband subscriptions/100 pop.* .....	0.3 .....	126
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.7 .....	<b>27</b>
10.02 Foreign market size index, 1–7 (best)* .....	4.7 .....	63
10.03 GDP (PPP\$ billions)* .....	515.4 .....	<b>27</b>
10.04 Exports as a percentage of GDP* .....	11.9 .....	144
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7 .....	78
11.02 Local supplier quality .....	4.2 .....	92
11.03 State of cluster development .....	3.9 .....	62
11.04 Nature of competitive advantage .....	3.3 .....	84
11.05 Value chain breadth .....	3.8 .....	67
11.06 Control of international distribution .....	3.8 .....	92
11.07 Production process sophistication .....	3.6 .....	86
11.08 Extent of marketing .....	4.0 .....	82
11.09 Willingness to delegate authority .....	3.2 .....	122
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7 .....	<b>49</b>
12.02 Quality of scientific research institutions .....	3.6 .....	75
12.03 Company spending on R&D .....	3.1 .....	75
12.04 University-industry collaboration in R&D .....	3.2 .....	98
12.05 Gov't procurement of advanced tech products .....	3.0 .....	110
12.06 Availability of scientists and engineers .....	4.4 .....	52
12.07 PCT patents, applications/million pop.* .....	0.0 .....	116

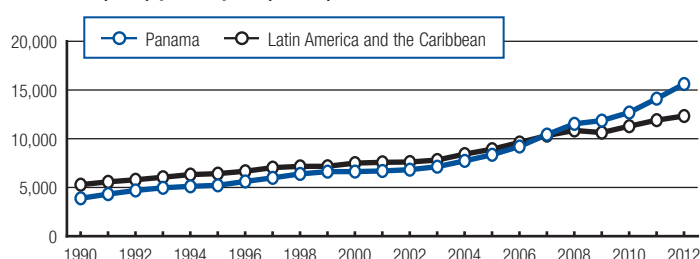
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Panama

## Key indicators, 2012

Population (millions).....	3.6
GDP (US\$ billions).....	36.3
GDP per capita (US\$).....	9,919
GDP (PPP) as share (%) of world total.....	0.07

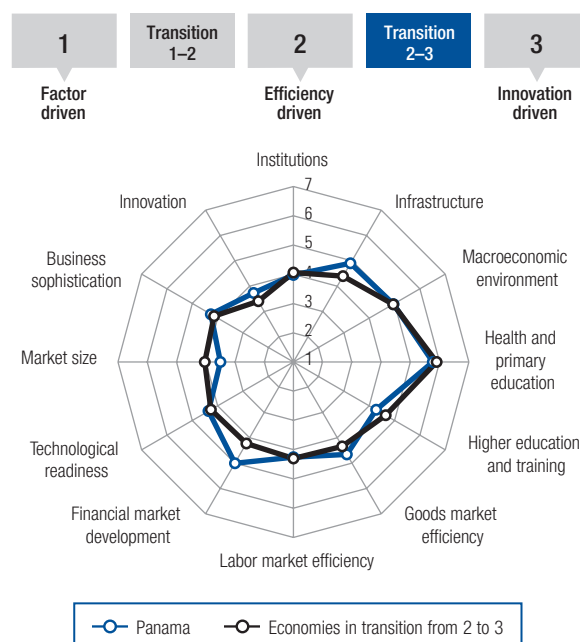
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

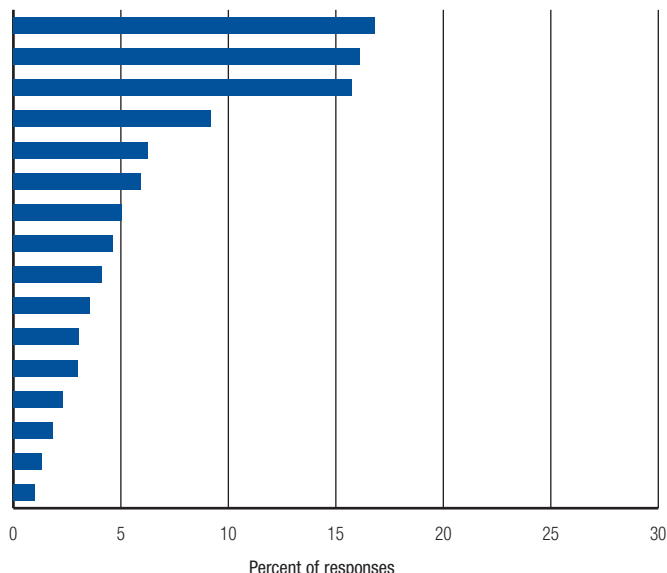
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>40</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	40	4.5
GCI 2011–2012 (out of 142).....	49	4.4
<b>Basic requirements (37.7%)</b> .....	<b>46</b>	<b>4.9</b>
Institutions.....	66	4.0
Infrastructure.....	37	4.9
Macroeconomic environment.....	57	4.9
Health and primary education.....	68	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>50</b>	<b>4.3</b>
Higher education and training.....	68	4.3
Goods market efficiency.....	35	4.6
Labor market efficiency.....	75	4.3
Financial market development.....	16	5.0
Technological readiness.....	47	4.4
Market size.....	81	3.5
<b>Innovation and sophistication factors (12.3%)</b> .....	<b>43</b>	<b>4.0</b>
Business sophistication.....	52	4.3
Innovation.....	36	3.7

## Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	16.8
Inefficient government bureaucracy.....	16.1
Corruption.....	15.8
Restrictive labor regulations.....	9.2
Crime and theft.....	6.2
Poor work ethic in national labor force.....	5.9
Tax regulations.....	5.1
Access to financing.....	4.6
Inflation.....	4.1
Inadequate supply of infrastructure.....	3.5
Insufficient capacity to innovate.....	3.1
Tax rates.....	3.0
Poor public health.....	2.3
Policy instability.....	1.8
Foreign currency regulations.....	1.3
Government instability/coups.....	1.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Panama

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.8	44
1.02 Intellectual property protection .....	4.6	<b>35</b>
1.03 Diversion of public funds .....	3.0	85
1.04 Public trust in politicians .....	2.4	94
1.05 Irregular payments and bribes .....	4.0	67
1.06 Judicial independence .....	2.7	118
1.07 Favoritism in decisions of government officials .....	2.9	88
1.08 Wastefulness of government spending .....	3.7	40
1.09 Burden of government regulation .....	4.1	<b>27</b>
1.10 Efficiency of legal framework in settling disputes .....	3.9	61
1.11 Efficiency of legal framework in challenging regs. ....	3.6	58
1.12 Transparency of government policymaking .....	4.7	<b>32</b>
1.13 Business costs of terrorism .....	5.3	82
1.14 Business costs of crime and violence .....	3.7	115
1.15 Organized crime .....	4.6	96
1.16 Reliability of police services .....	4.7	49
1.17 Ethical behavior of firms .....	4.0	71
1.18 Strength of auditing and reporting standards .....	5.3	<b>32</b>
1.19 Efficacy of corporate boards .....	4.6	70
1.20 Protection of minority shareholders' interests .....	4.7	<b>33</b>
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.2	<b>30</b>
2.02 Quality of roads .....	4.8	48
2.03 Quality of railroad infrastructure .....	4.2	<b>30</b>
2.04 Quality of port infrastructure .....	6.4	<b>6</b>
2.05 Quality of air transport infrastructure .....	6.3	<b>5</b>
2.06 Available airline seat km/week, millions* .....	340.2	51
2.07 Quality of electricity supply .....	5.4	49
2.08 Mobile telephone subscriptions/100 pop.* .....	186.7	<b>4</b>
2.09 Fixed telephone lines/100 pop.* .....	17.7	69
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.1	60
3.02 Gross national savings, % GDP* .....	19.1	76
3.03 Inflation, annual % change* .....	5.7	101
3.04 General government debt, % GDP* .....	38.8	65
3.05 Country credit rating, 0–100 (best)* .....	57.5	51
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.3	78
4.02 Malaria cases/100,000 pop.* .....	13.8	88
4.03 Business impact of tuberculosis .....	6.0	49
4.04 Tuberculosis cases/100,000 pop.* .....	48.0	74
4.05 Business impact of HIV/AIDS .....	4.3	116
4.06 HIV prevalence, % adult pop.* .....	0.80	102
4.07 Infant mortality, deaths/1,000 live births* .....	16.7	80
4.08 Life expectancy, years* .....	76.1	45
4.09 Quality of primary education .....	3.4	96
4.10 Primary education enrollment, net %* .....	96.9	49
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	73.6	101
5.02 Tertiary education enrollment, gross %* .....	45.7	56
5.03 Quality of the educational system .....	3.6	75
5.04 Quality of math and science education .....	3.2	114
5.05 Quality of management schools .....	4.3	63
5.06 Internet access in schools .....	5.4	<b>34</b>
5.07 Availability of research and training services .....	4.6	45
5.08 Extent of staff training .....	4.3	43
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	71
6.02 Extent of market dominance .....	4.0	49
6.03 Effectiveness of anti-monopoly policy .....	4.8	<b>25</b>
6.04 Effect of taxation on incentives to invest .....	4.4	<b>27</b>
6.05 Total tax rate, % profits* .....	42.0	89

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	7	<b>25</b>
6.08 Agricultural policy costs .....	3.9	66
6.09 Prevalence of trade barriers .....	4.5	49
6.10 Trade tariffs, % duty* .....	6.0	75
6.11 Prevalence of foreign ownership .....	5.7	<b>11</b>
6.12 Business impact of rules on FDI .....	5.8	<b>5</b>
6.13 Burden of customs procedures .....	4.7	<b>39</b>
6.14 Imports as a percentage of GDP* .....	76.6	<b>28</b>
6.15 Degree of customer orientation .....	4.6	70
6.16 Buyer sophistication .....	3.7	45
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4	59
7.02 Flexibility of wage determination .....	4.7	99
7.03 Hiring and firing practices .....	3.7	91
7.04 Redundancy costs, weeks of salary* .....	18.1	89
7.05 Effect of taxation on incentives to work .....	4.0	47
7.06 Pay and productivity .....	3.5	111
7.07 Reliance on professional management .....	3.7	109
7.08 Country capacity to retain talent .....	4.6	<b>21</b>
7.09 Country capacity to attract talent .....	5.1	<b>10</b>
7.10 Women in labor force, ratio to men* .....	0.62	116
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	6.0	<b>10</b>
8.02 Affordability of financial services .....	5.8	<b>7</b>
8.03 Financing through local equity market .....	4.5	<b>22</b>
8.04 Ease of access to loans .....	4.4	<b>8</b>
8.05 Venture capital availability .....	4.0	<b>12</b>
8.06 Soundness of banks .....	6.5	<b>7</b>
8.07 Regulation of securities exchanges .....	4.7	41
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.9	<b>31</b>
9.02 Firm-level technology absorption .....	5.6	<b>28</b>
9.03 FDI and technology transfer .....	5.8	<b>3</b>
9.04 Individuals using Internet, %* .....	45.2	72
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	8.2	69
9.06 Int'l Internet bandwidth, kb/s per user* .....	32.3	53
9.07 Mobile broadband subscriptions/100 pop.* .....	15.0	75
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.2	81
10.02 Foreign market size index, 1–7 (best)* .....	4.4	73
10.03 GDP (PPP\$ billions)* .....	57.1	85
10.04 Exports as a percentage of GDP* .....	67.3	<b>27</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	96
11.02 Local supplier quality .....	4.6	59
11.03 State of cluster development .....	4.0	58
11.04 Nature of competitive advantage .....	4.4	<b>30</b>
11.05 Value chain breadth .....	4.3	<b>34</b>
11.06 Control of international distribution .....	4.4	40
11.07 Production process sophistication .....	4.2	48
11.08 Extent of marketing .....	4.8	<b>33</b>
11.09 Willingness to delegate authority .....	3.6	83
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7	50
12.02 Quality of scientific research institutions .....	4.2	44
12.03 Company spending on R&D .....	3.9	<b>26</b>
12.04 University-industry collaboration in R&D .....	4.2	42
12.05 Gov't procurement of advanced tech products .....	4.5	<b>7</b>
12.06 Availability of scientists and engineers .....	3.9	84
12.07 PCT patents, applications/million pop.* .....	0.5	78

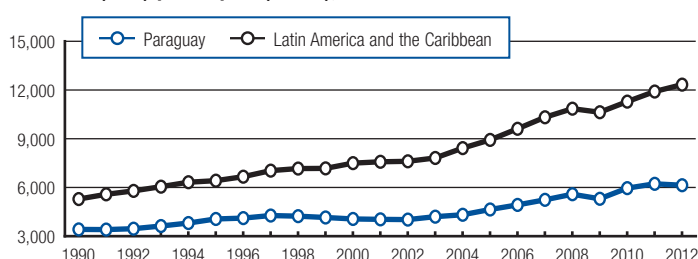
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Paraguay

## Key indicators, 2012

Population (millions).....	6.6
GDP (US\$ billions).....	26.0
GDP per capita (US\$).....	3,903
GDP (PPP) as share (%) of world total.....	0.05

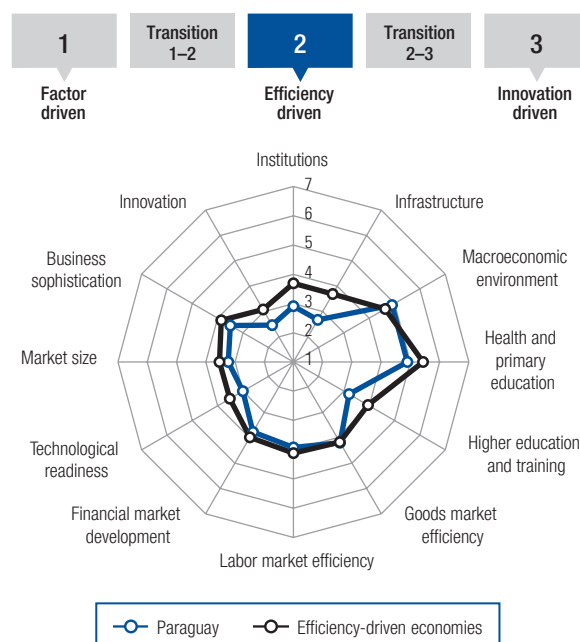
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

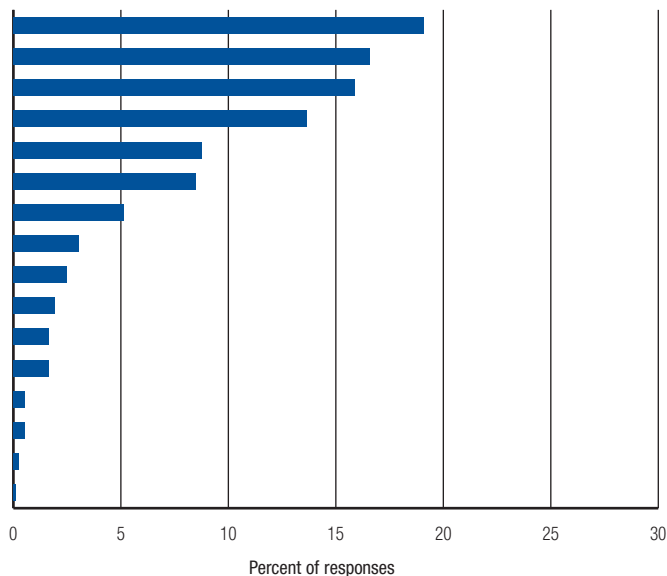
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>119</b>	<b>3.6</b>
GCI 2012–2013 (out of 144).....	116	3.7
GCI 2011–2012 (out of 142).....	122	3.5
<b>Basic requirements (40.0%)</b> .....	<b>112</b>	<b>3.8</b>
Institutions.....	140	2.9
Infrastructure.....	123	2.7
Macroeconomic environment.....	63	4.9
Health and primary education.....	112	4.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>110</b>	<b>3.5</b>
Higher education and training.....	113	3.2
Goods market efficiency.....	86	4.2
Labor market efficiency.....	117	3.9
Financial market development.....	92	3.8
Technological readiness.....	111	3.0
Market size.....	93	3.2
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>128</b>	<b>3.0</b>
Business sophistication.....	119	3.5
Innovation.....	136	2.5

## Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	19.1
Corruption.....	16.6
Inefficient government bureaucracy.....	15.9
Inadequate supply of infrastructure.....	13.6
Access to financing.....	8.8
Restrictive labor regulations.....	8.5
Insufficient capacity to innovate.....	5.2
Poor public health.....	3.1
Poor work ethic in national labor force.....	2.5
Crime and theft.....	1.9
Policy instability.....	1.7
Tax regulations.....	1.7
Foreign currency regulations.....	0.6
Government instability/coups.....	0.6
Tax rates.....	0.3
Inflation.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Paraguay

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.1 .....	132
1.02 Intellectual property protection .....	2.3 .....	141
1.03 Diversion of public funds .....	2.0 .....	141
1.04 Public trust in politicians .....	1.5 .....	145
1.05 Irregular payments and bribes .....	2.8 .....	128
1.06 Judicial independence .....	1.7 .....	146
1.07 Favoritism in decisions of government officials .....	2.1 .....	143
1.08 Wastefulness of government spending .....	2.0 .....	142
1.09 Burden of government regulation .....	3.8 .....	40
1.10 Efficiency of legal framework in settling disputes .....	2.5 .....	141
1.11 Efficiency of legal framework in challenging regs. ....	3.1 .....	99
1.12 Transparency of government policymaking .....	4.0 .....	84
1.13 Business costs of terrorism .....	5.0 .....	101
1.14 Business costs of crime and violence .....	3.4 .....	122
1.15 Organized crime .....	4.1 .....	121
1.16 Reliability of police services .....	2.2 .....	146
1.17 Ethical behavior of firms .....	3.0 .....	142
1.18 Strength of auditing and reporting standards .....	4.0 .....	109
1.19 Efficacy of corporate boards .....	4.2 .....	105
1.20 Protection of minority shareholders' interests .....	3.5 .....	119
1.21 Strength of investor protection, 0–10 (best)* .....	5.7 .....	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.6 .....	139
2.02 Quality of roads .....	2.5 .....	132
2.03 Quality of railroad infrastructure .....	N/Appl. ....	n/a
2.04 Quality of port infrastructure .....	3.4 .....	116
2.05 Quality of air transport infrastructure .....	2.7 .....	141
2.06 Available airline seat km/week, millions* .....	21.7 .....	122
2.07 Quality of electricity supply .....	3.0 .....	117
2.08 Mobile telephone subscriptions/100 pop.* .....	101.7 .....	91
2.09 Fixed telephone lines/100 pop.* .....	5.6 .....	106
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.0 .....	44
3.02 Gross national savings, % GDP* .....	12.3 .....	116
3.03 Inflation, annual % change* .....	3.8 .....	73
3.04 General government debt, % GDP* .....	11.4 .....	12
3.05 Country credit rating, 0–100 (best)* .....	35.7 .....	91
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.9 .....	84
4.02 Malaria cases/100,000 pop.* .....	0.5 .....	80
4.03 Business impact of tuberculosis .....	5.9 .....	57
4.04 Tuberculosis cases/100,000 pop.* .....	45.0 .....	73
4.05 Business impact of HIV/AIDS .....	5.5 .....	71
4.06 HIV prevalence, % adult pop.* .....	0.30 .....	60
4.07 Infant mortality, deaths/1,000 live births* .....	19.1 .....	88
4.08 Life expectancy, years* .....	72.5 .....	89
4.09 Quality of primary education .....	2.2 .....	142
4.10 Primary education enrollment, net %* .....	83.6 .....	124
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	67.9 .....	106
5.02 Tertiary education enrollment, gross %* .....	34.6 .....	73
5.03 Quality of the educational system .....	2.6 .....	138
5.04 Quality of math and science education .....	2.3 .....	142
5.05 Quality of management schools .....	3.2 .....	132
5.06 Internet access in schools .....	2.6 .....	130
5.07 Availability of research and training services .....	3.1 .....	134
5.08 Extent of staff training .....	3.6 .....	109
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2 .....	57
6.02 Extent of market dominance .....	3.6 .....	87
6.03 Effectiveness of anti-monopoly policy .....	3.4 .....	120
6.04 Effect of taxation on incentives to invest .....	4.7 .....	17
6.05 Total tax rate, % profits* .....	35.0 .....	61

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7 .....	74
6.07 No. days to start a business* .....	35 .....	116
6.08 Agricultural policy costs .....	4.3 .....	29
6.09 Prevalence of trade barriers .....	4.3 .....	73
6.10 Trade tariffs, % duty* .....	6.8 .....	84
6.11 Prevalence of foreign ownership .....	4.5 .....	85
6.12 Business impact of rules on FDI .....	4.3 .....	95
6.13 Burden of customs procedures .....	4.0 .....	71
6.14 Imports as a percentage of GDP* .....	54.7 .....	54
6.15 Degree of customer orientation .....	4.3 .....	92
6.16 Buyer sophistication .....	2.8 .....	121
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.3 .....	71
7.02 Flexibility of wage determination .....	5.3 .....	51
7.03 Hiring and firing practices .....	3.3 .....	119
7.04 Redundancy costs, weeks of salary* .....	26.1 .....	115
7.05 Effect of taxation on incentives to work .....	4.4 .....	19
7.06 Pay and productivity .....	3.5 .....	110
7.07 Reliance on professional management .....	3.3 .....	132
7.08 Country capacity to retain talent .....	3.1 .....	90
7.09 Country capacity to attract talent .....	2.7 .....	107
7.10 Women in labor force, ratio to men* .....	0.68 .....	102
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.3 .....	80
8.02 Affordability of financial services .....	4.0 .....	81
8.03 Financing through local equity market .....	3.4 .....	69
8.04 Ease of access to loans .....	2.9 .....	59
8.05 Venture capital availability .....	2.4 .....	97
8.06 Soundness of banks .....	5.6 .....	42
8.07 Regulation of securities exchanges .....	3.9 .....	89
8.08 Legal rights index, 0–10 (best)* .....	3 .....	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.1 .....	114
9.02 Firm-level technology absorption .....	4.3 .....	103
9.03 FDI and technology transfer .....	4.1 .....	106
9.04 Individuals using Internet, %* .....	27.1 .....	96
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	1.1 .....	107
9.06 Int'l Internet bandwidth, kb/s per user* .....	11.6 .....	90
9.07 Mobile broadband subscriptions/100 pop.* .....	5.5 .....	95
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.0 .....	93
10.02 Foreign market size index, 1–7 (best)* .....	3.9 .....	97
10.03 GDP (PPP\$ billions)* .....	40.9 .....	92
10.04 Exports as a percentage of GDP* .....	39.6 .....	75
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7 .....	71
11.02 Local supplier quality .....	4.0 .....	106
11.03 State of cluster development .....	3.2 .....	122
11.04 Nature of competitive advantage .....	2.5 .....	141
11.05 Value chain breadth .....	3.0 .....	124
11.06 Control of international distribution .....	3.9 .....	82
11.07 Production process sophistication .....	3.2 .....	113
11.08 Extent of marketing .....	4.0 .....	78
11.09 Willingness to delegate authority .....	2.9 .....	138
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.0 .....	115
12.02 Quality of scientific research institutions .....	2.0 .....	147
12.03 Company spending on R&D .....	2.7 .....	111
12.04 University-industry collaboration in R&D .....	2.8 .....	126
12.05 Gov't procurement of advanced tech products .....	2.9 .....	122
12.06 Availability of scientists and engineers .....	2.8 .....	145
12.07 PCT patents, applications/million pop.* .....	0.1 .....	95

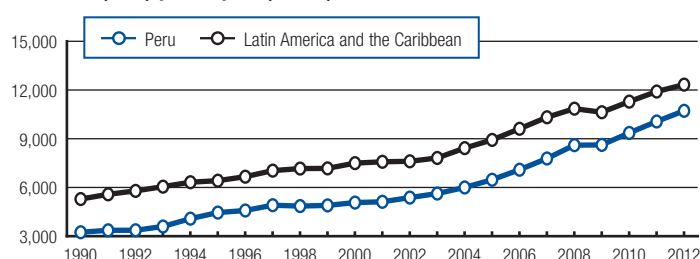
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Peru

## Key indicators, 2012

Population (millions).....	29.4
GDP (US\$ billions).....	199.0
GDP per capita (US\$).....	6,530
GDP (PPP) as share (%) of world total.....	0.39

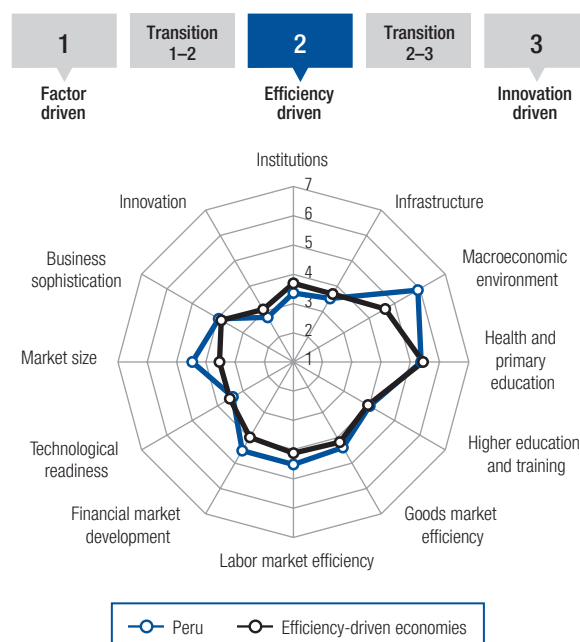
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

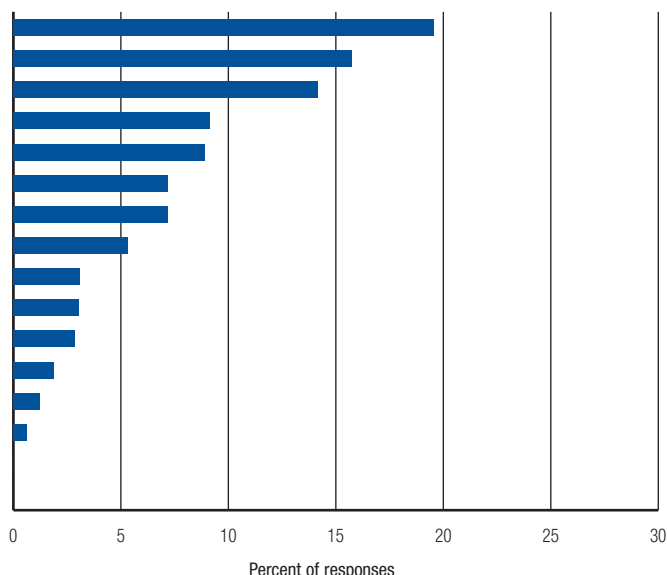
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>61</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	61	4.3
GCI 2011–2012 (out of 142).....	67	4.2
<b>Basic requirements (40.0%)</b> .....	<b>72</b>	<b>4.5</b>
Institutions.....	109	3.4
Infrastructure.....	91	3.5
Macroeconomic environment.....	20	5.9
Health and primary education.....	95	5.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>57</b>	<b>4.2</b>
Higher education and training.....	86	4.0
Goods market efficiency.....	52	4.4
Labor market efficiency.....	48	4.5
Financial market development.....	40	4.5
Technological readiness.....	86	3.4
Market size.....	43	4.5
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>97</b>	<b>3.4</b>
Business sophistication.....	74	3.9
Innovation.....	122	2.8

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	19.6
Corruption.....	15.7
Restrictive labor regulations.....	14.1
Inadequate supply of infrastructure.....	9.2
Tax regulations.....	8.9
Crime and theft.....	7.2
Inadequately educated workforce.....	7.2
Tax rates.....	5.3
Access to financing.....	3.1
Policy instability.....	3.0
Insufficient capacity to innovate.....	2.8
Poor work ethic in national labor force.....	1.9
Poor public health.....	1.2
Government instability/coups.....	0.6
Foreign currency regulations.....	0.0
Inflation.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	102
1.02 Intellectual property protection .....	2.8	120
1.03 Diversion of public funds .....	2.6	111
1.04 Public trust in politicians .....	2.0	131
1.05 Irregular payments and bribes .....	3.7	84
1.06 Judicial independence .....	2.5	126
1.07 Favoritism in decisions of government officials .....	2.9	85
1.08 Wastefulness of government spending .....	2.9	91
1.09 Burden of government regulation .....	2.9	113
1.10 Efficiency of legal framework in settling disputes .....	3.2	107
1.11 Efficiency of legal framework in challenging regs. ....	3.0	109
1.12 Transparency of government policymaking .....	3.9	89
1.13 Business costs of terrorism .....	4.0	133
1.14 Business costs of crime and violence .....	3.2	132
1.15 Organized crime .....	3.4	137
1.16 Reliability of police services .....	2.8	137
1.17 Ethical behavior of firms .....	3.5	114
1.18 Strength of auditing and reporting standards .....	4.9	53
1.19 Efficacy of corporate boards .....	5.0	<b>33</b>
1.20 Protection of minority shareholders' interests .....	4.2	68
1.21 Strength of investor protection, 0–10 (best)* .....	7.7	<b>13</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.6	101
2.02 Quality of roads .....	3.3	98
2.03 Quality of railroad infrastructure .....	1.8	102
2.04 Quality of port infrastructure .....	3.7	93
2.05 Quality of air transport infrastructure .....	4.2	85
2.06 Available airline seat km/week, millions* .....	513.2	<b>40</b>
2.07 Quality of electricity supply .....	4.9	73
2.08 Mobile telephone subscriptions/100 pop.* .....	98.8	93
2.09 Fixed telephone lines/100 pop.* .....	11.5	87
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	2.0	<b>17</b>
3.02 Gross national savings, % GDP* .....	23.3	54
3.03 Inflation, annual % change* .....	3.7	67
3.04 General government debt, % GDP* .....	19.8	<b>23</b>
3.05 Country credit rating, 0–100 (best)* .....	63.6	<b>41</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.8	87
4.02 Malaria cases/100,000 pop.* .....	264.4	108
4.03 Business impact of tuberculosis .....	5.0	96
4.04 Tuberculosis cases/100,000 pop.* .....	101.0	96
4.05 Business impact of HIV/AIDS .....	5.3	81
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	14.1	76
4.08 Life expectancy, years* .....	74.0	68
4.09 Quality of primary education .....	2.3	135
4.10 Primary education enrollment, net %* .....	94.5	67
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	91.2	65
5.02 Tertiary education enrollment, gross %* .....	43.0	59
5.03 Quality of the educational system .....	2.7	134
5.04 Quality of math and science education .....	2.4	140
5.05 Quality of management schools .....	4.3	67
5.06 Internet access in schools .....	3.7	94
5.07 Availability of research and training services .....	3.9	89
5.08 Extent of staff training .....	3.8	90
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.1	61
6.02 Extent of market dominance .....	3.4	102
6.03 Effectiveness of anti-monopoly policy .....	4.2	58
6.04 Effect of taxation on incentives to invest .....	3.9	56
6.05 Total tax rate, % profits* .....	40.5	81

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	<b>30</b>
6.07 No. days to start a business* .....	26	99
6.08 Agricultural policy costs .....	3.9	70
6.09 Prevalence of trade barriers .....	4.3	75
6.10 Trade tariffs, % duty* .....	1.9	<b>34</b>
6.11 Prevalence of foreign ownership .....	5.2	<b>38</b>
6.12 Business impact of rules on FDI .....	5.1	<b>24</b>
6.13 Burden of customs procedures .....	4.1	69
6.14 Imports as a percentage of GDP* .....	25.0	137
6.15 Degree of customer orientation .....	4.8	56
6.16 Buyer sophistication .....	3.7	<b>47</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	81
7.02 Flexibility of wage determination .....	5.3	53
7.03 Hiring and firing practices .....	3.1	129
7.04 Redundancy costs, weeks of salary* .....	11.4	51
7.05 Effect of taxation on incentives to work .....	3.5	81
7.06 Pay and productivity .....	3.9	76
7.07 Reliance on professional management .....	4.6	<b>45</b>
7.08 Country capacity to retain talent .....	4.0	<b>42</b>
7.09 Country capacity to attract talent .....	4.1	<b>37</b>
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 .....	4.9	<b>49</b>
8.02 Affordability of financial services .....	4.3	59
8.03 Financing through local equity market .....	3.6	56
8.04 Ease of access to loans .....	3.5	<b>30</b>
8.05 Venture capital availability .....	2.9	<b>50</b>
8.06 Soundness of banks .....	5.8	<b>27</b>
8.07 Regulation of securities exchanges .....	4.4	54
8.08 Legal rights index, 0–10 (best)* .....	7	<b>42</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.6	85
9.02 Firm-level technology absorption .....	4.6	83
9.03 FDI and technology transfer .....	5.2	<b>23</b>
9.04 Individuals using Internet, %* .....	38.2	86
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	4.8	82
9.06 Int'l Internet bandwidth, kb/s per user* .....	13.2	88
9.07 Mobile broadband subscriptions/100 pop.* .....	2.8	109
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.3	<b>40</b>
10.02 Foreign market size index, 1–7 (best)* .....	4.9	56
10.03 GDP (PPP\$ billions)* .....	326.7	<b>39</b>
10.04 Exports as a percentage of GDP* .....	25.4	118
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	60
11.02 Local supplier quality .....	4.6	58
11.03 State of cluster development .....	3.4	102
11.04 Nature of competitive advantage .....	3.1	100
11.05 Value chain breadth .....	3.7	77
11.06 Control of international distribution .....	4.1	67
11.07 Production process sophistication .....	3.6	82
11.08 Extent of marketing .....	4.3	64
11.09 Willingness to delegate authority .....	3.7	78
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1	106
12.02 Quality of scientific research institutions .....	2.9	119
12.03 Company spending on R&D .....	2.5	124
12.04 University-industry collaboration in R&D .....	3.1	109
12.05 Gov't procurement of advanced tech products .....	3.2	98
12.06 Availability of scientists and engineers .....	3.4	113
12.07 PCT patents, applications/million pop.* .....	0.2	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 97.

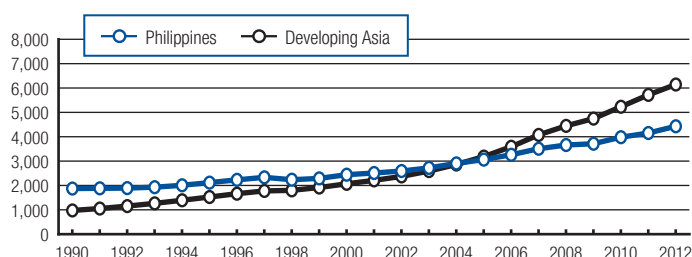


# Philippines

## Key indicators, 2012

Population (millions).....	94.9
GDP (US\$ billions).....	250.4
GDP per capita (US\$).....	2,614
GDP (PPP) as share (%) of world total.....	0.51

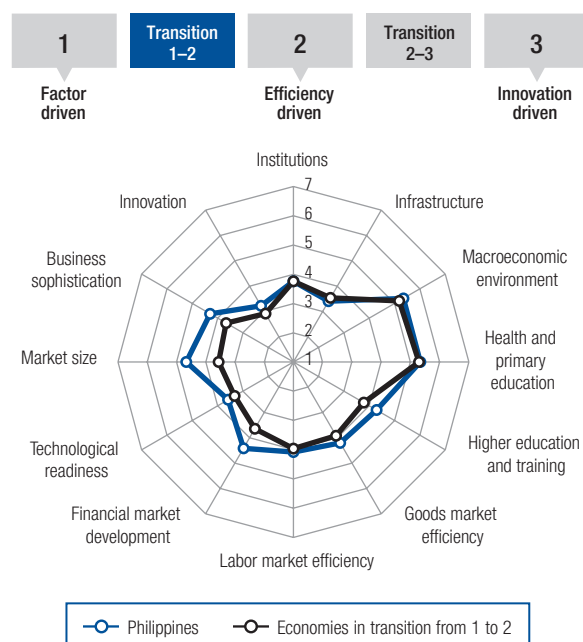
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

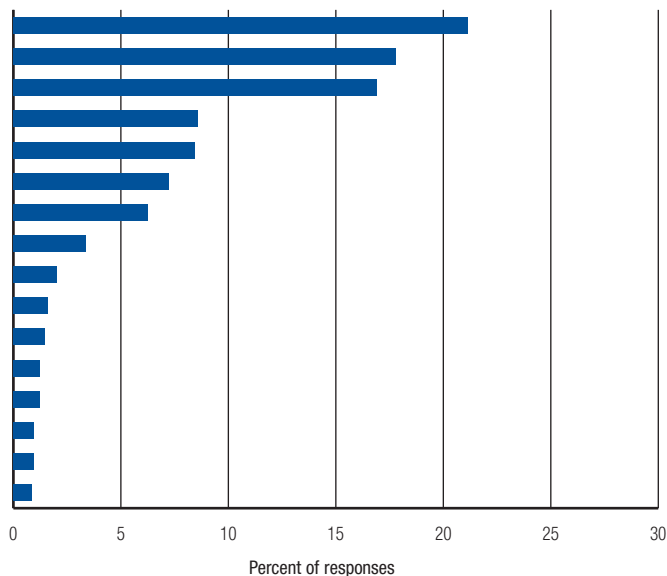
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>59</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	65	4.2
GCI 2011–2012 (out of 142).....	75	4.1
<b>Basic requirements (47.7%)</b> .....	<b>78</b>	<b>4.5</b>
Institutions.....	79	3.8
Infrastructure.....	96	3.4
Macroeconomic environment.....	40	5.3
Health and primary education.....	96	5.3
<b>Efficiency enhancers (44.2%)</b> .....	<b>58</b>	<b>4.2</b>
Higher education and training.....	67	4.3
Goods market efficiency.....	82	4.2
Labor market efficiency.....	100	4.1
Financial market development.....	48	4.4
Technological readiness.....	77	3.6
Market size.....	33	4.7
<b>Innovation and sophistication factors (8.1%)</b> .....	<b>58</b>	<b>3.8</b>
Business sophistication.....	49	4.3
Innovation.....	69	3.2

## Stage of development



## The most problematic factors for doing business

Inadequate supply of infrastructure.....	21.1
Corruption.....	17.8
Inefficient government bureaucracy.....	16.9
Tax regulations.....	8.6
Restrictive labor regulations.....	8.4
Policy instability.....	7.2
Tax rates.....	6.3
Crime and theft.....	3.4
Access to financing.....	2.0
Insufficient capacity to innovate.....	1.6
Poor public health.....	1.5
Foreign currency regulations.....	1.2
Inflation.....	1.2
Government instability/coups.....	0.9
Poor work ethic in national labor force.....	0.9
Inadequately educated workforce.....	0.9



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Philippines

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3	61
1.02 Intellectual property protection .....	3.6	78
1.03 Diversion of public funds .....	3.1	79
1.04 Public trust in politicians .....	2.5	90
1.05 Irregular payments and bribes .....	3.3	105
1.06 Judicial independence .....	3.2	99
1.07 Favoritism in decisions of government officials .....	3.0	75
1.08 Wastefulness of government spending .....	3.3	63
1.09 Burden of government regulation .....	3.2	98
1.10 Efficiency of legal framework in settling disputes .....	3.6	76
1.11 Efficiency of legal framework in challenging regs. ....	3.5	71
1.12 Transparency of government policymaking .....	3.9	92
1.13 Business costs of terrorism .....	4.4	124
1.14 Business costs of crime and violence .....	4.1	101
1.15 Organized crime .....	4.8	86
1.16 Reliability of police services .....	3.8	94
1.17 Ethical behavior of firms .....	4.0	69
1.18 Strength of auditing and reporting standards .....	5.2	38
1.19 Efficacy of corporate boards .....	4.8	48
1.20 Protection of minority shareholders' interests .....	4.5	47
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.7	98
2.02 Quality of roads .....	3.6	87
2.03 Quality of railroad infrastructure .....	2.1	89
2.04 Quality of port infrastructure .....	3.4	116
2.05 Quality of air transport infrastructure .....	3.5	113
2.06 Available airline seat km/week, millions* .....	1,036.1	26
2.07 Quality of electricity supply .....	4.0	93
2.08 Mobile telephone subscriptions/100 pop.* .....	106.8	81
2.09 Fixed telephone lines/100 pop.* .....	4.1	109
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.9	42
3.02 Gross national savings, % GDP* .....	22.3	59
3.03 Inflation, annual % change* .....	3.1	54
3.04 General government debt, % GDP* .....	41.9	72
3.05 Country credit rating, 0–100 (best)* .....	54.2	60
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.0	106
4.02 Malaria cases/100,000 pop.* .....	62.2	97
4.03 Business impact of tuberculosis .....	4.3	116
4.04 Tuberculosis cases/100,000 pop.* .....	270.0	130
4.05 Business impact of HIV/AIDS .....	5.0	89
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	20.2	90
4.08 Life expectancy, years* .....	68.8	104
4.09 Quality of primary education .....	3.8	76
4.10 Primary education enrollment, net %* .....	88.3	108
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	84.8	83
5.02 Tertiary education enrollment, gross %* .....	28.2	81
5.03 Quality of the educational system .....	4.3	40
5.04 Quality of math and science education .....	3.7	96
5.05 Quality of management schools .....	4.7	39
5.06 Internet access in schools .....	4.2	74
5.07 Availability of research and training services .....	4.4	51
5.08 Extent of staff training .....	4.6	27
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.1	63
6.02 Extent of market dominance .....	3.4	105
6.03 Effectiveness of anti-monopoly policy .....	3.9	88
6.04 Effect of taxation on incentives to invest .....	3.9	58
6.05 Total tax rate, % profits* .....	46.6	106

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	16	145
6.07 No. days to start a business* .....	36	118
6.08 Agricultural policy costs .....	3.8	80
6.09 Prevalence of trade barriers .....	4.4	60
6.10 Trade tariffs, % duty* .....	3.6	46
6.11 Prevalence of foreign ownership .....	4.8	64
6.12 Business impact of rules on FDI .....	4.4	86
6.13 Burden of customs procedures .....	3.2	130
6.14 Imports as a percentage of GDP* .....	31.5	120
6.15 Degree of customer orientation .....	5.4	20
6.16 Buyer sophistication .....	3.7	49
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.8	34
7.02 Flexibility of wage determination .....	4.5	109
7.03 Hiring and firing practices .....	3.3	117
7.04 Redundancy costs, weeks of salary* .....	27.4	124
7.05 Effect of taxation on incentives to work .....	4.1	40
7.06 Pay and productivity .....	4.2	44
7.07 Reliance on professional management .....	5.0	32
7.08 Country capacity to retain talent .....	3.4	71
7.09 Country capacity to attract talent .....	3.2	86
7.10 Women in labor force, ratio to men* .....	0.63	111
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.1	40
8.02 Affordability of financial services .....	5.0	31
8.03 Financing through local equity market .....	4.4	27
8.04 Ease of access to loans .....	3.3	37
8.05 Venture capital availability .....	3.1	40
8.06 Soundness of banks .....	5.7	36
8.07 Regulation of securities exchanges .....	4.8	38
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.3	47
9.02 Firm-level technology absorption .....	5.2	40
9.03 FDI and technology transfer .....	4.9	42
9.04 Individuals using Internet, %* .....	36.2	87
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.2	97
9.06 Int'l Internet bandwidth, kb/s per user* .....	14.3	85
9.07 Mobile broadband subscriptions/100 pop.* .....	3.8	104
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.5	30
10.02 Foreign market size index, 1–7 (best)* .....	5.1	42
10.03 GDP (PPP\$ billions)* .....	424.4	31
10.04 Exports as a percentage of GDP* .....	27.8	105
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	54
11.02 Local supplier quality .....	4.5	68
11.03 State of cluster development .....	4.0	55
11.04 Nature of competitive advantage .....	3.5	67
11.05 Value chain breadth .....	3.8	60
11.06 Control of international distribution .....	4.3	41
11.07 Production process sophistication .....	4.0	57
11.08 Extent of marketing .....	4.6	41
11.09 Willingness to delegate authority .....	4.6	26
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.8	48
12.02 Quality of scientific research institutions .....	3.4	91
12.03 Company spending on R&D .....	3.4	51
12.04 University-industry collaboration in R&D .....	3.6	69
12.05 Gov't procurement of advanced tech products .....	3.4	85
12.06 Availability of scientists and engineers .....	3.8	87
12.07 PCT patents, applications/million pop.* .....	0.3	84

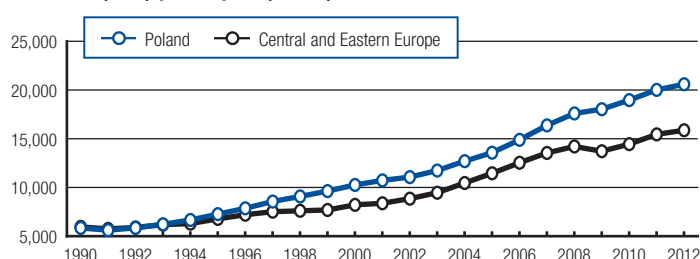
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Poland

## Key indicators, 2012

Population (millions).....	38.5
GDP (US\$ billions).....	487.7
GDP per capita (US\$).....	12,538
GDP (PPP) as share (%) of world total.....	0.96

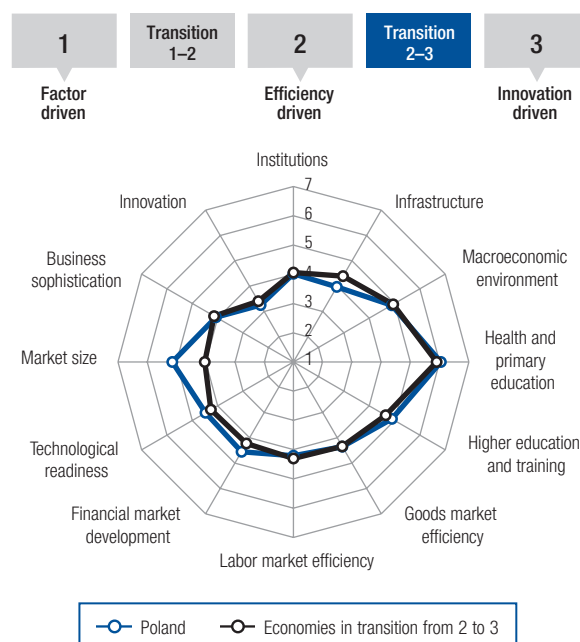
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

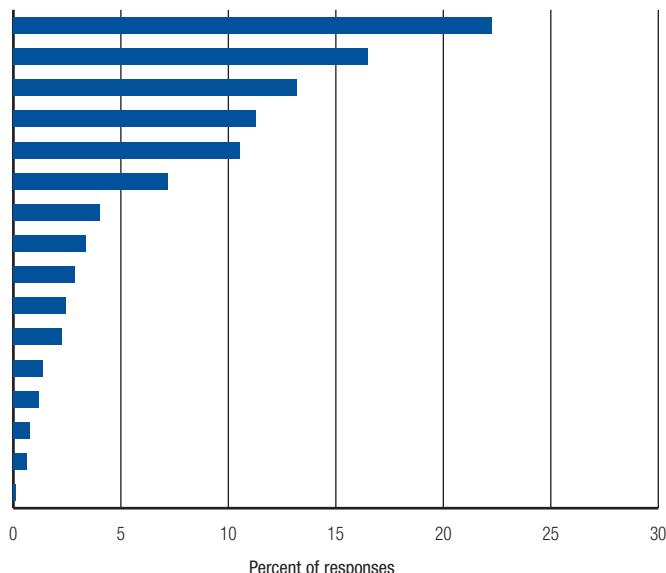
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>42</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	41	4.5
GCI 2011–2012 (out of 142).....	41	4.5
<b>Basic requirements (31.2%)</b> .....	<b>59</b>	<b>4.7</b>
Institutions.....	62	4.0
Infrastructure.....	74	4.0
Macroeconomic environment.....	65	4.9
Health and primary education.....	42	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>32</b>	<b>4.6</b>
Higher education and training.....	37	4.9
Goods market efficiency.....	57	4.3
Labor market efficiency.....	80	4.2
Financial market development.....	38	4.5
Technological readiness.....	43	4.5
Market size.....	20	5.1
<b>Innovation and sophistication factors (18.8%)</b> .....	<b>65</b>	<b>3.7</b>
Business sophistication.....	65	4.1
Innovation.....	65	3.2

## Stage of development



## The most problematic factors for doing business

Tax regulations.....	22.3
Restrictive labor regulations.....	16.5
Inefficient government bureaucracy.....	13.2
Tax rates.....	11.3
Access to financing.....	10.5
Inadequate supply of infrastructure.....	7.2
Policy instability.....	4.0
Insufficient capacity to innovate.....	3.4
Inadequately educated workforce.....	2.9
Corruption.....	2.5
Poor work ethic in national labor force.....	2.2
Poor public health.....	1.4
Inflation.....	1.2
Foreign currency regulations.....	0.8
Crime and theft.....	0.6
Government instability/coups.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Poland

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3	66
1.02 Intellectual property protection .....	3.7	72
1.03 Diversion of public funds .....	3.7	53
1.04 Public trust in politicians .....	2.4	100
1.05 Irregular payments and bribes .....	4.8	42
1.06 Judicial independence .....	4.1	54
1.07 Favoritism in decisions of government officials .....	3.1	65
1.08 Wastefulness of government spending .....	2.9	93
1.09 Burden of government regulation .....	2.7	133
1.10 Efficiency of legal framework in settling disputes .....	3.0	119
1.11 Efficiency of legal framework in challenging regs. ....	2.9	111
1.12 Transparency of government policymaking .....	3.6	120
1.13 Business costs of terrorism .....	6.2	27
1.14 Business costs of crime and violence .....	5.4	34
1.15 Organized crime .....	5.7	43
1.16 Reliability of police services .....	4.1	74
1.17 Ethical behavior of firms .....	4.1	59
1.18 Strength of auditing and reporting standards .....	5.0	49
1.19 Efficacy of corporate boards .....	4.3	95
1.20 Protection of minority shareholders' interests .....	3.9	93
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.0	84
2.02 Quality of roads .....	3.0	105
2.03 Quality of railroad infrastructure .....	2.6	70
2.04 Quality of port infrastructure .....	3.7	97
2.05 Quality of air transport infrastructure .....	3.9	103
2.06 Available airline seat km/week, millions* .....	342.1	50
2.07 Quality of electricity supply .....	5.5	48
2.08 Mobile telephone subscriptions/100 pop.* .....	132.7	36
2.09 Fixed telephone lines/100 pop.* .....	16.0	78
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.5	90
3.02 Gross national savings, % GDP* .....	17.5	82
3.03 Inflation, annual % change* .....	3.7	68
3.04 General government debt, % GDP* .....	55.2	104
3.05 Country credit rating, 0–100 (best)* .....	70.5	32
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.0	47
4.04 Tuberculosis cases/100,000 pop.* .....	23.0	51
4.05 Business impact of HIV/AIDS .....	6.0	36
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	4.9	33
4.08 Life expectancy, years* .....	76.7	41
4.09 Quality of primary education .....	4.2	58
4.10 Primary education enrollment, net %* .....	96.6	50
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	97.0	48
5.02 Tertiary education enrollment, gross %* .....	72.4	19
5.03 Quality of the educational system .....	3.4	87
5.04 Quality of math and science education .....	4.1	69
5.05 Quality of management schools .....	4.0	89
5.06 Internet access in schools .....	4.6	55
5.07 Availability of research and training services .....	4.8	33
5.08 Extent of staff training .....	4.0	75
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	38
6.02 Extent of market dominance .....	4.8	17
6.03 Effectiveness of anti-monopoly policy .....	4.1	72
6.04 Effect of taxation on incentives to invest .....	3.1	116
6.05 Total tax rate, % profits* .....	43.8	97

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	32	108
6.08 Agricultural policy costs .....	3.6	97
6.09 Prevalence of trade barriers .....	4.2	89
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.8	65
6.12 Business impact of rules on FDI .....	4.2	99
6.13 Burden of customs procedures .....	4.2	66
6.14 Imports as a percentage of GDP* .....	46.7	71
6.15 Degree of customer orientation .....	4.9	45
6.16 Buyer sophistication .....	3.2	93
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	88
7.02 Flexibility of wage determination .....	5.4	37
7.03 Hiring and firing practices .....	3.4	112
7.04 Redundancy costs, weeks of salary* .....	18.8	91
7.05 Effect of taxation on incentives to work .....	3.3	105
7.06 Pay and productivity .....	4.2	45
7.07 Reliance on professional management .....	4.1	79
7.08 Country capacity to retain talent .....	2.7	119
7.09 Country capacity to attract talent .....	2.4	121
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	53
8.02 Affordability of financial services .....	4.6	44
8.03 Financing through local equity market .....	3.6	60
8.04 Ease of access to loans .....	2.5	97
8.05 Venture capital availability .....	2.3	104
8.06 Soundness of banks .....	5.3	54
8.07 Regulation of securities exchanges .....	4.9	35
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.4	102
9.02 Firm-level technology absorption .....	4.1	114
9.03 FDI and technology transfer .....	4.6	75
9.04 Individuals using Internet, %* .....	65.0	41
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	16.6	39
9.06 Int'l Internet bandwidth, kb/s per user* .....	70.4	30
9.07 Mobile broadband subscriptions/100 pop.* .....	49.3	32
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.9	20
10.02 Foreign market size index, 1–7 (best)* .....	5.7	22
10.03 GDP (PPP\$ billions)* .....	800.9	21
10.04 Exports as a percentage of GDP* .....	45.4	61
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.0	32
11.02 Local supplier quality .....	4.8	51
11.03 State of cluster development .....	3.4	104
11.04 Nature of competitive advantage .....	3.2	95
11.05 Value chain breadth .....	3.9	52
11.06 Control of international distribution .....	3.8	100
11.07 Production process sophistication .....	4.1	51
11.08 Extent of marketing .....	4.5	46
11.09 Willingness to delegate authority .....	3.8	68
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.6	62
12.02 Quality of scientific research institutions .....	4.0	55
12.03 Company spending on R&D .....	2.8	103
12.04 University-industry collaboration in R&D .....	3.5	72
12.05 Gov't procurement of advanced tech products .....	3.1	103
12.06 Availability of scientists and engineers .....	4.2	66
12.07 PCT patents, applications/million pop.* .....	6.9	40

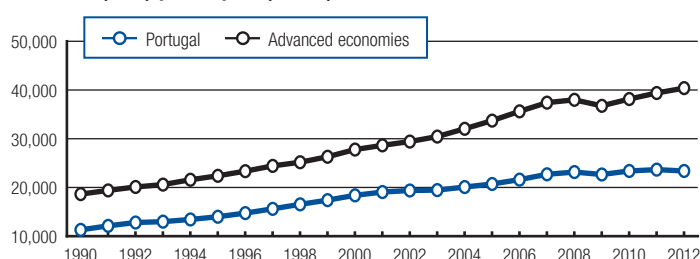
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Portugal

## Key indicators, 2012

Population (millions).....	10.6
GDP (US\$ billions).....	212.7
GDP per capita (US\$).....	20,179
GDP (PPP) as share (%) of world total.....	0.30

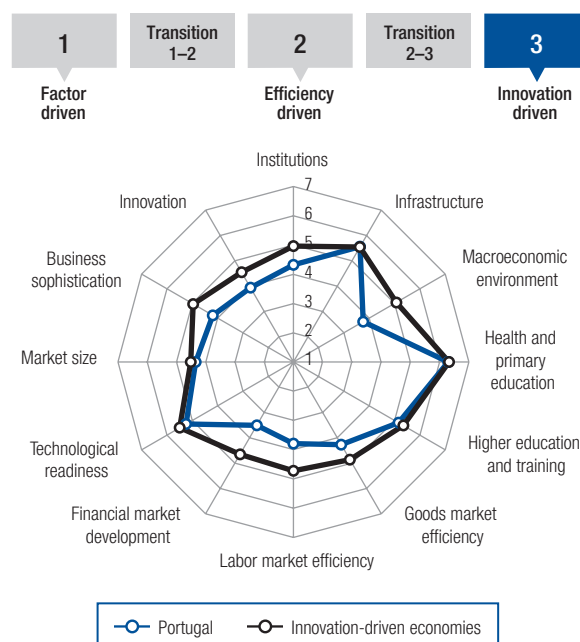
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

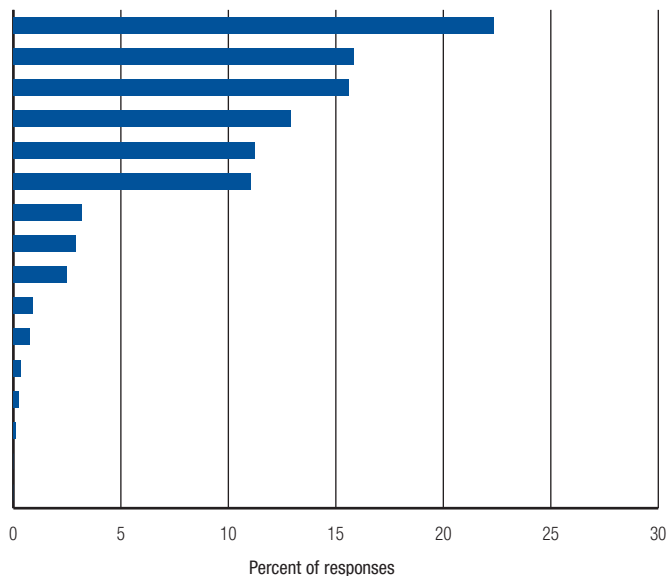
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>51</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	49	4.4
GCI 2011–2012 (out of 142).....	45	4.4
<b>Basic requirements (20.0%)</b> .....	<b>41</b>	<b>5.0</b>
Institutions.....	46	4.3
Infrastructure.....	22	5.5
Macroeconomic environment.....	124	3.8
Health and primary education.....	27	6.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>46</b>	<b>4.4</b>
Higher education and training.....	28	5.1
Goods market efficiency.....	72	4.3
Labor market efficiency.....	126	3.8
Financial market development.....	114	3.5
Technological readiness.....	27	5.2
Market size.....	50	4.3
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>38</b>	<b>4.1</b>
Business sophistication.....	57	4.2
Innovation.....	29	3.9

## Stage of development



## The most problematic factors for doing business

Access to financing.....	22.3
Inefficient government bureaucracy.....	15.8
Tax rates.....	15.6
Policy instability.....	12.9
Tax regulations.....	11.2
Restrictive labor regulations.....	11.0
Insufficient capacity to innovate.....	3.2
Corruption.....	2.9
Inadequately educated workforce.....	2.5
Government instability/coups.....	0.9
Poor work ethic in national labor force.....	0.8
Inadequate supply of infrastructure.....	0.3
Inflation.....	0.3
Poor public health.....	0.1
Crime and theft.....	0.0
Foreign currency regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Portugal

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.8	43
1.02 Intellectual property protection .....	4.5	38
1.03 Diversion of public funds .....	3.9	46
1.04 Public trust in politicians .....	2.8	77
1.05 Irregular payments and bribes .....	5.2	33
1.06 Judicial independence .....	4.2	51
1.07 Favoritism in decisions of government officials .....	3.1	72
1.08 Wastefulness of government spending .....	2.4	118
1.09 Burden of government regulation .....	2.7	132
1.10 Efficiency of legal framework in settling disputes .....	2.9	122
1.11 Efficiency of legal framework in challenging regs. ....	3.3	85
1.12 Transparency of government policymaking .....	4.1	78
1.13 Business costs of terrorism .....	6.5	7
1.14 Business costs of crime and violence .....	5.9	11
1.15 Organized crime .....	6.2	16
1.16 Reliability of police services .....	5.2	35
1.17 Ethical behavior of firms .....	4.4	45
1.18 Strength of auditing and reporting standards .....	4.8	61
1.19 Efficacy of corporate boards .....	4.4	85
1.20 Protection of minority shareholders' interests .....	4.2	65
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.1	11
2.02 Quality of roads .....	6.3	4
2.03 Quality of railroad infrastructure .....	4.4	26
2.04 Quality of port infrastructure .....	5.2	34
2.05 Quality of air transport infrastructure .....	5.6	27
2.06 Available airline seat km/week, millions* .....	746.9	31
2.07 Quality of electricity supply .....	6.4	22
2.08 Mobile telephone subscriptions/100 pop.* .....	115.1	63
2.09 Fixed telephone lines/100 pop.* .....	42.6	22
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.9	116
3.02 Gross national savings, % GDP* .....	13.8	106
3.03 Inflation, annual % change* .....	2.8	1
3.04 General government debt, % GDP* .....	123.0	143
3.05 Country credit rating, 0–100 (best)* .....	47.5	71
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.1	41
4.04 Tuberculosis cases/100,000 pop.* .....	24.0	53
4.05 Business impact of HIV/AIDS .....	5.9	44
4.06 HIV prevalence, % adult pop.* .....	0.70	97
4.07 Infant mortality, deaths/1,000 live births* .....	2.7	11
4.08 Life expectancy, years* .....	80.7	23
4.09 Quality of primary education .....	4.5	46
4.10 Primary education enrollment, net %* .....	99.2	17
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	109.1	14
5.02 Tertiary education enrollment, gross %* .....	65.5	26
5.03 Quality of the educational system .....	4.0	58
5.04 Quality of math and science education .....	4.1	73
5.05 Quality of management schools .....	5.5	11
5.06 Internet access in schools .....	5.7	29
5.07 Availability of research and training services .....	5.0	27
5.08 Extent of staff training .....	4.0	70
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9	77
6.02 Extent of market dominance .....	3.5	95
6.03 Effectiveness of anti-monopoly policy .....	4.1	64
6.04 Effect of taxation on incentives to invest .....	2.6	139
6.05 Total tax rate, % profits* .....	42.6	92

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	5	10
6.08 Agricultural policy costs .....	3.4	117
6.09 Prevalence of trade barriers .....	5.2	8
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.3	93
6.12 Business impact of rules on FDI .....	4.2	98
6.13 Burden of customs procedures .....	4.9	28
6.14 Imports as a percentage of GDP* .....	40.0	89
6.15 Degree of customer orientation .....	4.9	49
6.16 Buyer sophistication .....	3.3	83
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	97
7.02 Flexibility of wage determination .....	4.6	105
7.03 Hiring and firing practices .....	3.2	124
7.04 Redundancy costs, weeks of salary* .....	33.9	134
7.05 Effect of taxation on incentives to work .....	2.4	139
7.06 Pay and productivity .....	3.4	121
7.07 Reliance on professional management .....	4.2	73
7.08 Country capacity to retain talent .....	2.8	111
7.09 Country capacity to attract talent .....	3.2	88
7.10 Women in labor force, ratio to men* .....	0.89	32
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.0	48
8.02 Affordability of financial services .....	4.1	77
8.03 Financing through local equity market .....	2.7	108
8.04 Ease of access to loans .....	2.1	121
8.05 Venture capital availability .....	2.2	109
8.06 Soundness of banks .....	4.1	120
8.07 Regulation of securities exchanges .....	4.4	52
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.2	15
9.02 Firm-level technology absorption .....	5.5	29
9.03 FDI and technology transfer .....	5.1	30
9.04 Individuals using Internet, %* .....	64.0	42
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	22.3	31
9.06 Int'l Internet bandwidth, kb/s per user* .....	193.8	8
9.07 Mobile broadband subscriptions/100 pop.* .....	32.5	51
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.1	48
10.02 Foreign market size index, 1–7 (best)* .....	4.9	53
10.03 GDP (PPP\$ billions)* .....	246.5	51
10.04 Exports as a percentage of GDP* .....	38.7	77
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.0	37
11.02 Local supplier quality .....	4.9	40
11.03 State of cluster development .....	4.2	41
11.04 Nature of competitive advantage .....	3.7	57
11.05 Value chain breadth .....	4.0	48
11.06 Control of international distribution .....	3.9	84
11.07 Production process sophistication .....	4.3	43
11.08 Extent of marketing .....	4.4	51
11.09 Willingness to delegate authority .....	3.4	99
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.9	42
12.02 Quality of scientific research institutions .....	5.2	20
12.03 Company spending on R&D .....	3.5	48
12.04 University-industry collaboration in R&D .....	4.6	27
12.05 Gov't procurement of advanced tech products .....	3.7	50
12.06 Availability of scientists and engineers .....	5.0	16
12.07 PCT patents, applications/million pop.* .....	12.7	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 97.

# Puerto Rico

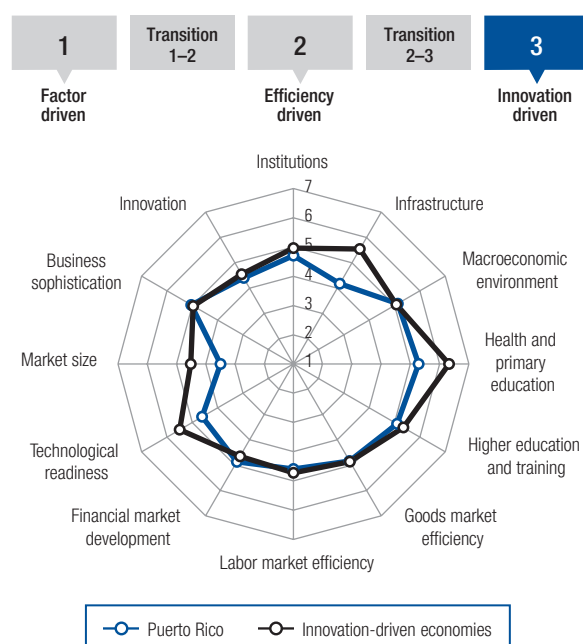
## Key indicators, 2012

Population (millions).....	3.7
GDP (US\$ billions).....	101.0
GDP per capita (US\$).....	27,451
GDP (PPP) as share (%) of world total.....	0.00

## Global Competitiveness Index

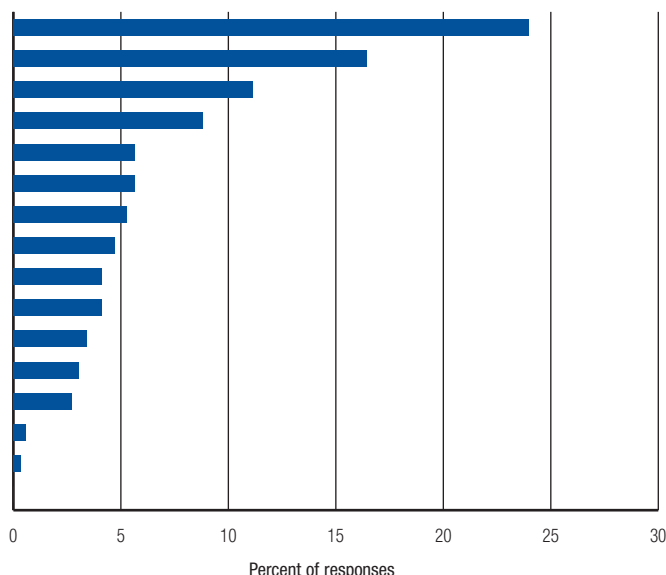
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>30</b>	<b>4.7</b>
GCI 2012–2013 (out of 144).....	31	4.7
GCI 2011–2012 (out of 142).....	35	4.6
<b>Basic requirements (20.0%)</b> .....	<b>54</b>	<b>4.8</b>
Institutions.....	33	4.7
Infrastructure.....	63	4.2
Macroeconomic environment.....	48	5.1
Health and primary education.....	105	5.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>33</b>	<b>4.6</b>
Higher education and training.....	30	5.1
Goods market efficiency.....	26	4.8
Labor market efficiency.....	38	4.6
Financial market development.....	18	4.9
Technological readiness.....	40	4.6
Market size.....	82	3.5
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>22</b>	<b>4.7</b>
Business sophistication.....	19	5.0
Innovation.....	24	4.4

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	24.0
Restrictive labor regulations.....	16.5
Access to financing.....	11.2
Insufficient capacity to innovate.....	8.8
Corruption.....	5.6
Tax rates.....	5.6
Policy instability.....	5.3
Poor work ethic in national labor force.....	4.7
Crime and theft.....	4.1
Tax regulations.....	4.1
Inadequate supply of infrastructure.....	3.4
Inadequately educated workforce.....	3.1
Inflation.....	2.7
Government instability/coups.....	0.6
Poor public health.....	0.4
Foreign currency regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Puerto Rico

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.0	<b>11</b>
1.02 Intellectual property protection .....	5.9	<b>7</b>
1.03 Diversion of public funds .....	3.9	48
1.04 Public trust in politicians .....	3.0	72
1.05 Irregular payments and bribes .....	4.8	41
1.06 Judicial independence .....	4.7	42
1.07 Favoritism in decisions of government officials .....	3.0	78
1.08 Wastefulness of government spending .....	3.0	82
1.09 Burden of government regulation .....	2.9	118
1.10 Efficiency of legal framework in settling disputes .....	5.2	<b>16</b>
1.11 Efficiency of legal framework in challenging regs. ....	4.8	<b>14</b>
1.12 Transparency of government policymaking .....	4.3	56
1.13 Business costs of terrorism .....	6.0	43
1.14 Business costs of crime and violence .....	3.7	116
1.15 Organized crime .....	5.4	59
1.16 Reliability of police services .....	4.8	45
1.17 Ethical behavior of firms .....	4.8	36
1.18 Strength of auditing and reporting standards .....	6.0	<b>10</b>
1.19 Efficacy of corporate boards .....	5.4	<b>12</b>
1.20 Protection of minority shareholders' interests .....	6.0	<b>4</b>
1.21 Strength of investor protection, 0–10 (best)* .....	7.0	<b>19</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.0	46
2.02 Quality of roads .....	5.1	<b>31</b>
2.03 Quality of railroad infrastructure .....	2.6	71
2.04 Quality of port infrastructure .....	5.3	<b>28</b>
2.05 Quality of air transport infrastructure .....	5.5	<b>32</b>
2.06 Available airline seat km/week, millions* .....	223.0	61
2.07 Quality of electricity supply .....	5.2	64
2.08 Mobile telephone subscriptions/100 pop.* .....	81.7	115
2.09 Fixed telephone lines/100 pop.* .....	20.8	57
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.0	43
3.02 Gross national savings, % GDP* .....	16.3	90
3.03 Inflation, annual % change* .....	2.6	<b>1</b>
3.04 General government debt, % GDP* .....	64.1	115
3.05 Country credit rating, 0–100 (best)* .....	n/a	n/a
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.7	<b>11</b>
4.04 Tuberculosis cases/100,000 pop.* .....	1.8	<b>3</b>
4.05 Business impact of HIV/AIDS .....	5.6	63
4.06 HIV prevalence, % adult pop.* .....	0.34	77
4.07 Infant mortality, deaths/1,000 live births* .....	8.8	56
4.08 Life expectancy, years* .....	79.0	<b>32</b>
4.09 Quality of primary education .....	3.7	83
4.10 Primary education enrollment, net %* .....	79.1	132
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	77.2	97
5.02 Tertiary education enrollment, gross %* .....	86.2	<b>6</b>
5.03 Quality of the educational system .....	3.8	63
5.04 Quality of math and science education .....	3.8	93
5.05 Quality of management schools .....	4.6	44
5.06 Internet access in schools .....	4.5	59
5.07 Availability of research and training services .....	5.6	<b>10</b>
5.08 Extent of staff training .....	4.9	<b>18</b>
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.9	<b>9</b>
6.02 Extent of market dominance .....	5.0	<b>14</b>
6.03 Effectiveness of anti-monopoly policy .....	5.3	<b>19</b>
6.04 Effect of taxation on incentives to invest .....	4.0	51
6.05 Total tax rate, % profits* .....	50.7	117

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	6	<b>16</b>
6.08 Agricultural policy costs .....	3.7	92
6.09 Prevalence of trade barriers .....	4.8	<b>23</b>
6.10 Trade tariffs, % duty* .....	n/a	n/a
6.11 Prevalence of foreign ownership .....	5.4	<b>25</b>
6.12 Business impact of rules on FDI .....	5.0	33
6.13 Burden of customs procedures .....	5.0	<b>24</b>
6.14 Imports as a percentage of GDP* .....	46.1	73
6.15 Degree of customer orientation .....	5.3	<b>25</b>
6.16 Buyer sophistication .....	4.1	<b>27</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.8	33
7.02 Flexibility of wage determination .....	5.6	<b>20</b>
7.03 Hiring and firing practices .....	3.7	90
7.04 Redundancy costs, weeks of salary* .....	0.0	<b>1</b>
7.05 Effect of taxation on incentives to work .....	3.5	91
7.06 Pay and productivity .....	4.5	<b>27</b>
7.07 Reliance on professional management .....	5.5	<b>18</b>
7.08 Country capacity to retain talent .....	2.9	104
7.09 Country capacity to attract talent .....	3.3	85
7.10 Women in labor force, ratio to men* .....	0.68	101
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.5	<b>23</b>
8.02 Affordability of financial services .....	5.3	<b>17</b>
8.03 Financing through local equity market .....	3.5	64
8.04 Ease of access to loans .....	3.0	55
8.05 Venture capital availability .....	2.9	48
8.06 Soundness of banks .....	5.1	69
8.07 Regulation of securities exchanges .....	5.5	<b>12</b>
8.08 Legal rights index, 0–10 (best)* .....	9	<b>12</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.0	<b>25</b>
9.02 Firm-level technology absorption .....	5.7	<b>23</b>
9.03 FDI and technology transfer .....	5.0	37
9.04 Individuals using Internet, %* .....	51.4	63
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	14.9	43
9.06 Int'l Internet bandwidth, kb/s per user* .....	135.4	<b>15</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	14.7	76
<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)* .....	4.5	71
10.03 GDP (PPP\$ billions)* .....	69.5	79
10.04 Exports as a percentage of GDP* .....	58.3	34
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	62
11.02 Local supplier quality .....	5.4	<b>19</b>
11.03 State of cluster development .....	4.5	<b>25</b>
11.04 Nature of competitive advantage .....	5.2	<b>21</b>
11.05 Value chain breadth .....	4.4	<b>31</b>
11.06 Control of international distribution .....	4.3	50
11.07 Production process sophistication .....	5.8	<b>11</b>
11.08 Extent of marketing .....	5.9	<b>3</b>
11.09 Willingness to delegate authority .....	4.8	<b>18</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.4	<b>25</b>
12.02 Quality of scientific research institutions .....	4.5	38
12.03 Company spending on R&D .....	3.5	40
12.04 University-industry collaboration in R&D .....	4.2	43
12.05 Gov't procurement of advanced tech products .....	3.4	82
12.06 Availability of scientists and engineers .....	5.6	<b>3</b>
12.07 PCT patents, applications/million pop.* .....	n/a	n/a

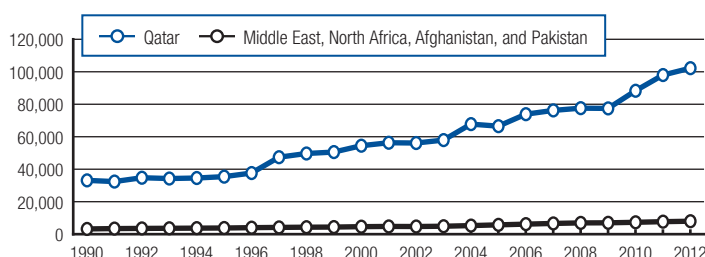
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Qatar

## Key indicators, 2012

Population (millions).....	1.9
GDP (US\$ billions).....	183.4
GDP per capita (US\$).....	99,731
GDP (PPP) as share (%) of world total.....	0.23

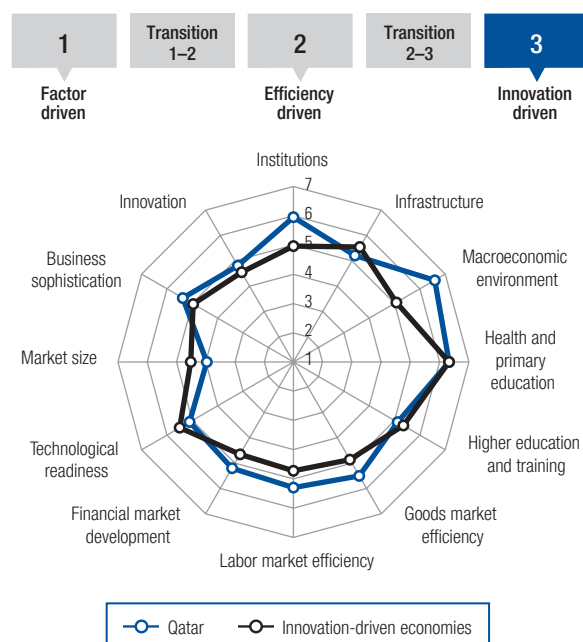
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

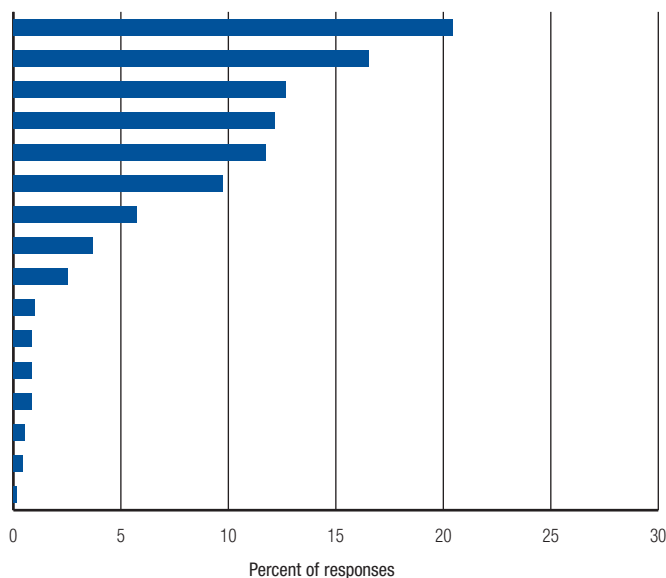
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>13</b>	<b>5.2</b>
GCI 2012–2013 (out of 144).....	11	5.4
GCI 2011–2012 (out of 142).....	14	5.2
<b>Basic requirements (20.0%)</b> .....	<b>5</b>	<b>6.0</b>
Institutions.....	4	5.9
Infrastructure.....	28	5.2
Macroeconomic environment.....	6	6.6
Health and primary education.....	25	6.3
<b>Efficiency enhancers (50.0%)</b> .....	<b>18</b>	<b>5.0</b>
Higher education and training.....	29	5.1
Goods market efficiency.....	3	5.5
Labor market efficiency.....	6	5.3
Financial market development.....	13	5.2
Technological readiness.....	31	5.1
Market size.....	60	4.0
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>14</b>	<b>5.1</b>
Business sophistication.....	10	5.4
Innovation.....	16	4.8

## Stage of development



## The most problematic factors for doing business

Access to financing.....	20.4
Inadequate supply of infrastructure.....	16.5
Inadequately educated workforce.....	12.7
Inefficient government bureaucracy.....	12.1
Restrictive labor regulations.....	11.8
Inflation.....	9.8
Insufficient capacity to innovate.....	5.8
Poor public health.....	3.7
Poor work ethic in national labor force.....	2.5
Policy instability.....	1.0
Crime and theft.....	0.8
Foreign currency regulations.....	0.8
Tax regulations.....	0.8
Tax rates.....	0.5
Corruption.....	0.5
Government instability/coups.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.0	8
1.02 Intellectual property protection .....	6.0	4
1.03 Diversion of public funds .....	6.3	3
1.04 Public trust in politicians .....	6.1	2
1.05 Irregular payments and bribes .....	6.5	4
1.06 Judicial independence .....	6.1	12
1.07 Favoritism in decisions of government officials .....	5.2	5
1.08 Wastefulness of government spending .....	6.0	1
1.09 Burden of government regulation .....	5.2	2
1.10 Efficiency of legal framework in settling disputes .....	5.4	10
1.11 Efficiency of legal framework in challenging regs. ....	5.2	7
1.12 Transparency of government policymaking .....	5.8	5
1.13 Business costs of terrorism .....	6.7	2
1.14 Business costs of crime and violence .....	6.8	1
1.15 Organized crime .....	6.9	2
1.16 Reliability of police services .....	6.3	3
1.17 Ethical behavior of firms .....	6.0	8
1.18 Strength of auditing and reporting standards .....	6.1	8
1.19 Efficacy of corporate boards .....	5.5	9
1.20 Protection of minority shareholders' interests .....	6.0	3
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.4	27
2.02 Quality of roads .....	5.0	38
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	5.2	31
2.05 Quality of air transport infrastructure .....	6.0	14
2.06 Available airline seat km/week, millions* .....	1,007.3	28
2.07 Quality of electricity supply .....	6.6	13
2.08 Mobile telephone subscriptions/100 pop.* .....	134.1	35
2.09 Fixed telephone lines/100 pop.* .....	16.9	74
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	8.0	10
3.02 Gross national savings, % GDP* .....	55.4	3
3.03 Inflation, annual % change* .....	1.9	1
3.04 General government debt, % GDP* .....	37.8	61
3.05 Country credit rating, 0–100 (best)* .....	77.4	24
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.4	29
4.04 Tuberculosis cases/100,000 pop.* .....	37.0	64
4.05 Business impact of HIV/AIDS .....	6.3	19
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	6.4	41
4.08 Life expectancy, years* .....	78.2	35
4.09 Quality of primary education .....	5.6	11
4.10 Primary education enrollment, net %* .....	94.0	72
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	101.7	30
5.02 Tertiary education enrollment, gross %* .....	11.6	112
5.03 Quality of the educational system .....	5.8	4
5.04 Quality of math and science education .....	5.6	6
5.05 Quality of management schools .....	5.7	8
5.06 Internet access in schools .....	6.0	15
5.07 Availability of research and training services .....	5.4	17
5.08 Extent of staff training .....	5.3	5
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.8	16
6.02 Extent of market dominance .....	5.4	7
6.03 Effectiveness of anti-monopoly policy .....	5.5	2
6.04 Effect of taxation on incentives to invest .....	6.3	2
6.05 Total tax rate, % profits* .....	11.3	3

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	9	43
6.08 Agricultural policy costs .....	4.5	22
6.09 Prevalence of trade barriers .....	5.6	3
6.10 Trade tariffs, % duty* .....	4.6	59
6.11 Prevalence of foreign ownership .....	4.7	68
6.12 Business impact of rules on FDI .....	5.3	17
6.13 Burden of customs procedures .....	5.4	8
6.14 Imports as a percentage of GDP* .....	31.6	119
6.15 Degree of customer orientation .....	5.9	2
6.16 Buyer sophistication .....	4.9	3
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.6	7
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* .....	23.2	109
7.05 Effect of taxation on incentives to work .....	6.4	1
7.06 Pay and productivity .....	5.2	5
7.07 Reliance on professional management .....	5.6	14
7.08 Country capacity to retain talent .....	6.0	1
7.09 Country capacity to attract talent .....	6.0	3
7.10 Women in labor force, ratio to men* .....	0.55	124
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.8	14
8.02 Affordability of financial services .....	5.9	3
8.03 Financing through local equity market .....	5.0	6
8.04 Ease of access to loans .....	4.9	1
8.05 Venture capital availability .....	4.5	2
8.06 Soundness of banks .....	6.3	13
8.07 Regulation of securities exchanges .....	5.8	6
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.1	20
9.02 Firm-level technology absorption .....	5.9	10
9.03 FDI and technology transfer .....	5.8	4
9.04 Individuals using Internet, %* .....	88.1	9
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	8.2	70
9.06 Int'l Internet bandwidth, kb/s per user* .....	28.1	59
9.07 Mobile broadband subscriptions/100 pop.* .....	72.1	13
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.6	65
10.02 Foreign market size index, 1–7 (best)* .....	5.2	40
10.03 GDP (PPP\$ billions)* .....	187.9	57
10.04 Exports as a percentage of GDP* .....	74.6	22
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.2	22
11.02 Local supplier quality .....	5.4	16
11.03 State of cluster development .....	5.2	10
11.04 Nature of competitive advantage .....	4.7	24
11.05 Value chain breadth .....	5.2	10
11.06 Control of international distribution .....	5.6	1
11.07 Production process sophistication .....	5.7	13
11.08 Extent of marketing .....	5.6	8
11.09 Willingness to delegate authority .....	5.5	7
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.8	17
12.02 Quality of scientific research institutions .....	5.6	12
12.03 Company spending on R&D .....	4.9	9
12.04 University-industry collaboration in R&D .....	5.5	7
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.* .....	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 97.

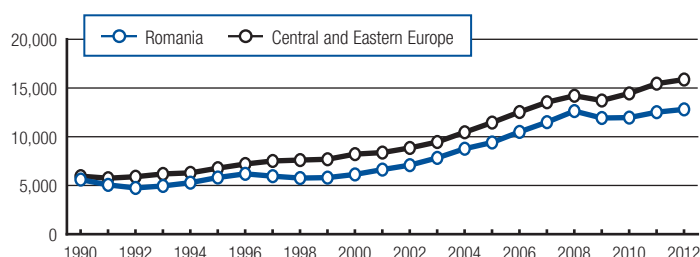


# Romania

## Key indicators, 2012

Population (millions).....	21.4
GDP (US\$ billions).....	169.4
GDP per capita (US\$).....	7,935
GDP (PPP) as share (%) of world total.....	0.33

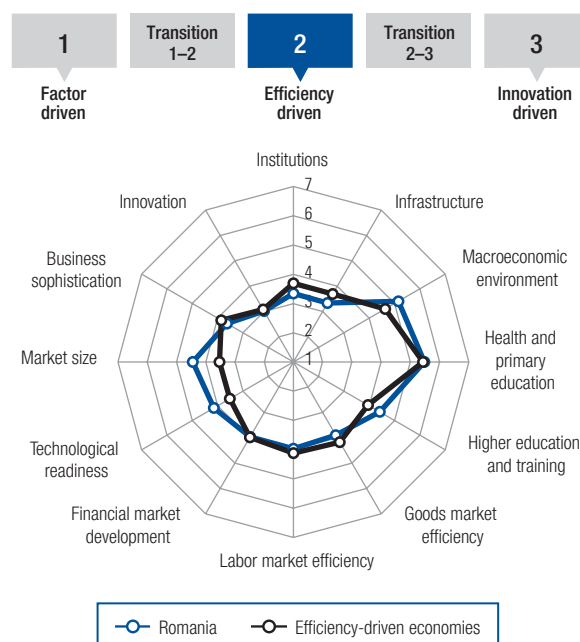
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

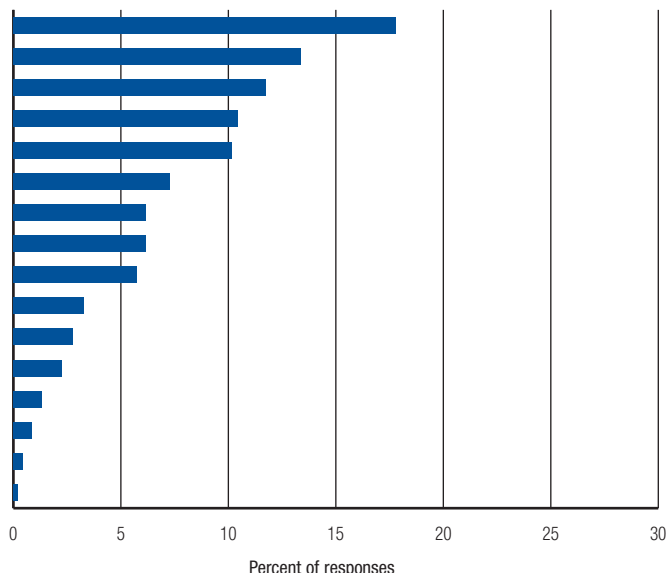
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>76</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	78	4.1
GCI 2011–2012 (out of 142).....	77	4.1
<b>Basic requirements (40.0%)</b> .....	<b>87</b>	<b>4.3</b>
Institutions.....	114	3.3
Infrastructure.....	100	3.3
Macroeconomic environment.....	47	5.1
Health and primary education.....	84	5.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>63</b>	<b>4.1</b>
Higher education and training.....	59	4.4
Goods market efficiency.....	117	3.9
Labor market efficiency.....	110	4.0
Financial market development.....	72	4.0
Technological readiness.....	54	4.1
Market size.....	46	4.4
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>103</b>	<b>3.3</b>
Business sophistication.....	101	3.6
Innovation.....	97	3.0

## Stage of development



## The most problematic factors for doing business

Tax rates.....	17.8
Corruption.....	13.4
Tax regulations.....	11.8
Access to financing.....	10.5
Inefficient government bureaucracy.....	10.2
Policy instability.....	7.3
Inadequate supply of infrastructure.....	6.2
Inflation.....	6.2
Inadequately educated workforce.....	5.7
Poor work ethic in national labor force.....	3.3
Restrictive labor regulations.....	2.8
Government instability/coups.....	2.3
Foreign currency regulations.....	1.3
Poor public health.....	0.9
Insufficient capacity to innovate.....	0.4
Crime and theft.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Romania

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	82
1.02 Intellectual property protection .....	2.9	110
1.03 Diversion of public funds .....	2.5	114
1.04 Public trust in politicians .....	1.8	141
1.05 Irregular payments and bribes .....	3.8	76
1.06 Judicial independence .....	2.8	114
1.07 Favoritism in decisions of government officials .....	2.2	137
1.08 Wastefulness of government spending .....	2.2	134
1.09 Burden of government regulation .....	2.8	127
1.10 Efficiency of legal framework in settling disputes .....	2.8	128
1.11 Efficiency of legal framework in challenging regs. ....	2.6	128
1.12 Transparency of government policymaking .....	3.7	115
1.13 Business costs of terrorism .....	5.6	67
1.14 Business costs of crime and violence .....	5.1	51
1.15 Organized crime .....	4.7	90
1.16 Reliability of police services .....	3.6	107
1.17 Ethical behavior of firms .....	3.1	139
1.18 Strength of auditing and reporting standards .....	4.0	108
1.19 Efficacy of corporate boards .....	4.0	126
1.20 Protection of minority shareholders' interests .....	3.3	128
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	106
2.02 Quality of roads .....	2.1	145
2.03 Quality of railroad infrastructure .....	2.3	82
2.04 Quality of port infrastructure .....	3.0	123
2.05 Quality of air transport infrastructure .....	3.4	119
2.06 Available airline seat km/week, millions* .....	176.3	67
2.07 Quality of electricity supply .....	4.3	88
2.08 Mobile telephone subscriptions/100 pop.* .....	106.1	83
2.09 Fixed telephone lines/100 pop.* .....	21.9	53
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.5	66
3.02 Gross national savings, % GDP* .....	23.2	55
3.03 Inflation, annual % change* .....	3.3	62
3.04 General government debt, % GDP* .....	37.0	59
3.05 Country credit rating, 0–100 (best)* .....	50.3	67
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.2	86
4.04 Tuberculosis cases/100,000 pop.* .....	101.0	96
4.05 Business impact of HIV/AIDS .....	5.3	79
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	10.8	62
4.08 Life expectancy, years* .....	74.5	60
4.09 Quality of primary education .....	3.6	85
4.10 Primary education enrollment, net %* .....	87.6	112
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	97.2	46
5.02 Tertiary education enrollment, gross %* .....	58.8	39
5.03 Quality of the educational system .....	3.3	99
5.04 Quality of math and science education .....	4.3	57
5.05 Quality of management schools .....	3.7	104
5.06 Internet access in schools .....	4.5	60
5.07 Availability of research and training services .....	3.9	91
5.08 Extent of staff training .....	3.1	134
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.4	115
6.02 Extent of market dominance .....	3.6	88
6.03 Effectiveness of anti-monopoly policy .....	3.6	113
6.04 Effect of taxation on incentives to invest .....	2.6	136
6.05 Total tax rate, % profits* .....	44.2	99

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	10	49
6.08 Agricultural policy costs .....	3.5	110
6.09 Prevalence of trade barriers .....	3.8	128
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	4.1	105
6.12 Business impact of rules on FDI .....	3.7	116
6.13 Burden of customs procedures .....	3.3	118
6.14 Imports as a percentage of GDP* .....	46.5	72
6.15 Degree of customer orientation .....	4.1	116
6.16 Buyer sophistication .....	2.9	115
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.3	139
7.02 Flexibility of wage determination .....	5.1	73
7.03 Hiring and firing practices .....	3.9	84
7.04 Redundancy costs, weeks of salary* .....	4.0	8
7.05 Effect of taxation on incentives to work .....	2.1	146
7.06 Pay and productivity .....	3.7	94
7.07 Reliance on professional management .....	3.3	131
7.08 Country capacity to retain talent .....	2.1	138
7.09 Country capacity to attract talent .....	2.2	132
7.10 Women in labor force, ratio to men* .....	0.78	77
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.9	102
8.02 Affordability of financial services .....	3.9	91
8.03 Financing through local equity market .....	3.0	98
8.04 Ease of access to loans .....	2.7	78
8.05 Venture capital availability .....	2.4	92
8.06 Soundness of banks .....	4.4	101
8.07 Regulation of securities exchanges .....	3.4	115
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.3	107
9.02 Firm-level technology absorption .....	4.3	104
9.03 FDI and technology transfer .....	4.4	89
9.04 Individuals using Internet, %* .....	50.0	64
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	15.9	42
9.06 Int'l Internet bandwidth, kb/s per user* .....	116.0	16
9.07 Mobile broadband subscriptions/100 pop.* .....	23.7	62
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.2	43
10.02 Foreign market size index, 1–7 (best)* .....	5.0	47
10.03 GDP (PPP\$ billions)* .....	273.4	47
10.04 Exports as a percentage of GDP* .....	39.8	74
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	102
11.02 Local supplier quality .....	4.0	104
11.03 State of cluster development .....	3.5	96
11.04 Nature of competitive advantage .....	3.1	103
11.05 Value chain breadth .....	3.5	97
11.06 Control of international distribution .....	3.7	108
11.07 Production process sophistication .....	3.4	102
11.08 Extent of marketing .....	3.9	93
11.09 Willingness to delegate authority .....	3.4	100
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	90
12.02 Quality of scientific research institutions .....	3.7	64
12.03 Company spending on R&D .....	2.8	104
12.04 University-industry collaboration in R&D .....	3.3	88
12.05 Gov't procurement of advanced tech products .....	3.2	99
12.06 Availability of scientists and engineers .....	3.6	99
12.07 PCT patents, applications/million pop.* .....	2.0	55

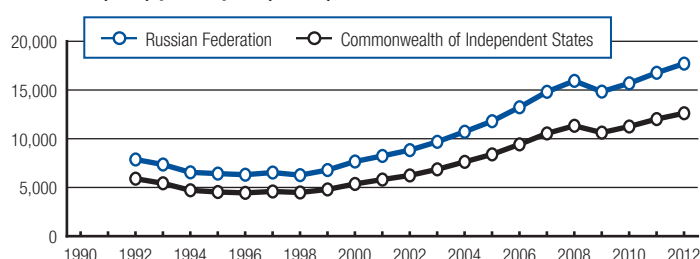
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Russian Federation

## Key indicators, 2012

Population (millions).....	143.0
GDP (US\$ billions).....	2,022.0
GDP per capita (US\$).....	14,247
GDP (PPP) as share (%) of world total.....	3.02

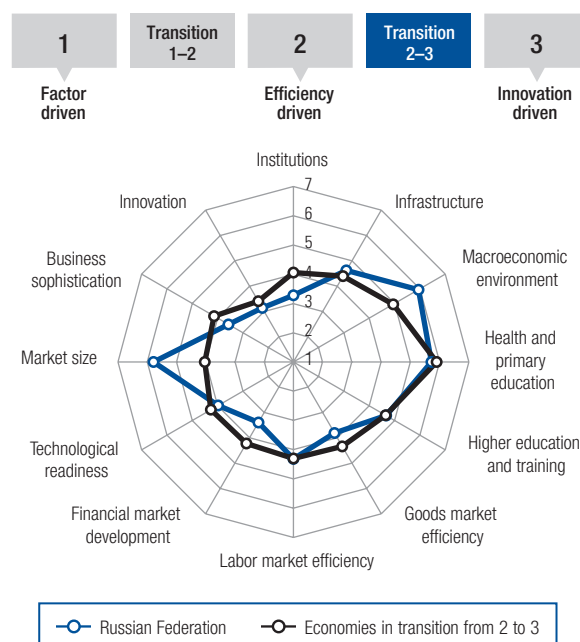
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

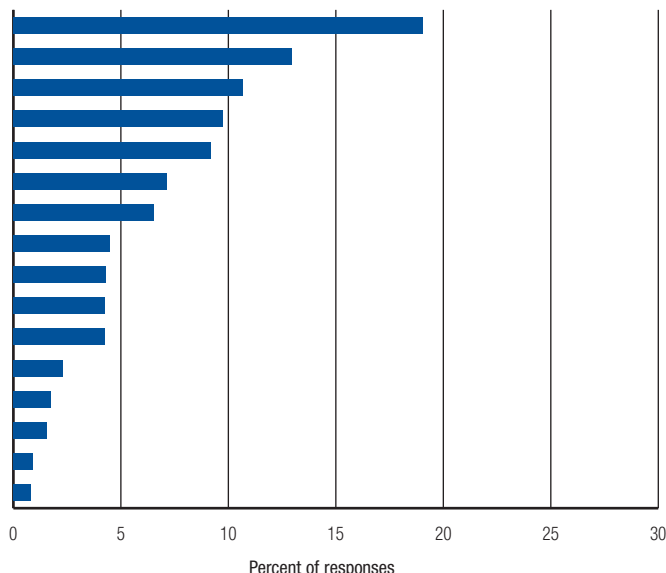
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>64</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	67	4.2
GCI 2011–2012 (out of 142).....	66	4.2
<b>Basic requirements (26.9%)</b> .....	<b>47</b>	<b>4.9</b>
Institutions.....	121	3.3
Infrastructure.....	45	4.6
Macroeconomic environment.....	19	5.9
Health and primary education.....	71	5.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>51</b>	<b>4.3</b>
Higher education and training.....	47	4.7
Goods market efficiency.....	126	3.8
Labor market efficiency.....	72	4.3
Financial market development.....	121	3.4
Technological readiness.....	59	4.0
Market size.....	7	5.8
<b>Innovation and sophistication factors (23.1%)</b> .....	<b>99</b>	<b>3.3</b>
Business sophistication.....	107	3.6
Innovation.....	78	3.1

## Stage of development



## The most problematic factors for doing business

Corruption.....	19.1
Tax rates.....	13.0
Tax regulations.....	10.7
Inefficient government bureaucracy.....	9.8
Access to financing.....	9.2
Inflation.....	7.1
Inadequately educated workforce.....	6.6
Inadequate supply of infrastructure.....	4.5
Crime and theft.....	4.3
Insufficient capacity to innovate.....	4.3
Poor work ethic in national labor force.....	4.2
Restrictive labor regulations.....	2.3
Policy instability.....	1.8
Government instability/coups.....	1.6
Poor public health.....	0.9
Foreign currency regulations.....	0.8



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Russian Federation

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.0 .....	133
1.02 Intellectual property protection .....	2.9 .....	113
1.03 Diversion of public funds .....	2.5 .....	113
1.04 Public trust in politicians .....	2.7 .....	84
1.05 Irregular payments and bribes .....	3.2 .....	109
1.06 Judicial independence .....	2.7 .....	119
1.07 Favoritism in decisions of government officials .....	2.6 .....	111
1.08 Wastefulness of government spending .....	2.8 .....	99
1.09 Burden of government regulation .....	2.9 .....	120
1.10 Efficiency of legal framework in settling disputes .....	3.0 .....	118
1.11 Efficiency of legal framework in challenging regs. ....	2.8 .....	120
1.12 Transparency of government policymaking .....	3.8 .....	101
1.13 Business costs of terrorism .....	4.7 .....	112
1.14 Business costs of crime and violence .....	4.5 .....	80
1.15 Organized crime .....	4.2 .....	111
1.16 Reliability of police services .....	3.0 .....	122
1.17 Ethical behavior of firms .....	3.7 .....	101
1.18 Strength of auditing and reporting standards .....	4.0 .....	107
1.19 Efficacy of corporate boards .....	4.3 .....	98
1.20 Protection of minority shareholders' interests .....	3.3 .....	132
1.21 Strength of investor protection, 0–10 (best)* .....	4.7 .....	100
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8 .....	93
2.02 Quality of roads .....	2.5 .....	136
2.03 Quality of railroad infrastructure .....	4.2 .....	31
2.04 Quality of port infrastructure .....	3.9 .....	88
2.05 Quality of air transport infrastructure .....	3.9 .....	102
2.06 Available airline seat km/week, millions* .....	3,506.5 .....	11
2.07 Quality of electricity supply .....	4.5 .....	83
2.08 Mobile telephone subscriptions/100 pop.* .....	183.5 .....	6
2.09 Fixed telephone lines/100 pop.* .....	30.1 .....	38
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.4 .....	23
3.02 Gross national savings, % GDP* .....	28.5 .....	32
3.03 Inflation, annual % change* .....	5.1 .....	91
3.04 General government debt, % GDP* .....	10.9 .....	10
3.05 Country credit rating, 0–100 (best)* .....	65.9 .....	39
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl. ....	1
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	1
4.03 Business impact of tuberculosis .....	5.5 .....	74
4.04 Tuberculosis cases/100,000 pop.* .....	97.0 .....	94
4.05 Business impact of HIV/AIDS .....	5.6 .....	65
4.06 HIV prevalence, % adult pop.* .....	1.00 .....	107
4.07 Infant mortality, deaths/1,000 live births* .....	9.8 .....	58
4.08 Life expectancy, years* .....	69.0 .....	101
4.09 Quality of primary education .....	4.1 .....	61
4.10 Primary education enrollment, net %* .....	93.4 .....	79
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	88.6 .....	75
5.02 Tertiary education enrollment, gross %* .....	75.9 .....	14
5.03 Quality of the educational system .....	3.5 .....	85
5.04 Quality of math and science education .....	4.3 .....	56
5.05 Quality of management schools .....	3.6 .....	113
5.06 Internet access in schools .....	4.6 .....	54
5.07 Availability of research and training services .....	4.1 .....	76
5.08 Extent of staff training .....	3.8 .....	88
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5 .....	113
6.02 Extent of market dominance .....	3.5 .....	93
6.03 Effectiveness of anti-monopoly policy .....	3.5 .....	116
6.04 Effect of taxation on incentives to invest .....	3.0 .....	125
6.05 Total tax rate, % profits* .....	54.1 .....	124

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8 .....	88
6.07 No. days to start a business* .....	18 .....	78
6.08 Agricultural policy costs .....	3.0 .....	134
6.09 Prevalence of trade barriers .....	3.8 .....	124
6.10 Trade tariffs, % duty* .....	9.4 .....	103
6.11 Prevalence of foreign ownership .....	3.4 .....	132
6.12 Business impact of rules on FDI .....	3.6 .....	121
6.13 Burden of customs procedures .....	3.3 .....	124
6.14 Imports as a percentage of GDP* .....	21.6 .....	139
6.15 Degree of customer orientation .....	4.1 .....	113
6.16 Buyer sophistication .....	3.6 .....	57
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.9 .....	112
7.02 Flexibility of wage determination .....	5.3 .....	41
7.03 Hiring and firing practices .....	3.9 .....	77
7.04 Redundancy costs, weeks of salary* .....	17.3 .....	85
7.05 Effect of taxation on incentives to work .....	3.0 .....	122
7.06 Pay and productivity .....	4.2 .....	46
7.07 Reliance on professional management .....	3.8 .....	105
7.08 Country capacity to retain talent .....	2.8 .....	112
7.09 Country capacity to attract talent .....	3.0 .....	97
7.10 Women in labor force, ratio to men* .....	0.87 .....	41
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.1 .....	91
8.02 Affordability of financial services .....	3.8 .....	95
8.03 Financing through local equity market .....	3.1 .....	90
8.04 Ease of access to loans .....	2.9 .....	68
8.05 Venture capital availability .....	2.6 .....	70
8.06 Soundness of banks .....	4.0 .....	124
8.07 Regulation of securities exchanges .....	3.6 .....	102
8.08 Legal rights index, 0–10 (best)* .....	3 .....	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.0 .....	124
9.02 Firm-level technology absorption .....	3.9 .....	126
9.03 FDI and technology transfer .....	3.7 .....	125
9.04 Individuals using Internet, %* .....	53.3 .....	62
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	14.5 .....	46
9.06 Int'l Internet bandwidth, kb/s per user* .....	32.9 .....	52
9.07 Mobile broadband subscriptions/100 pop.* .....	52.9 .....	25
<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)* .....	6.1 .....	7
10.03 GDP (PPP\$ billions)* .....	2,513.3 .....	6
10.04 Exports as a percentage of GDP* .....	29.1 .....	101
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.3 .....	109
11.02 Local supplier quality .....	3.9 .....	111
11.03 State of cluster development .....	3.1 .....	124
11.04 Nature of competitive advantage .....	3.1 .....	102
11.05 Value chain breadth .....	3.2 .....	114
11.06 Control of international distribution .....	3.7 .....	105
11.07 Production process sophistication .....	3.3 .....	105
11.08 Extent of marketing .....	3.9 .....	90
11.09 Willingness to delegate authority .....	3.5 .....	96
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5 .....	64
12.02 Quality of scientific research institutions .....	3.7 .....	65
12.03 Company spending on R&D .....	3.1 .....	69
12.04 University-industry collaboration in R&D .....	3.6 .....	64
12.05 Gov't procurement of advanced tech products .....	3.1 .....	108
12.06 Availability of scientists and engineers .....	3.8 .....	90
12.07 PCT patents, applications/million pop.* .....	6.1 .....	43

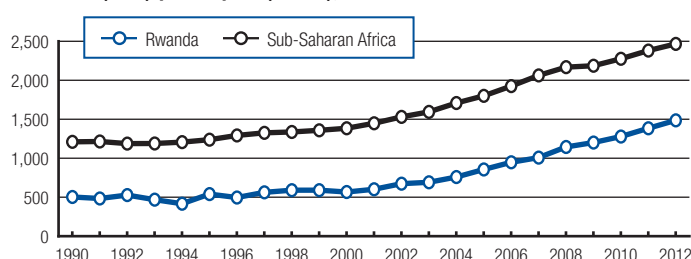
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Rwanda

## Key indicators, 2012

Population (millions).....	10.9
GDP (US\$ billions).....	7.2
GDP per capita (US\$).....	693
GDP (PPP) as share (%) of world total.....	0.02

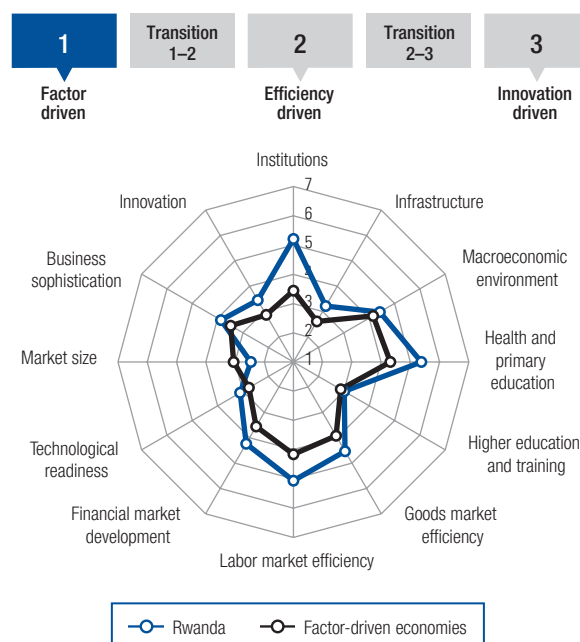
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

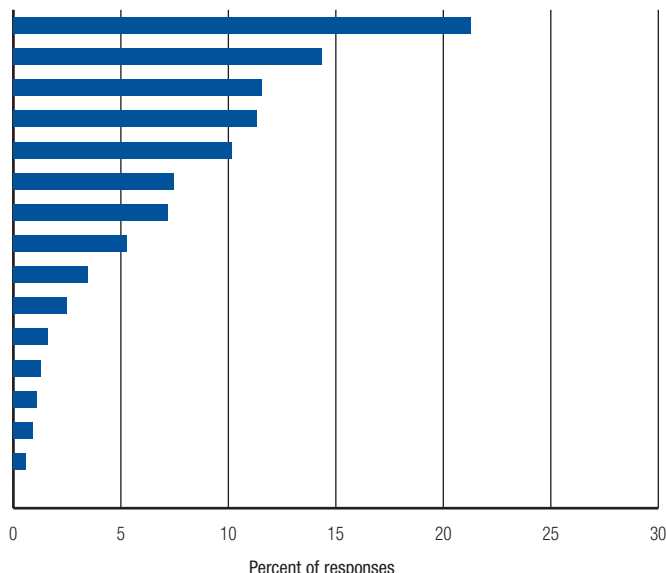
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>66</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	63	4.2
GCI 2011–2012 (out of 142).....	70	4.2
<b>Basic requirements (60.0%)</b> .....	<b>71</b>	<b>4.5</b>
Institutions.....	19	5.2
Infrastructure.....	104	3.2
Macroeconomic environment.....	92	4.4
Health and primary education.....	94	5.4
<b>Efficiency enhancers (35.0%)</b> .....	<b>96</b>	<b>3.7</b>
Higher education and training.....	122	3.0
Goods market efficiency.....	41	4.5
Labor market efficiency.....	11	5.1
Financial market development.....	57	4.2
Technological readiness.....	105	3.1
Market size.....	128	2.5
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>66</b>	<b>3.6</b>
Business sophistication.....	80	3.9
Innovation.....	52	3.4

## Stage of development



## The most problematic factors for doing business

Access to financing.....	21.3
Inadequately educated workforce.....	14.3
Insufficient capacity to innovate.....	11.5
Inadequate supply of infrastructure.....	11.3
Tax rates.....	10.1
Poor work ethic in national labor force.....	7.5
Tax regulations.....	7.2
Inflation.....	5.3
Inefficient government bureaucracy.....	3.5
Corruption.....	2.5
Policy instability.....	1.6
Foreign currency regulations.....	1.3
Restrictive labor regulations.....	1.1
Poor public health.....	0.9
Crime and theft.....	0.6
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Rwanda

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.2	29
1.02 Intellectual property protection .....	4.7	33
1.03 Diversion of public funds .....	5.0	25
1.04 Public trust in politicians .....	5.4	8
1.05 Irregular payments and bribes .....	5.6	24
1.06 Judicial independence .....	5.0	33
1.07 Favoritism in decisions of government officials .....	4.7	11
1.08 Wastefulness of government spending .....	5.7	4
1.09 Burden of government regulation .....	5.0	3
1.10 Efficiency of legal framework in settling disputes .....	5.1	17
1.11 Efficiency of legal framework in challenging regs. ....	4.5	20
1.12 Transparency of government policymaking .....	5.5	8
1.13 Business costs of terrorism .....	5.8	57
1.14 Business costs of crime and violence .....	5.9	12
1.15 Organized crime .....	6.2	18
1.16 Reliability of police services .....	5.8	21
1.17 Ethical behavior of firms .....	5.2	24
1.18 Strength of auditing and reporting standards .....	4.7	65
1.19 Efficacy of corporate boards .....	4.9	39
1.20 Protection of minority shareholders' interests .....	4.8	31
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	31
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.5	62
2.02 Quality of roads .....	4.8	47
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	3.6	103
2.05 Quality of air transport infrastructure .....	4.3	80
2.06 Available airline seat km/week, millions* .....	15.3	131
2.07 Quality of electricity supply .....	4.1	92
2.08 Mobile telephone subscriptions/100 pop.* .....	50.5	137
2.09 Fixed telephone lines/100 pop.* .....	0.4	139
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.7	53
3.02 Gross national savings, % GDP* .....	12.1	117
3.03 Inflation, annual % change* .....	6.3	105
3.04 General government debt, % GDP* .....	28.0	36
3.05 Country credit rating, 0–100 (best)* .....	24.4	119
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.6	110
4.02 Malaria cases/100,000 pop.* .....	5,381.2	121
4.03 Business impact of tuberculosis .....	4.9	98
4.04 Tuberculosis cases/100,000 pop.* .....	94.0	93
4.05 Business impact of HIV/AIDS .....	4.5	110
4.06 HIV prevalence, % adult pop.* .....	2.90	129
4.07 Infant mortality, deaths/1,000 live births* .....	38.1	110
4.08 Life expectancy, years* .....	55.4	130
4.09 Quality of primary education .....	3.8	75
4.10 Primary education enrollment, net %* .....	98.7	25
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	35.8	133
5.02 Tertiary education enrollment, gross %* .....	6.6	128
5.03 Quality of the educational system .....	4.1	51
5.04 Quality of math and science education .....	4.1	70
5.05 Quality of management schools .....	3.9	91
5.06 Internet access in schools .....	4.3	68
5.07 Availability of research and training services .....	3.6	106
5.08 Extent of staff training .....	4.0	71
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	90
6.02 Extent of market dominance .....	3.9	59
6.03 Effectiveness of anti-monopoly policy .....	4.6	38
6.04 Effect of taxation on incentives to invest .....	4.3	31
6.05 Total tax rate, % profits* .....	31.3	41

INDICATOR	VALUE	RANK/148
<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	5
6.08 Agricultural policy costs .....	4.8	6
6.09 Prevalence of trade barriers .....	4.5	52
6.10 Trade tariffs, % duty* .....	9.3	99
6.11 Prevalence of foreign ownership .....	4.5	83
6.12 Business impact of rules on FDI .....	5.7	7
6.13 Burden of customs procedures .....	5.4	11
6.14 Imports as a percentage of GDP* .....	35.9	99
6.15 Degree of customer orientation .....	4.2	103
6.16 Buyer sophistication .....	3.3	80
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.9	32
7.02 Flexibility of wage determination .....	5.2	56
7.03 Hiring and firing practices .....	4.2	46
7.04 Redundancy costs, weeks of salary* .....	13.0	58
7.05 Effect of taxation on incentives to work .....	4.5	18
7.06 Pay and productivity .....	4.1	62
7.07 Reliance on professional management .....	4.8	39
7.08 Country capacity to retain talent .....	4.3	28
7.09 Country capacity to attract talent .....	4.6	23
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 .....	4.6	66
8.02 Affordability of financial services .....	4.2	65
8.03 Financing through local equity market .....	3.5	62
8.04 Ease of access to loans .....	3.3	36
8.05 Venture capital availability .....	3.2	35
8.06 Soundness of banks .....	4.8	83
8.07 Regulation of securities exchanges .....	4.1	70
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.1	62
9.02 Firm-level technology absorption .....	4.8	61
9.03 FDI and technology transfer .....	5.0	34
9.04 Individuals using Internet, %* .....	8.0	128
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	138
9.06 Int'l Internet bandwidth, kb/s per user* .....	6.7	103
9.07 Mobile broadband subscriptions/100 pop.* .....	3.2	107
<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)* .....	2.7	140
10.03 GDP (PPP\$ billions)* .....	15.5	124
10.04 Exports as a percentage of GDP* .....	12.3	143
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.2	113
11.02 Local supplier quality .....	4.1	99
11.03 State of cluster development .....	3.8	70
11.04 Nature of competitive advantage .....	3.7	58
11.05 Value chain breadth .....	3.6	82
11.06 Control of international distribution .....	3.9	81
11.07 Production process sophistication .....	3.5	90
11.08 Extent of marketing .....	3.5	116
11.09 Willingness to delegate authority .....	3.9	48
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.5	76
12.02 Quality of scientific research institutions .....	3.7	67
12.03 Company spending on R&D .....	3.0	81
12.04 University-industry collaboration in R&D .....	3.7	60
12.05 Gov't procurement of advanced tech products .....	4.7	5
12.06 Availability of scientists and engineers .....	3.9	81
12.07 PCT patents, applications/million pop.* .....	0.0	126

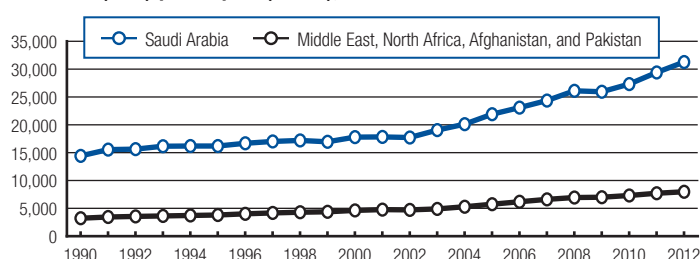
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Saudi Arabia

## Key indicators, 2012

Population (millions).....	28.1
GDP (US\$ billions).....	727.3
GDP per capita (US\$).....	25,085
GDP (PPP) as share (%) of world total.....	1.09

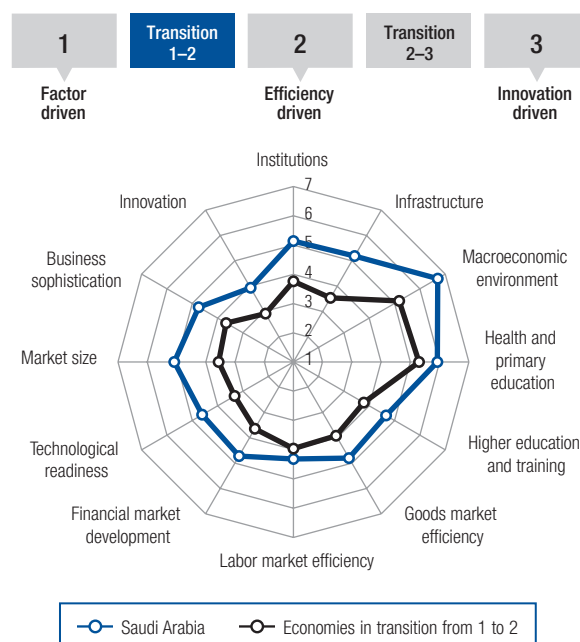
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

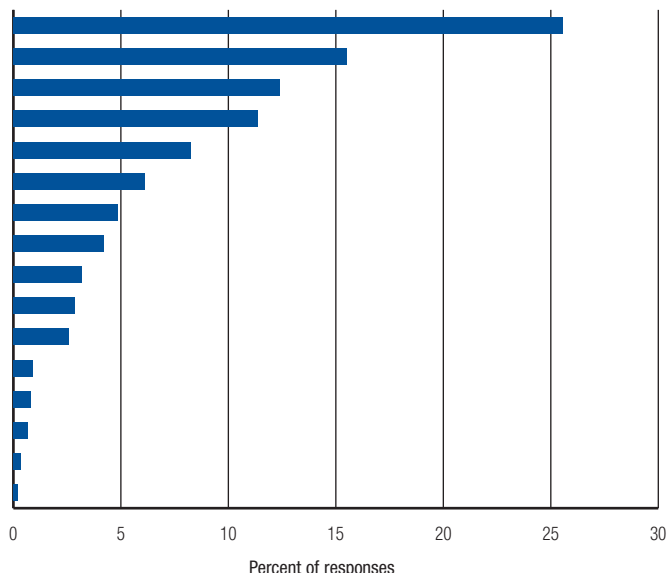
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>20</b>	<b>5.1</b>
GCI 2012–2013 (out of 144).....	18	5.2
GCI 2011–2012 (out of 142).....	17	5.2
<b>Basic requirements (43.0%)</b> .....	<b>14</b>	<b>5.7</b>
Institutions.....	20	5.1
Infrastructure.....	31	5.2
Macroeconomic environment.....	4	6.7
Health and primary education.....	53	5.9
<b>Efficiency enhancers (47.7%)</b> .....	<b>27</b>	<b>4.7</b>
Higher education and training.....	48	4.7
Goods market efficiency.....	27	4.8
Labor market efficiency.....	70	4.3
Financial market development.....	27	4.7
Technological readiness.....	41	4.6
Market size.....	23	5.1
<b>Innovation and sophistication factors (9.2%)</b> .....	<b>29</b>	<b>4.3</b>
Business sophistication.....	28	4.7
Innovation.....	30	3.9

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	25.6
Inadequately educated workforce.....	15.5
Inefficient government bureaucracy.....	12.4
Access to financing.....	11.4
Poor work ethic in national labor force.....	8.3
Tax rates.....	6.1
Insufficient capacity to innovate.....	4.9
Corruption.....	4.2
Tax regulations.....	3.2
Inadequate supply of infrastructure.....	2.9
Inflation.....	2.6
Policy instability.....	0.9
Poor public health.....	0.8
Foreign currency regulations.....	0.7
Crime and theft.....	0.4
Government instability/coups.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Saudi Arabia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.3	27
1.02 Intellectual property protection .....	5.0	27
1.03 Diversion of public funds .....	4.9	26
1.04 Public trust in politicians .....	5.3	10
1.05 Irregular payments and bribes .....	5.5	26
1.06 Judicial independence .....	5.3	28
1.07 Favoritism in decisions of government officials .....	4.2	18
1.08 Wastefulness of government spending .....	5.1	7
1.09 Burden of government regulation .....	3.8	37
1.10 Efficiency of legal framework in settling disputes .....	4.5	36
1.11 Efficiency of legal framework in challenging regs. ....	4.4	28
1.12 Transparency of government policymaking .....	4.6	36
1.13 Business costs of terrorism .....	5.8	51
1.14 Business costs of crime and violence .....	5.9	15
1.15 Organized crime .....	6.4	11
1.16 Reliability of police services .....	5.4	29
1.17 Ethical behavior of firms .....	5.1	26
1.18 Strength of auditing and reporting standards .....	5.6	22
1.19 Efficacy of corporate boards .....	5.0	35
1.20 Protection of minority shareholders' interests .....	5.2	14
1.21 Strength of investor protection, 0–10 (best)* .....	7.0	19
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.7	22
2.02 Quality of roads .....	5.8	17
2.03 Quality of railroad infrastructure .....	3.4	47
2.04 Quality of port infrastructure .....	5.1	36
2.05 Quality of air transport infrastructure .....	5.4	38
2.06 Available airline seat km/week, millions* .....	1,201.1	24
2.07 Quality of electricity supply .....	6.4	24
2.08 Mobile telephone subscriptions/100 pop.* .....	184.7	5
2.09 Fixed telephone lines/100 pop.* .....	16.7	75
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	15.2	6
3.02 Gross national savings, % GDP* .....	51.0	5
3.03 Inflation, annual % change* .....	2.9	1
3.04 General government debt, % GDP* .....	3.6	4
3.05 Country credit rating, 0–100 (best)* .....	74.3	27
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.8	88
4.02 Malaria cases/100,000 pop.* .....	0.1	77
4.03 Business impact of tuberculosis .....	5.7	68
4.04 Tuberculosis cases/100,000 pop.* .....	17.0	38
4.05 Business impact of HIV/AIDS .....	5.7	61
4.06 HIV prevalence, % adult pop.* .....	n/a	n/a
4.07 Infant mortality, deaths/1,000 live births* .....	7.9	49
4.08 Life expectancy, years* .....	74.1	66
4.09 Quality of primary education .....	4.2	59
4.10 Primary education enrollment, net %* .....	96.5	52
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	107.3	17
5.02 Tertiary education enrollment, gross %* .....	41.2	64
5.03 Quality of the educational system .....	4.3	39
5.04 Quality of math and science education .....	4.2	64
5.05 Quality of management schools .....	4.3	64
5.06 Internet access in schools .....	4.8	49
5.07 Availability of research and training services .....	4.4	55
5.08 Extent of staff training .....	4.1	57
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.7	18
6.02 Extent of market dominance .....	4.6	24
6.03 Effectiveness of anti-monopoly policy .....	4.8	21
6.04 Effect of taxation on incentives to invest .....	5.1	10
6.05 Total tax rate, % profits* .....	14.5	5

INDICATOR	VALUE	RANK/148
<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* .....	21	91
6.08 Agricultural policy costs .....	4.5	21
6.09 Prevalence of trade barriers .....	4.7	34
6.10 Trade tariffs, % duty* .....	4.6	62
6.11 Prevalence of foreign ownership .....	4.2	100
6.12 Business impact of rules on FDI .....	4.5	76
6.13 Burden of customs procedures .....	4.5	48
6.14 Imports as a percentage of GDP* .....	26.6	131
6.15 Degree of customer orientation .....	4.9	47
6.16 Buyer sophistication .....	3.8	44
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5	52
7.02 Flexibility of wage determination .....	5.9	9
7.03 Hiring and firing practices .....	4.3	36
7.04 Redundancy costs, weeks of salary* .....	19.5	94
7.05 Effect of taxation on incentives to work .....	4.9	11
7.06 Pay and productivity .....	4.5	25
7.07 Reliance on professional management .....	4.8	40
7.08 Country capacity to retain talent .....	4.6	18
7.09 Country capacity to attract talent .....	4.9	14
7.10 Women in labor force, ratio to men* .....	0.24	145
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.0	43
8.02 Affordability of financial services .....	5.2	26
8.03 Financing through local equity market .....	4.6	19
8.04 Ease of access to loans .....	3.6	24
8.05 Venture capital availability .....	3.4	25
8.06 Soundness of banks .....	6.1	15
8.07 Regulation of securities exchanges .....	5.1	26
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.8	32
9.02 Firm-level technology absorption .....	5.8	15
9.03 FDI and technology transfer .....	5.5	8
9.04 Individuals using Internet, %* .....	54.0	60
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	6.8	72
9.06 Int'l Internet bandwidth, kb/s per user* .....	35.9	49
9.07 Mobile broadband subscriptions/100 pop.* .....	42.8	36
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.8	23
10.02 Foreign market size index, 1–7 (best)* .....	5.9	17
10.03 GDP (PPP\$ billions)* .....	906.8	19
10.04 Exports as a percentage of GDP* .....	54.5	40
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.3	15
11.02 Local supplier quality .....	4.8	50
11.03 State of cluster development .....	4.7	23
11.04 Nature of competitive advantage .....	4.0	41
11.05 Value chain breadth .....	4.5	28
11.06 Control of international distribution .....	5.0	9
11.07 Production process sophistication .....	4.8	30
11.08 Extent of marketing .....	4.9	32
11.09 Willingness to delegate authority .....	4.6	21
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.9	43
12.02 Quality of scientific research institutions .....	4.5	39
12.03 Company spending on R&D .....	3.9	27
12.04 University-industry collaboration in R&D .....	4.5	31
12.05 Gov't procurement of advanced tech products .....	4.6	6
12.06 Availability of scientists and engineers .....	4.6	31
12.07 PCT patents, applications/million pop.* .....	3.3	48

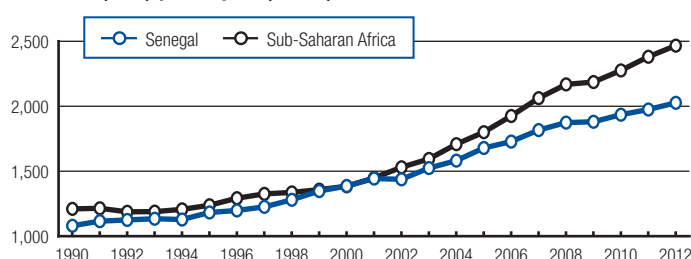
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Senegal

## Key indicators, 2012

Population (millions).....	12.8
GDP (US\$ billions).....	13.9
GDP per capita (US\$).....	1,057
GDP (PPP) as share (%) of world total.....	0.03

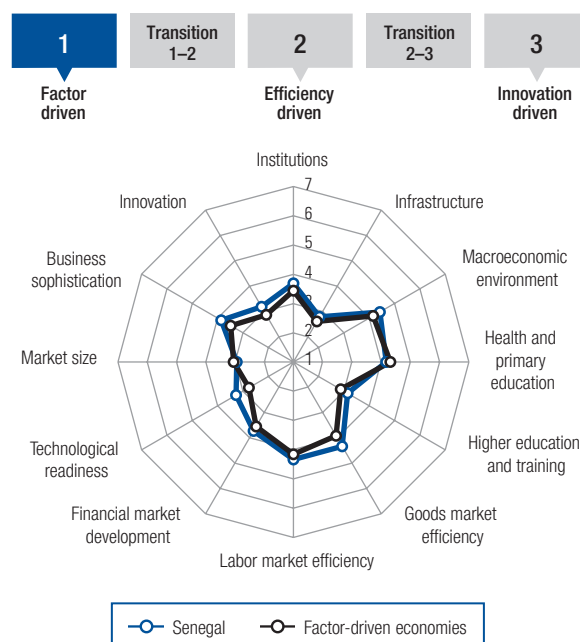
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

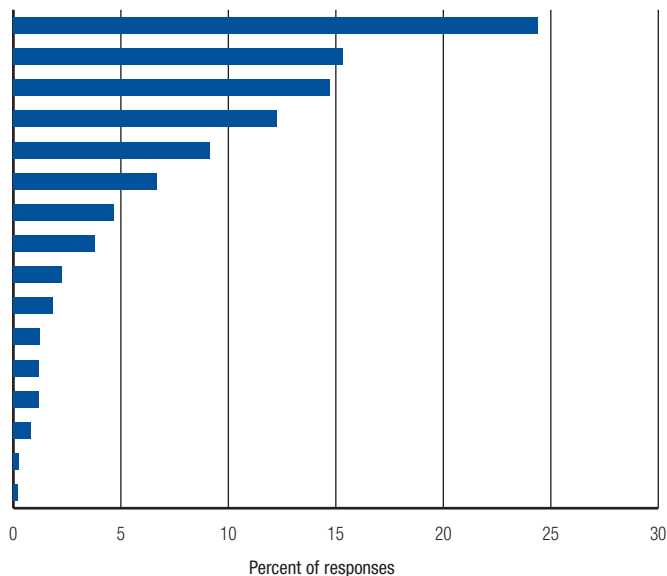
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>113</b>	<b>3.7</b>
GCI 2012–2013 (out of 144).....	117	3.7
GCI 2011–2012 (out of 142).....	111	3.7
<b>Basic requirements (60.0%)</b> .....	<b>120</b>	<b>3.8</b>
Institutions.....	82	3.7
Infrastructure.....	117	2.8
Macroeconomic environment.....	91	4.4
Health and primary education.....	131	4.2
<b>Efficiency enhancers (35.0%)</b> .....	<b>105</b>	<b>3.6</b>
Higher education and training.....	114	3.1
Goods market efficiency.....	59	4.3
Labor market efficiency.....	65	4.3
Financial market development.....	98	3.7
Technological readiness.....	95	3.3
Market size.....	105	2.9
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>76</b>	<b>3.5</b>
Business sophistication.....	82	3.8
Innovation.....	72	3.2

## Stage of development



## The most problematic factors for doing business

Access to financing.....	24.4
Corruption.....	15.3
Inadequate supply of infrastructure.....	14.7
Tax rates.....	12.2
Tax regulations.....	9.1
Inefficient government bureaucracy.....	6.7
Restrictive labor regulations.....	4.7
Inadequately educated workforce.....	3.8
Foreign currency regulations.....	2.3
Insufficient capacity to innovate.....	1.9
Poor work ethic in national labor force.....	1.2
Inflation.....	1.2
Policy instability.....	1.2
Government instability/coups.....	0.8
Crime and theft.....	0.3
Poor public health.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Senegal

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.0 .....	80
1.02 Intellectual property protection .....	3.2 .....	96
1.03 Diversion of public funds .....	2.7 .....	102
1.04 Public trust in politicians .....	2.6 .....	87
1.05 Irregular payments and bribes .....	3.6 .....	90
1.06 Judicial independence .....	3.1 .....	103
1.07 Favoritism in decisions of government officials .....	2.9 .....	82
1.08 Wastefulness of government spending .....	3.1 .....	78
1.09 Burden of government regulation .....	3.7 .....	51
1.10 Efficiency of legal framework in settling disputes .....	3.9 .....	52
1.11 Efficiency of legal framework in challenging regs. ....	3.6 .....	59
1.12 Transparency of government policymaking .....	4.2 .....	63
1.13 Business costs of terrorism .....	5.0 .....	100
1.14 Business costs of crime and violence .....	4.8 .....	63
1.15 Organized crime .....	4.5 .....	101
1.16 Reliability of police services .....	4.5 .....	65
1.17 Ethical behavior of firms .....	3.7 .....	85
1.18 Strength of auditing and reporting standards .....	4.5 .....	83
1.19 Efficacy of corporate boards .....	4.8 .....	45
1.20 Protection of minority shareholders' interests .....	3.8 .....	96
1.21 Strength of investor protection, 0–10 (best)* .....	3.0 .....	134
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4 .....	113
2.02 Quality of roads .....	3.3 .....	97
2.03 Quality of railroad infrastructure .....	1.9 .....	98
2.04 Quality of port infrastructure .....	4.8 .....	47
2.05 Quality of air transport infrastructure .....	4.5 .....	69
2.06 Available airline seat km/week, millions* .....	100.8 .....	81
2.07 Quality of electricity supply .....	2.3 .....	129
2.08 Mobile telephone subscriptions/100 pop.* .....	87.5 .....	111
2.09 Fixed telephone lines/100 pop.* .....	2.6 .....	117
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.7 .....	126
3.02 Gross national savings, % GDP* .....	20.3 .....	70
3.03 Inflation, annual % change* .....	1.1 .....	1
3.04 General government debt, % GDP* .....	45.0 .....	83
3.05 Country credit rating, 0–100 (best)* .....	35.6 .....	92
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.0 .....	121
4.02 Malaria cases/100,000 pop.* .....	23,652.2 .....	133
4.03 Business impact of tuberculosis .....	4.6 .....	106
4.04 Tuberculosis cases/100,000 pop.* .....	136.0 .....	107
4.05 Business impact of HIV/AIDS .....	4.5 .....	108
4.06 HIV prevalence, % adult pop.* .....	0.70 .....	97
4.07 Infant mortality, deaths/1,000 live births* .....	46.7 .....	119
4.08 Life expectancy, years* .....	59.3 .....	121
4.09 Quality of primary education .....	3.3 .....	103
4.10 Primary education enrollment, net %* .....	75.7 .....	134
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	42.1 .....	129
5.02 Tertiary education enrollment, gross %* .....	7.9 .....	123
5.03 Quality of the educational system .....	3.5 .....	80
5.04 Quality of math and science education .....	4.0 .....	79
5.05 Quality of management schools .....	4.6 .....	43
5.06 Internet access in schools .....	3.7 .....	93
5.07 Availability of research and training services .....	4.7 .....	35
5.08 Extent of staff training .....	3.3 .....	125
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.1 .....	58
6.02 Extent of market dominance .....	3.8 .....	66
6.03 Effectiveness of anti-monopoly policy .....	4.4 .....	51
6.04 Effect of taxation on incentives to invest .....	4.1 .....	39
6.05 Total tax rate, % profits* .....	46.0 .....	105

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3 .....	10
6.07 No. days to start a business* .....	5 .....	10
6.08 Agricultural policy costs .....	3.7 .....	83
6.09 Prevalence of trade barriers .....	4.3 .....	77
6.10 Trade tariffs, % duty* .....	10.5 .....	115
6.11 Prevalence of foreign ownership .....	5.1 .....	44
6.12 Business impact of rules on FDI .....	4.8 .....	47
6.13 Burden of customs procedures .....	4.7 .....	38
6.14 Imports as a percentage of GDP* .....	54.5 .....	55
6.15 Degree of customer orientation .....	4.6 .....	64
6.16 Buyer sophistication .....	2.8 .....	120
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5 .....	57
7.02 Flexibility of wage determination .....	4.5 .....	110
7.03 Hiring and firing practices .....	4.0 .....	75
7.04 Redundancy costs, weeks of salary* .....	13.7 .....	66
7.05 Effect of taxation on incentives to work .....	4.2 .....	34
7.06 Pay and productivity .....	3.5 .....	105
7.07 Reliance on professional management .....	4.0 .....	87
7.08 Country capacity to retain talent .....	3.5 .....	68
7.09 Country capacity to attract talent .....	3.6 .....	62
7.10 Women in labor force, ratio to men* .....	0.75 .....	89
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.9 .....	104
8.02 Affordability of financial services .....	3.6 .....	111
8.03 Financing through local equity market .....	2.9 .....	102
8.04 Ease of access to loans .....	2.4 .....	110
8.05 Venture capital availability .....	2.2 .....	108
8.06 Soundness of banks .....	5.2 .....	63
8.07 Regulation of securities exchanges .....	3.5 .....	109
8.08 Legal rights index, 0–10 (best)* .....	6 .....	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.2 .....	54
9.02 Firm-level technology absorption .....	5.2 .....	39
9.03 FDI and technology transfer .....	4.5 .....	81
9.04 Individuals using Internet, %* .....	19.2 .....	104
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.7 .....	112
9.06 Int'l Internet bandwidth, kb/s per user* .....	5.4 .....	111
9.07 Mobile broadband subscriptions/100 pop.* .....	3.8 .....	105
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.8 .....	101
10.02 Foreign market size index, 1–7 (best)* .....	3.4 .....	119
10.03 GDP (PPP\$ billions)* .....	26.6 .....	106
10.04 Exports as a percentage of GDP* .....	24.9 .....	119
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9 .....	44
11.02 Local supplier quality .....	4.8 .....	48
11.03 State of cluster development .....	3.4 .....	105
11.04 Nature of competitive advantage .....	3.1 .....	99
11.05 Value chain breadth .....	4.1 .....	44
11.06 Control of international distribution .....	3.6 .....	115
11.07 Production process sophistication .....	3.4 .....	100
11.08 Extent of marketing .....	3.9 .....	89
11.09 Willingness to delegate authority .....	3.3 .....	112
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.3 .....	92
12.02 Quality of scientific research institutions .....	3.6 .....	76
12.03 Company spending on R&D .....	3.0 .....	85
12.04 University-industry collaboration in R&D .....	3.2 .....	100
12.05 Gov't procurement of advanced tech products .....	3.8 .....	42
12.06 Availability of scientists and engineers .....	4.4 .....	50
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 97.

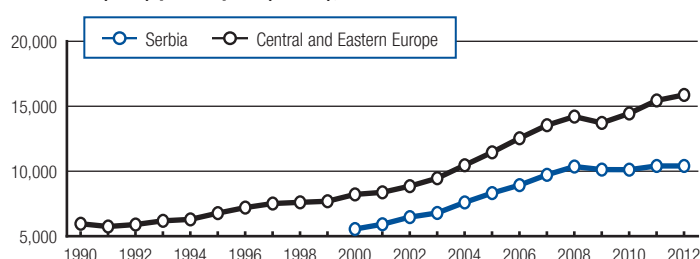


# Serbia

## Key indicators, 2012

Population (millions).....	7.3
GDP (US\$ billions).....	37.4
GDP per capita (US\$).....	4,943
GDP (PPP) as share (%) of world total.....	0.10

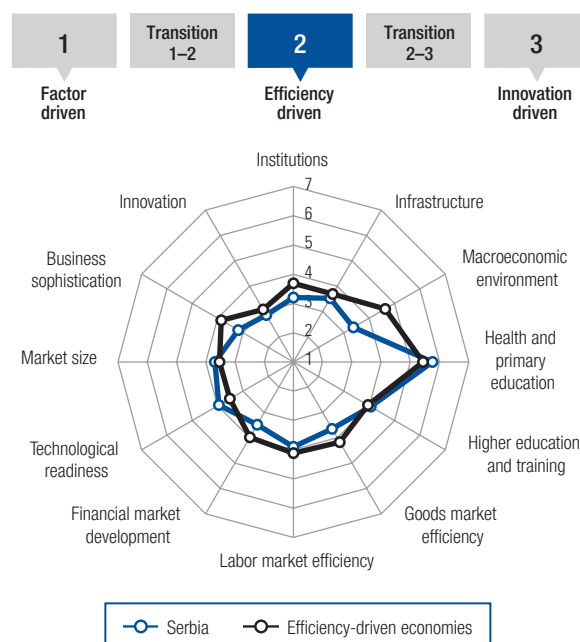
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

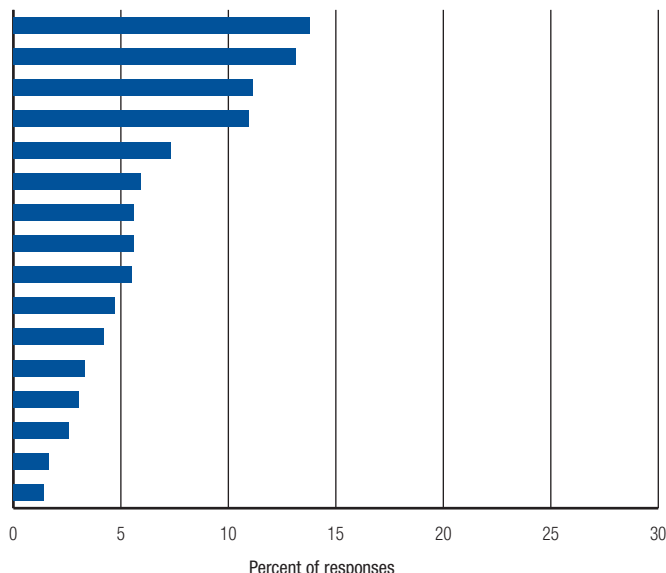
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>101</b>	<b>3.8</b>
GCI 2012–2013 (out of 144).....	95	3.9
GCI 2011–2012 (out of 142).....	95	3.9
<b>Basic requirements (40.0%)</b> .....	<b>106</b>	<b>4.0</b>
Institutions.....	126	3.2
Infrastructure.....	90	3.5
Macroeconomic environment.....	136	3.4
Health and primary education.....	69	5.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>92</b>	<b>3.8</b>
Higher education and training.....	83	4.0
Goods market efficiency.....	132	3.6
Labor market efficiency.....	119	3.9
Financial market development.....	115	3.5
Technological readiness.....	60	3.9
Market size.....	69	3.7
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>125</b>	<b>3.0</b>
Business sophistication.....	137	3.2
Innovation.....	112	2.9

## Stage of development



## The most problematic factors for doing business

Corruption.....	13.8
Inefficient government bureaucracy.....	13.1
Access to financing.....	11.1
Government instability/coups.....	10.9
Inadequate supply of infrastructure.....	7.3
Foreign currency regulations.....	5.9
Crime and theft.....	5.6
Inflation.....	5.6
Tax rates.....	5.5
Policy instability.....	4.7
Tax regulations.....	4.2
Poor work ethic in national labor force.....	3.3
Inadequately educated workforce.....	3.1
Insufficient capacity to innovate.....	2.6
Restrictive labor regulations.....	1.7
Poor public health.....	1.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Serbia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.2 .....	130
1.02 Intellectual property protection .....	2.9 .....	115
1.03 Diversion of public funds .....	2.8 .....	94
1.04 Public trust in politicians .....	2.1 .....	120
1.05 Irregular payments and bribes .....	3.7 .....	78
1.06 Judicial independence .....	2.6 .....	124
1.07 Favoritism in decisions of government officials .....	2.4 .....	127
1.08 Wastefulness of government spending .....	2.3 .....	130
1.09 Burden of government regulation .....	2.3 .....	142
1.10 Efficiency of legal framework in settling disputes .....	2.5 .....	137
1.11 Efficiency of legal framework in challenging regs. ....	2.5 .....	136
1.12 Transparency of government policymaking .....	3.7 .....	118
1.13 Business costs of terrorism .....	5.6 .....	66
1.14 Business costs of crime and violence .....	4.3 .....	89
1.15 Organized crime .....	4.0 .....	127
1.16 Reliability of police services .....	4.0 .....	81
1.17 Ethical behavior of firms .....	3.3 .....	127
1.18 Strength of auditing and reporting standards .....	3.9 .....	117
1.19 Efficacy of corporate boards .....	3.7 .....	138
1.20 Protection of minority shareholders' interests .....	2.7 .....	144
1.21 Strength of investor protection, 0–10 (best)* .....	5.3 .....	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4 .....	115
2.02 Quality of roads .....	2.8 .....	119
2.03 Quality of railroad infrastructure .....	2.0 .....	95
2.04 Quality of port infrastructure .....	2.6 .....	139
2.05 Quality of air transport infrastructure .....	3.3 .....	121
2.06 Available airline seat km/week, millions* .....	72.1 .....	90
2.07 Quality of electricity supply .....	4.9 .....	72
2.08 Mobile telephone subscriptions/100 pop.* .....	92.8 .....	103
2.09 Fixed telephone lines/100 pop.* .....	30.2 .....	37
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-7.0 .....	132
3.02 Gross national savings, % GDP* .....	8.0 .....	136
3.03 Inflation, annual % change* .....	7.3 .....	115
3.04 General government debt, % GDP* .....	63.7 .....	114
3.05 Country credit rating, 0–100 (best)* .....	39.2 .....	80
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl. ....	1
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	1
4.03 Business impact of tuberculosis .....	6.1 .....	40
4.04 Tuberculosis cases/100,000 pop.* .....	16.0 .....	37
4.05 Business impact of HIV/AIDS .....	6.3 .....	22
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	11
4.07 Infant mortality, deaths/1,000 live births* .....	6.1 .....	40
4.08 Life expectancy, years* .....	74.6 .....	59
4.09 Quality of primary education .....	3.7 .....	81
4.10 Primary education enrollment, net %* .....	93.2 .....	82
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	91.5 .....	62
5.02 Tertiary education enrollment, gross %* .....	50.4 .....	50
5.03 Quality of the educational system .....	3.1 .....	111
5.04 Quality of math and science education .....	4.3 .....	55
5.05 Quality of management schools .....	3.6 .....	114
5.06 Internet access in schools .....	3.9 .....	84
5.07 Availability of research and training services .....	3.4 .....	121
5.08 Extent of staff training .....	3.0 .....	140
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.8 .....	138
6.02 Extent of market dominance .....	2.6 .....	142
6.03 Effectiveness of anti-monopoly policy .....	3.0 .....	141
6.04 Effect of taxation on incentives to invest .....	2.8 .....	130
6.05 Total tax rate, % profits* .....	34.0 .....	53

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6 .....	47
6.07 No. days to start a business* .....	12 .....	57
6.08 Agricultural policy costs .....	3.2 .....	130
6.09 Prevalence of trade barriers .....	4.0 .....	109
6.10 Trade tariffs, % duty* .....	5.2 .....	70
6.11 Prevalence of foreign ownership .....	3.9 .....	118
6.12 Business impact of rules on FDI .....	3.5 .....	129
6.13 Burden of customs procedures .....	3.4 .....	112
6.14 Imports as a percentage of GDP* .....	60.7 .....	42
6.15 Degree of customer orientation .....	3.8 .....	128
6.16 Buyer sophistication .....	2.3 .....	143
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.2 .....	144
7.02 Flexibility of wage determination .....	5.4 .....	35
7.03 Hiring and firing practices .....	3.5 .....	103
7.04 Redundancy costs, weeks of salary* .....	7.7 .....	23
7.05 Effect of taxation on incentives to work .....	2.7 .....	130
7.06 Pay and productivity .....	3.4 .....	118
7.07 Reliance on professional management .....	3.1 .....	135
7.08 Country capacity to retain talent .....	1.8 .....	146
7.09 Country capacity to attract talent .....	1.6 .....	147
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 .....	3.9 .....	99
8.02 Affordability of financial services .....	3.6 .....	112
8.03 Financing through local equity market .....	2.1 .....	136
8.04 Ease of access to loans .....	2.2 .....	120
8.05 Venture capital availability .....	1.9 .....	129
8.06 Soundness of banks .....	4.2 .....	117
8.07 Regulation of securities exchanges .....	3.2 .....	121
8.08 Legal rights index, 0–10 (best)* .....	7 .....	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.1 .....	118
9.02 Firm-level technology absorption .....	3.7 .....	137
9.03 FDI and technology transfer .....	3.9 .....	115
9.04 Individuals using Internet, %* .....	48.1 .....	67
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	10.2 .....	61
9.06 Int'l Internet bandwidth, kb/s per user* .....	70.5 .....	29
9.07 Mobile broadband subscriptions/100 pop.* .....	40.2 .....	41
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.5 .....	68
10.02 Foreign market size index, 1–7 (best)* .....	4.3 .....	76
10.03 GDP (PPP\$ billions)* .....	78.7 .....	73
10.04 Exports as a percentage of GDP* .....	41.0 .....	71
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.1 .....	117
11.02 Local supplier quality .....	3.8 .....	117
11.03 State of cluster development .....	3.0 .....	129
11.04 Nature of competitive advantage .....	2.5 .....	145
11.05 Value chain breadth .....	3.1 .....	122
11.06 Control of international distribution .....	3.6 .....	116
11.07 Production process sophistication .....	2.8 .....	130
11.08 Extent of marketing .....	3.1 .....	135
11.09 Willingness to delegate authority .....	2.7 .....	141
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.8 .....	133
12.02 Quality of scientific research institutions .....	3.7 .....	66
12.03 Company spending on R&D .....	2.5 .....	127
12.04 University-industry collaboration in R&D .....	3.2 .....	104
12.05 Gov't procurement of advanced tech products .....	2.8 .....	123
12.06 Availability of scientists and engineers .....	3.9 .....	85
12.07 PCT patents, applications/million pop.* .....	2.8 .....	53

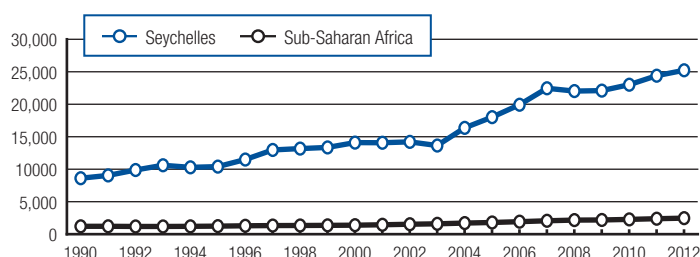
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Seychelles

## Key indicators, 2012

Population (millions).....	0.1
GDP (US\$ billions).....	1.0
GDP per capita (US\$).....	11,226
GDP (PPP) as share (%) of world total.....	0.00

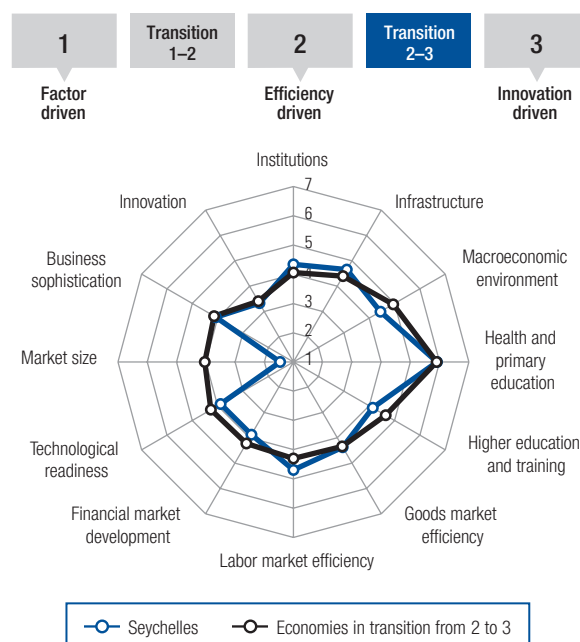
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

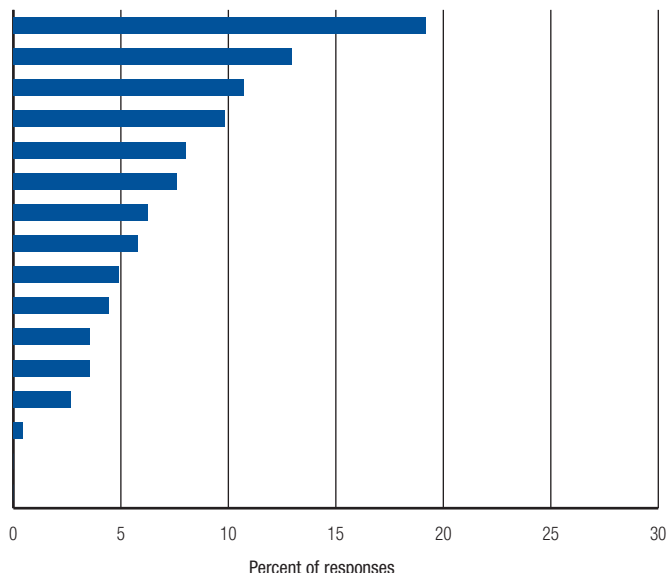
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>80</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	76	4.1
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (34.4%)</b> .....	<b>52</b>	<b>4.8</b>
Institutions.....	45	4.3
Infrastructure.....	43	4.6
Macroeconomic environment.....	89	4.4
Health and primary education.....	55	5.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>95</b>	<b>3.7</b>
Higher education and training.....	79	4.1
Goods market efficiency.....	53	4.4
Labor market efficiency.....	31	4.7
Financial market development.....	83	3.9
Technological readiness.....	65	3.9
Market size.....	147	1.5
<b>Innovation and sophistication factors (15.6%)</b> .....	<b>62</b>	<b>3.7</b>
Business sophistication.....	64	4.1
Innovation.....	62	3.3

## Stage of development



## The most problematic factors for doing business

Access to financing.....	19.2
Poor work ethic in national labor force.....	12.9
Inefficient government bureaucracy.....	10.7
Corruption.....	9.8
Inadequate supply of infrastructure.....	8.0
Tax rates.....	7.6
Restrictive labor regulations.....	6.3
Tax regulations.....	5.8
Policy instability.....	4.9
Inflation.....	4.5
Crime and theft.....	3.6
Inadequately educated workforce.....	3.6
Insufficient capacity to innovate.....	2.7
Foreign currency regulations.....	0.4
Government instability/coups.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Seychelles

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.4	57
1.02 Intellectual property protection .....	4.1	46
1.03 Diversion of public funds .....	4.3	41
1.04 Public trust in politicians .....	3.8	32
1.05 Irregular payments and bribes .....	4.5	51
1.06 Judicial independence .....	4.1	52
1.07 Favoritism in decisions of government officials .....	3.7	38
1.08 Wastefulness of government spending .....	4.1	25
1.09 Burden of government regulation .....	4.1	25
1.10 Efficiency of legal framework in settling disputes .....	4.1	47
1.11 Efficiency of legal framework in challenging regs. ....	4.0	41
1.12 Transparency of government policymaking .....	4.3	53
1.13 Business costs of terrorism .....	5.0	105
1.14 Business costs of crime and violence .....	4.5	82
1.15 Organized crime .....	5.7	39
1.16 Reliability of police services .....	3.9	89
1.17 Ethical behavior of firms .....	4.4	46
1.18 Strength of auditing and reporting standards .....	4.8	57
1.19 Efficacy of corporate boards .....	4.8	42
1.20 Protection of minority shareholders' interests .....	4.6	41
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.7	56
2.02 Quality of roads .....	4.3	56
2.03 Quality of railroad infrastructure .....	N/Apl.	n/a
2.04 Quality of port infrastructure .....	4.9	45
2.05 Quality of air transport infrastructure .....	4.8	54
2.06 Available airline seat km/week, millions* .....	27.2	115
2.07 Quality of electricity supply .....	4.9	71
2.08 Mobile telephone subscriptions/100 pop.* .....	158.6	15
2.09 Fixed telephone lines/100 pop.* .....	33.1	34
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	1.9	19
3.02 Gross national savings, % GDP* .....	16.9	87
3.03 Inflation, annual % change* .....	7.1	113
3.04 General government debt, % GDP* .....	82.5	131
3.05 Country credit rating, 0–100 (best)* .....	25.0	117
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	4.7	104
4.04 Tuberculosis cases/100,000 pop.* .....	30.0	58
4.05 Business impact of HIV/AIDS .....	4.2	120
4.06 HIV prevalence, % adult pop.* .....	3.00	130
4.07 Infant mortality, deaths/1,000 live births* .....	11.9	64
4.08 Life expectancy, years* .....	73.5	76
4.09 Quality of primary education .....	4.4	49
4.10 Primary education enrollment, net %* .....	95.1	61
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	123.9	3
5.02 Tertiary education enrollment, gross %* .....	2.6	143
5.03 Quality of the educational system .....	4.4	31
5.04 Quality of math and science education .....	4.2	65
5.05 Quality of management schools .....	4.2	75
5.06 Internet access in schools .....	4.3	69
5.07 Availability of research and training services .....	3.8	93
5.08 Extent of staff training .....	4.4	39
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.6	100
6.02 Extent of market dominance .....	3.9	58
6.03 Effectiveness of anti-monopoly policy .....	4.2	61
6.04 Effect of taxation on incentives to invest .....	4.3	30
6.05 Total tax rate, % profits* .....	25.7	23

INDICATOR	VALUE	RANK/148
<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* .....	39	121
6.08 Agricultural policy costs .....	4.1	41
6.09 Prevalence of trade barriers .....	4.4	59
6.10 Trade tariffs, % duty* .....	15.5	139
6.11 Prevalence of foreign ownership .....	4.7	73
6.12 Business impact of rules on FDI .....	4.5	79
6.13 Burden of customs procedures .....	4.2	59
6.14 Imports as a percentage of GDP* .....	113.3	5
6.15 Degree of customer orientation .....	4.3	95
6.16 Buyer sophistication .....	3.8	39
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.6	45
7.02 Flexibility of wage determination .....	4.9	84
7.03 Hiring and firing practices .....	3.9	80
7.04 Redundancy costs, weeks of salary* .....	13.5	64
7.05 Effect of taxation on incentives to work .....	4.4	21
7.06 Pay and productivity .....	4.0	68
7.07 Reliance on professional management .....	4.4	56
7.08 Country capacity to retain talent .....	3.2	85
7.09 Country capacity to attract talent .....	4.7	16
7.10 Women in labor force, ratio to men* .....	0.86	46
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.0	94
8.02 Affordability of financial services .....	3.9	89
8.03 Financing through local equity market .....	3.2	84
8.04 Ease of access to loans .....	3.6	25
8.05 Venture capital availability .....	3.1	42
8.06 Soundness of banks .....	4.8	79
8.07 Regulation of securities exchanges .....	4.3	61
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0	68
9.02 Firm-level technology absorption .....	4.9	55
9.03 FDI and technology transfer .....	4.4	90
9.04 Individuals using Internet, %* .....	47.1	69
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	11.7	54
9.06 Int'l Internet bandwidth, kb/s per user* .....	16.3	79
9.07 Mobile broadband subscriptions/100 pop.* .....	8.7	87
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.0	148
10.02 Foreign market size index, 1–7 (best)* .....	2.8	138
10.03 GDP (PPP\$ billions)* .....	2.3	147
10.04 Exports as a percentage of GDP* .....	102.0	6
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.4	103
11.02 Local supplier quality .....	4.0	108
11.03 State of cluster development .....	3.9	67
11.04 Nature of competitive advantage .....	4.6	25
11.05 Value chain breadth .....	4.0	47
11.06 Control of international distribution .....	4.0	73
11.07 Production process sophistication .....	3.7	71
11.08 Extent of marketing .....	3.9	92
11.09 Willingness to delegate authority .....	3.9	47
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.6	58
12.02 Quality of scientific research institutions .....	3.6	79
12.03 Company spending on R&D .....	3.3	53
12.04 University-industry collaboration in R&D .....	3.4	80
12.05 Gov't procurement of advanced tech products .....	3.9	33
12.06 Availability of scientists and engineers .....	3.0	134
12.07 PCT patents, applications/million pop.* .....	31.8	27

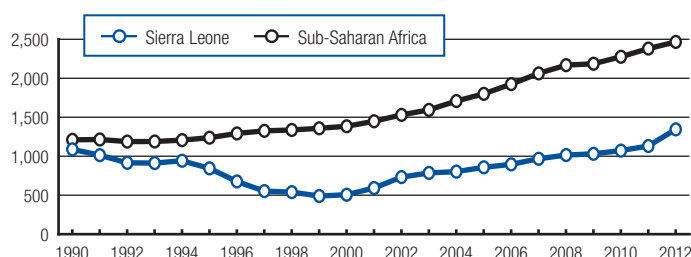
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Sierra Leone

## Key indicators, 2012

Population (millions).....	6.0
GDP (US\$ billions).....	3.8
GDP per capita (US\$).....	613
GDP (PPP) as share (%) of world total.....	0.01

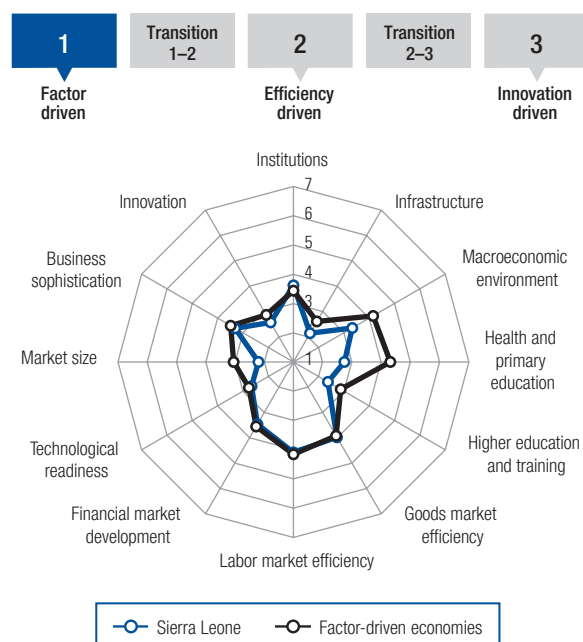
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

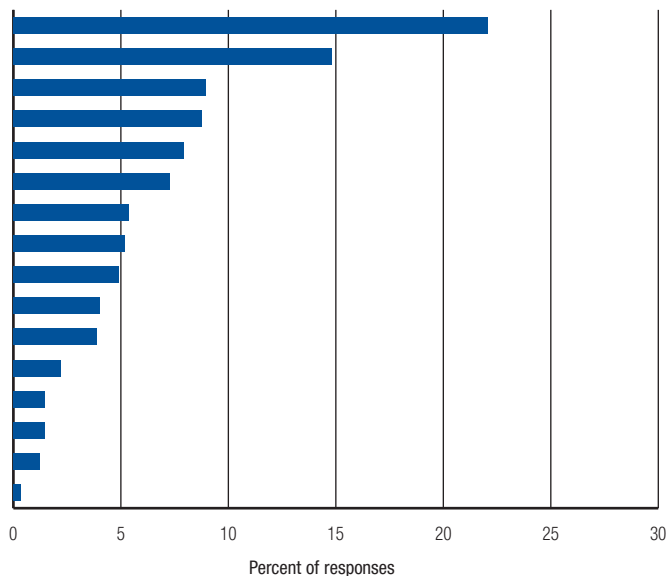
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>144</b> .....	<b>3.0</b>
GCI 2012–2013 (out of 144).....	143.....	2.8
GCI 2011–2012 (out of 142).....	n/a.....	n/a
<b>Basic requirements (60.0%)</b> .....	<b>146</b> .....	<b>3.0</b>
Institutions.....	89.....	3.6
Infrastructure.....	139.....	2.1
Macroeconomic environment.....	137.....	3.3
Health and primary education.....	147.....	2.7
<b>Efficiency enhancers (35.0%)</b> .....	<b>136</b> .....	<b>3.1</b>
Higher education and training.....	142.....	2.4
Goods market efficiency.....	105.....	4.0
Labor market efficiency.....	97.....	4.1
Financial market development.....	116.....	3.5
Technological readiness.....	130.....	2.7
Market size.....	133.....	2.2
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>129</b> .....	<b>2.9</b>
Business sophistication.....	127.....	3.3
Innovation.....	130.....	2.6

## Stage of development



## The most problematic factors for doing business

Access to financing.....	22.1
Corruption.....	14.8
Inadequate supply of infrastructure.....	9.0
Tax rates.....	8.8
Inadequately educated workforce.....	7.9
Poor work ethic in national labor force.....	7.3
Foreign currency regulations.....	5.4
Crime and theft.....	5.2
Inflation.....	4.9
Inefficient government bureaucracy.....	4.0
Tax regulations.....	3.9
Insufficient capacity to innovate.....	2.2
Policy instability.....	1.5
Restrictive labor regulations.....	1.5
Poor public health.....	1.2
Government instability/coups.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## Sierra Leone

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	100
1.02 Intellectual property protection .....	3.4	87
1.03 Diversion of public funds .....	2.7	108
1.04 Public trust in politicians .....	2.8	81
1.05 Irregular payments and bribes .....	3.0	121
1.06 Judicial independence .....	3.1	104
1.07 Favoritism in decisions of government officials .....	2.7	106
1.08 Wastefulness of government spending .....	3.3	67
1.09 Burden of government regulation .....	3.9	32
1.10 Efficiency of legal framework in settling disputes .....	3.7	69
1.11 Efficiency of legal framework in challenging regs. ....	2.7	125
1.12 Transparency of government policymaking .....	3.8	102
1.13 Business costs of terrorism .....	5.8	52
1.14 Business costs of crime and violence .....	4.5	83
1.15 Organized crime .....	4.8	80
1.16 Reliability of police services .....	3.8	93
1.17 Ethical behavior of firms .....	3.7	94
1.18 Strength of auditing and reporting standards .....	4.0	112
1.19 Efficacy of corporate boards .....	4.4	90
1.20 Protection of minority shareholders' interests .....	3.7	103
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	31
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.1	125
2.02 Quality of roads .....	3.0	107
2.03 Quality of railroad infrastructure .....	1.5	112
2.04 Quality of port infrastructure .....	3.6	101
2.05 Quality of air transport infrastructure .....	2.8	138
2.06 Available airline seat km/week, millions* .....	8.4	138
2.07 Quality of electricity supply .....	2.4	128
2.08 Mobile telephone subscriptions/100 pop.* .....	36.1	142
2.09 Fixed telephone lines/100 pop.* .....	0.3	142
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.8	74
3.02 Gross national savings, % GDP* .....	-6.9	145
3.03 Inflation, annual % change* .....	13.8	140
3.04 General government debt, % GDP* .....	44.5	81
3.05 Country credit rating, 0–100 (best)* .....	17.5	141
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.5	146
4.02 Malaria cases/100,000 pop.* .....	29,407.1	142
4.03 Business impact of tuberculosis .....	4.2	120
4.04 Tuberculosis cases/100,000 pop.* .....	723.0	145
4.05 Business impact of HIV/AIDS .....	4.1	123
4.06 HIV prevalence, % adult pop.* .....	1.60	125
4.07 Infant mortality, deaths/1,000 live births* .....	119.2	148
4.08 Life expectancy, years* .....	47.8	148
4.09 Quality of primary education .....	2.9	114
4.10 Primary education enrollment, net %* .....	65.0	139
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	35.0	135
5.02 Tertiary education enrollment, gross %* .....	5.0	132
5.03 Quality of the educational system .....	3.0	116
5.04 Quality of math and science education .....	2.6	135
5.05 Quality of management schools .....	3.2	131
5.06 Internet access in schools .....	2.3	133
5.07 Availability of research and training services .....	3.1	133
5.08 Extent of staff training .....	3.5	117
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.1	130
6.02 Extent of market dominance .....	3.3	115
6.03 Effectiveness of anti-monopoly policy .....	3.8	93
6.04 Effect of taxation on incentives to invest .....	3.6	89
6.05 Total tax rate, % profits* .....	32.1	43

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	12	57
6.08 Agricultural policy costs .....	4.1	52
6.09 Prevalence of trade barriers .....	4.6	40
6.10 Trade tariffs, % duty* .....	13.7	133
6.11 Prevalence of foreign ownership .....	5.0	56
6.12 Business impact of rules on FDI .....	4.5	77
6.13 Burden of customs procedures .....	3.3	126
6.14 Imports as a percentage of GDP* .....	67.5	35
6.15 Degree of customer orientation .....	3.9	123
6.16 Buyer sophistication .....	2.6	133
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4	63
7.02 Flexibility of wage determination .....	4.9	85
7.03 Hiring and firing practices .....	4.5	24
7.04 Redundancy costs, weeks of salary* .....	78.3	143
7.05 Effect of taxation on incentives to work .....	4.0	50
7.06 Pay and productivity .....	3.5	109
7.07 Reliance on professional management .....	4.3	67
7.08 Country capacity to retain talent .....	2.7	114
7.09 Country capacity to attract talent .....	3.3	81
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 .....	3.7	120
8.02 Affordability of financial services .....	3.5	123
8.03 Financing through local equity market .....	2.3	132
8.04 Ease of access to loans .....	1.8	136
8.05 Venture capital availability .....	1.7	145
8.06 Soundness of banks .....	4.6	94
8.07 Regulation of securities exchanges .....	3.2	122
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.6	137
9.02 Firm-level technology absorption .....	3.8	134
9.03 FDI and technology transfer .....	4.3	94
9.04 Individuals using Internet, %* .....	1.3	145
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	148
9.06 Int'l Internet bandwidth, kb/s per user* .....	1.9	136
9.07 Mobile broadband subscriptions/100 pop.* .....	34.1	46
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.1	131
10.02 Foreign market size index, 1–7 (best)* .....	2.5	143
10.03 GDP (PPP\$ billions)* .....	8.3	134
10.04 Exports as a percentage of GDP* .....	17.6	138
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.5	92
11.02 Local supplier quality .....	4.0	107
11.03 State of cluster development .....	3.2	115
11.04 Nature of competitive advantage .....	2.9	122
11.05 Value chain breadth .....	2.8	141
11.06 Control of international distribution .....	3.1	142
11.07 Production process sophistication .....	2.7	139
11.08 Extent of marketing .....	2.8	140
11.09 Willingness to delegate authority .....	3.3	114
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.8	131
12.02 Quality of scientific research institutions .....	2.5	135
12.03 Company spending on R&D .....	2.3	137
12.04 University-industry collaboration in R&D .....	2.5	137
12.05 Gov't procurement of advanced tech products .....	3.4	84
12.06 Availability of scientists and engineers .....	3.0	137
12.07 PCT patents, applications/million pop.* .....	0.1	101

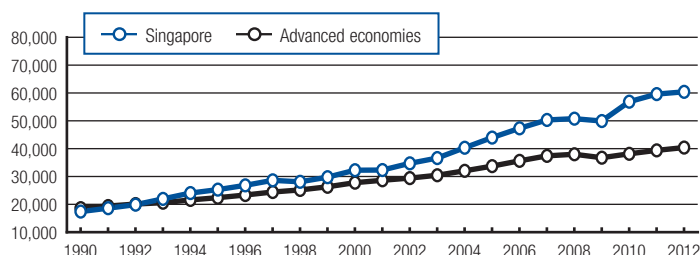
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Singapore

## Key indicators, 2012

Population (millions).....	5.2
GDP (US\$ billions).....	276.5
GDP per capita (US\$).....	51,162
GDP (PPP) as share (%) of world total.....	0.39

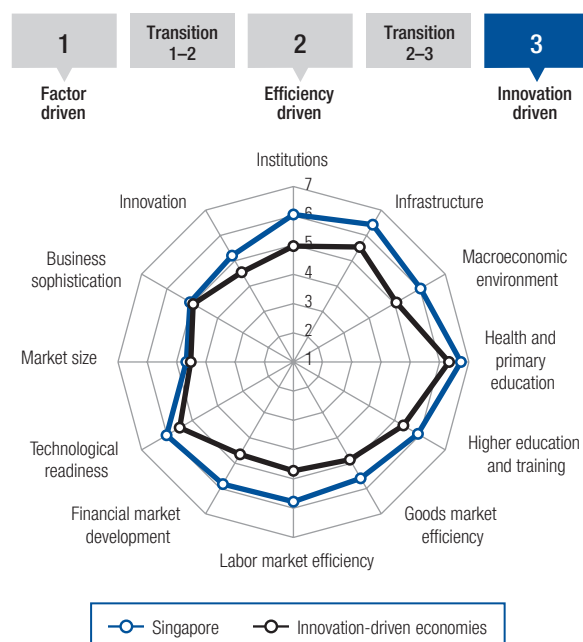
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

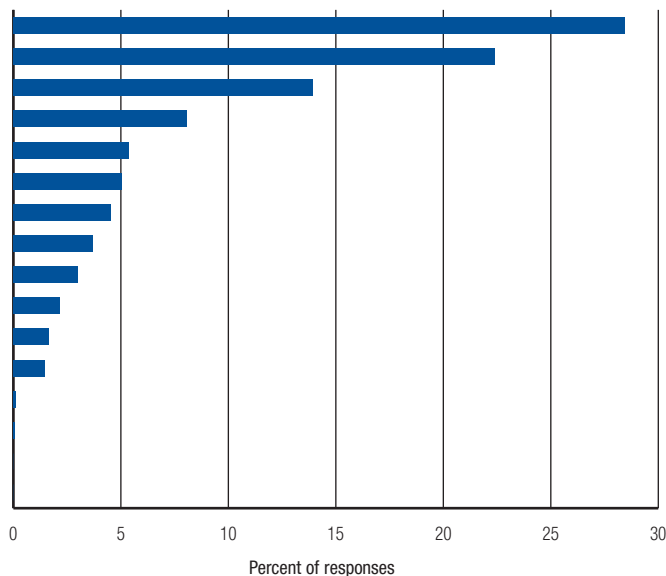
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>2</b>	<b>5.6</b>
GCI 2012–2013 (out of 144).....	2	5.7
GCI 2011–2012 (out of 142).....	2	5.6
<b>Basic requirements (20.0%)</b> .....	<b>1</b>	<b>6.3</b>
Institutions.....	3	6.0
Infrastructure.....	2	6.4
Macroeconomic environment.....	18	6.0
Health and primary education.....	2	6.7
<b>Efficiency enhancers (50.0%)</b> .....	<b>2</b>	<b>5.6</b>
Higher education and training.....	2	5.9
Goods market efficiency.....	1	5.6
Labor market efficiency.....	1	5.8
Financial market development.....	2	5.8
Technological readiness.....	7	6.0
Market size.....	34	4.7
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>13</b>	<b>5.1</b>
Business sophistication.....	17	5.1
Innovation.....	9	5.2

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	28.5
Inflation.....	22.4
Insufficient capacity to innovate.....	13.9
Inadequately educated workforce.....	8.1
Tax rates.....	5.4
Inadequate supply of infrastructure.....	5.1
Poor work ethic in national labor force.....	4.5
Access to financing.....	3.7
Tax regulations.....	3.0
Inefficient government bureaucracy.....	2.2
Foreign currency regulations.....	1.7
Policy instability.....	1.5
Government instability/coups.....	0.1
Crime and theft.....	0.1
Corruption.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Singapore

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.3	2
1.02 Intellectual property protection .....	6.1	2
1.03 Diversion of public funds .....	6.1	5
1.04 Public trust in politicians .....	6.2	1
1.05 Irregular payments and bribes .....	6.5	3
1.06 Judicial independence .....	5.7	17
1.07 Favoritism in decisions of government officials .....	5.4	1
1.08 Wastefulness of government spending .....	5.9	2
1.09 Burden of government regulation .....	5.4	1
1.10 Efficiency of legal framework in settling disputes .....	6.1	1
1.11 Efficiency of legal framework in challenging regs. ....	4.9	12
1.12 Transparency of government policymaking .....	6.1	1
1.13 Business costs of terrorism .....	5.8	54
1.14 Business costs of crime and violence .....	6.2	6
1.15 Organized crime .....	6.7	4
1.16 Reliability of police services .....	6.3	5
1.17 Ethical behavior of firms .....	6.3	3
1.18 Strength of auditing and reporting standards .....	6.2	4
1.19 Efficacy of corporate boards .....	5.7	5
1.20 Protection of minority shareholders' interests .....	5.4	10
1.21 Strength of investor protection, 0–10 (best)* .....	9.3	2
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.4	5
2.02 Quality of roads .....	6.2	7
2.03 Quality of railroad infrastructure .....	5.6	10
2.04 Quality of port infrastructure .....	6.8	2
2.05 Quality of air transport infrastructure .....	6.8	1
2.06 Available airline seat km/week, millions* .....	2,378.3	16
2.07 Quality of electricity supply .....	6.7	8
2.08 Mobile telephone subscriptions/100 pop.* .....	153.4	18
2.09 Fixed telephone lines/100 pop.* .....	37.8	29
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	5.6	12
3.02 Gross national savings, % GDP* .....	45.6	7
3.03 Inflation, annual % change* .....	4.6	84
3.04 General government debt, % GDP* .....	111.0	141
3.05 Country credit rating, 0–100 (best)* .....	92.7	4
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.0	51
4.04 Tuberculosis cases/100,000 pop.* .....	37.0	64
4.05 Business impact of HIV/AIDS .....	5.9	47
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	2.0	3
4.08 Life expectancy, years* .....	81.9	8
4.09 Quality of primary education .....	6.0	3
4.10 Primary education enrollment, net %* .....	100.0	1
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	107.0	18
5.02 Tertiary education enrollment, gross %* .....	72.0	20
5.03 Quality of the educational system .....	5.8	3
5.04 Quality of math and science education .....	6.3	1
5.05 Quality of management schools .....	5.7	6
5.06 Internet access in schools .....	6.3	4
5.07 Availability of research and training services .....	5.4	14
5.08 Extent of staff training .....	5.2	6
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.6	19
6.02 Extent of market dominance .....	5.1	12
6.03 Effectiveness of anti-monopoly policy .....	5.4	4
6.04 Effect of taxation on incentives to invest .....	6.0	4
6.05 Total tax rate, % profits* .....	27.6	27

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	3	5
6.08 Agricultural policy costs .....	4.9	5
6.09 Prevalence of trade barriers .....	5.6	4
6.10 Trade tariffs, % duty* .....	0.2	3
6.11 Prevalence of foreign ownership .....	6.1	3
6.12 Business impact of rules on FDI .....	6.3	2
6.13 Burden of customs procedures .....	6.2	1
6.14 Imports as a percentage of GDP* .....	179.6	2
6.15 Degree of customer orientation .....	5.4	14
6.16 Buyer sophistication .....	4.5	12
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	6.0	2
7.02 Flexibility of wage determination .....	6.0	5
7.03 Hiring and firing practices .....	5.6	3
7.04 Redundancy costs, weeks of salary* .....	3.0	6
7.05 Effect of taxation on incentives to work .....	6.0	4
7.06 Pay and productivity .....	5.2	4
7.07 Reliance on professional management .....	5.9	8
7.08 Country capacity to retain talent .....	5.1	8
7.09 Country capacity to attract talent .....	6.0	2
7.10 Women in labor force, ratio to men* .....	0.76	84
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	6.1	5
8.02 Affordability of financial services .....	5.9	4
8.03 Financing through local equity market .....	5.0	7
8.04 Ease of access to loans .....	4.5	4
8.05 Venture capital availability .....	4.2	6
8.06 Soundness of banks .....	6.5	5
8.07 Regulation of securities exchanges .....	5.9	5
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.2	16
9.02 Firm-level technology absorption .....	5.8	13
9.03 FDI and technology transfer .....	5.8	5
9.04 Individuals using Internet, %* .....	74.2	29
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	26.1	20
9.06 Int'l Internet bandwidth, kb/s per user* .....	391.1	4
9.07 Mobile broadband subscriptions/100 pop.* .....	123.3	1
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.2	45
10.02 Foreign market size index, 1–7 (best)* .....	6.0	13
10.03 GDP (PPP\$ billions)* .....	326.5	40
10.04 Exports as a percentage of GDP* .....	195.8	2
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	58
11.02 Local supplier quality .....	5.1	28
11.03 State of cluster development .....	5.2	8
11.04 Nature of competitive advantage .....	5.6	13
11.05 Value chain breadth .....	5.0	14
11.06 Control of international distribution .....	4.3	52
11.07 Production process sophistication .....	5.5	19
11.08 Extent of marketing .....	5.2	22
11.09 Willingness to delegate authority .....	4.6	23
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.8	18
12.02 Quality of scientific research institutions .....	5.6	11
12.03 Company spending on R&D .....	5.0	8
12.04 University-industry collaboration in R&D .....	5.6	4
12.05 Gov't procurement of advanced tech products .....	5.1	2
12.06 Availability of scientists and engineers .....	5.0	14
12.07 PCT patents, applications/million pop.* .....	124.4	13

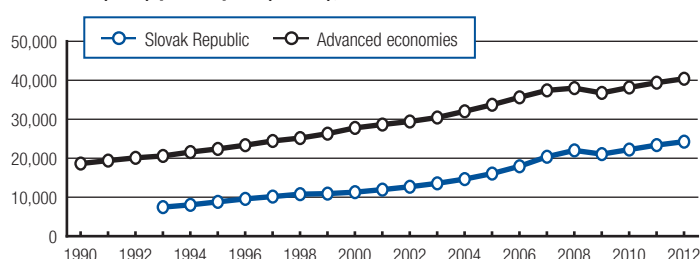
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Slovak Republic

## Key indicators, 2012

Population (millions).....	5.4
GDP (US\$ billions).....	91.9
GDP per capita (US\$).....	16,899
GDP (PPP) as share (%) of world total.....	0.16

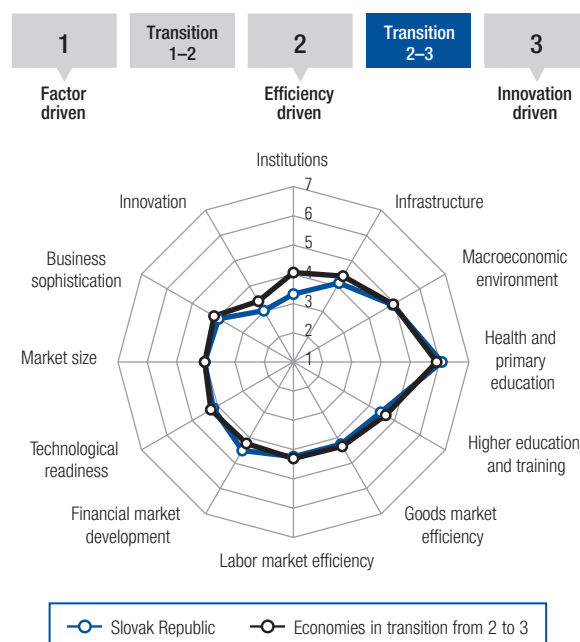
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

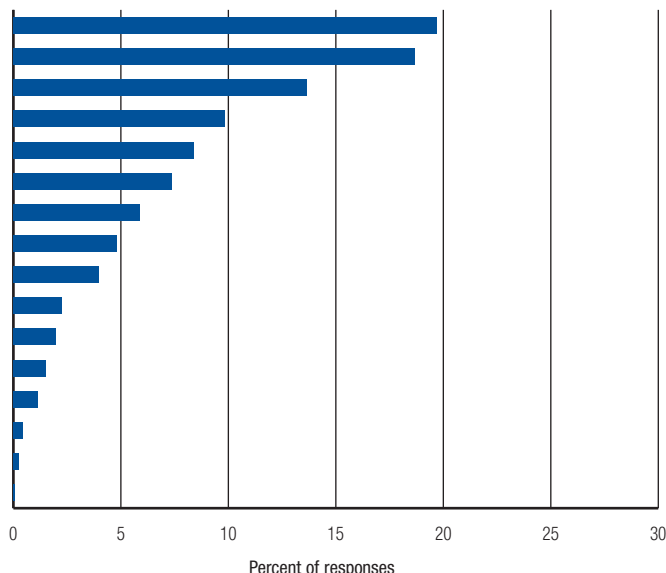
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>78</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	71	4.1
GCI 2011–2012 (out of 142).....	69	4.2
<b>Basic requirements (20.3%)</b> .....	<b>67</b>	<b>4.6</b>
Institutions.....	119	3.3
Infrastructure.....	67	4.1
Macroeconomic environment.....	62	4.9
Health and primary education.....	39	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>56</b>	<b>4.3</b>
Higher education and training.....	58	4.4
Goods market efficiency.....	76	4.2
Labor market efficiency.....	76	4.2
Financial market development.....	42	4.5
Technological readiness.....	52	4.2
Market size.....	58	4.0
<b>Innovation and sophistication factors (29.7%)</b> .....	<b>77</b>	<b>3.5</b>
Business sophistication.....	73	4.0
Innovation.....	95	3.0

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	19.7
Corruption.....	18.7
Restrictive labor regulations.....	13.6
Policy instability.....	9.9
Tax rates.....	8.4
Inadequate supply of infrastructure.....	7.4
Tax regulations.....	5.9
Access to financing.....	4.8
Insufficient capacity to innovate.....	4.0
Poor work ethic in national labor force.....	2.3
Inadequately educated workforce.....	2.0
Crime and theft.....	1.5
Government instability/coups.....	1.1
Inflation.....	0.4
Foreign currency regulations.....	0.3
Poor public health.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Slovak Republic

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.9	83
1.02 Intellectual property protection .....	3.7	65
1.03 Diversion of public funds .....	2.2	138
1.04 Public trust in politicians .....	1.8	139
1.05 Irregular payments and bribes .....	3.4	99
1.06 Judicial independence .....	2.3	133
1.07 Favoritism in decisions of government officials .....	1.9	144
1.08 Wastefulness of government spending .....	2.1	137
1.09 Burden of government regulation .....	2.5	139
1.10 Efficiency of legal framework in settling disputes .....	2.4	143
1.11 Efficiency of legal framework in challenging regs. ....	2.2	142
1.12 Transparency of government policymaking .....	4.0	80
1.13 Business costs of terrorism .....	6.2	<b>26</b>
1.14 Business costs of crime and violence .....	4.7	69
1.15 Organized crime .....	4.5	102
1.16 Reliability of police services .....	3.6	108
1.17 Ethical behavior of firms .....	3.3	125
1.18 Strength of auditing and reporting standards .....	4.8	60
1.19 Efficacy of corporate boards .....	4.4	82
1.20 Protection of minority shareholders' interests .....	3.7	109
1.21 Strength of investor protection, 0–10 (best)* .....	4.7	100
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.1	81
2.02 Quality of roads .....	3.6	85
2.03 Quality of railroad infrastructure .....	4.3	<b>28</b>
2.04 Quality of port infrastructure .....	3.7	96
2.05 Quality of air transport infrastructure .....	3.2	124
2.06 Available airline seat km/week, millions* .....	26.4	117
2.07 Quality of electricity supply .....	6.2	<b>31</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	111.2	67
2.09 Fixed telephone lines/100 pop.* .....	17.8	68
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.9	118
3.02 Gross national savings, % GDP* .....	21.9	60
3.03 Inflation, annual % change* .....	3.7	71
3.04 General government debt, % GDP* .....	52.3	98
3.05 Country credit rating, 0–100 (best)* .....	74.0	<b>29</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.5	<b>23</b>
4.04 Tuberculosis cases/100,000 pop.* .....	7.2	<b>24</b>
4.05 Business impact of HIV/AIDS .....	6.5	<b>13</b>
4.06 HIV prevalence, % adult pop.* .....	0.10	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	6.5	<b>43</b>
4.08 Life expectancy, years* .....	76.0	<b>47</b>
4.09 Quality of primary education .....	4.3	54
4.10 Primary education enrollment, net %* .....	97.4	<b>41</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	91.2	64
5.02 Tertiary education enrollment, gross %* .....	53.9	<b>49</b>
5.03 Quality of the educational system .....	2.7	130
5.04 Quality of math and science education .....	3.9	86
5.05 Quality of management schools .....	3.7	109
5.06 Internet access in schools .....	5.5	<b>31</b>
5.07 Availability of research and training services .....	4.4	61
5.08 Extent of staff training .....	3.8	91
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.5	<b>29</b>
6.02 Extent of market dominance .....	3.4	106
6.03 Effectiveness of anti-monopoly policy .....	3.8	95
6.04 Effect of taxation on incentives to invest .....	3.1	122
6.05 Total tax rate, % profits* .....	47.9	110

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	<b>47</b>
6.07 No. days to start a business* .....	16	73
6.08 Agricultural policy costs .....	3.3	120
6.09 Prevalence of trade barriers .....	4.6	<b>41</b>
6.10 Trade tariffs, % duty* .....	0.8	<b>4</b>
6.11 Prevalence of foreign ownership .....	5.9	<b>7</b>
6.12 Business impact of rules on FDI .....	4.9	<b>39</b>
6.13 Burden of customs procedures .....	4.3	53
6.14 Imports as a percentage of GDP* .....	92.2	<b>10</b>
6.15 Degree of customer orientation .....	4.5	79
6.16 Buyer sophistication .....	2.6	131
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0	106
7.02 Flexibility of wage determination .....	5.1	76
7.03 Hiring and firing practices .....	3.2	126
7.04 Redundancy costs, weeks of salary* .....	11.6	52
7.05 Effect of taxation on incentives to work .....	2.7	131
7.06 Pay and productivity .....	4.6	<b>22</b>
7.07 Reliance on professional management .....	4.2	77
7.08 Country capacity to retain talent .....	2.4	130
7.09 Country capacity to attract talent .....	2.5	119
7.10 Women in labor force, ratio to men* .....	0.81	72
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.0	<b>41</b>
8.02 Affordability of financial services .....	4.8	<b>37</b>
8.03 Financing through local equity market .....	2.7	112
8.04 Ease of access to loans .....	3.1	<b>49</b>
8.05 Venture capital availability .....	2.7	64
8.06 Soundness of banks .....	5.8	<b>32</b>
8.07 Regulation of securities exchanges .....	3.8	93
8.08 Legal rights index, 0–10 (best)* .....	9	<b>12</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.0	70
9.02 Firm-level technology absorption .....	4.7	72
9.03 FDI and technology transfer .....	5.1	<b>26</b>
9.04 Individuals using Internet, %* .....	80.0	<b>22</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	14.6	<b>45</b>
9.06 Int'l Internet bandwidth, kb/s per user* .....	11.4	91
9.07 Mobile broadband subscriptions/100 pop.* .....	34.9	<b>45</b>
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.7	61
10.02 Foreign market size index, 1–7 (best)* .....	5.1	<b>41</b>
10.03 GDP (PPP\$ billions)* .....	131.9	62
10.04 Exports as a percentage of GDP* .....	96.1	<b>11</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7	69
11.02 Local supplier quality .....	4.9	<b>41</b>
11.03 State of cluster development .....	3.8	71
11.04 Nature of competitive advantage .....	2.8	126
11.05 Value chain breadth .....	3.7	73
11.06 Control of international distribution .....	3.2	136
11.07 Production process sophistication .....	4.3	<b>42</b>
11.08 Extent of marketing .....	4.5	<b>45</b>
11.09 Willingness to delegate authority .....	3.5	94
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	96
12.02 Quality of scientific research institutions .....	3.6	70
12.03 Company spending on R&D .....	2.9	94
12.04 University-industry collaboration in R&D .....	3.3	93
12.05 Gov't procurement of advanced tech products .....	2.6	134
12.06 Availability of scientists and engineers .....	3.9	82
12.07 PCT patents, applications/million pop.* .....	7.3	<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 97.

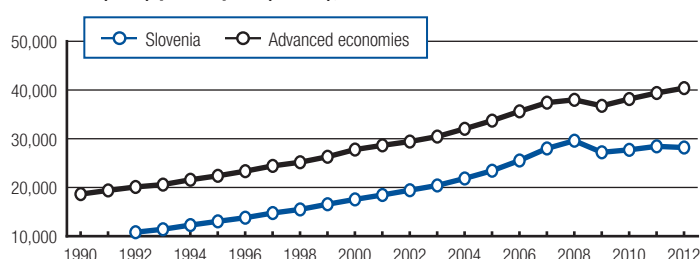


# Slovenia

## Key indicators, 2012

Population (millions).....	2.1
GDP (US\$ billions).....	45.6
GDP per capita (US\$).....	22,193
GDP (PPP) as share (%) of world total.....	0.07

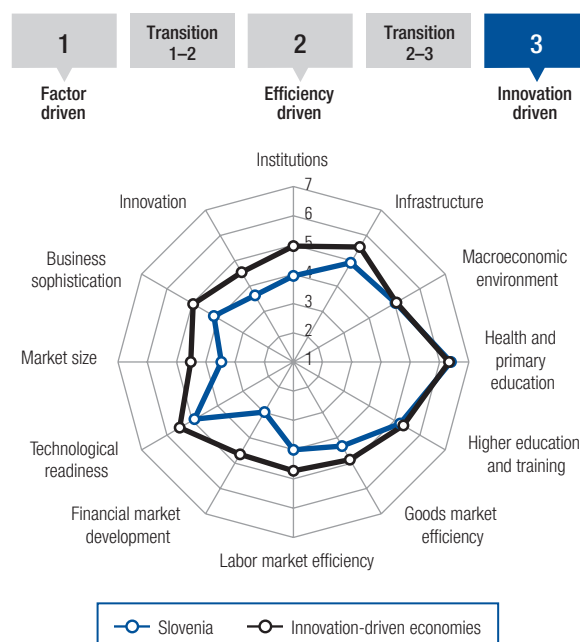
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

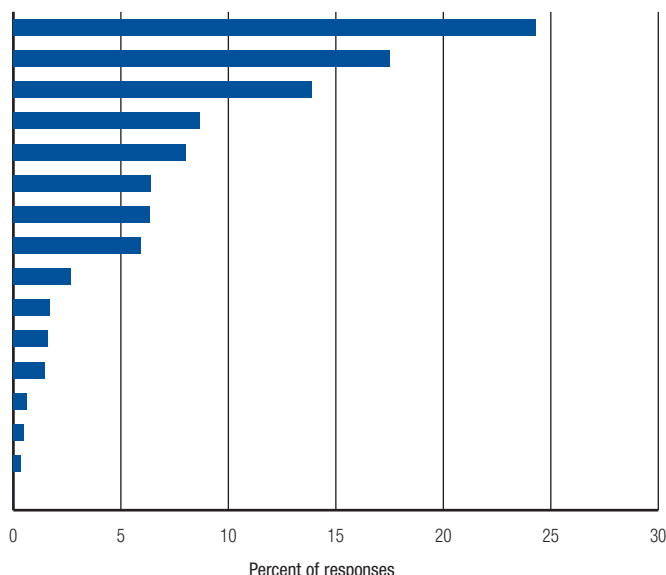
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>62</b>	<b>4.3</b>
GCI 2012–2013 (out of 144).....	56	4.3
GCI 2011–2012 (out of 142).....	57	4.3
<b>Basic requirements (20.0%)</b> .....	<b>37</b>	<b>5.1</b>
Institutions.....	68	3.9
Infrastructure.....	36	4.9
Macroeconomic environment.....	53	5.0
Health and primary education.....	17	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>62</b>	<b>4.1</b>
Higher education and training.....	25	5.2
Goods market efficiency.....	62	4.3
Labor market efficiency.....	106	4.0
Financial market development.....	134	3.0
Technological readiness.....	33	4.9
Market size.....	83	3.5
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>49</b>	<b>3.9</b>
Business sophistication.....	58	4.1
Innovation.....	40	3.6

## Stage of development



## The most problematic factors for doing business

Access to financing.....	24.3
Inefficient government bureaucracy.....	17.5
Restrictive labor regulations.....	13.9
Tax rates.....	8.7
Corruption.....	8.0
Policy instability.....	6.4
Government instability/coups.....	6.3
Tax regulations.....	5.9
Poor work ethic in national labor force.....	2.7
Insufficient capacity to innovate.....	1.7
Inadequately educated workforce.....	1.6
Inadequate supply of infrastructure.....	1.5
Inflation.....	0.6
Crime and theft.....	0.5
Poor public health.....	0.4
Foreign currency regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Slovenia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3 .....	69
1.02 Intellectual property protection .....	4.2 .....	42
1.03 Diversion of public funds .....	3.2 .....	67
1.04 Public trust in politicians .....	1.9 .....	133
1.05 Irregular payments and bribes .....	4.8 .....	40
1.06 Judicial independence .....	3.6 .....	76
1.07 Favoritism in decisions of government officials .....	2.5 .....	114
1.08 Wastefulness of government spending .....	2.3 .....	129
1.09 Burden of government regulation .....	2.6 .....	136
1.10 Efficiency of legal framework in settling disputes .....	2.6 .....	135
1.11 Efficiency of legal framework in challenging regs. ....	2.6 .....	131
1.12 Transparency of government policymaking .....	4.4 .....	52
1.13 Business costs of terrorism .....	6.7 .....	1
1.14 Business costs of crime and violence .....	5.8 .....	18
1.15 Organized crime .....	5.7 .....	42
1.16 Reliability of police services .....	5.0 .....	40
1.17 Ethical behavior of firms .....	4.1 .....	61
1.18 Strength of auditing and reporting standards .....	4.5 .....	81
1.19 Efficacy of corporate boards .....	3.8 .....	135
1.20 Protection of minority shareholders' interests .....	3.6 .....	115
1.21 Strength of investor protection, 0–10 (best)* .....	7.3 .....	17
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.2 .....	31
2.02 Quality of roads .....	5.1 .....	32
2.03 Quality of railroad infrastructure .....	3.2 .....	50
2.04 Quality of port infrastructure .....	5.1 .....	38
2.05 Quality of air transport infrastructure .....	4.3 .....	74
2.06 Available airline seat km/week, millions* .....	16.4 .....	130
2.07 Quality of electricity supply .....	6.4 .....	25
2.08 Mobile telephone subscriptions/100 pop.* .....	110.1 .....	72
2.09 Fixed telephone lines/100 pop.* .....	40.4 .....	26
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.2 .....	84
3.02 Gross national savings, % GDP* .....	19.3 .....	74
3.03 Inflation, annual % change* .....	2.6 .....	1
3.04 General government debt, % GDP* .....	52.6 .....	99
3.05 Country credit rating, 0–100 (best)* .....	68.4 .....	37
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl. ....	1
4.02 Malaria cases/100,000 pop.* .....	(NE) .....	1
4.03 Business impact of tuberculosis .....	6.6 .....	14
4.04 Tuberculosis cases/100,000 pop.* .....	9.3 .....	30
4.05 Business impact of HIV/AIDS .....	6.4 .....	17
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	11
4.07 Infant mortality, deaths/1,000 live births* .....	2.1 .....	4
4.08 Life expectancy, years* .....	80.0 .....	27
4.09 Quality of primary education .....	5.1 .....	20
4.10 Primary education enrollment, net %* .....	97.7 .....	38
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	97.4 .....	45
5.02 Tertiary education enrollment, gross %* .....	86.3 .....	5
5.03 Quality of the educational system .....	4.0 .....	55
5.04 Quality of math and science education .....	5.1 .....	18
5.05 Quality of management schools .....	4.2 .....	74
5.06 Internet access in schools .....	6.0 .....	16
5.07 Availability of research and training services .....	4.4 .....	56
5.08 Extent of staff training .....	3.6 .....	105
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2 .....	49
6.02 Extent of market dominance .....	3.7 .....	79
6.03 Effectiveness of anti-monopoly policy .....	4.0 .....	77
6.04 Effect of taxation on incentives to invest .....	2.9 .....	127
6.05 Total tax rate, % profits* .....	34.7 .....	58

INDICATOR	VALUE	RANK/148
<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 .....	16
6.08 Agricultural policy costs .....	3.5 .....	111
6.09 Prevalence of trade barriers .....	4.5 .....	45
6.10 Trade tariffs, % duty* .....	0.8 .....	4
6.11 Prevalence of foreign ownership .....	3.2 .....	137
6.12 Business impact of rules on FDI .....	2.9 .....	142
6.13 Burden of customs procedures .....	4.8 .....	33
6.14 Imports as a percentage of GDP* .....	79.1 .....	25
6.15 Degree of customer orientation .....	4.8 .....	52
6.16 Buyer sophistication .....	2.9 .....	114
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.8 .....	120
7.02 Flexibility of wage determination .....	4.2 .....	125
7.03 Hiring and firing practices .....	2.4 .....	145
7.04 Redundancy costs, weeks of salary* .....	11.4 .....	50
7.05 Effect of taxation on incentives to work .....	2.7 .....	134
7.06 Pay and productivity .....	3.5 .....	106
7.07 Reliance on professional management .....	3.9 .....	94
7.08 Country capacity to retain talent .....	2.9 .....	107
7.09 Country capacity to attract talent .....	2.5 .....	120
7.10 Women in labor force, ratio to men* .....	0.89 .....	31
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8 .....	113
8.02 Affordability of financial services .....	3.6 .....	119
8.03 Financing through local equity market .....	2.4 .....	121
8.04 Ease of access to loans .....	1.8 .....	137
8.05 Venture capital availability .....	2.0 .....	127
8.06 Soundness of banks .....	2.4 .....	147
8.07 Regulation of securities exchanges .....	3.9 .....	84
8.08 Legal rights index, 0–10 (best)* .....	4 .....	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.6 .....	39
9.02 Firm-level technology absorption .....	4.8 .....	62
9.03 FDI and technology transfer .....	3.9 .....	116
9.04 Individuals using Internet, %* .....	70.0 .....	36
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	24.6 .....	24
9.06 Int'l Internet bandwidth, kb/s per user* .....	95.9 .....	21
9.07 Mobile broadband subscriptions/100 pop.* .....	37.1 .....	42
<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)* .....	4.6 .....	68
10.03 GDP (PPP\$ billions)* .....	58.0 .....	84
10.04 Exports as a percentage of GDP* .....	84.7 .....	17
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.7 .....	67
11.02 Local supplier quality .....	5.0 .....	33
11.03 State of cluster development .....	3.5 .....	94
11.04 Nature of competitive advantage .....	4.2 .....	35
11.05 Value chain breadth .....	3.6 .....	78
11.06 Control of international distribution .....	4.3 .....	51
11.07 Production process sophistication .....	4.0 .....	59
11.08 Extent of marketing .....	4.1 .....	73
11.09 Willingness to delegate authority .....	3.9 .....	51
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7 .....	54
12.02 Quality of scientific research institutions .....	4.9 .....	29
12.03 Company spending on R&D .....	3.2 .....	62
12.04 University-industry collaboration in R&D .....	3.8 .....	56
12.05 Gov't procurement of advanced tech products .....	2.9 .....	121
12.06 Availability of scientists and engineers .....	3.8 .....	89
12.07 PCT patents, applications/million pop.* .....	63.1 .....	23

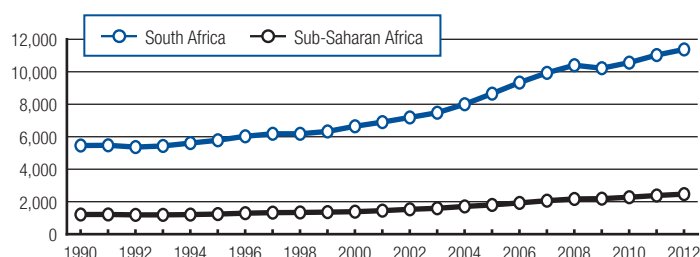
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# South Africa

## Key indicators, 2012

Population (millions).....	50.6
GDP (US\$ billions).....	384.3
GDP per capita (US\$).....	7,507
GDP (PPP) as share (%) of world total.....	0.70

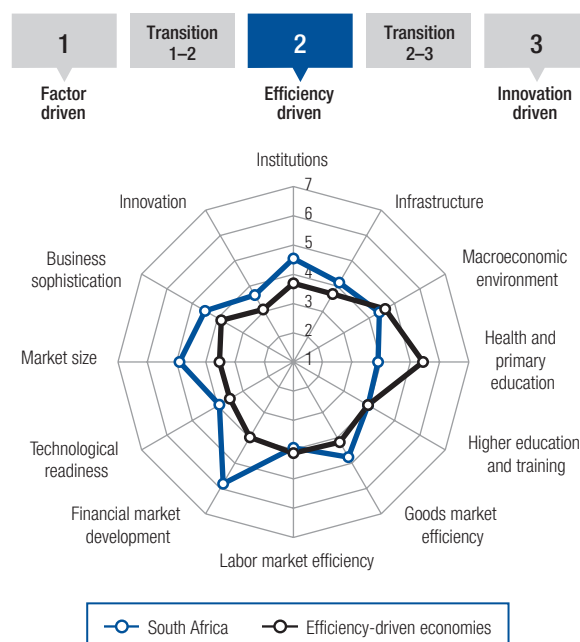
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

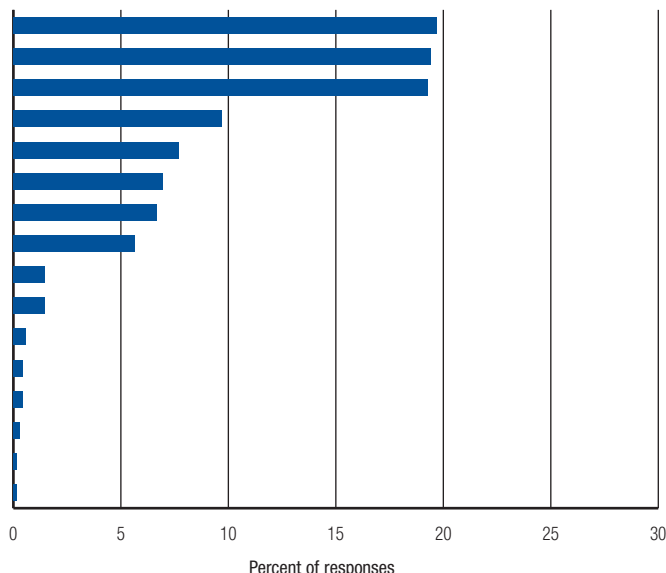
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>53</b>	<b>4.4</b>
GCI 2012–2013 (out of 144).....	52	4.4
GCI 2011–2012 (out of 142).....	50	4.3
<b>Basic requirements (40.0%)</b> .....	<b>95</b>	<b>4.2</b>
Institutions.....	41	4.5
Infrastructure.....	66	4.1
Macroeconomic environment.....	95	4.4
Health and primary education.....	135	3.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>34</b>	<b>4.5</b>
Higher education and training.....	89	3.9
Goods market efficiency.....	28	4.8
Labor market efficiency.....	116	3.9
Financial market development.....	3	5.8
Technological readiness.....	62	3.9
Market size.....	25	4.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>37</b>	<b>4.1</b>
Business sophistication.....	35	4.5
Innovation.....	39	3.6

## Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	19.7
Restrictive labor regulations.....	19.4
Inefficient government bureaucracy.....	19.3
Corruption.....	9.7
Poor work ethic in national labor force.....	7.7
Inadequate supply of infrastructure.....	7.0
Crime and theft.....	6.7
Policy instability.....	5.7
Access to financing.....	1.4
Insufficient capacity to innovate.....	1.4
Foreign currency regulations.....	0.6
Tax rates.....	0.4
Tax regulations.....	0.4
Poor public health.....	0.3
Government instability/coups.....	0.1
Inflation.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# South Africa

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.6	20
1.02 Intellectual property protection .....	5.5	18
1.03 Diversion of public funds .....	2.8	99
1.04 Public trust in politicians .....	2.4	98
1.05 Irregular payments and bribes .....	4.6	49
1.06 Judicial independence .....	5.5	22
1.07 Favoritism in decisions of government officials .....	2.5	120
1.08 Wastefulness of government spending .....	3.1	79
1.09 Burden of government regulation .....	2.9	116
1.10 Efficiency of legal framework in settling disputes .....	5.3	12
1.11 Efficiency of legal framework in challenging regs. ....	4.9	13
1.12 Transparency of government policymaking .....	4.6	35
1.13 Business costs of terrorism .....	6.2	28
1.14 Business costs of crime and violence .....	2.7	141
1.15 Organized crime .....	4.2	113
1.16 Reliability of police services .....	3.8	96
1.17 Ethical behavior of firms .....	4.7	37
1.18 Strength of auditing and reporting standards .....	6.7	1
1.19 Efficacy of corporate boards .....	6.0	1
1.20 Protection of minority shareholders' interests .....	6.2	1
1.21 Strength of investor protection, 0–10 (best)* .....	8.0	10
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.5	63
2.02 Quality of roads .....	4.9	41
2.03 Quality of railroad infrastructure .....	3.4	48
2.04 Quality of port infrastructure .....	4.7	51
2.05 Quality of air transport infrastructure .....	6.1	11
2.06 Available airline seat km/week, millions* .....	1,088.5	25
2.07 Quality of electricity supply .....	3.8	101
2.08 Mobile telephone subscriptions/100 pop.* .....	134.8	34
2.09 Fixed telephone lines/100 pop.* .....	7.9	100
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.8	115
3.02 Gross national savings, % GDP* .....	13.2	111
3.03 Inflation, annual % change* .....	5.7	100
3.04 General government debt, % GDP* .....	42.3	73
3.05 Country credit rating, 0–100 (best)* .....	59.9	48
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.2	100
4.02 Malaria cases/100,000 pop.* .....	34.6	94
4.03 Business impact of tuberculosis .....	3.4	142
4.04 Tuberculosis cases/100,000 pop.* .....	993.0	147
4.05 Business impact of HIV/AIDS .....	3.0	143
4.06 HIV prevalence, % adult pop.* .....	17.30	144
4.07 Infant mortality, deaths/1,000 live births* .....	34.6	107
4.08 Life expectancy, years* .....	52.6	136
4.09 Quality of primary education .....	2.3	133
4.10 Primary education enrollment, net %* .....	85.1	122
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	93.8	55
5.02 Tertiary education enrollment, gross %* .....	15.4	102
5.03 Quality of the educational system .....	2.1	146
5.04 Quality of math and science education .....	1.9	148
5.05 Quality of management schools .....	5.2	23
5.06 Internet access in schools .....	3.1	116
5.07 Availability of research and training services .....	4.4	54
5.08 Extent of staff training .....	4.9	17
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	45
6.02 Extent of market dominance .....	4.3	37
6.03 Effectiveness of anti-monopoly policy .....	5.3	8
6.04 Effect of taxation on incentives to invest .....	4.7	16
6.05 Total tax rate, % profits* .....	33.3	47

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	19	82
6.08 Agricultural policy costs .....	4.0	54
6.09 Prevalence of trade barriers .....	4.7	36
6.10 Trade tariffs, % duty* .....	5.9	74
6.11 Prevalence of foreign ownership .....	5.3	35
6.12 Business impact of rules on FDI .....	4.4	83
6.13 Burden of customs procedures .....	4.3	52
6.14 Imports as a percentage of GDP* .....	36.4	97
6.15 Degree of customer orientation .....	4.8	57
6.16 Buyer sophistication .....	4.2	23
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	2.6	148
7.02 Flexibility of wage determination .....	2.7	144
7.03 Hiring and firing practices .....	1.9	147
7.04 Redundancy costs, weeks of salary* .....	9.3	35
7.05 Effect of taxation on incentives to work .....	4.7	15
7.06 Pay and productivity .....	2.8	142
7.07 Reliance on professional management .....	5.7	12
7.08 Country capacity to retain talent .....	3.8	51
7.09 Country capacity to attract talent .....	3.7	55
7.10 Women in labor force, ratio to men* .....	0.75	88
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	6.4	2
8.02 Affordability of financial services .....	5.5	13
8.03 Financing through local equity market .....	5.6	2
8.04 Ease of access to loans .....	3.6	22
8.05 Venture capital availability .....	3.3	28
8.06 Soundness of banks .....	6.6	3
8.07 Regulation of securities exchanges .....	6.6	1
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.6	40
9.02 Firm-level technology absorption .....	5.4	35
9.03 FDI and technology transfer .....	5.0	40
9.04 Individuals using Internet, %* .....	41.0	81
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.2	98
9.06 Int'l Internet bandwidth, kb/s per user* .....	18.7	71
9.07 Mobile broadband subscriptions/100 pop.* .....	26.0	61
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.8	24
10.02 Foreign market size index, 1–7 (best)* .....	5.2	38
10.03 GDP (PPP\$ billions)* .....	582.4	25
10.04 Exports as a percentage of GDP* .....	26.6	114
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	42
11.02 Local supplier quality .....	5.0	32
11.03 State of cluster development .....	4.2	43
11.04 Nature of competitive advantage .....	3.4	81
11.05 Value chain breadth .....	3.5	95
11.06 Control of international distribution .....	4.6	26
11.07 Production process sophistication .....	4.4	38
11.08 Extent of marketing .....	5.3	19
11.09 Willingness to delegate authority .....	4.5	28
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.1	33
12.02 Quality of scientific research institutions .....	4.8	35
12.03 Company spending on R&D .....	3.5	43
12.04 University-industry collaboration in R&D .....	4.5	29
12.05 Gov't procurement of advanced tech products .....	2.9	119
12.06 Availability of scientists and engineers .....	3.5	108
12.07 PCT patents, applications/million pop.* .....	6.2	42

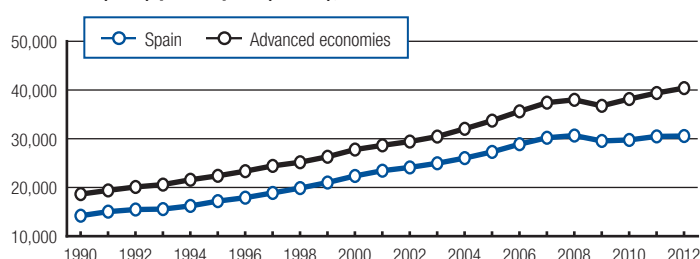
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Spain

## Key indicators, 2012

Population (millions).....	46.2
GDP (US\$ billions).....	1,352.1
GDP per capita (US\$).....	29,289
GDP (PPP) as share (%) of world total.....	1.70

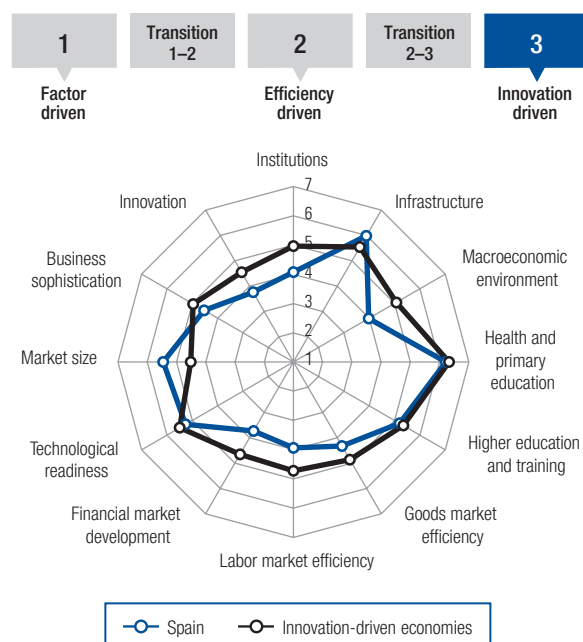
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

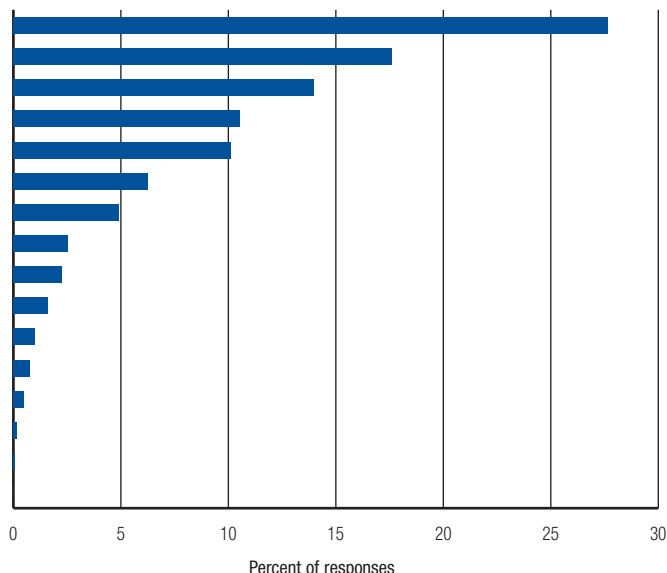
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>35</b>	<b>4.6</b>
GCI 2012–2013 (out of 144).....	36	4.6
GCI 2011–2012 (out of 142).....	36	4.5
<b>Basic requirements (20.0%)</b> .....	<b>38</b>	<b>5.1</b>
Institutions.....	58	4.1
Infrastructure.....	10	6.0
Macroeconomic environment.....	116	4.0
Health and primary education.....	30	6.2
<b>Efficiency enhancers (50.0%)</b> .....	<b>28</b>	<b>4.6</b>
Higher education and training.....	26	5.2
Goods market efficiency.....	63	4.3
Labor market efficiency.....	115	3.9
Financial market development.....	97	3.7
Technological readiness.....	26	5.3
Market size.....	14	5.4
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>32</b>	<b>4.1</b>
Business sophistication.....	33	4.5
Innovation.....	34	3.8

### Stage of development



## The most problematic factors for doing business

Access to financing.....	27.7
Inefficient government bureaucracy.....	17.6
Restrictive labor regulations.....	14.0
Tax rates.....	10.5
Insufficient capacity to innovate.....	10.1
Corruption.....	6.2
Tax regulations.....	4.9
Inadequately educated workforce.....	2.5
Poor work ethic in national labor force.....	2.3
Policy instability.....	1.6
Inadequate supply of infrastructure.....	1.0
Inflation.....	0.8
Crime and theft.....	0.5
Government instability/coups.....	0.2
Poor public health.....	0.1
Foreign currency regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.7	47
1.02 Intellectual property protection .....	4.0	50
1.03 Diversion of public funds .....	3.2	69
1.04 Public trust in politicians .....	2.3	101
1.05 Irregular payments and bribes .....	4.7	43
1.06 Judicial independence .....	3.7	72
1.07 Favoritism in decisions of government officials .....	3.1	64
1.08 Wastefulness of government spending .....	2.6	113
1.09 Burden of government regulation .....	2.8	125
1.10 Efficiency of legal framework in settling disputes .....	3.7	70
1.11 Efficiency of legal framework in challenging regs. ....	3.5	69
1.12 Transparency of government policymaking .....	3.9	87
1.13 Business costs of terrorism .....	5.2	93
1.14 Business costs of crime and violence .....	5.5	30
1.15 Organized crime .....	5.7	46
1.16 Reliability of police services .....	5.9	18
1.17 Ethical behavior of firms .....	4.1	55
1.18 Strength of auditing and reporting standards .....	4.4	85
1.19 Efficacy of corporate boards .....	4.3	93
1.20 Protection of minority shareholders' interests .....	4.0	79
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.0	12
2.02 Quality of roads .....	6.0	13
2.03 Quality of railroad infrastructure .....	5.9	5
2.04 Quality of port infrastructure .....	5.8	12
2.05 Quality of air transport infrastructure .....	6.0	12
2.06 Available airline seat km/week, millions* .....	3,552.0	10
2.07 Quality of electricity supply .....	6.4	23
2.08 Mobile telephone subscriptions/100 pop.* .....	108.3	76
2.09 Fixed telephone lines/100 pop.* .....	41.1	25
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-10.3	145
3.02 Gross national savings, % GDP* .....	18.6	78
3.03 Inflation, annual % change* .....	2.4	1
3.04 General government debt, % GDP* .....	84.1	132
3.05 Country credit rating, 0–100 (best)* .....	57.8	50
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.7	10
4.04 Tuberculosis cases/100,000 pop.* .....	15.0	35
4.05 Business impact of HIV/AIDS .....	6.4	15
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	3.5	20
4.08 Life expectancy, years* .....	82.3	5
4.09 Quality of primary education .....	4.0	66
4.10 Primary education enrollment, net %* .....	99.7	8
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	128.5	2
5.02 Tertiary education enrollment, gross %* .....	82.6	8
5.03 Quality of the educational system .....	3.6	77
5.04 Quality of math and science education .....	3.9	88
5.05 Quality of management schools .....	5.8	4
5.06 Internet access in schools .....	4.9	46
5.07 Availability of research and training services .....	4.8	30
5.08 Extent of staff training .....	3.7	97
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.5	28
6.02 Extent of market dominance .....	4.4	27
6.03 Effectiveness of anti-monopoly policy .....	4.4	47
6.04 Effect of taxation on incentives to invest .....	3.1	118
6.05 Total tax rate, % profits* .....	38.7	74

INDICATOR	VALUE	RANK/148
<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* .....	28	105
6.08 Agricultural policy costs .....	3.6	101
6.09 Prevalence of trade barriers .....	4.7	37
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.0	54
6.12 Business impact of rules on FDI .....	4.3	93
6.13 Burden of customs procedures .....	4.9	31
6.14 Imports as a percentage of GDP* .....	31.2	121
6.15 Degree of customer orientation .....	4.6	62
6.16 Buyer sophistication .....	3.5	63
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.0	107
7.02 Flexibility of wage determination .....	4.0	131
7.03 Hiring and firing practices .....	3.3	123
7.04 Redundancy costs, weeks of salary* .....	17.4	88
7.05 Effect of taxation on incentives to work .....	3.0	121
7.06 Pay and productivity .....	3.1	132
7.07 Reliance on professional management .....	4.5	51
7.08 Country capacity to retain talent .....	2.9	108
7.09 Country capacity to attract talent .....	2.9	102
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 .....	5.1	37
8.02 Affordability of financial services .....	4.4	53
8.03 Financing through local equity market .....	2.9	101
8.04 Ease of access to loans .....	1.8	138
8.05 Venture capital availability .....	2.3	105
8.06 Soundness of banks .....	4.0	127
8.07 Regulation of securities exchanges .....	3.9	88
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.8	33
9.02 Firm-level technology absorption .....	5.0	49
9.03 FDI and technology transfer .....	4.8	53
9.04 Individuals using Internet, %* .....	72.0	34
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	24.3	25
9.06 Int'l Internet bandwidth, kb/s per user* .....	81.3	26
9.07 Mobile broadband subscriptions/100 pop.* .....	53.2	24
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.3	14
10.02 Foreign market size index, 1–7 (best)* .....	5.8	19
10.03 GDP (PPP\$ billions)* .....	1,410.6	14
10.04 Exports as a percentage of GDP* .....	31.9	91
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.3	19
11.02 Local supplier quality .....	5.1	26
11.03 State of cluster development .....	4.2	42
11.04 Nature of competitive advantage .....	4.2	33
11.05 Value chain breadth .....	4.7	23
11.06 Control of international distribution .....	4.3	45
11.07 Production process sophistication .....	4.5	36
11.08 Extent of marketing .....	4.7	36
11.09 Willingness to delegate authority .....	3.8	70
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7	57
12.02 Quality of scientific research institutions .....	4.6	36
12.03 Company spending on R&D .....	3.4	50
12.04 University-industry collaboration in R&D .....	4.0	48
12.05 Gov't procurement of advanced tech products .....	3.2	102
12.06 Availability of scientists and engineers .....	5.2	11
12.07 PCT patents, applications/million pop.* .....	39.2	25

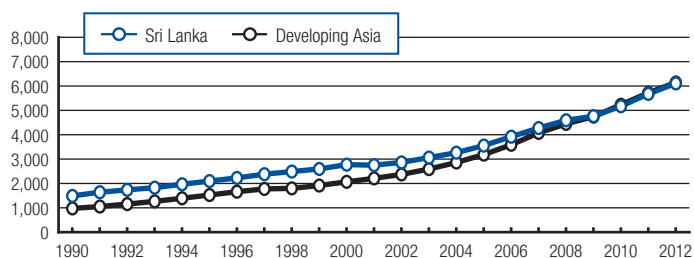
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Sri Lanka

## Key indicators, 2012

Population (millions).....	20.9
GDP (US\$ billions).....	59.4
GDP per capita (US\$).....	2,873
GDP (PPP) as share (%) of world total.....	0.15

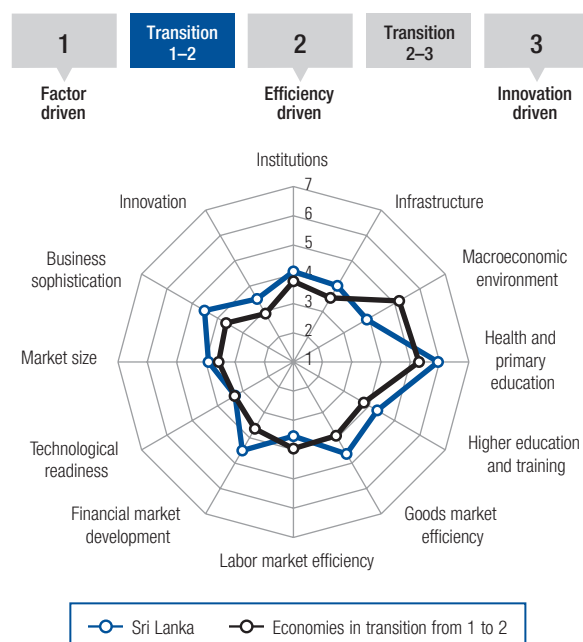
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

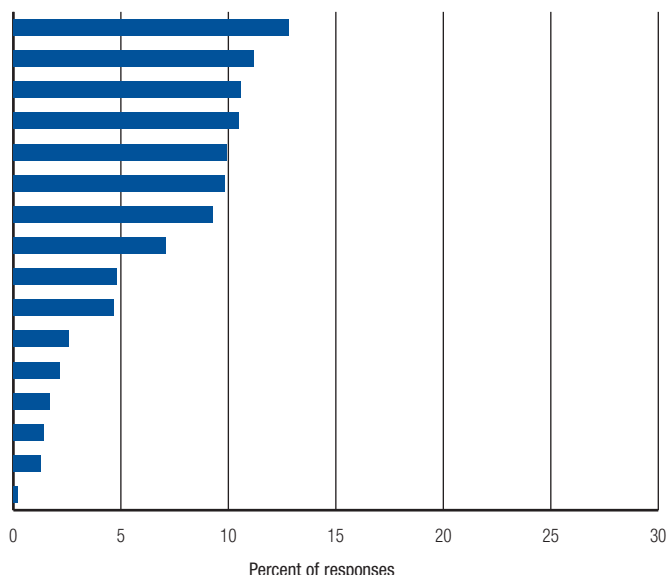
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>65</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	68	4.2
GCI 2011–2012 (out of 142).....	52	4.3
<b>Basic requirements (42.5%)</b> .....	<b>77</b>	<b>4.5</b>
Institutions.....	54	4.1
Infrastructure.....	73	4.0
Macroeconomic environment.....	120	3.9
Health and primary education.....	52	5.9
<b>Efficiency enhancers (48.1%)</b> .....	<b>69</b>	<b>4.0</b>
Higher education and training.....	62	4.3
Goods market efficiency.....	37	4.6
Labor market efficiency.....	135	3.5
Financial market development.....	41	4.5
Technological readiness.....	93	3.3
Market size.....	61	3.9
<b>Innovation and sophistication factors (9.4%)</b> .....	<b>42</b>	<b>4.0</b>
Business sophistication.....	34	4.5
Innovation.....	49	3.5

## Stage of development



## The most problematic factors for doing business

Access to financing.....	12.8
Tax rates.....	11.2
Poor work ethic in national labor force.....	10.6
Policy instability.....	10.5
Inefficient government bureaucracy.....	10.0
Inflation.....	9.8
Tax regulations.....	9.3
Corruption.....	7.1
Restrictive labor regulations.....	4.8
Inadequate supply of infrastructure.....	4.7
Insufficient capacity to innovate.....	2.6
Inadequately educated workforce.....	2.2
Crime and theft.....	1.7
Government instability/coups.....	1.4
Foreign currency regulations.....	1.3
Poor public health.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Sri Lanka

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.4 .....	59
1.02 Intellectual property protection .....	3.8 .....	63
1.03 Diversion of public funds .....	3.2 .....	76
1.04 Public trust in politicians .....	2.5 .....	92
1.05 Irregular payments and bribes .....	3.7 .....	82
1.06 Judicial independence .....	3.9 .....	62
1.07 Favoritism in decisions of government officials .....	3.0 .....	76
1.08 Wastefulness of government spending .....	3.7 .....	<b>36</b>
1.09 Burden of government regulation .....	3.4 .....	74
1.10 Efficiency of legal framework in settling disputes .....	4.6 .....	<b>31</b>
1.11 Efficiency of legal framework in challenging regs. ....	4.0 .....	<b>39</b>
1.12 Transparency of government policymaking .....	4.1 .....	71
1.13 Business costs of terrorism .....	6.1 .....	<b>29</b>
1.14 Business costs of crime and violence .....	5.2 .....	<b>45</b>
1.15 Organized crime .....	5.3 .....	60
1.16 Reliability of police services .....	3.9 .....	83
1.17 Ethical behavior of firms .....	3.9 .....	73
1.18 Strength of auditing and reporting standards .....	5.1 .....	<b>43</b>
1.19 Efficacy of corporate boards .....	5.1 .....	<b>23</b>
1.20 Protection of minority shareholders' interests .....	5.0 .....	<b>23</b>
1.21 Strength of investor protection, 0–10 (best)* .....	6.0 .....	<b>41</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.8 .....	54
2.02 Quality of roads .....	4.7 .....	<b>49</b>
2.03 Quality of railroad infrastructure .....	3.6 .....	<b>40</b>
2.04 Quality of port infrastructure .....	4.2 .....	73
2.05 Quality of air transport infrastructure .....	4.8 .....	60
2.06 Available airline seat km/week, millions* .....	271.6 .....	53
2.07 Quality of electricity supply .....	5.0 .....	70
2.08 Mobile telephone subscriptions/100 pop.* .....	95.8 .....	100
2.09 Fixed telephone lines/100 pop.* .....	16.3 .....	77
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-6.5 .....	131
3.02 Gross national savings, % GDP* .....	27.3 .....	<b>37</b>
3.03 Inflation, annual % change* .....	7.5 .....	117
3.04 General government debt, % GDP* .....	79.1 .....	126
3.05 Country credit rating, 0–100 (best)* .....	32.6 .....	101
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.2 .....	79
4.02 Malaria cases/100,000 pop.* .....	10.6 .....	87
4.03 Business impact of tuberculosis .....	6.0 .....	<b>44</b>
4.04 Tuberculosis cases/100,000 pop.* .....	66.0 .....	83
4.05 Business impact of HIV/AIDS .....	6.0 .....	<b>37</b>
4.06 HIV prevalence, % adult pop.* .....	0.10 .....	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	10.5 .....	59
4.08 Life expectancy, years* .....	74.9 .....	54
4.09 Quality of primary education .....	4.6 .....	<b>43</b>
4.10 Primary education enrollment, net %* .....	92.9 .....	84
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	102.4 .....	<b>26</b>
5.02 Tertiary education enrollment, gross %* .....	14.3 .....	105
5.03 Quality of the educational system .....	4.6 .....	<b>28</b>
5.04 Quality of math and science education .....	4.5 .....	<b>46</b>
5.05 Quality of management schools .....	4.8 .....	<b>37</b>
5.06 Internet access in schools .....	3.4 .....	108
5.07 Availability of research and training services .....	4.4 .....	53
5.08 Extent of staff training .....	4.2 .....	52
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.6 .....	<b>20</b>
6.02 Extent of market dominance .....	4.2 .....	<b>41</b>
6.03 Effectiveness of anti-monopoly policy .....	4.1 .....	71
6.04 Effect of taxation on incentives to invest .....	3.9 .....	63
6.05 Total tax rate, % profits* .....	50.1 .....	115

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5 .....	<b>30</b>
6.07 No. days to start a business* .....	7 .....	<b>25</b>
6.08 Agricultural policy costs .....	4.2 .....	<b>34</b>
6.09 Prevalence of trade barriers .....	4.0 .....	105
6.10 Trade tariffs, % duty* .....	11.1 .....	125
6.11 Prevalence of foreign ownership .....	4.9 .....	58
6.12 Business impact of rules on FDI .....	5.2 .....	<b>20</b>
6.13 Burden of customs procedures .....	4.1 .....	70
6.14 Imports as a percentage of GDP* .....	41.0 .....	86
6.15 Degree of customer orientation .....	5.1 .....	<b>35</b>
6.16 Buyer sophistication .....	4.3 .....	<b>19</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.5 .....	53
7.02 Flexibility of wage determination .....	5.2 .....	65
7.03 Hiring and firing practices .....	2.9 .....	132
7.04 Redundancy costs, weeks of salary* .....	58.5 .....	142
7.05 Effect of taxation on incentives to work .....	3.9 .....	55
7.06 Pay and productivity .....	4.3 .....	<b>39</b>
7.07 Reliance on professional management .....	5.0 .....	<b>33</b>
7.08 Country capacity to retain talent .....	2.9 .....	103
7.09 Country capacity to attract talent .....	2.5 .....	117
7.10 Women in labor force, ratio to men* .....	0.47 .....	132
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.3 .....	<b>29</b>
8.02 Affordability of financial services .....	5.0 .....	<b>33</b>
8.03 Financing through local equity market .....	5.2 .....	<b>4</b>
8.04 Ease of access to loans .....	2.6 .....	90
8.05 Venture capital availability .....	2.5 .....	91
8.06 Soundness of banks .....	5.8 .....	<b>28</b>
8.07 Regulation of securities exchanges .....	4.8 .....	<b>39</b>
8.08 Legal rights index, 0–10 (best)* .....	5 .....	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.9 .....	72
9.02 Firm-level technology absorption .....	5.1 .....	<b>47</b>
9.03 FDI and technology transfer .....	4.8 .....	57
9.04 Individuals using Internet, %* .....	18.3 .....	105
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	2.0 .....	100
9.06 Int'l Internet bandwidth, kb/s per user* .....	5.9 .....	108
9.07 Mobile broadband subscriptions/100 pop.* .....	4.4 .....	102
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.8 .....	58
10.02 Foreign market size index, 1–7 (best)* .....	4.3 .....	80
10.03 GDP (PPP\$ billions)* .....	126.3 .....	64
10.04 Exports as a percentage of GDP* .....	22.5 .....	129
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.2 .....	<b>21</b>
11.02 Local supplier quality .....	4.9 .....	<b>37</b>
11.03 State of cluster development .....	4.0 .....	61
11.04 Nature of competitive advantage .....	4.0 .....	<b>40</b>
11.05 Value chain breadth .....	4.3 .....	<b>35</b>
11.06 Control of international distribution .....	4.7 .....	<b>23</b>
11.07 Production process sophistication .....	4.1 .....	<b>49</b>
11.08 Extent of marketing .....	5.1 .....	<b>28</b>
11.09 Willingness to delegate authority .....	4.1 .....	<b>39</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.8 .....	<b>44</b>
12.02 Quality of scientific research institutions .....	4.0 .....	53
12.03 Company spending on R&D .....	3.3 .....	52
12.04 University-industry collaboration in R&D .....	3.0 .....	118
12.05 Gov't procurement of advanced tech products .....	4.3 .....	<b>16</b>
12.06 Availability of scientists and engineers .....	4.7 .....	<b>26</b>
12.07 PCT patents, applications/million pop.* .....	0.6 .....	75

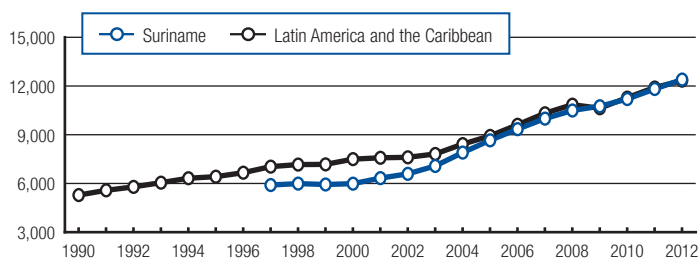
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Suriname

## Key indicators, 2012

Population (millions).....	0.5
GDP (US\$ billions).....	4.7
GDP per capita (US\$).....	8,686
GDP (PPP) as share (%) of world total.....	0.01

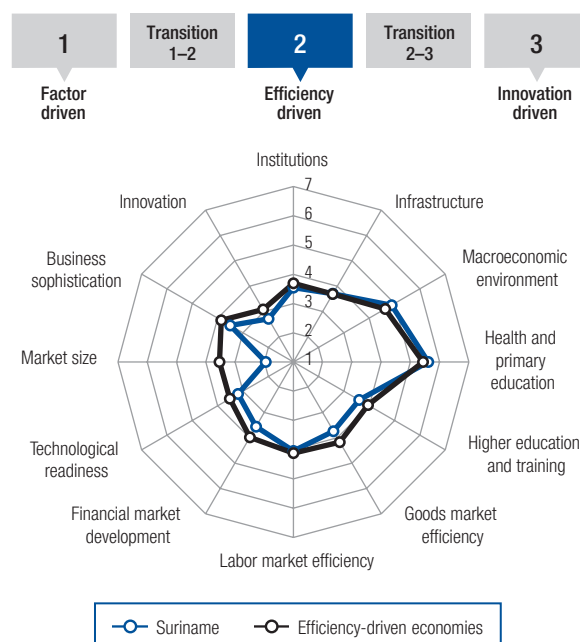
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

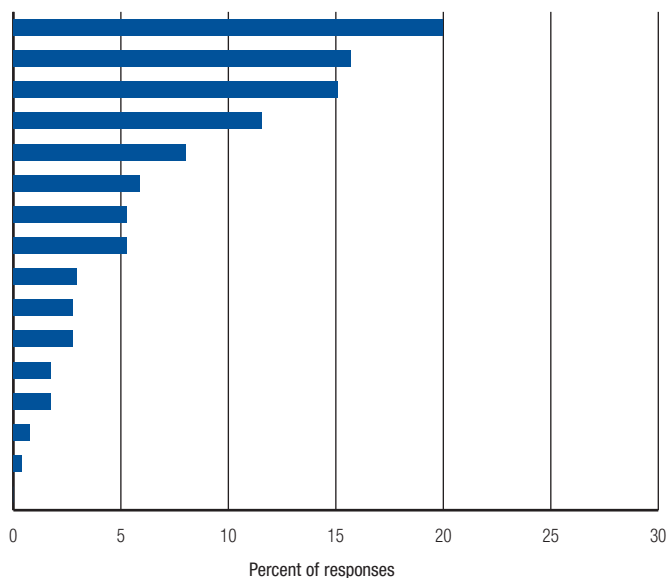
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>106</b> .....	<b>3.8</b>
GCI 2012–2013 (out of 144).....	114.....	3.7
GCI 2011–2012 (out of 142).....	112.....	3.7
<b>Basic requirements (40.0%)</b> .....	<b>82</b> .....	<b>4.4</b>
Institutions.....	99.....	3.5
Infrastructure.....	81.....	3.7
Macroeconomic environment.....	66.....	4.9
Health and primary education.....	78.....	5.6
<b>Efficiency enhancers (50.0%)</b> .....	<b>121</b> .....	<b>3.3</b>
Higher education and training.....	98.....	3.6
Goods market efficiency.....	128.....	3.7
Labor market efficiency.....	102.....	4.0
Financial market development.....	111.....	3.6
Technological readiness.....	101.....	3.2
Market size.....	140.....	1.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>120</b> .....	<b>3.1</b>
Business sophistication.....	118.....	3.5
Innovation.....	125.....	2.7

## Stage of development



## The most problematic factors for doing business

Inefficient government bureaucracy.....	20.0
Corruption.....	15.7
Access to financing.....	15.1
Inadequately educated workforce.....	11.6
Poor work ethic in national labor force.....	8.0
Inadequate supply of infrastructure.....	5.9
Insufficient capacity to innovate.....	5.3
Restrictive labor regulations.....	5.3
Tax rates.....	2.9
Crime and theft.....	2.7
Policy instability.....	2.7
Inflation.....	1.8
Tax regulations.....	1.8
Government instability/coups.....	0.8
Foreign currency regulations.....	0.4
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Suriname

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.6 .....	109
1.02 Intellectual property protection .....	2.9 .....	118
1.03 Diversion of public funds .....	3.1 .....	80
1.04 Public trust in politicians .....	2.1 .....	119
1.05 Irregular payments and bribes .....	3.4 .....	96
1.06 Judicial independence .....	4.0 .....	58
1.07 Favoritism in decisions of government officials .....	2.5 .....	115
1.08 Wastefulness of government spending .....	2.9 .....	94
1.09 Burden of government regulation .....	3.2 .....	99
1.10 Efficiency of legal framework in settling disputes .....	3.2 .....	108
1.11 Efficiency of legal framework in challenging regs. ....	3.0 .....	102
1.12 Transparency of government policymaking .....	3.5 .....	128
1.13 Business costs of terrorism .....	6.1 .....	<b>37</b>
1.14 Business costs of crime and violence .....	4.3 .....	90
1.15 Organized crime .....	5.2 .....	66
1.16 Reliability of police services .....	4.7 .....	<b>48</b>
1.17 Ethical behavior of firms .....	3.7 .....	93
1.18 Strength of auditing and reporting standards .....	3.8 .....	120
1.19 Efficacy of corporate boards .....	4.1 .....	115
1.20 Protection of minority shareholders' interests .....	3.2 .....	134
1.21 Strength of investor protection, 0–10 (best)* .....	2.0 .....	145
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.1 .....	79
2.02 Quality of roads .....	4.0 .....	71
2.03 Quality of railroad infrastructure .....	1.7 .....	108
2.04 Quality of port infrastructure .....	4.9 .....	<b>43</b>
2.05 Quality of air transport infrastructure .....	3.9 .....	104
2.06 Available airline seat km/week, millions* .....	28.1 .....	114
2.07 Quality of electricity supply .....	3.8 .....	99
2.08 Mobile telephone subscriptions/100 pop.* .....	182.9 .....	<b>7</b>
2.09 Fixed telephone lines/100 pop.* .....	15.5 .....	80
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.9 .....	58
3.02 Gross national savings, % GDP* .....	18.8 .....	77
3.03 Inflation, annual % change* .....	5.0 .....	90
3.04 General government debt, % GDP* .....	20.5 .....	<b>24</b>
3.05 Country credit rating, 0–100 (best)* .....	32.7 .....	99
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.7 .....	91
4.02 Malaria cases/100,000 pop.* .....	150.2 .....	102
4.03 Business impact of tuberculosis .....	5.3 .....	82
4.04 Tuberculosis cases/100,000 pop.* .....	44.0 .....	71
4.05 Business impact of HIV/AIDS .....	4.8 .....	99
4.06 HIV prevalence, % adult pop.* .....	1.00 .....	107
4.07 Infant mortality, deaths/1,000 live births* .....	26.0 .....	101
4.08 Life expectancy, years* .....	70.6 .....	95
4.09 Quality of primary education .....	4.0 .....	68
4.10 Primary education enrollment, net %* .....	92.8 .....	85
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	85.3 .....	82
5.02 Tertiary education enrollment, gross %* .....	12.1 .....	110
5.03 Quality of the educational system .....	3.2 .....	102
5.04 Quality of math and science education .....	4.0 .....	81
5.05 Quality of management schools .....	4.1 .....	80
5.06 Internet access in schools .....	2.6 .....	131
5.07 Availability of research and training services .....	3.5 .....	118
5.08 Extent of staff training .....	4.0 .....	74
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7 .....	91
6.02 Extent of market dominance .....	3.8 .....	70
6.03 Effectiveness of anti-monopoly policy .....	3.4 .....	122
6.04 Effect of taxation on incentives to invest .....	4.0 .....	<b>49</b>
6.05 Total tax rate, % profits* .....	27.9 .....	<b>29</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	13 .....	135
6.07 No. days to start a business* .....	694 .....	146
6.08 Agricultural policy costs .....	3.2 .....	124
6.09 Prevalence of trade barriers .....	4.8 .....	<b>24</b>
6.10 Trade tariffs, % duty* .....	10.6 .....	118
6.11 Prevalence of foreign ownership .....	4.0 .....	113
6.12 Business impact of rules on FDI .....	4.0 .....	110
6.13 Burden of customs procedures .....	3.4 .....	106
6.14 Imports as a percentage of GDP* .....	43.2 .....	78
6.15 Degree of customer orientation .....	3.7 .....	130
6.16 Buyer sophistication .....	3.1 .....	98
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.9 .....	113
7.02 Flexibility of wage determination .....	4.9 .....	83
7.03 Hiring and firing practices .....	2.8 .....	138
7.04 Redundancy costs, weeks of salary* .....	8.8 .....	<b>33</b>
7.05 Effect of taxation on incentives to work .....	3.7 .....	68
7.06 Pay and productivity .....	3.5 .....	112
7.07 Reliance on professional management .....	4.1 .....	80
7.08 Country capacity to retain talent .....	3.0 .....	101
7.09 Country capacity to attract talent .....	3.5 .....	66
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 .....	3.8 .....	111
8.02 Affordability of financial services .....	3.8 .....	98
8.03 Financing through local equity market .....	2.8 .....	104
8.04 Ease of access to loans .....	2.4 .....	111
8.05 Venture capital availability .....	2.0 .....	126
8.06 Soundness of banks .....	5.4 .....	51
8.07 Regulation of securities exchanges .....	3.0 .....	127
8.08 Legal rights index, 0–10 (best)* .....	5 .....	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.3 .....	110
9.02 Firm-level technology absorption .....	4.3 .....	105
9.03 FDI and technology transfer .....	3.9 .....	117
9.04 Individuals using Internet, %* .....	34.7 .....	90
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	5.7 .....	76
9.06 Int'l Internet bandwidth, kb/s per user* .....	9.2 .....	98
9.07 Mobile broadband subscriptions/100 pop.* .....	0.0 .....	136
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.6 .....	144
10.02 Foreign market size index, 1–7 (best)* .....	3.1 .....	128
10.03 GDP (PPP\$ billions)* .....	6.8 .....	139
10.04 Exports as a percentage of GDP* .....	56.8 .....	<b>38</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.3 .....	104
11.02 Local supplier quality .....	3.8 .....	116
11.03 State of cluster development .....	3.2 .....	113
11.04 Nature of competitive advantage .....	3.1 .....	104
11.05 Value chain breadth .....	3.1 .....	119
11.06 Control of international distribution .....	3.7 .....	109
11.07 Production process sophistication .....	3.2 .....	115
11.08 Extent of marketing .....	3.4 .....	118
11.09 Willingness to delegate authority .....	3.2 .....	120
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1 .....	113
12.02 Quality of scientific research institutions .....	2.6 .....	128
12.03 Company spending on R&D .....	2.7 .....	114
12.04 University-industry collaboration in R&D .....	3.2 .....	108
12.05 Gov't procurement of advanced tech products .....	3.0 .....	117
12.06 Availability of scientists and engineers .....	3.3 .....	123
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 97.

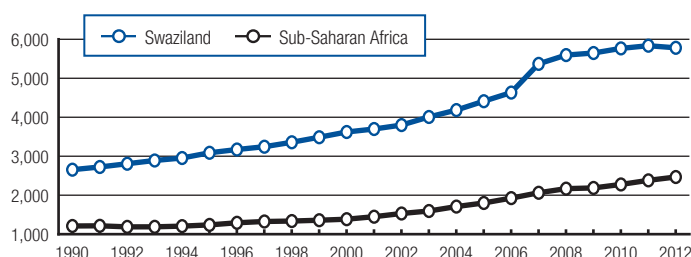


# Swaziland

## Key indicators, 2012

Population (millions).....	1.1
GDP (US\$ billions).....	3.8
GDP per capita (US\$).....	3,475
GDP (PPP) as share (%) of world total.....	0.01

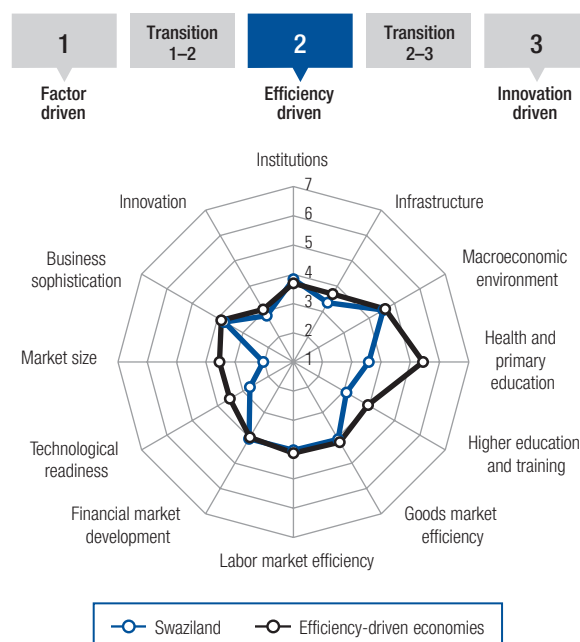
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

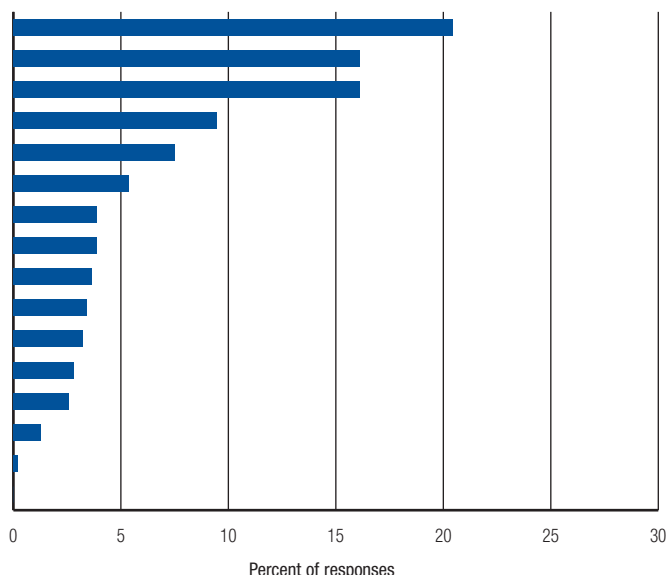
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>124</b>	<b>3.5</b>
GCI 2012–2013 (out of 144).....	135	3.3
GCI 2011–2012 (out of 142).....	134	3.3
<b>Basic requirements (40.0%)</b> .....	<b>114</b>	<b>3.8</b>
Institutions.....	75	3.8
Infrastructure.....	97	3.3
Macroeconomic environment.....	82	4.5
Health and primary education.....	140	3.6
<b>Efficiency enhancers (50.0%)</b> .....	<b>123</b>	<b>3.3</b>
Higher education and training.....	117	3.1
Goods market efficiency.....	98	4.0
Labor market efficiency.....	104	4.0
Financial market development.....	68	4.0
Technological readiness.....	124	2.7
Market size.....	139	2.0
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>110</b>	<b>3.3</b>
Business sophistication.....	93	3.7
Innovation.....	117	2.8

## Stage of development



## The most problematic factors for doing business

Tax rates.....	20.4
Access to financing.....	16.1
Inflation.....	16.1
Government instability/coups.....	9.5
Inefficient government bureaucracy.....	7.5
Corruption.....	5.4
Restrictive labor regulations.....	3.9
Tax regulations.....	3.9
Policy instability.....	3.7
Poor work ethic in national labor force.....	3.4
Poor public health.....	3.2
Inadequate supply of infrastructure.....	2.8
Insufficient capacity to innovate.....	2.6
Inadequately educated workforce.....	1.3
Crime and theft.....	0.2
Foreign currency regulations.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Swaziland

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.2	76
1.02 Intellectual property protection .....	4.0	52
1.03 Diversion of public funds .....	3.1	82
1.04 Public trust in politicians .....	3.0	70
1.05 Irregular payments and bribes .....	3.6	89
1.06 Judicial independence .....	3.5	81
1.07 Favoritism in decisions of government officials .....	3.0	74
1.08 Wastefulness of government spending .....	2.7	104
1.09 Burden of government regulation .....	3.4	85
1.10 Efficiency of legal framework in settling disputes .....	3.8	63
1.11 Efficiency of legal framework in challenging regs. ....	3.5	70
1.12 Transparency of government policymaking .....	3.8	100
1.13 Business costs of terrorism .....	5.4	74
1.14 Business costs of crime and violence .....	4.5	79
1.15 Organized crime .....	5.0	70
1.16 Reliability of police services .....	4.3	67
1.17 Ethical behavior of firms .....	3.7	89
1.18 Strength of auditing and reporting standards .....	4.8	62
1.19 Efficacy of corporate boards .....	4.4	81
1.20 Protection of minority shareholders' interests .....	4.3	62
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.3	71
2.02 Quality of roads .....	4.9	43
2.03 Quality of railroad infrastructure .....	3.7	38
2.04 Quality of port infrastructure .....	4.3	66
2.05 Quality of air transport infrastructure .....	4.0	98
2.06 Available airline seat km/week, millions* .....	0.3	147
2.07 Quality of electricity supply .....	4.1	91
2.08 Mobile telephone subscriptions/100 pop.* .....	66.0	126
2.09 Fixed telephone lines/100 pop.* .....	4.0	111
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	3.7	14
3.02 Gross national savings, % GDP* .....	9.5	129
3.03 Inflation, annual % change* .....	8.9	126
3.04 General government debt, % GDP* .....	19.0	22
3.05 Country credit rating, 0–100 (best)* .....	22.6	127
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.3	133
4.02 Malaria cases/100,000 pop.* .....	32.5	93
4.03 Business impact of tuberculosis .....	2.0	148
4.04 Tuberculosis cases/100,000 pop.* .....	1,317.0	148
4.05 Business impact of HIV/AIDS .....	1.9	148
4.06 HIV prevalence, % adult pop.* .....	26.00	147
4.07 Infant mortality, deaths/1,000 live births* .....	69.0	136
4.08 Life expectancy, years* .....	48.7	146
4.09 Quality of primary education .....	4.1	62
4.10 Primary education enrollment, net %* .....	84.8	123
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	60.0	112
5.02 Tertiary education enrollment, gross %* .....	5.9	131
5.03 Quality of the educational system .....	3.5	81
5.04 Quality of math and science education .....	3.8	91
5.05 Quality of management schools .....	3.3	128
5.06 Internet access in schools .....	3.2	112
5.07 Availability of research and training services .....	3.4	120
5.08 Extent of staff training .....	3.8	86
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.4	117
6.02 Extent of market dominance .....	3.6	86
6.03 Effectiveness of anti-monopoly policy .....	3.7	106
6.04 Effect of taxation on incentives to invest .....	3.8	70
6.05 Total tax rate, % profits* .....	36.8	70

INDICATOR	VALUE	RANK/148
<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* .....	56	130
6.08 Agricultural policy costs .....	3.6	95
6.09 Prevalence of trade barriers .....	4.2	84
6.10 Trade tariffs, % duty* .....	6.1	78
6.11 Prevalence of foreign ownership .....	4.8	62
6.12 Business impact of rules on FDI .....	4.0	108
6.13 Burden of customs procedures .....	3.0	137
6.14 Imports as a percentage of GDP* .....	68.5	34
6.15 Degree of customer orientation .....	4.4	89
6.16 Buyer sophistication .....	3.5	71
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	101
7.02 Flexibility of wage determination .....	4.8	96
7.03 Hiring and firing practices .....	3.4	110
7.04 Redundancy costs, weeks of salary* .....	14.6	69
7.05 Effect of taxation on incentives to work .....	3.7	65
7.06 Pay and productivity .....	3.7	93
7.07 Reliance on professional management .....	4.3	68
7.08 Country capacity to retain talent .....	2.6	125
7.09 Country capacity to attract talent .....	3.1	93
7.10 Women in labor force, ratio to men* .....	0.63	113
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.5	69
8.02 Affordability of financial services .....	4.4	52
8.03 Financing through local equity market .....	3.2	83
8.04 Ease of access to loans .....	2.8	70
8.05 Venture capital availability .....	2.8	53
8.06 Soundness of banks .....	5.1	66
8.07 Regulation of securities exchanges .....	3.8	91
8.08 Legal rights index, 0–10 (best)* .....	6	65
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.0	122
9.02 Firm-level technology absorption .....	4.0	123
9.03 FDI and technology transfer .....	4.1	108
9.04 Individuals using Internet, %* .....	20.8	102
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.3	119
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.0	134
9.07 Mobile broadband subscriptions/100 pop.* .....	12.0	81
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.7	141
10.02 Foreign market size index, 1–7 (best)* .....	3.0	133
10.03 GDP (PPP\$ billions)* .....	6.2	140
10.04 Exports as a percentage of GDP* .....	54.0	42
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.0	122
11.02 Local supplier quality .....	4.1	98
11.03 State of cluster development .....	3.6	85
11.04 Nature of competitive advantage .....	3.5	70
11.05 Value chain breadth .....	3.5	91
11.06 Control of international distribution .....	3.7	104
11.07 Production process sophistication .....	3.6	78
11.08 Extent of marketing .....	3.6	112
11.09 Willingness to delegate authority .....	3.6	81
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	95
12.02 Quality of scientific research institutions .....	2.9	117
12.03 Company spending on R&D .....	3.0	84
12.04 University-industry collaboration in R&D .....	3.2	106
12.05 Gov't procurement of advanced tech products .....	3.1	107
12.06 Availability of scientists and engineers .....	2.8	144
12.07 PCT patents, applications/million pop.* .....	0.0	126

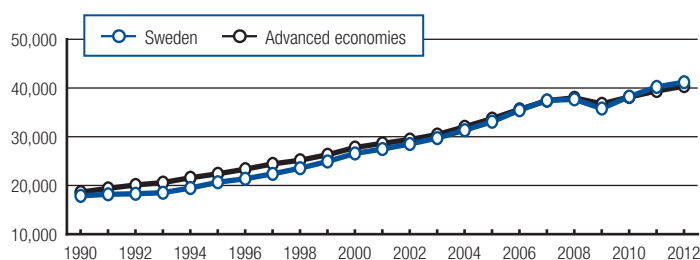
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Sweden

## Key indicators, 2012

Population (millions).....	9.4
GDP (US\$ billions).....	526.2
GDP per capita (US\$).....	55,158
GDP (PPP) as share (%) of world total.....	0.47

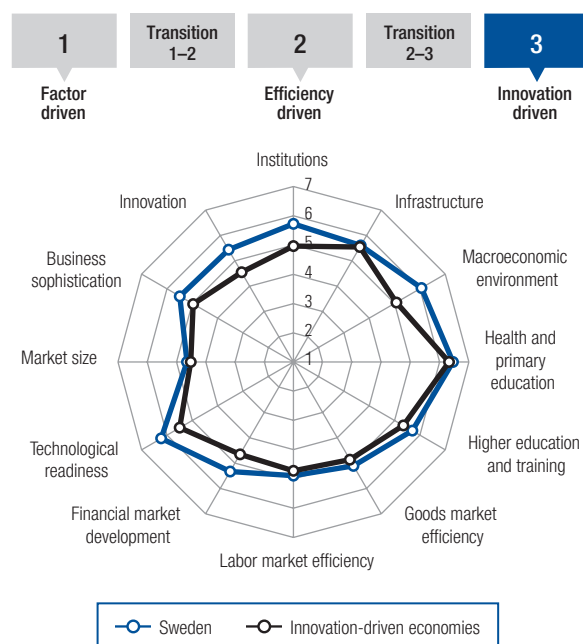
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

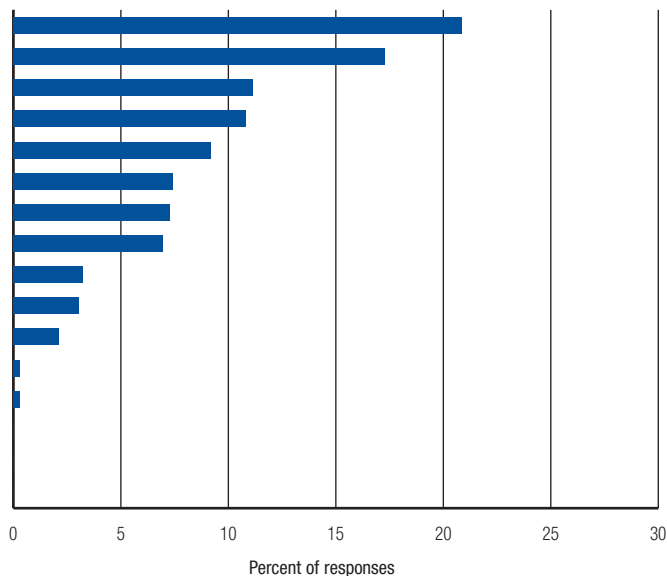
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>6</b>	<b>5.5</b>
GCI 2012–2013 (out of 144).....	4	5.5
GCI 2011–2012 (out of 142).....	3	5.6
<b>Basic requirements (20.0%)</b> .....	<b>8</b>	<b>6.0</b>
Institutions.....	5	5.7
Infrastructure.....	20	5.6
Macroeconomic environment.....	14	6.1
Health and primary education.....	13	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>7</b>	<b>5.3</b>
Higher education and training.....	8	5.7
Goods market efficiency.....	12	5.1
Labor market efficiency.....	18	4.9
Financial market development.....	8	5.3
Technological readiness.....	1	6.2
Market size.....	35	4.6
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>5</b>	<b>5.5</b>
Business sophistication.....	7	5.5
Innovation.....	6	5.4

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	20.8
Tax rates.....	17.3
Tax regulations.....	11.1
Access to financing.....	10.8
Insufficient capacity to innovate.....	9.2
Inadequately educated workforce.....	7.4
Inadequate supply of infrastructure.....	7.3
Inefficient government bureaucracy.....	6.9
Policy instability.....	3.2
Foreign currency regulations.....	3.1
Poor work ethic in national labor force.....	2.1
Corruption.....	0.3
Inflation.....	0.3
Crime and theft.....	0.0
Government instability/coups.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Sweden

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.9	14
1.02 Intellectual property protection .....	5.5	16
1.03 Diversion of public funds .....	5.9	8
1.04 Public trust in politicians .....	5.6	6
1.05 Irregular payments and bribes .....	6.2	10
1.06 Judicial independence .....	6.2	9
1.07 Favoritism in decisions of government officials .....	5.3	2
1.08 Wastefulness of government spending .....	5.0	9
1.09 Burden of government regulation .....	4.1	22
1.10 Efficiency of legal framework in settling disputes .....	5.7	5
1.11 Efficiency of legal framework in challenging regs. ....	5.4	4
1.12 Transparency of government policymaking .....	5.5	9
1.13 Business costs of terrorism .....	6.1	31
1.14 Business costs of crime and violence .....	5.5	28
1.15 Organized crime .....	6.0	26
1.16 Reliability of police services .....	5.9	19
1.17 Ethical behavior of firms .....	6.2	6
1.18 Strength of auditing and reporting standards .....	5.9	11
1.19 Efficacy of corporate boards .....	5.7	6
1.20 Protection of minority shareholders' interests .....	5.6	8
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	31
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.7	21
2.02 Quality of roads .....	5.5	20
2.03 Quality of railroad infrastructure .....	4.6	23
2.04 Quality of port infrastructure .....	5.8	10
2.05 Quality of air transport infrastructure .....	5.7	24
2.06 Available airline seat km/week, millions* .....	497.0	42
2.07 Quality of electricity supply .....	6.5	14
2.08 Mobile telephone subscriptions/100 pop.* .....	122.6	48
2.09 Fixed telephone lines/100 pop.* .....	45.5	17
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.4	32
3.02 Gross national savings, % GDP* .....	25.7	42
3.03 Inflation, annual % change* .....	0.9	1
3.04 General government debt, % GDP* .....	38.0	62
3.05 Country credit rating, 0–100 (best)* .....	93.4	3
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.7	8
4.04 Tuberculosis cases/100,000 pop.* .....	6.8	22
4.05 Business impact of HIV/AIDS .....	6.6	8
4.06 HIV prevalence, % adult pop.* .....	0.20	45
4.07 Infant mortality, deaths/1,000 live births* .....	2.2	5
4.08 Life expectancy, years* .....	81.8	10
4.09 Quality of primary education .....	5.0	24
4.10 Primary education enrollment, net %* .....	99.5	13
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	98.2	43
5.02 Tertiary education enrollment, gross %* .....	73.1	18
5.03 Quality of the educational system .....	5.0	17
5.04 Quality of math and science education .....	4.6	41
5.05 Quality of management schools .....	5.4	15
5.06 Internet access in schools .....	6.2	8
5.07 Availability of research and training services .....	5.7	8
5.08 Extent of staff training .....	5.2	7
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.6	23
6.02 Extent of market dominance .....	4.7	21
6.03 Effectiveness of anti-monopoly policy .....	5.5	3
6.04 Effect of taxation on incentives to invest .....	4.5	23
6.05 Total tax rate, % profits* .....	53.0	120

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	10
6.07 No. days to start a business* .....	16	73
6.08 Agricultural policy costs .....	4.7	12
6.09 Prevalence of trade barriers .....	4.9	16
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	5.4	27
6.12 Business impact of rules on FDI .....	5.0	29
6.13 Burden of customs procedures .....	5.5	7
6.14 Imports as a percentage of GDP* .....	41.3	85
6.15 Degree of customer orientation .....	5.6	8
6.16 Buyer sophistication .....	4.6	8
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.7	6
7.02 Flexibility of wage determination .....	3.5	140
7.03 Hiring and firing practices .....	3.3	114
7.04 Redundancy costs, weeks of salary* .....	14.4	68
7.05 Effect of taxation on incentives to work .....	4.4	20
7.06 Pay and productivity .....	3.9	74
7.07 Reliance on professional management .....	6.1	4
7.08 Country capacity to retain talent .....	5.1	10
7.09 Country capacity to attract talent .....	4.4	25
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 .....	5.8	13
8.02 Affordability of financial services .....	5.3	22
8.03 Financing through local equity market .....	4.8	11
8.04 Ease of access to loans .....	4.2	10
8.05 Venture capital availability .....	4.3	5
8.06 Soundness of banks .....	6.0	19
8.07 Regulation of securities exchanges .....	5.5	13
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.5	2
9.02 Firm-level technology absorption .....	6.2	1
9.03 FDI and technology transfer .....	5.0	33
9.04 Individuals using Internet, %* .....	94.0	3
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	32.2	13
9.06 Int'l Internet bandwidth, kb/s per user* .....	279.8	7
9.07 Mobile broadband subscriptions/100 pop.* .....	101.3	5
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.4	34
10.02 Foreign market size index, 1–7 (best)* .....	5.3	35
10.03 GDP (PPP\$ billions)* .....	393.0	34
10.04 Exports as a percentage of GDP* .....	47.2	59
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	43
11.02 Local supplier quality .....	5.6	8
11.03 State of cluster development .....	4.8	19
11.04 Nature of competitive advantage .....	5.7	12
11.05 Value chain breadth .....	5.5	6
11.06 Control of international distribution .....	4.9	14
11.07 Production process sophistication .....	5.9	9
11.08 Extent of marketing .....	5.7	5
11.09 Willingness to delegate authority .....	5.9	2
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.5	7
12.02 Quality of scientific research institutions .....	5.5	15
12.03 Company spending on R&D .....	5.3	7
12.04 University-industry collaboration in R&D .....	5.3	10
12.05 Gov't procurement of advanced tech products .....	4.2	22
12.06 Availability of scientists and engineers .....	5.2	10
12.07 PCT patents, applications/million pop.* .....	302.7	1

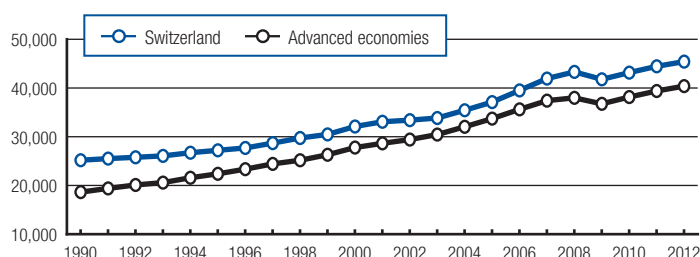
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Switzerland

## Key indicators, 2012

Population (millions).....	7.9
GDP (US\$ billions).....	632.4
GDP per capita (US\$).....	79,033
GDP (PPP) as share (%) of world total.....	0.44

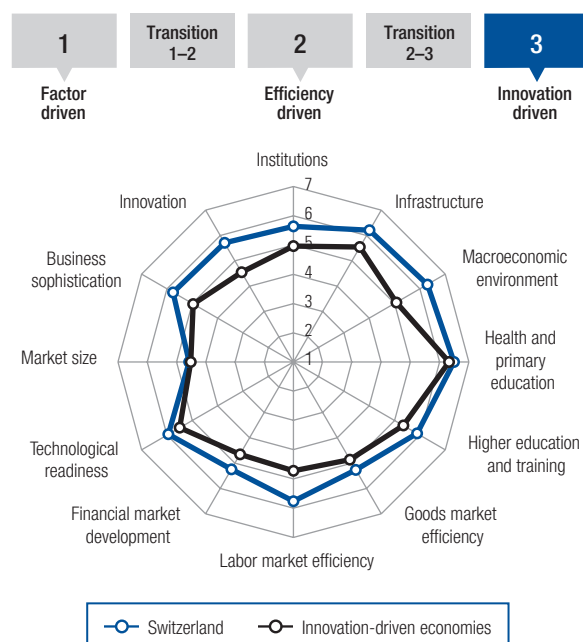
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

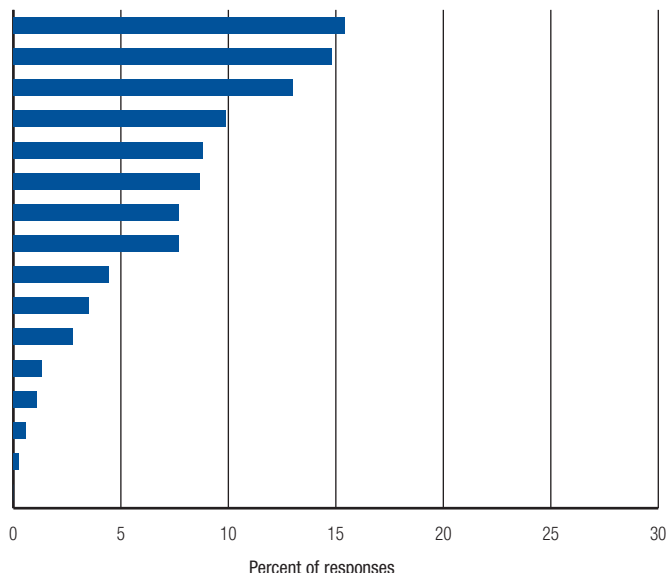
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>1</b>	<b>5.7</b>
GCI 2012–2013 (out of 144).....	1	5.7
GCI 2011–2012 (out of 142).....	1	5.7
<b>Basic requirements (20.0%)</b> .....	<b>3</b>	<b>6.1</b>
Institutions.....	7	5.6
Infrastructure.....	6	6.2
Macroeconomic environment.....	11	6.3
Health and primary education.....	12	6.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>5</b>	<b>5.4</b>
Higher education and training.....	4	5.9
Goods market efficiency.....	6	5.3
Labor market efficiency.....	2	5.8
Financial market development.....	11	5.2
Technological readiness.....	9	5.9
Market size.....	40	4.6
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>1</b>	<b>5.7</b>
Business sophistication.....	2	5.7
Innovation.....	2	5.7

### Stage of development



## The most problematic factors for doing business

Inadequately educated workforce.....	15.4
Inefficient government bureaucracy.....	14.8
Tax regulations.....	13.0
Restrictive labor regulations.....	9.9
Insufficient capacity to innovate.....	8.8
Tax rates.....	8.7
Access to financing.....	7.7
Policy instability.....	7.7
Poor work ethic in national labor force.....	4.5
Foreign currency regulations.....	3.5
Inadequate supply of infrastructure.....	2.8
Inflation.....	1.3
Crime and theft.....	1.1
Corruption.....	0.6
Government instability/coups.....	0.2
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Switzerland

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.2	<b>3</b>
1.02 Intellectual property protection .....	6.0	<b>5</b>
1.03 Diversion of public funds .....	6.0	<b>6</b>
1.04 Public trust in politicians .....	5.2	12
1.05 Irregular payments and bribes .....	6.2	<b>9</b>
1.06 Judicial independence .....	6.1	11
1.07 Favoritism in decisions of government officials .....	4.9	<b>9</b>
1.08 Wastefulness of government spending .....	5.0	<b>8</b>
1.09 Burden of government regulation .....	4.2	17
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>6</b>
1.12 Transparency of government policymaking .....	5.7	<b>6</b>
1.13 Business costs of terrorism .....	6.0	41
1.14 Business costs of crime and violence .....	5.7	23
1.15 Organized crime .....	5.9	33
1.16 Reliability of police services .....	6.3	<b>6</b>
1.17 Ethical behavior of firms .....	6.2	<b>4</b>
1.18 Strength of auditing and reporting standards .....	5.6	21
1.19 Efficacy of corporate boards .....	5.4	11
1.20 Protection of minority shareholders' interests .....	4.5	44
1.21 Strength of investor protection, 0–10 (best)* .....	3.0	134
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.6	<b>1</b>
2.02 Quality of roads .....	6.2	<b>8</b>
2.03 Quality of railroad infrastructure .....	6.6	<b>2</b>
2.04 Quality of port infrastructure .....	5.0	40
2.05 Quality of air transport infrastructure .....	6.2	<b>7</b>
2.06 Available airline seat km/week, millions* .....	945.8	29
2.07 Quality of electricity supply .....	6.8	<b>2</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	135.3	33
2.09 Fixed telephone lines/100 pop.* .....	56.7	<b>7</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	0.3	24
3.02 Gross national savings, % GDP* .....	34.3	16
3.03 Inflation, annual % change* .....	-0.7	76
3.04 General government debt, % GDP* .....	49.1	90
3.05 Country credit rating, 0–100 (best)* .....	94.4	<b>2</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.6	12
4.04 Tuberculosis cases/100,000 pop.* .....	4.8	13
4.05 Business impact of HIV/AIDS .....	6.2	24
4.06 HIV prevalence, % adult pop.* .....	0.40	78
4.07 Infant mortality, deaths/1,000 live births* .....	4.0	25
4.08 Life expectancy, years* .....	82.7	<b>2</b>
4.09 Quality of primary education .....	6.0	<b>5</b>
4.10 Primary education enrollment, net %* .....	93.9	74
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	95.5	52
5.02 Tertiary education enrollment, gross %* .....	56.7	45
5.03 Quality of the educational system .....	6.0	<b>1</b>
5.04 Quality of math and science education .....	5.8	<b>5</b>
5.05 Quality of management schools .....	6.1	<b>1</b>
5.06 Internet access in schools .....	6.1	12
5.07 Availability of research and training services .....	6.5	<b>1</b>
5.08 Extent of staff training .....	5.6	<b>1</b>
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.6	21
6.02 Extent of market dominance .....	5.9	<b>1</b>
6.03 Effectiveness of anti-monopoly policy .....	5.0	17
6.04 Effect of taxation on incentives to invest .....	5.1	11
6.05 Total tax rate, % profits* .....	30.2	37

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	18	78
6.08 Agricultural policy costs .....	3.8	75
6.09 Prevalence of trade barriers .....	3.9	114
6.10 Trade tariffs, % duty* .....	2.6	37
6.11 Prevalence of foreign ownership .....	5.3	33
6.12 Business impact of rules on FDI .....	5.0	38
6.13 Burden of customs procedures .....	5.1	22
6.14 Imports as a percentage of GDP* .....	38.2	95
6.15 Degree of customer orientation .....	5.9	<b>3</b>
6.16 Buyer sophistication .....	5.1	<b>2</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	6.0	<b>1</b>
7.02 Flexibility of wage determination .....	5.7	17
7.03 Hiring and firing practices .....	5.6	<b>2</b>
7.04 Redundancy costs, weeks of salary* .....	10.1	40
7.05 Effect of taxation on incentives to work .....	4.8	14
7.06 Pay and productivity .....	5.2	<b>3</b>
7.07 Reliance on professional management .....	5.9	<b>7</b>
7.08 Country capacity to retain talent .....	5.8	<b>3</b>
7.09 Country capacity to attract talent .....	6.1	<b>1</b>
7.10 Women in labor force, ratio to men* .....	0.86	45
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	6.4	<b>1</b>
8.02 Affordability of financial services .....	5.8	<b>5</b>
8.03 Financing through local equity market .....	4.5	20
8.04 Ease of access to loans .....	3.7	20
8.05 Venture capital availability .....	3.4	22
8.06 Soundness of banks .....	5.9	25
8.07 Regulation of securities exchanges .....	5.4	15
8.08 Legal rights index, 0–10 (best)* .....	8	28
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.4	<b>4</b>
9.02 Firm-level technology absorption .....	6.1	<b>3</b>
9.03 FDI and technology transfer .....	4.8	56
9.04 Individuals using Internet, %* .....	85.2	13
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	41.9	<b>1</b>
9.06 Int'l Internet bandwidth, kb/s per user* .....	322.7	<b>6</b>
9.07 Mobile broadband subscriptions/100 pop.* .....	41.4	38
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.3	42
10.02 Foreign market size index, 1–7 (best)* .....	5.3	36
10.03 GDP (PPP\$ billions)* .....	363.4	36
10.04 Exports as a percentage of GDP* .....	49.6	51
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.5	<b>8</b>
11.02 Local supplier quality .....	6.2	<b>1</b>
11.03 State of cluster development .....	5.3	<b>5</b>
11.04 Nature of competitive advantage .....	6.4	<b>1</b>
11.05 Value chain breadth .....	5.7	<b>4</b>
11.06 Control of international distribution .....	5.2	<b>5</b>
11.07 Production process sophistication .....	6.4	<b>2</b>
11.08 Extent of marketing .....	5.7	<b>7</b>
11.09 Willingness to delegate authority .....	5.3	<b>8</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.8	<b>1</b>
12.02 Quality of scientific research institutions .....	6.3	<b>2</b>
12.03 Company spending on R&D .....	6.0	<b>1</b>
12.04 University-industry collaboration in R&D .....	5.8	<b>1</b>
12.05 Gov't procurement of advanced tech products .....	3.9	36
12.06 Availability of scientists and engineers .....	4.9	18
12.07 PCT patents, applications/million pop.* .....	290.1	<b>2</b>

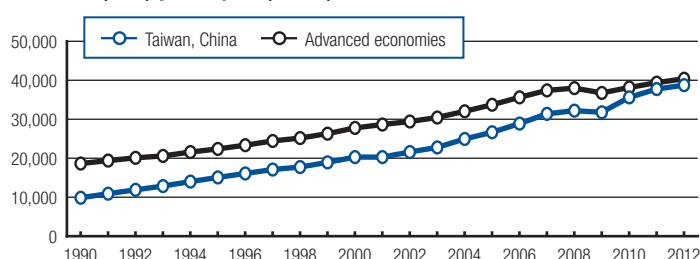
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Taiwan, China

## Key indicators, 2012

Population (millions).....	23.2
GDP (US\$ billions).....	474.0
GDP per capita (US\$).....	20,328
GDP (PPP) as share (%) of world total.....	1.09

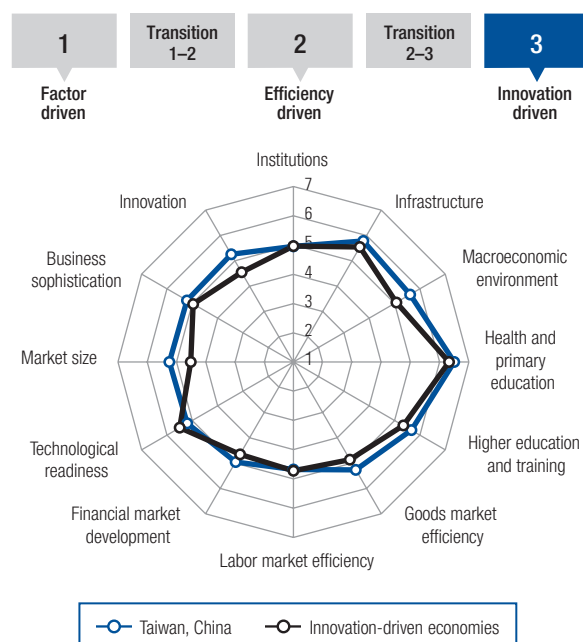
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

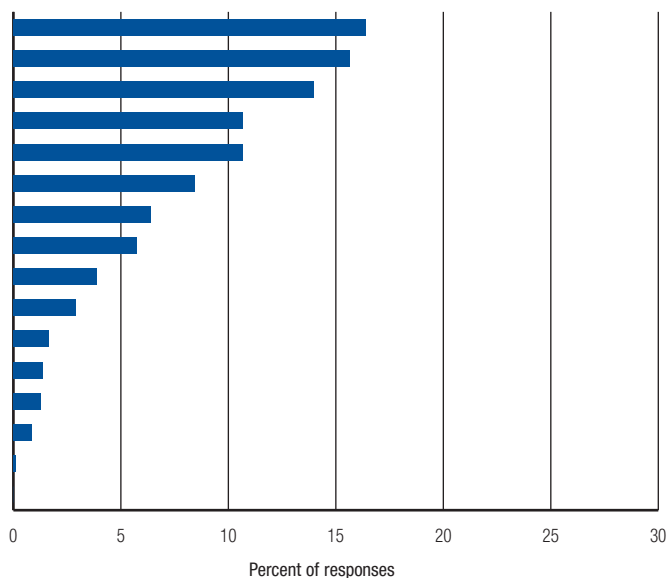
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>12</b>	<b>5.3</b>
GCI 2012–2013 (out of 144).....	13	5.3
GCI 2011–2012 (out of 142).....	13	5.3
<b>Basic requirements (20.0%)</b> .....	<b>16</b>	<b>5.7</b>
Institutions.....	26	4.9
Infrastructure.....	14	5.8
Macroeconomic environment.....	32	5.6
Health and primary education.....	11	6.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>15</b>	<b>5.2</b>
Higher education and training.....	11	5.7
Goods market efficiency.....	7	5.3
Labor market efficiency.....	33	4.7
Financial market development.....	17	4.9
Technological readiness.....	30	5.2
Market size.....	17	5.2
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>9</b>	<b>5.2</b>
Business sophistication.....	15	5.2
Innovation.....	8	5.2

## Stage of development



## The most problematic factors for doing business

Policy instability.....	16.4
Inefficient government bureaucracy.....	15.6
Insufficient capacity to innovate.....	14.0
Restrictive labor regulations.....	10.7
Tax regulations.....	10.7
Tax rates.....	8.4
Foreign currency regulations.....	6.4
Inflation.....	5.7
Access to financing.....	3.9
Inadequate supply of infrastructure.....	2.9
Inadequately educated workforce.....	1.7
Poor work ethic in national labor force.....	1.4
Government instability/coups.....	1.3
Corruption.....	0.9
Crime and theft.....	0.1
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Taiwan, China

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.8	17
1.02 Intellectual property protection .....	5.2	23
1.03 Diversion of public funds .....	4.4	38
1.04 Public trust in politicians .....	4.2	25
1.05 Irregular payments and bribes .....	5.1	34
1.06 Judicial independence .....	4.5	45
1.07 Favoritism in decisions of government officials .....	4.2	19
1.08 Wastefulness of government spending .....	3.7	38
1.09 Burden of government regulation .....	4.3	15
1.10 Efficiency of legal framework in settling disputes .....	4.2	45
1.11 Efficiency of legal framework in challenging regs. ....	3.7	52
1.12 Transparency of government policymaking .....	5.4	<b>10</b>
1.13 Business costs of terrorism .....	6.1	30
1.14 Business costs of crime and violence .....	5.9	13
1.15 Organized crime .....	5.9	30
1.16 Reliability of police services .....	5.2	36
1.17 Ethical behavior of firms .....	5.0	30
1.18 Strength of auditing and reporting standards .....	5.6	20
1.19 Efficacy of corporate boards .....	5.0	34
1.20 Protection of minority shareholders' interests .....	4.9	25
1.21 Strength of investor protection, 0–10 (best)* .....	6.3	31
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.5	26
2.02 Quality of roads .....	5.9	14
2.03 Quality of railroad infrastructure .....	5.7	<b>9</b>
2.04 Quality of port infrastructure .....	5.3	29
2.05 Quality of air transport infrastructure .....	5.4	41
2.06 Available airline seat km/week, millions* .....	1,033.1	27
2.07 Quality of electricity supply .....	6.2	28
2.08 Mobile telephone subscriptions/100 pop.* .....	126.5	43
2.09 Fixed telephone lines/100 pop.* .....	68.7	<b>1</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.6	91
3.02 Gross national savings, % GDP* .....	30.0	25
3.03 Inflation, annual % change* .....	1.9	<b>1</b>
3.04 General government debt, % GDP* .....	40.9	69
3.05 Country credit rating, 0–100 (best)* .....	80.1	19
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	6.1	42
4.04 Tuberculosis cases/100,000 pop.* .....	70.0	84
4.05 Business impact of HIV/AIDS .....	6.3	21
4.06 HIV prevalence, % adult pop.* .....	0.19	44
4.07 Infant mortality, deaths/1,000 live births* .....	4.2	28
4.08 Life expectancy, years* .....	79.2	31
4.09 Quality of primary education .....	5.4	14
4.10 Primary education enrollment, net %* .....	99.5	12
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	99.0	40
5.02 Tertiary education enrollment, gross %* .....	84.4	<b>7</b>
5.03 Quality of the educational system .....	4.5	30
5.04 Quality of math and science education .....	5.4	<b>11</b>
5.05 Quality of management schools .....	4.9	32
5.06 Internet access in schools .....	6.2	<b>7</b>
5.07 Availability of research and training services .....	5.4	16
5.08 Extent of staff training .....	4.5	31
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	6.1	<b>2</b>
6.02 Extent of market dominance .....	5.6	<b>4</b>
6.03 Effectiveness of anti-monopoly policy .....	4.9	18
6.04 Effect of taxation on incentives to invest .....	4.1	42
6.05 Total tax rate, % profits* .....	34.8	60

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	3	<b>10</b>
6.07 No. days to start a business* .....	10	49
6.08 Agricultural policy costs .....	4.1	42
6.09 Prevalence of trade barriers .....	4.8	32
6.10 Trade tariffs, % duty* .....	5.3	72
6.11 Prevalence of foreign ownership .....	5.2	42
6.12 Business impact of rules on FDI .....	5.4	15
6.13 Burden of customs procedures .....	5.3	13
6.14 Imports as a percentage of GDP* .....	66.0	37
6.15 Degree of customer orientation .....	5.8	<b>4</b>
6.16 Buyer sophistication .....	4.8	<b>6</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.1	25
7.02 Flexibility of wage determination .....	5.5	31
7.03 Hiring and firing practices .....	4.1	55
7.04 Redundancy costs, weeks of salary* .....	22.6	105
7.05 Effect of taxation on incentives to work .....	3.6	77
7.06 Pay and productivity .....	5.2	<b>6</b>
7.07 Reliance on professional management .....	5.3	23
7.08 Country capacity to retain talent .....	3.9	48
7.09 Country capacity to attract talent .....	3.6	59
7.10 Women in labor force, ratio to men* .....	0.75	87
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.5	24
8.02 Affordability of financial services .....	5.5	12
8.03 Financing through local equity market .....	5.5	<b>3</b>
8.04 Ease of access to loans .....	4.0	14
8.05 Venture capital availability .....	4.1	<b>9</b>
8.06 Soundness of banks .....	5.5	48
8.07 Regulation of securities exchanges .....	5.4	14
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.5	43
9.02 Firm-level technology absorption .....	5.8	18
9.03 FDI and technology transfer .....	5.1	29
9.04 Individuals using Internet, %* .....	76.0	27
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	23.9	26
9.06 Int'l Internet bandwidth, kb/s per user* .....	44.3	41
9.07 Mobile broadband subscriptions/100 pop.* .....	46.1	33
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.0	19
10.02 Foreign market size index, 1–7 (best)* .....	6.1	12
10.03 GDP (PPP\$ billions)* .....	903.5	20
10.04 Exports as a percentage of GDP* .....	73.8	23
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.7	<b>3</b>
11.02 Local supplier quality .....	5.6	<b>9</b>
11.03 State of cluster development .....	5.6	<b>1</b>
11.04 Nature of competitive advantage .....	5.2	20
11.05 Value chain breadth .....	4.8	21
11.06 Control of international distribution .....	4.8	21
11.07 Production process sophistication .....	5.3	20
11.08 Extent of marketing .....	5.3	18
11.09 Willingness to delegate authority .....	4.5	31
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.8	19
12.02 Quality of scientific research institutions .....	5.2	19
12.03 Company spending on R&D .....	4.8	<b>11</b>
12.04 University-industry collaboration in R&D .....	5.3	<b>11</b>
12.05 Gov't procurement of advanced tech products .....	4.5	<b>8</b>
12.06 Availability of scientists and engineers .....	5.2	12
12.07 PCT patents, applications/million pop.* .....	n/a	n/a

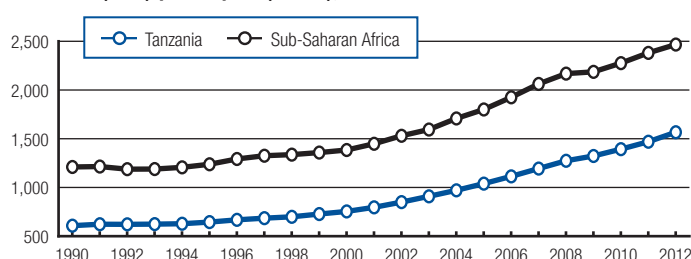
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Tanzania

## Key indicators, 2012

Population (millions).....	46.2
GDP (US\$ billions).....	28.2
GDP per capita (US\$).....	599
GDP (PPP) as share (%) of world total.....	0.09

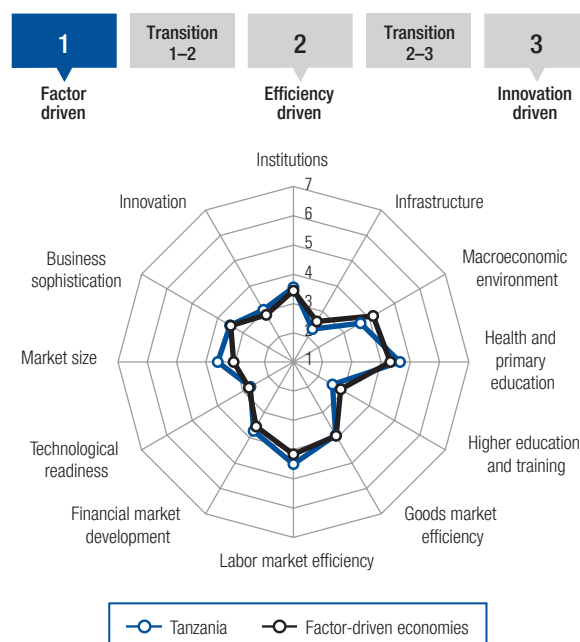
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

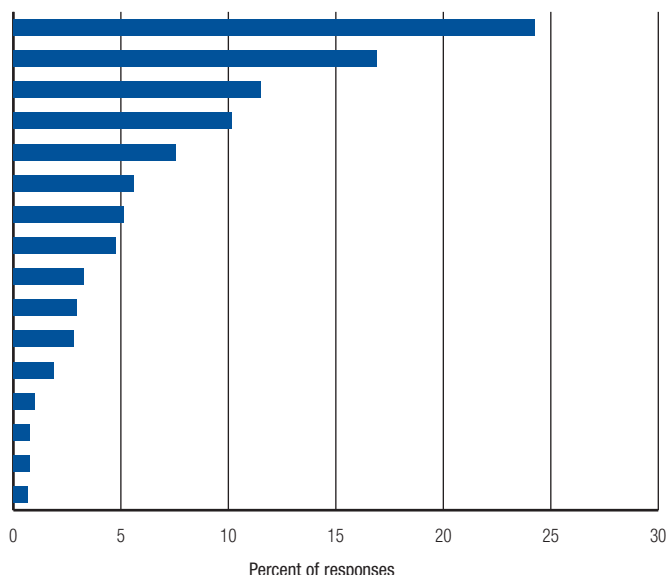
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>125</b>	<b>3.5</b>
GCI 2012–2013 (out of 144).....	120	3.6
GCI 2011–2012 (out of 142).....	120	3.6
<b>Basic requirements (60.0%)</b> .....	<b>129</b>	<b>3.5</b>
Institutions.....	97	3.5
Infrastructure.....	134	2.3
Macroeconomic environment.....	131	3.6
Health and primary education.....	114	4.6
<b>Efficiency enhancers (35.0%)</b> .....	<b>115</b>	<b>3.5</b>
Higher education and training.....	138	2.5
Goods market efficiency.....	118	3.9
Labor market efficiency.....	49	4.5
Financial market development.....	99	3.7
Technological readiness.....	126	2.7
Market size.....	75	3.6
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>109</b>	<b>3.3</b>
Business sophistication.....	116	3.5
Innovation.....	89	3.1

## Stage of development



## The most problematic factors for doing business

Access to financing.....	24.2
Corruption.....	16.9
Inadequate supply of infrastructure.....	11.5
Inefficient government bureaucracy.....	10.2
Inflation.....	7.6
Tax rates.....	5.6
Inadequately educated workforce.....	5.2
Foreign currency regulations.....	4.8
Tax regulations.....	3.3
Poor work ethic in national labor force.....	3.0
Crime and theft.....	2.8
Policy instability.....	1.9
Insufficient capacity to innovate.....	1.0
Government instability/coups.....	0.8
Restrictive labor regulations.....	0.8
Poor public health.....	0.7



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Tanzania

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.8	97
1.02 Intellectual property protection .....	3.2	93
1.03 Diversion of public funds .....	2.9	91
1.04 Public trust in politicians .....	2.8	80
1.05 Irregular payments and bribes .....	2.8	132
1.06 Judicial independence .....	3.2	94
1.07 Favoritism in decisions of government officials .....	3.1	67
1.08 Wastefulness of government spending .....	3.0	84
1.09 Burden of government regulation .....	3.7	53
1.10 Efficiency of legal framework in settling disputes .....	3.6	75
1.11 Efficiency of legal framework in challenging regs. ....	3.3	82
1.12 Transparency of government policymaking .....	3.7	108
1.13 Business costs of terrorism .....	5.0	102
1.14 Business costs of crime and violence .....	4.6	76
1.15 Organized crime .....	5.0	72
1.16 Reliability of police services .....	3.5	110
1.17 Ethical behavior of firms .....	3.4	122
1.18 Strength of auditing and reporting standards .....	3.7	127
1.19 Efficacy of corporate boards .....	4.2	102
1.20 Protection of minority shareholders' interests .....	3.7	110
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.2	124
2.02 Quality of roads .....	3.0	109
2.03 Quality of railroad infrastructure .....	2.0	93
2.04 Quality of port infrastructure .....	3.2	120
2.05 Quality of air transport infrastructure .....	3.0	134
2.06 Available airline seat km/week, millions* .....	83.2	86
2.07 Quality of electricity supply .....	2.3	131
2.08 Mobile telephone subscriptions/100 pop.* .....	57.1	131
2.09 Fixed telephone lines/100 pop.* .....	0.4	140
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.0	119
3.02 Gross national savings, % GDP* .....	23.6	52
3.03 Inflation, annual % change* .....	16.0	144
3.04 General government debt, % GDP* .....	41.4	70
3.05 Country credit rating, 0–100 (best)* .....	29.2	107
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.7	143
4.02 Malaria cases/100,000 pop.* .....	21,897.6	130
4.03 Business impact of tuberculosis .....	4.0	125
4.04 Tuberculosis cases/100,000 pop.* .....	169.0	113
4.05 Business impact of HIV/AIDS .....	3.7	134
4.06 HIV prevalence, % adult pop.* .....	5.80	136
4.07 Infant mortality, deaths/1,000 live births* .....	45.4	117
4.08 Life expectancy, years* .....	58.2	125
4.09 Quality of primary education .....	2.5	130
4.10 Primary education enrollment, net %* .....	98.0	33
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	35.1	134
5.02 Tertiary education enrollment, gross %* .....	3.9	138
5.03 Quality of the educational system .....	3.2	100
5.04 Quality of math and science education .....	2.5	138
5.05 Quality of management schools .....	3.3	129
5.06 Internet access in schools .....	3.1	118
5.07 Availability of research and 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 .....	4.2	127
6.02 Extent of market dominance .....	3.3	114
6.03 Effectiveness of anti-monopoly policy .....	3.9	89
6.04 Effect of taxation on incentives to invest .....	3.7	77
6.05 Total tax rate, % profits* .....	45.3	102

INDICATOR	VALUE	RANK/148
<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	99
6.08 Agricultural policy costs .....	3.7	84
6.09 Prevalence of trade barriers .....	3.7	133
6.10 Trade tariffs, % duty* .....	9.8	106
6.11 Prevalence of foreign ownership .....	4.3	96
6.12 Business impact of rules on FDI .....	4.6	66
6.13 Burden of customs procedures .....	3.2	128
6.14 Imports as a percentage of GDP* .....	47.6	67
6.15 Degree of customer orientation .....	4.1	111
6.16 Buyer sophistication .....	3.0	105
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.9	116
7.02 Flexibility of wage determination .....	4.7	100
7.03 Hiring and firing practices .....	4.0	71
7.04 Redundancy costs, weeks of salary* .....	9.3	35
7.05 Effect of taxation on incentives to work .....	3.5	88
7.06 Pay and productivity .....	3.4	117
7.07 Reliance on professional management .....	3.8	103
7.08 Country capacity to retain talent .....	3.3	76
7.09 Country capacity to attract talent .....	3.1	90
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	119
8.02 Affordability of financial services .....	3.6	120
8.03 Financing through local equity market .....	3.1	89
8.04 Ease of access to loans .....	2.7	83
8.05 Venture capital availability .....	2.6	73
8.06 Soundness of banks .....	4.2	114
8.07 Regulation of securities exchanges .....	3.5	111
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.9	125
9.02 Firm-level technology absorption .....	3.9	127
9.03 FDI and technology transfer .....	4.6	77
9.04 Individuals using Internet, %* .....	13.1	118
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.0	142
9.06 Int'l Internet bandwidth, kb/s per user* .....	1.2	141
9.07 Mobile broadband subscriptions/100 pop.* .....	1.5	116
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.4	73
10.02 Foreign market size index, 1–7 (best)* .....	4.1	87
10.03 GDP (PPP\$ billions)* .....	73.9	78
10.04 Exports as a percentage of GDP* .....	28.8	102
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.1	120
11.02 Local supplier quality .....	3.8	120
11.03 State of cluster development .....	3.5	92
11.04 Nature of competitive advantage .....	2.9	120
11.05 Value chain breadth .....	3.5	98
11.06 Control of international distribution .....	3.6	117
11.07 Production process sophistication .....	3.2	116
11.08 Extent of marketing .....	3.3	122
11.09 Willingness to delegate authority .....	3.5	92
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	101
12.02 Quality of scientific research institutions .....	3.4	90
12.03 Company spending on R&D .....	3.3	55
12.04 University-industry collaboration in R&D .....	3.5	74
12.05 Gov't procurement of advanced tech products .....	3.5	76
12.06 Availability of scientists and engineers .....	3.5	107
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 97.

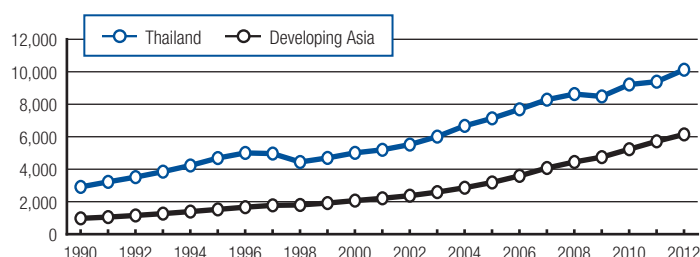


# Thailand

## Key indicators, 2012

Population (millions).....	69.5
GDP (US\$ billions).....	365.6
GDP per capita (US\$).....	5,678
GDP (PPP) as share (%) of world total.....	0.78

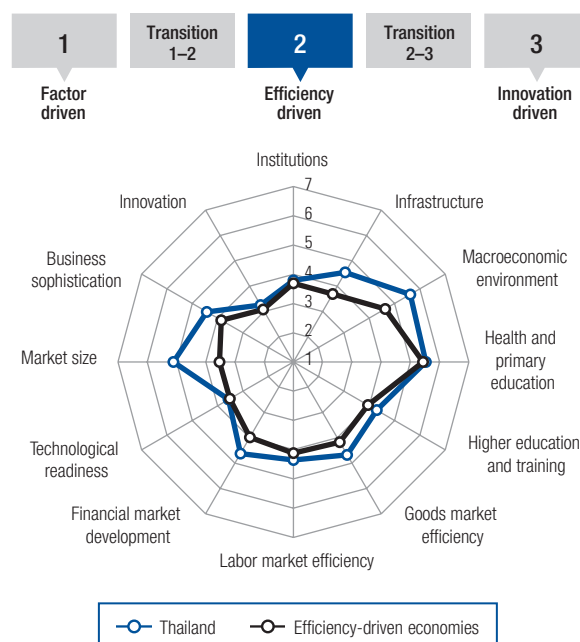
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

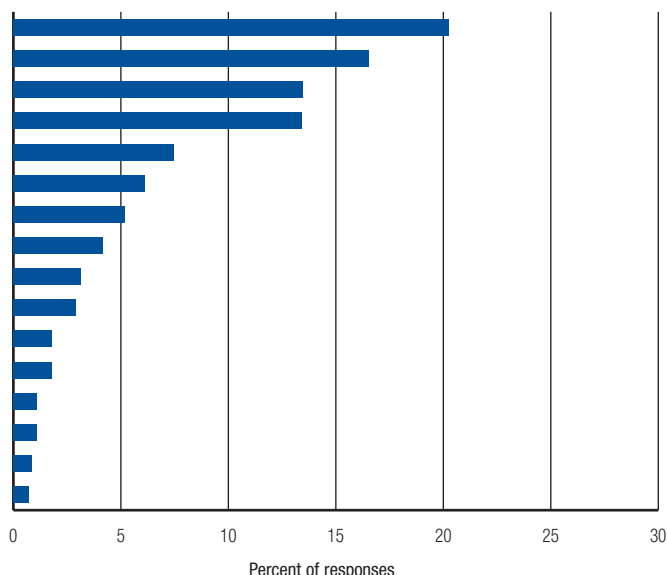
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>37</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	38	4.5
GCI 2011–2012 (out of 142).....	39	4.5
<b>Basic requirements (40.0%)</b> .....	<b>49</b>	<b>4.9</b>
Institutions.....	78	3.8
Infrastructure.....	47	4.5
Macroeconomic environment.....	31	5.6
Health and primary education.....	81	5.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>40</b>	<b>4.4</b>
Higher education and training.....	66	4.3
Goods market efficiency.....	34	4.7
Labor market efficiency.....	62	4.3
Financial market development.....	32	4.6
Technological readiness.....	78	3.6
Market size.....	22	5.1
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>52</b>	<b>3.8</b>
Business sophistication.....	40	4.4
Innovation.....	66	3.2

## Stage of development



## The most problematic factors for doing business

Corruption.....	20.2
Government instability/coups.....	16.5
Policy instability.....	13.5
Inefficient government bureaucracy.....	13.4
Insufficient capacity to innovate.....	7.5
Inadequately educated workforce.....	6.1
Inadequate supply of infrastructure.....	5.2
Access to financing.....	4.2
Poor work ethic in national labor force.....	3.1
Tax regulations.....	2.9
Restrictive labor regulations.....	1.8
Tax rates.....	1.8
Crime and theft.....	1.1
Foreign currency regulations.....	1.1
Inflation.....	0.9
Poor public health.....	0.7



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Thailand

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.1	78
1.02 Intellectual property protection .....	3.1	102
1.03 Diversion of public funds .....	2.7	101
1.04 Public trust in politicians .....	2.0	127
1.05 Irregular payments and bribes .....	3.8	77
1.06 Judicial independence .....	3.8	67
1.07 Favoritism in decisions of government officials .....	2.8	93
1.08 Wastefulness of government spending .....	2.7	107
1.09 Burden of government regulation .....	3.3	90
1.10 Efficiency of legal framework in settling disputes .....	3.9	60
1.11 Efficiency of legal framework in challenging regs. ....	3.5	62
1.12 Transparency of government policymaking .....	3.9	93
1.13 Business costs of terrorism .....	4.5	120
1.14 Business costs of crime and violence .....	4.6	73
1.15 Organized crime .....	4.8	82
1.16 Reliability of police services .....	3.5	109
1.17 Ethical behavior of firms .....	4.0	68
1.18 Strength of auditing and reporting standards .....	5.1	42
1.19 Efficacy of corporate boards .....	4.6	62
1.20 Protection of minority shareholders' interests .....	4.7	34
1.21 Strength of investor protection, 0–10 (best)* .....	7.7	13
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.5	61
2.02 Quality of roads .....	4.9	42
2.03 Quality of railroad infrastructure .....	2.6	72
2.04 Quality of port infrastructure .....	4.5	56
2.05 Quality of air transport infrastructure .....	5.5	34
2.06 Available airline seat km/week, millions* .....	2,464.2	14
2.07 Quality of electricity supply .....	5.2	58
2.08 Mobile telephone subscriptions/100 pop.* .....	120.3	49
2.09 Fixed telephone lines/100 pop.* .....	9.1	96
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.7	54
3.02 Gross national savings, % GDP* .....	30.6	24
3.03 Inflation, annual % change* .....	3.0	52
3.04 General government debt, % GDP* .....	44.3	78
3.05 Country credit rating, 0–100 (best)* .....	61.2	44
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.8	89
4.02 Malaria cases/100,000 pop.* .....	202.6	106
4.03 Business impact of tuberculosis .....	5.1	88
4.04 Tuberculosis cases/100,000 pop.* .....	124.0	102
4.05 Business impact of HIV/AIDS .....	4.8	95
4.06 HIV prevalence, % adult pop.* .....	1.20	116
4.07 Infant mortality, deaths/1,000 live births* .....	10.6	60
4.08 Life expectancy, years* .....	74.1	65
4.09 Quality of primary education .....	3.6	86
4.10 Primary education enrollment, net %* .....	89.7	101
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	78.2	94
5.02 Tertiary education enrollment, gross %* .....	46.4	55
5.03 Quality of the educational system .....	3.6	78
5.04 Quality of math and science education .....	4.0	80
5.05 Quality of management schools .....	4.5	53
5.06 Internet access in schools .....	4.4	65
5.07 Availability of research and training services .....	4.3	64
5.08 Extent of staff training .....	4.2	50
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.3	41
6.02 Extent of market dominance .....	3.7	76
6.03 Effectiveness of anti-monopoly policy .....	4.1	69
6.04 Effect of taxation on incentives to invest .....	3.9	57
6.05 Total tax rate, % profits* .....	37.6	73

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	4	20
6.07 No. days to start a business* .....	29	106
6.08 Agricultural policy costs .....	3.2	121
6.09 Prevalence of trade barriers .....	4.5	50
6.10 Trade tariffs, % duty* .....	6.6	83
6.11 Prevalence of foreign ownership .....	4.7	69
6.12 Business impact of rules on FDI .....	5.2	21
6.13 Burden of customs procedures .....	3.9	80
6.14 Imports as a percentage of GDP* .....	82.1	22
6.15 Degree of customer orientation .....	5.4	15
6.16 Buyer sophistication .....	4.2	25
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.8	37
7.02 Flexibility of wage determination .....	4.5	111
7.03 Hiring and firing practices .....	4.4	31
7.04 Redundancy costs, weeks of salary* .....	36.0	135
7.05 Effect of taxation on incentives to work .....	4.0	44
7.06 Pay and productivity .....	4.4	31
7.07 Reliance on professional management .....	4.4	57
7.08 Country capacity to retain talent .....	4.3	27
7.09 Country capacity to attract talent .....	4.1	32
7.10 Women in labor force, ratio to men* .....	0.82	65
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.4	26
8.02 Affordability of financial services .....	5.0	32
8.03 Financing through local equity market .....	4.7	14
8.04 Ease of access to loans .....	3.6	23
8.05 Venture capital availability .....	3.1	41
8.06 Soundness of banks .....	5.7	39
8.07 Regulation of securities exchanges .....	5.0	31
8.08 Legal rights index, 0–10 (best)* .....	5	89
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.9	75
9.02 Firm-level technology absorption .....	5.0	50
9.03 FDI and technology transfer .....	5.0	36
9.04 Individuals using Internet, %* .....	26.5	97
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	6.2	75
9.06 Int'l Internet bandwidth, kb/s per user* .....	25.0	62
9.07 Mobile broadband subscriptions/100 pop.* .....	0.1	131
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.8	22
10.02 Foreign market size index, 1–7 (best)* .....	5.9	16
10.03 GDP (PPP\$ billions)* .....	651.9	24
10.04 Exports as a percentage of GDP* .....	76.1	21
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.2	23
11.02 Local supplier quality .....	4.9	42
11.03 State of cluster development .....	4.3	33
11.04 Nature of competitive advantage .....	3.9	43
11.05 Value chain breadth .....	4.4	30
11.06 Control of international distribution .....	4.3	43
11.07 Production process sophistication .....	4.2	47
11.08 Extent of marketing .....	4.5	44
11.09 Willingness to delegate authority .....	4.0	45
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	87
12.02 Quality of scientific research institutions .....	3.8	60
12.03 Company spending on R&D .....	3.2	60
12.04 University-industry collaboration in R&D .....	3.9	51
12.05 Gov't procurement of advanced tech products .....	3.1	105
12.06 Availability of scientists and engineers .....	4.4	56
12.07 PCT patents, applications/million pop.* .....	1.0	71

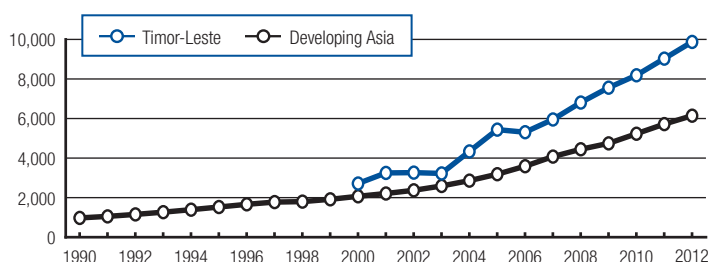
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Timor-Leste

## Key indicators, 2012

Population (millions).....	1.2
GDP (US\$ billions).....	4.2
GDP per capita (US\$).....	3,730
GDP (PPP) as share (%) of world total.....	0.01

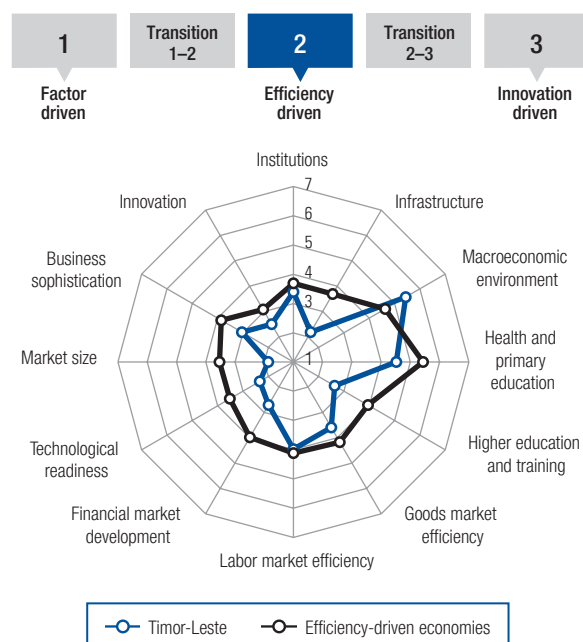
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

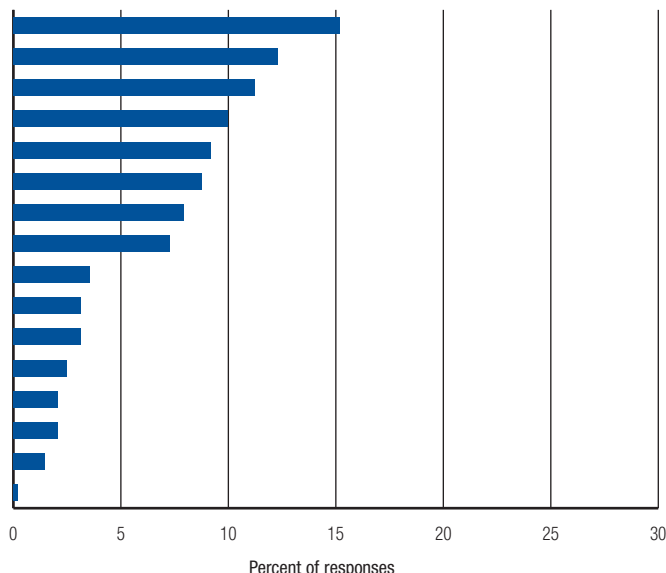
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>138</b>	<b>3.2</b>
GCI 2012–2013 (out of 144).....	136	3.3
GCI 2011–2012 (out of 142).....	131	3.4
<b>Basic requirements (40.0%)</b> .....	<b>110</b>	<b>3.9</b>
Institutions.....	106	3.4
Infrastructure.....	138	2.2
Macroeconomic environment.....	35	5.4
Health and primary education.....	121	4.5
<b>Efficiency enhancers (50.0%)</b> .....	<b>145</b>	<b>2.8</b>
Higher education and training.....	134	2.6
Goods market efficiency.....	134	3.6
Labor market efficiency.....	109	4.0
Financial market development.....	141	2.7
Technological readiness.....	145	2.3
Market size.....	142	1.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>138</b>	<b>2.8</b>
Business sophistication.....	140	3.0
Innovation.....	134	2.5

## Stage of development



## The most problematic factors for doing business

Corruption.....	15.2
Poor work ethic in national labor force.....	12.3
Access to financing.....	11.3
Inefficient government bureaucracy.....	10.0
Inadequately educated workforce.....	9.2
Inadequate supply of infrastructure.....	8.8
Crime and theft.....	7.9
Government instability/coups.....	7.3
Policy instability.....	3.5
Inflation.....	3.1
Insufficient capacity to innovate.....	3.1
Tax rates.....	2.5
Foreign currency regulations.....	2.1
Tax regulations.....	2.1
Restrictive labor regulations.....	1.5
Poor public health.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Timor-Leste

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.8	138
1.02 Intellectual property protection .....	2.7	128
1.03 Diversion of public funds .....	3.3	63
1.04 Public trust in politicians .....	3.2	58
1.05 Irregular payments and bribes .....	3.3	108
1.06 Judicial independence .....	3.4	86
1.07 Favoritism in decisions of government officials .....	2.9	83
1.08 Wastefulness of government spending .....	3.2	72
1.09 Burden of government regulation .....	3.4	75
1.10 Efficiency of legal framework in settling disputes .....	3.5	88
1.11 Efficiency of legal framework in challenging regs. ....	3.3	89
1.12 Transparency of government policymaking .....	3.4	135
1.13 Business costs of terrorism .....	5.4	77
1.14 Business costs of crime and violence .....	4.2	95
1.15 Organized crime .....	4.9	77
1.16 Reliability of police services .....	3.7	100
1.17 Ethical behavior of firms .....	3.4	120
1.18 Strength of auditing and reporting standards .....	2.8	143
1.19 Efficacy of corporate boards .....	3.6	140
1.20 Protection of minority shareholders' interests .....	3.1	136
1.21 Strength of investor protection, 0–10 (best)* .....	4.0	116
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.9	131
2.02 Quality of roads .....	2.0	146
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	2.4	145
2.05 Quality of air transport infrastructure .....	2.5	143
2.06 Available airline seat km/week, millions* .....	4.5	144
2.07 Quality of electricity supply .....	2.9	119
2.08 Mobile telephone subscriptions/100 pop.* .....	52.3	136
2.09 Fixed telephone lines/100 pop.* .....	0.3	143
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	38.8	1
3.02 Gross national savings, % GDP* .....	63.1	1
3.03 Inflation, annual % change* .....	11.8	138
3.04 General government debt, % GDP* .....	0.0	2
3.05 Country credit rating, 0–100 (best)* .....	21.0	132
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	2.6	145
4.02 Malaria cases/100,000 pop.* .....	10,111.0	126
4.03 Business impact of tuberculosis .....	3.4	143
4.04 Tuberculosis cases/100,000 pop.* .....	498.0	141
4.05 Business impact of HIV/AIDS .....	3.9	125
4.06 HIV prevalence, % adult pop.* .....	<0.2	41
4.07 Infant mortality, deaths/1,000 live births* .....	45.8	118
4.08 Life expectancy, years* .....	62.5	118
4.09 Quality of primary education .....	2.2	141
4.10 Primary education enrollment, net %* .....	90.4	97
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	58.1	114
5.02 Tertiary education enrollment, gross %* .....	16.7	101
5.03 Quality of the educational system .....	2.7	124
5.04 Quality of math and science education .....	2.3	141
5.05 Quality of management schools .....	2.2	147
5.06 Internet access in schools .....	2.3	137
5.07 Availability of research and training services .....	2.8	141
5.08 Extent of staff training .....	3.2	132
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.5	142
6.02 Extent of market dominance .....	3.1	128
6.03 Effectiveness of anti-monopoly policy .....	3.6	108
6.04 Effect of taxation on incentives to invest .....	3.8	73
6.05 Total tax rate, % profits* .....	15.1	7

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	94	141
6.08 Agricultural policy costs .....	3.6	104
6.09 Prevalence of trade barriers .....	3.6	139
6.10 Trade tariffs, % duty* .....	2.5	36
6.11 Prevalence of foreign ownership .....	4.0	115
6.12 Business impact of rules on FDI .....	3.9	113
6.13 Burden of customs procedures .....	3.1	136
6.14 Imports as a percentage of GDP* .....	25.5	136
6.15 Degree of customer orientation .....	3.6	135
6.16 Buyer sophistication .....	2.5	138
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.9	111
7.02 Flexibility of wage determination .....	4.5	112
7.03 Hiring and firing practices .....	4.0	68
7.04 Redundancy costs, weeks of salary* .....	4.3	9
7.05 Effect of taxation on incentives to work .....	3.8	61
7.06 Pay and productivity .....	3.4	119
7.07 Reliance on professional management .....	3.1	136
7.08 Country capacity to retain talent .....	3.6	58
7.09 Country capacity to attract talent .....	2.9	101
7.10 Women in labor force, ratio to men* .....	0.53	129
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	2.8	144
8.02 Affordability of financial services .....	2.8	143
8.03 Financing through local equity market .....	2.3	131
8.04 Ease of access to loans .....	2.4	108
8.05 Venture capital availability .....	2.5	87
8.06 Soundness of banks .....	3.8	133
8.07 Regulation of securities exchanges .....	2.5	137
8.08 Legal rights index, 0–10 (best)* .....	2	141
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.1	146
9.02 Firm-level technology absorption .....	3.3	146
9.03 FDI and technology transfer .....	3.6	135
9.04 Individuals using Internet, %* .....	0.9	148
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.1	134
9.06 Int'l Internet bandwidth, kb/s per user* .....	16.4	76
9.07 Mobile broadband subscriptions/100 pop.* .....	0.4	124
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.1	130
10.02 Foreign market size index, 1–7 (best)* .....	1.0	148
10.03 GDP (PPP\$ billions)* .....	11.0	133
10.04 Exports as a percentage of GDP* .....	0.9	148
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.5	141
11.02 Local supplier quality .....	3.1	143
11.03 State of cluster development .....	2.9	133
11.04 Nature of competitive advantage .....	3.4	82
11.05 Value chain breadth .....	3.0	133
11.06 Control of international distribution .....	3.1	141
11.07 Production process sophistication .....	2.5	141
11.08 Extent of marketing .....	2.5	145
11.09 Willingness to delegate authority .....	3.2	119
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.9	124
12.02 Quality of scientific research institutions .....	2.3	141
12.03 Company spending on R&D .....	2.4	135
12.04 University-industry collaboration in R&D .....	2.8	125
12.05 Gov't procurement of advanced tech products .....	3.4	88
12.06 Availability of scientists and engineers .....	2.6	147
12.07 PCT patents, applications/million pop.* .....	0.0	126

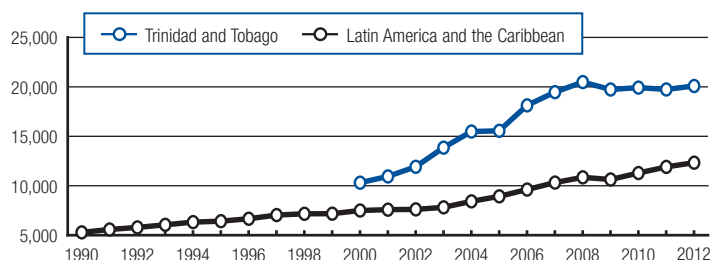
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Trinidad and Tobago

## Key indicators, 2012

Population (millions).....	1.3
GDP (US\$ billions).....	25.3
GDP per capita (US\$).....	19,018
GDP (PPP) as share (%) of world total.....	0.03

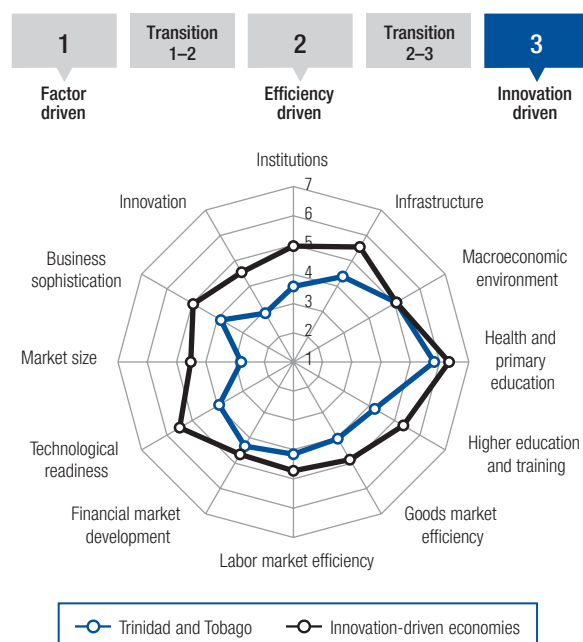
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

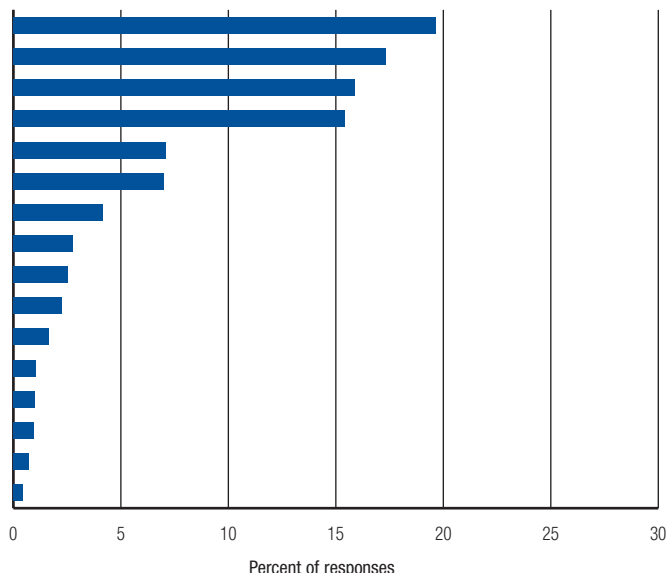
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>92</b>	<b>3.9</b>
GCI 2012–2013 (out of 144).....	84	4.0
GCI 2011–2012 (out of 142).....	81	4.0
<b>Basic requirements (20.0%)</b> .....	<b>60</b>	<b>4.7</b>
Institutions.....	94	3.6
Infrastructure.....	52	4.4
Macroeconomic environment.....	52	5.1
Health and primary education.....	63	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>82</b>	<b>3.9</b>
Higher education and training.....	75	4.2
Goods market efficiency.....	101	4.0
Labor market efficiency.....	89	4.2
Financial market development.....	55	4.3
Technological readiness.....	61	3.9
Market size.....	114	2.8
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>92</b>	<b>3.4</b>
Business sophistication.....	79	3.9
Innovation.....	107	2.9

## Stage of development



## The most problematic factors for doing business

Crime and theft.....	19.7
Inefficient government bureaucracy.....	17.3
Corruption.....	15.9
Poor work ethic in national labor force.....	15.4
Insufficient capacity to innovate.....	7.1
Access to financing.....	7.0
Inadequate supply of infrastructure.....	4.2
Restrictive labor regulations.....	2.8
Policy instability.....	2.5
Inadequately educated workforce.....	2.3
Inflation.....	1.6
Tax rates.....	1.1
Tax regulations.....	1.0
Poor public health.....	1.0
Foreign currency regulations.....	0.7
Government instability/coups.....	0.4



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Trinidad and Tobago

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.2	74
1.02 Intellectual property protection .....	3.3	91
1.03 Diversion of public funds .....	2.9	89
1.04 Public trust in politicians .....	2.2	111
1.05 Irregular payments and bribes .....	3.5	95
1.06 Judicial independence .....	4.6	<b>43</b>
1.07 Favoritism in decisions of government officials .....	2.4	125
1.08 Wastefulness of government spending .....	2.9	96
1.09 Burden of government regulation .....	3.4	87
1.10 Efficiency of legal framework in settling disputes .....	3.6	79
1.11 Efficiency of legal framework in challenging regs. ....	3.3	84
1.12 Transparency of government policymaking .....	3.9	94
1.13 Business costs of terrorism .....	5.8	55
1.14 Business costs of crime and violence .....	2.3	145
1.15 Organized crime .....	4.1	120
1.16 Reliability of police services .....	3.1	121
1.17 Ethical behavior of firms .....	3.4	118
1.18 Strength of auditing and reporting standards .....	4.2	95
1.19 Efficacy of corporate boards .....	4.1	116
1.20 Protection of minority shareholders' interests .....	3.7	111
1.21 Strength of investor protection, 0–10 (best)* .....	6.7	<b>25</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.7	57
2.02 Quality of roads .....	3.9	75
2.03 Quality of railroad infrastructure .....	N/Appl.	n/a
2.04 Quality of port infrastructure .....	5.1	75
2.05 Quality of air transport infrastructure .....	4.0	51
2.06 Available airline seat km/week, millions* .....	61.4	95
2.07 Quality of electricity supply .....	5.4	<b>50</b>
2.08 Mobile telephone subscriptions/100 pop.* .....	139.4	<b>28</b>
2.09 Fixed telephone lines/100 pop.* .....	21.2	56
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.6	51
3.02 Gross national savings, % GDP* .....	25.6	<b>43</b>
3.03 Inflation, annual % change* .....	9.3	129
3.04 General government debt, % GDP* .....	39.7	68
3.05 Country credit rating, 0–100 (best)* .....	62.6	<b>43</b>
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Appl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	5.5	75
4.04 Tuberculosis cases/100,000 pop.* .....	21.0	<b>47</b>
4.05 Business impact of HIV/AIDS .....	4.4	115
4.06 HIV prevalence, % adult pop.* .....	1.50	122
4.07 Infant mortality, deaths/1,000 live births* .....	24.5	96
4.08 Life expectancy, years* .....	70.0	96
4.09 Quality of primary education .....	4.6	<b>45</b>
4.10 Primary education enrollment, net %* .....	93.9	73
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	89.9	71
5.02 Tertiary education enrollment, gross %* .....	11.5	113
5.03 Quality of the educational system .....	4.2	<b>45</b>
5.04 Quality of math and science education .....	4.6	<b>36</b>
5.05 Quality of management schools .....	4.9	<b>34</b>
5.06 Internet access in schools .....	4.6	57
5.07 Availability of research and training services .....	4.5	<b>49</b>
5.08 Extent of staff training .....	4.1	60
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.7	88
6.02 Extent of market dominance .....	3.6	82
6.03 Effectiveness of anti-monopoly policy .....	3.7	104
6.04 Effect of taxation on incentives to invest .....	4.6	<b>21</b>
6.05 Total tax rate, % profits* .....	29.1	<b>35</b>

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	8	88
6.07 No. days to start a business* .....	41	127
6.08 Agricultural policy costs .....	3.4	113
6.09 Prevalence of trade barriers .....	4.5	<b>44</b>
6.10 Trade tariffs, % duty* .....	10.5	111
6.11 Prevalence of foreign ownership .....	4.6	79
6.12 Business impact of rules on FDI .....	4.7	57
6.13 Burden of customs procedures .....	3.1	133
6.14 Imports as a percentage of GDP* .....	33.3	111
6.15 Degree of customer orientation .....	3.6	137
6.16 Buyer sophistication .....	3.5	68
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.5	134
7.02 Flexibility of wage determination .....	4.5	108
7.03 Hiring and firing practices .....	4.0	73
7.04 Redundancy costs, weeks of salary* .....	20.5	96
7.05 Effect of taxation on incentives to work .....	4.3	<b>22</b>
7.06 Pay and productivity .....	3.3	123
7.07 Reliance on professional management .....	4.4	60
7.08 Country capacity to retain talent .....	3.4	73
7.09 Country capacity to attract talent .....	4.1	<b>33</b>
7.10 Women in labor force, ratio to men* .....	0.73	94
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.5	72
8.02 Affordability of financial services .....	4.1	79
8.03 Financing through local equity market .....	3.2	85
8.04 Ease of access to loans .....	2.5	93
8.05 Venture capital availability .....	2.2	111
8.06 Soundness of banks .....	5.7	<b>37</b>
8.07 Regulation of securities exchanges .....	4.0	79
8.08 Legal rights index, 0–10 (best)* .....	9	<b>12</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.2	55
9.02 Firm-level technology absorption .....	4.7	75
9.03 FDI and technology transfer .....	4.7	64
9.04 Individuals using Internet, %* .....	59.5	<b>50</b>
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	13.6	<b>48</b>
9.06 Int'l Internet bandwidth, kb/s per user* .....	18.3	72
9.07 Mobile broadband subscriptions/100 pop.* .....	1.5	117
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.4	120
10.02 Foreign market size index, 1–7 (best)* .....	3.9	98
10.03 GDP (PPP\$ billions)* .....	26.7	103
10.04 Exports as a percentage of GDP* .....	57.5	<b>35</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	82
11.02 Local supplier quality .....	4.2	86
11.03 State of cluster development .....	3.5	91
11.04 Nature of competitive advantage .....	3.0	114
11.05 Value chain breadth .....	3.4	102
11.06 Control of international distribution .....	4.1	63
11.07 Production process sophistication .....	4.1	54
11.08 Extent of marketing .....	4.1	69
11.09 Willingness to delegate authority .....	3.3	111
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.9	123
12.02 Quality of scientific research institutions .....	3.3	100
12.03 Company spending on R&D .....	2.7	117
12.04 University-industry collaboration in R&D .....	3.2	102
12.05 Gov't procurement of advanced tech products .....	2.7	130
12.06 Availability of scientists and engineers .....	4.4	<b>48</b>
12.07 PCT patents, applications/million pop.* .....	1.4	63

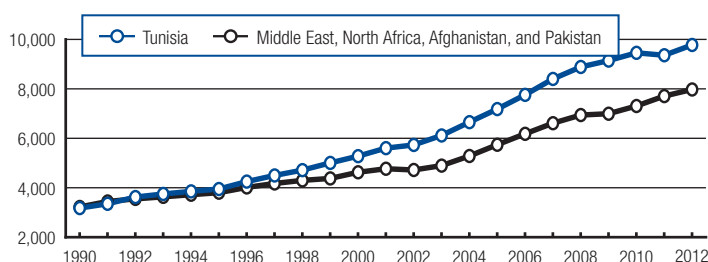
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Tunisia

## Key indicators, 2012

Population (millions).....	10.7
GDP (US\$ billions).....	45.6
GDP per capita (US\$).....	4,232
GDP (PPP) as share (%) of world total.....	0.13

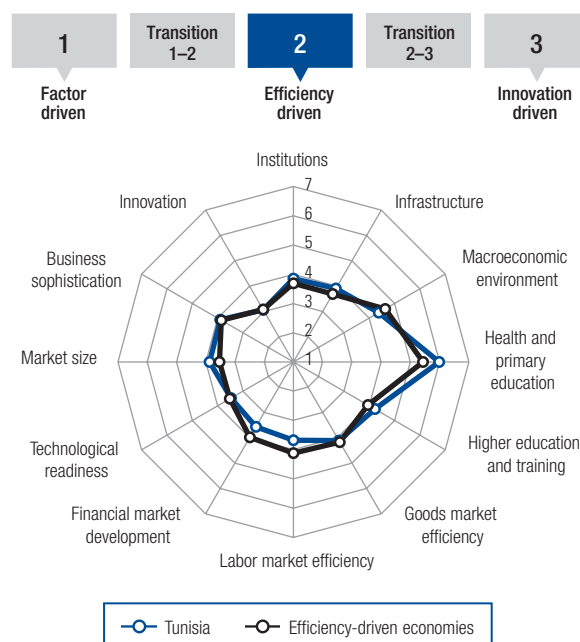
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

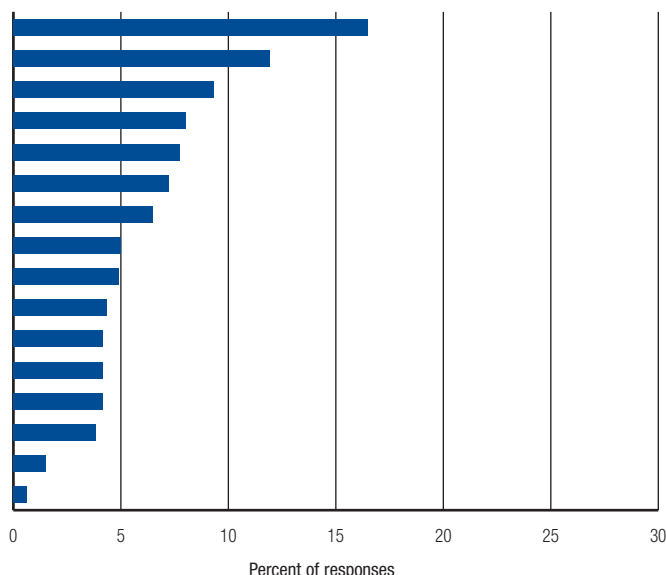
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>83</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	n/a	n/a
GCI 2011–2012 (out of 142).....	n/a	n/a
<b>Basic requirements (40.0%)</b> .....	<b>74</b>	<b>4.5</b>
Institutions.....	73	3.8
Infrastructure.....	77	3.9
Macroeconomic environment.....	96	4.4
Health and primary education.....	47	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>88</b>	<b>3.8</b>
Higher education and training.....	73	4.2
Goods market efficiency.....	88	4.1
Labor market efficiency.....	132	3.7
Financial market development.....	110	3.6
Technological readiness.....	83	3.5
Market size.....	64	3.9
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>79</b>	<b>3.5</b>
Business sophistication.....	76	3.9
Innovation.....	88	3.1

## Stage of development



## The most problematic factors for doing business

Policy instability.....	16.5
Inefficient government bureaucracy.....	11.9
Access to financing.....	9.3
Inadequate supply of infrastructure.....	8.0
Government instability/coups.....	7.7
Restrictive labor regulations.....	7.2
Tax regulations.....	6.5
Poor work ethic in national labor force.....	5.0
Inflation.....	4.9
Corruption.....	4.4
Foreign currency regulations.....	4.2
Insufficient capacity to innovate.....	4.2
Tax rates.....	4.2
Inadequately educated workforce.....	3.8
Crime and theft.....	1.5
Poor public health.....	0.6



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Tunisia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.3	70
1.02 Intellectual property protection .....	3.2	97
1.03 Diversion of public funds .....	3.7	56
1.04 Public trust in politicians .....	3.3	53
1.05 Irregular payments and bribes .....	3.9	69
1.06 Judicial independence .....	3.6	77
1.07 Favoritism in decisions of government officials .....	3.4	44
1.08 Wastefulness of government spending .....	3.5	49
1.09 Burden of government regulation .....	3.5	71
1.10 Efficiency of legal framework in settling disputes .....	3.9	54
1.11 Efficiency of legal framework in challenging regs. ....	3.5	67
1.12 Transparency of government policymaking .....	4.0	82
1.13 Business costs of terrorism .....	3.8	137
1.14 Business costs of crime and violence .....	3.6	117
1.15 Organized crime .....	4.5	100
1.16 Reliability of police services .....	3.9	87
1.17 Ethical behavior of firms .....	4.0	65
1.18 Strength of auditing and reporting standards .....	4.5	84
1.19 Efficacy of corporate boards .....	4.0	124
1.20 Protection of minority shareholders' interests .....	4.3	61
1.21 Strength of investor protection, 0–10 (best)* .....	6.0	41
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.1	80
2.02 Quality of roads .....	3.8	77
2.03 Quality of railroad infrastructure .....	3.4	49
2.04 Quality of port infrastructure .....	4.0	82
2.05 Quality of air transport infrastructure .....	4.5	67
2.06 Available airline seat km/week, millions* .....	163.8	71
2.07 Quality of electricity supply .....	5.3	56
2.08 Mobile telephone subscriptions/100 pop.* .....	120.0	50
2.09 Fixed telephone lines/100 pop.* .....	10.3	91
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.9	117
3.02 Gross national savings, % GDP* .....	18.2	79
3.03 Inflation, annual % change* .....	5.6	99
3.04 General government debt, % GDP* .....	44.5	80
3.05 Country credit rating, 0–100 (best)* .....	45.4	72
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.8	62
4.04 Tuberculosis cases/100,000 pop.* .....	30.0	58
4.05 Business impact of HIV/AIDS .....	5.8	54
4.06 HIV prevalence, % adult pop.* .....	0.10	11
4.07 Infant mortality, deaths/1,000 live births* .....	13.9	74
4.08 Life expectancy, years* .....	74.8	57
4.09 Quality of primary education .....	3.9	72
4.10 Primary education enrollment, net %* .....	99.4	14
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	92.6	59
5.02 Tertiary education enrollment, gross %* .....	37.1	71
5.03 Quality of the educational system .....	3.7	71
5.04 Quality of math and science education .....	4.7	31
5.05 Quality of management schools .....	4.3	66
5.06 Internet access in schools .....	3.7	95
5.07 Availability of research and training services .....	3.9	85
5.08 Extent of staff training .....	3.6	111
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9	80
6.02 Extent of market dominance .....	4.1	48
6.03 Effectiveness of anti-monopoly policy .....	4.1	74
6.04 Effect of taxation on incentives to invest .....	3.9	64
6.05 Total tax rate, % profits* .....	62.9	130

INDICATOR	VALUE	RANK/148
<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	54
6.08 Agricultural policy costs .....	3.5	107
6.09 Prevalence of trade barriers .....	4.1	96
6.10 Trade tariffs, % duty* .....	16.3	140
6.11 Prevalence of foreign ownership .....	4.6	74
6.12 Business impact of rules on FDI .....	5.0	28
6.13 Burden of customs procedures .....	3.8	85
6.14 Imports as a percentage of GDP* .....	60.4	43
6.15 Degree of customer orientation .....	4.4	87
6.16 Buyer sophistication .....	3.4	76
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.8	119
7.02 Flexibility of wage determination .....	4.0	129
7.03 Hiring and firing practices .....	3.5	105
7.04 Redundancy costs, weeks of salary* .....	12.1	55
7.05 Effect of taxation on incentives to work .....	3.7	71
7.06 Pay and productivity .....	3.5	108
7.07 Reliance on professional management .....	3.9	98
7.08 Country capacity to retain talent .....	3.4	74
7.09 Country capacity to attract talent .....	2.8	103
7.10 Women in labor force, ratio to men* .....	0.37	136
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.9	100
8.02 Affordability of financial services .....	3.9	87
8.03 Financing through local equity market .....	3.9	40
8.04 Ease of access to loans .....	2.9	67
8.05 Venture capital availability .....	3.0	44
8.06 Soundness of banks .....	3.9	131
8.07 Regulation of securities exchanges .....	4.1	71
8.08 Legal rights index, 0–10 (best)* .....	3	118
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.8	77
9.02 Firm-level technology absorption .....	4.7	70
9.03 FDI and technology transfer .....	4.6	70
9.04 Individuals using Internet, %* .....	41.4	79
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	4.8	81
9.06 Int'l Internet bandwidth, kb/s per user* .....	19.0	70
9.07 Mobile broadband subscriptions/100 pop.* .....	5.2	96
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.6	63
10.02 Foreign market size index, 1–7 (best)* .....	4.6	67
10.03 GDP (PPP\$ billions)* .....	105.3	65
10.04 Exports as a percentage of GDP* .....	48.0	57
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.9	46
11.02 Local supplier quality .....	4.2	84
11.03 State of cluster development .....	3.7	78
11.04 Nature of competitive advantage .....	3.5	64
11.05 Value chain breadth .....	3.8	61
11.06 Control of international distribution .....	3.9	79
11.07 Production process sophistication .....	3.5	87
11.08 Extent of marketing .....	4.0	85
11.09 Willingness to delegate authority .....	3.4	104
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	99
12.02 Quality of scientific research institutions .....	3.3	94
12.03 Company spending on R&D .....	2.8	101
12.04 University-industry collaboration in R&D .....	3.1	113
12.05 Gov't procurement of advanced tech products .....	3.0	115
12.06 Availability of scientists and engineers .....	4.8	22
12.07 PCT patents, applications/million pop.* .....	1.1	68

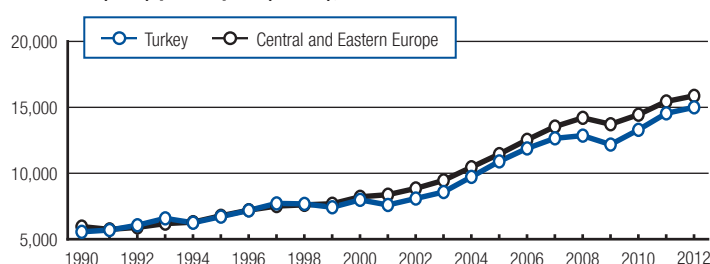
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Turkey

## Key indicators, 2012

Population (millions).....	73.6
GDP (US\$ billions).....	794.5
GDP per capita (US\$).....	10,609
GDP (PPP) as share (%) of world total.....	1.35

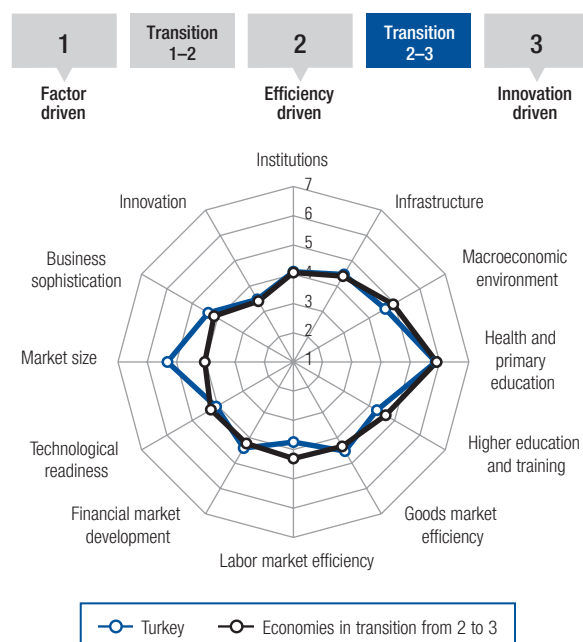
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

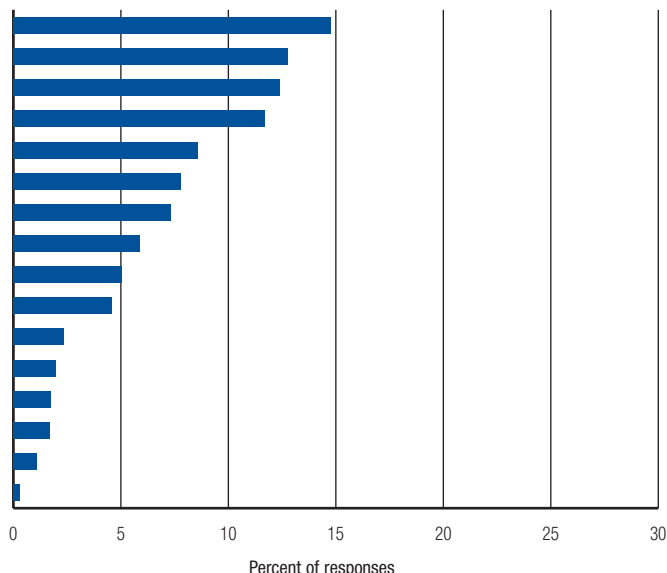
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>44</b>	<b>4.5</b>
GCI 2012–2013 (out of 144).....	43	4.5
GCI 2011–2012 (out of 142).....	59	4.3
<b>Basic requirements (36.0%)</b> .....	<b>56</b>	<b>4.8</b>
Institutions.....	56	4.1
Infrastructure.....	49	4.5
Macroeconomic environment.....	76	4.6
Health and primary education.....	59	5.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>45</b>	<b>4.4</b>
Higher education and training.....	65	4.3
Goods market efficiency.....	43	4.5
Labor market efficiency.....	130	3.7
Financial market development.....	51	4.4
Technological readiness.....	58	4.1
Market size.....	16	5.3
<b>Innovation and sophistication factors (14.0%)</b> .....	<b>47</b>	<b>3.9</b>
Business sophistication.....	43	4.4
Innovation.....	50	3.5

## Stage of development



## The most problematic factors for doing business

Tax rates.....	14.8
Inadequately educated workforce.....	12.8
Inefficient government bureaucracy.....	12.4
Access to financing.....	11.7
Tax regulations.....	8.6
Inadequate supply of infrastructure.....	7.8
Restrictive labor regulations.....	7.3
Foreign currency regulations.....	5.9
Insufficient capacity to innovate.....	5.0
Poor work ethic in national labor force.....	4.6
Corruption.....	2.4
Inflation.....	2.0
Policy instability.....	1.8
Government instability/coups.....	1.7
Poor public health.....	1.1
Crime and theft.....	0.3



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Turkey

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.7	48
1.02 Intellectual property protection .....	3.6	74
1.03 Diversion of public funds .....	3.6	58
1.04 Public trust in politicians .....	3.6	<b>37</b>
1.05 Irregular payments and bribes .....	4.5	53
1.06 Judicial independence .....	3.4	85
1.07 Favoritism in decisions of government officials .....	3.4	53
1.08 Wastefulness of government spending .....	4.1	<b>26</b>
1.09 Burden of government regulation .....	3.5	72
1.10 Efficiency of legal framework in settling disputes .....	3.9	59
1.11 Efficiency of legal framework in challenging regs. ....	3.9	46
1.12 Transparency of government policymaking .....	4.6	<b>37</b>
1.13 Business costs of terrorism .....	4.1	129
1.14 Business costs of crime and violence .....	4.6	72
1.15 Organized crime .....	4.6	94
1.16 Reliability of police services .....	4.0	80
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 .....	4.4	92
1.20 Protection of minority shareholders' interests .....	4.3	57
1.21 Strength of investor protection, 0–10 (best)* .....	5.7	57
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.1	<b>41</b>
2.02 Quality of roads .....	4.9	44
2.03 Quality of railroad infrastructure .....	3.1	52
2.04 Quality of port infrastructure .....	4.3	63
2.05 Quality of air transport infrastructure .....	5.5	<b>33</b>
2.06 Available airline seat km/week, millions* .....	2,081.9	<b>20</b>
2.07 Quality of electricity supply .....	4.8	77
2.08 Mobile telephone subscriptions/100 pop.* .....	90.8	105
2.09 Fixed telephone lines/100 pop.* .....	18.6	66
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-1.5	49
3.02 Gross national savings, % GDP* .....	14.7	99
3.03 Inflation, annual % change* .....	8.9	125
3.04 General government debt, % GDP* .....	36.4	57
3.05 Country credit rating, 0–100 (best)* .....	53.3	62
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	6.5	75
4.02 Malaria cases/100,000 pop.* .....	0.0	74
4.03 Business impact of tuberculosis .....	6.4	<b>27</b>
4.04 Tuberculosis cases/100,000 pop.* .....	24.0	53
4.05 Business impact of HIV/AIDS .....	6.5	<b>12</b>
4.06 HIV prevalence, % adult pop.* .....	0.10	<b>11</b>
4.07 Infant mortality, deaths/1,000 live births* .....	11.5	63
4.08 Life expectancy, years* .....	73.9	69
4.09 Quality of primary education .....	3.5	92
4.10 Primary education enrollment, net %* .....	98.9	<b>23</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	82.1	89
5.02 Tertiary education enrollment, gross %* .....	55.4	46
5.03 Quality of the educational system .....	3.4	91
5.04 Quality of math and science education .....	3.5	101
5.05 Quality of management schools .....	3.8	101
5.06 Internet access in schools .....	4.4	63
5.07 Availability of research and training services .....	4.2	70
5.08 Extent of staff training .....	4.0	65
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.8	<b>15</b>
6.02 Extent of market dominance .....	4.3	<b>35</b>
6.03 Effectiveness of anti-monopoly policy .....	4.6	<b>30</b>
6.04 Effect of taxation on incentives to invest .....	3.5	94
6.05 Total tax rate, % profits* .....	41.2	86

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	6	<b>16</b>
6.08 Agricultural policy costs .....	3.9	67
6.09 Prevalence of trade barriers .....	4.1	97
6.10 Trade tariffs, % duty* .....	5.1	69
6.11 Prevalence of foreign ownership .....	4.0	108
6.12 Business impact of rules on FDI .....	4.8	50
6.13 Burden of customs procedures .....	3.8	87
6.14 Imports as a percentage of GDP* .....	32.1	116
6.15 Degree of customer orientation .....	5.3	<b>24</b>
6.16 Buyer sophistication .....	3.3	82
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2	82
7.02 Flexibility of wage determination .....	5.5	<b>32</b>
7.03 Hiring and firing practices .....	4.1	59
7.04 Redundancy costs, weeks of salary* .....	29.8	128
7.05 Effect of taxation on incentives to work .....	3.3	108
7.06 Pay and productivity .....	4.1	61
7.07 Reliance on professional management .....	4.3	66
7.08 Country capacity to retain talent .....	3.3	78
7.09 Country capacity to attract talent .....	3.2	89
7.10 Women in labor force, ratio to men* .....	0.40	134
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.4	<b>28</b>
8.02 Affordability of financial services .....	5.1	<b>38</b>
8.03 Financing through local equity market .....	4.2	<b>26</b>
8.04 Ease of access to loans .....	3.1	52
8.05 Venture capital availability .....	2.5	83
8.06 Soundness of banks .....	6.0	<b>20</b>
8.07 Regulation of securities exchanges .....	4.9	<b>34</b>
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	5.4	44
9.02 Firm-level technology absorption .....	5.3	<b>37</b>
9.03 FDI and technology transfer .....	4.9	47
9.04 Individuals using Internet, %* .....	45.1	73
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	10.5	60
9.06 Int'l Internet bandwidth, kb/s per user* .....	40.3	44
9.07 Mobile broadband subscriptions/100 pop.* .....	16.3	73
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.2	<b>16</b>
10.02 Foreign market size index, 1–7 (best)* .....	5.6	<b>27</b>
10.03 GDP (PPP\$ billions)* .....	1,123.4	<b>16</b>
10.04 Exports as a percentage of GDP* .....	24.5	123
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.3	<b>18</b>
11.02 Local supplier quality .....	4.7	56
11.03 State of cluster development .....	4.4	<b>30</b>
11.04 Nature of competitive advantage .....	3.3	87
11.05 Value chain breadth .....	4.1	<b>42</b>
11.06 Control of international distribution .....	4.6	<b>28</b>
11.07 Production process sophistication .....	4.6	<b>33</b>
11.08 Extent of marketing .....	4.7	<b>37</b>
11.09 Willingness to delegate authority .....	3.6	84
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.8	45
12.02 Quality of scientific research institutions .....	3.7	63
12.03 Company spending on R&D .....	3.1	68
12.04 University-industry collaboration in R&D .....	3.9	52
12.05 Gov't procurement of advanced tech products .....	4.1	<b>23</b>
12.06 Availability of scientists and engineers .....	4.4	53
12.07 PCT patents, applications/million pop.* .....	6.6	<b>41</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 97.

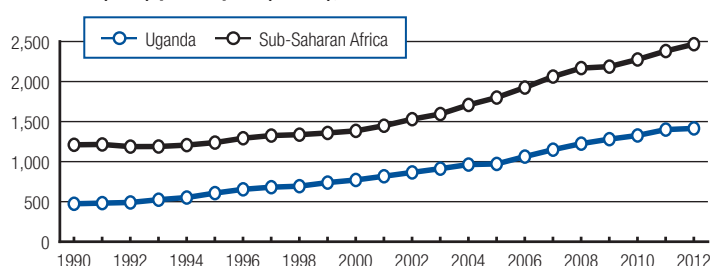


# Uganda

## Key indicators, 2012

Population (millions).....	34.5
GDP (US\$ billions).....	21.0
GDP per capita (US\$).....	589
GDP (PPP) as share (%) of world total.....	0.06

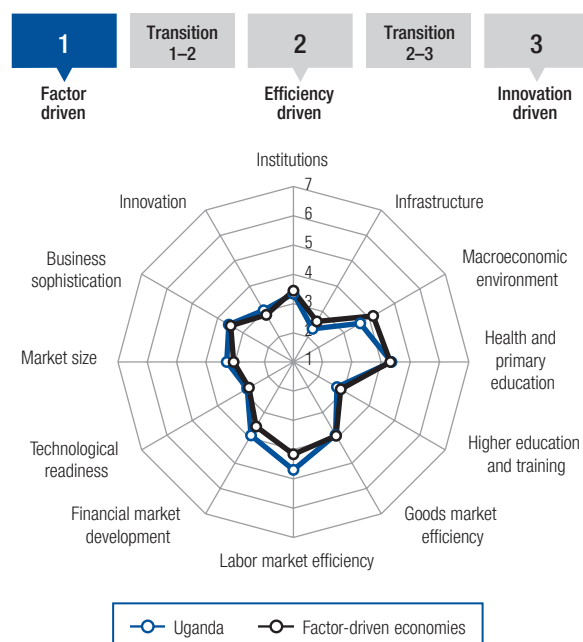
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

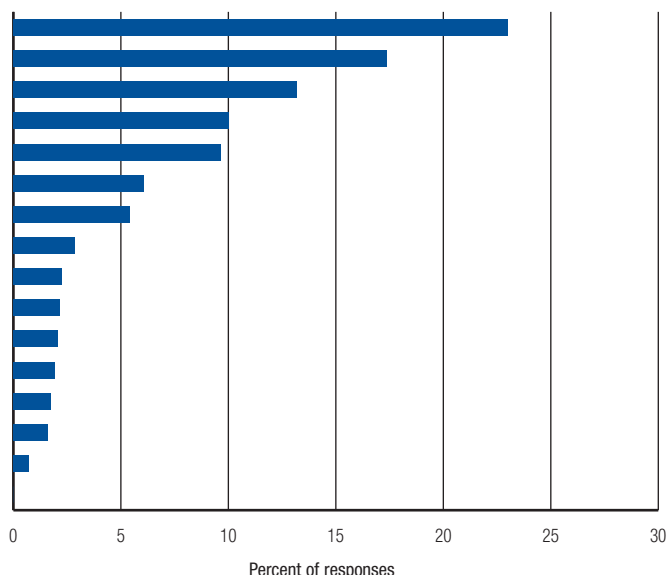
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>129</b>	<b>3.4</b>
GCI 2012–2013 (out of 144).....	123	3.5
GCI 2011–2012 (out of 142).....	121	3.6
<b>Basic requirements (60.0%)</b> .....	<b>134</b>	<b>3.4</b>
Institutions.....	116	3.3
Infrastructure.....	133	2.3
Macroeconomic environment.....	133	3.6
Health and primary education.....	127	4.3
<b>Efficiency enhancers (35.0%)</b> .....	<b>111</b>	<b>3.5</b>
Higher education and training.....	131	2.7
Goods market efficiency.....	120	3.9
Labor market efficiency.....	32	4.7
Financial market development.....	77	3.9
Technological readiness.....	120	2.8
Market size.....	89	3.3
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>107</b>	<b>3.3</b>
Business sophistication.....	109	3.5
Innovation.....	92	3.0

## Stage of development



## The most problematic factors for doing business

Corruption.....	23.0
Access to financing.....	17.4
Inadequate supply of infrastructure.....	13.2
Tax rates.....	10.0
Inflation.....	9.7
Inefficient government bureaucracy.....	6.1
Poor work ethic in national labor force.....	5.4
Policy instability.....	2.9
Insufficient capacity to innovate.....	2.2
Crime and theft.....	2.2
Tax regulations.....	2.1
Inadequately educated workforce.....	1.9
Poor public health.....	1.7
Foreign currency regulations.....	1.6
Restrictive labor regulations.....	0.7
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Uganda

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.7	107
1.02 Intellectual property protection .....	2.8	119
1.03 Diversion of public funds .....	1.9	144
1.04 Public trust in politicians .....	2.4	93
1.05 Irregular payments and bribes .....	2.8	129
1.06 Judicial independence .....	3.1	101
1.07 Favoritism in decisions of government officials .....	2.7	104
1.08 Wastefulness of government spending .....	2.3	127
1.09 Burden of government regulation .....	3.8	41
1.10 Efficiency of legal framework in settling disputes .....	3.8	65
1.11 Efficiency of legal framework in challenging regs. ....	3.5	66
1.12 Transparency of government policymaking .....	4.1	77
1.13 Business costs of terrorism .....	3.9	135
1.14 Business costs of crime and violence .....	3.4	126
1.15 Organized crime .....	4.1	116
1.16 Reliability of police services .....	3.7	98
1.17 Ethical behavior of firms .....	3.7	98
1.18 Strength of auditing and reporting standards .....	3.8	118
1.19 Efficacy of corporate boards .....	4.6	67
1.20 Protection of minority shareholders' interests .....	3.5	117
1.21 Strength of investor protection, 0–10 (best)* .....	4.0	116
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	111
2.02 Quality of roads .....	3.0	106
2.03 Quality of railroad infrastructure .....	1.5	110
2.04 Quality of port infrastructure .....	3.4	114
2.05 Quality of air transport infrastructure .....	3.6	107
2.06 Available airline seat km/week, millions* .....	43.7	103
2.07 Quality of electricity supply .....	2.5	126
2.08 Mobile telephone subscriptions/100 pop.* .....	45.9	139
2.09 Fixed telephone lines/100 pop.* .....	0.9	131
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-3.6	92
3.02 Gross national savings, % GDP* .....	11.5	119
3.03 Inflation, annual % change* .....	14.1	141
3.04 General government debt, % GDP* .....	34.5	54
3.05 Country credit rating, 0–100 (best)* .....	33.8	97
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.1	136
4.02 Malaria cases/100,000 pop.* .....	28,011.9	140
4.03 Business impact of tuberculosis .....	4.3	119
4.04 Tuberculosis cases/100,000 pop.* .....	193.0	120
4.05 Business impact of HIV/AIDS .....	3.1	139
4.06 HIV prevalence, % adult pop.* .....	7.20	138
4.07 Infant mortality, deaths/1,000 live births* .....	57.9	131
4.08 Life expectancy, years* .....	54.1	134
4.09 Quality of primary education .....	2.9	120
4.10 Primary education enrollment, net %* .....	93.8	76
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	28.4	141
5.02 Tertiary education enrollment, gross %* .....	9.1	118
5.03 Quality of the educational system .....	3.5	82
5.04 Quality of math and science education .....	3.1	119
5.05 Quality of management schools .....	3.8	98
5.06 Internet access in schools .....	2.9	121
5.07 Availability of research and training services .....	3.8	96
5.08 Extent of staff training .....	3.5	115
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.0	67
6.02 Extent of market dominance .....	3.1	125
6.03 Effectiveness of anti-monopoly policy .....	4.5	41
6.04 Effect of taxation on incentives to invest .....	3.4	100
6.05 Total tax rate, % profits* .....	37.1	71

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	15	142
6.07 No. days to start a business* .....	33	112
6.08 Agricultural policy costs .....	3.8	78
6.09 Prevalence of trade barriers .....	4.1	93
6.10 Trade tariffs, % duty* .....	9.3	102
6.11 Prevalence of foreign ownership .....	5.2	40
6.12 Business impact of rules on FDI .....	4.9	42
6.13 Burden of customs procedures .....	3.7	92
6.14 Imports as a percentage of GDP* .....	38.9	93
6.15 Degree of customer orientation .....	4.3	98
6.16 Buyer sophistication .....	2.4	140
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.1	93
7.02 Flexibility of wage determination .....	6.2	1
7.03 Hiring and firing practices .....	5.0	7
7.04 Redundancy costs, weeks of salary* .....	8.7	27
7.05 Effect of taxation on incentives to work .....	3.5	80
7.06 Pay and productivity .....	3.2	127
7.07 Reliance on professional management .....	3.9	97
7.08 Country capacity to retain talent .....	2.7	116
7.09 Country capacity to attract talent .....	3.0	98
7.10 Women in labor force, ratio to men* .....	0.96	8
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.2	84
8.02 Affordability of financial services .....	3.6	116
8.03 Financing through local equity market .....	3.3	82
8.04 Ease of access to loans .....	2.6	87
8.05 Venture capital availability .....	2.4	94
8.06 Soundness of banks .....	4.8	78
8.07 Regulation of securities exchanges .....	3.7	100
8.08 Legal rights index, 0–10 (best)* .....	7	42
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.3	108
9.02 Firm-level technology absorption .....	4.1	116
9.03 FDI and technology transfer .....	4.8	59
9.04 Individuals using Internet, %* .....	14.7	115
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	0.1	128
9.06 Int'l Internet bandwidth, kb/s per user* .....	4.8	116
9.07 Mobile broadband subscriptions/100 pop.* .....	7.6	90
<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)* .....	3.6	109
10.03 GDP (PPP\$ billions)* .....	50.4	89
10.04 Exports as a percentage of GDP* .....	18.7	136
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	64
11.02 Local supplier quality .....	3.6	130
11.03 State of cluster development .....	3.4	106
11.04 Nature of competitive advantage .....	3.0	106
11.05 Value chain breadth .....	3.6	83
11.06 Control of international distribution .....	3.8	98
11.07 Production process sophistication .....	3.1	123
11.08 Extent of marketing .....	3.2	130
11.09 Willingness to delegate authority .....	3.3	110
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.1	109
12.02 Quality of scientific research institutions .....	3.6	77
12.03 Company spending on R&D .....	2.8	102
12.04 University-industry collaboration in R&D .....	3.7	58
12.05 Gov't procurement of advanced tech products .....	3.5	68
12.06 Availability of scientists and engineers .....	3.6	100
12.07 PCT patents, applications/million pop.* .....	0.0	124

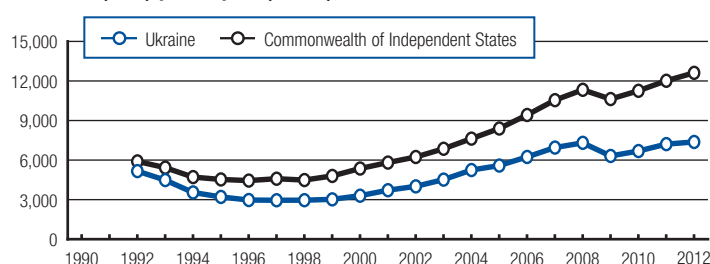
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Ukraine

## Key indicators, 2012

Population (millions).....	45.7
GDP (US\$ billions).....	176.2
GDP per capita (US\$).....	3,877
GDP (PPP) as share (%) of world total.....	0.40

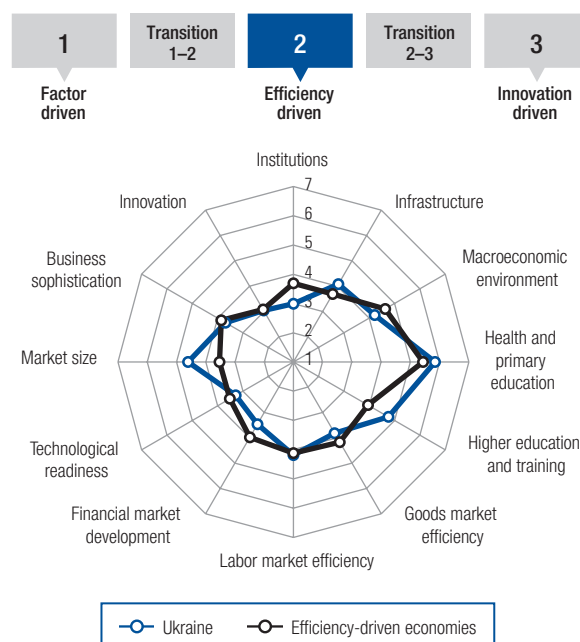
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

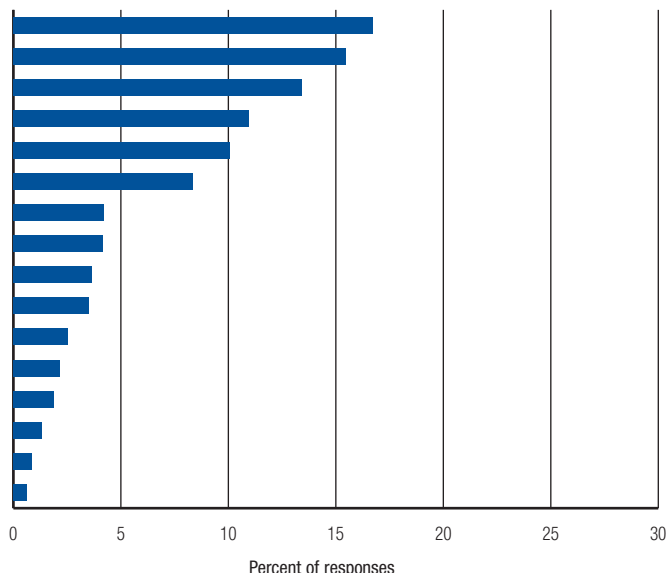
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>84</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	73	4.1
GCI 2011–2012 (out of 142).....	82	4.0
<b>Basic requirements (40.0%)</b> .....	<b>91</b>	<b>4.3</b>
Institutions.....	137	3.0
Infrastructure.....	68	4.1
Macroeconomic environment.....	107	4.2
Health and primary education.....	62	5.8
<b>Efficiency enhancers (50.0%)</b> .....	<b>71</b>	<b>4.0</b>
Higher education and training.....	43	4.7
Goods market efficiency.....	124	3.8
Labor market efficiency.....	84	4.2
Financial market development.....	117	3.5
Technological readiness.....	94	3.3
Market size.....	38	4.6
<b>Innovation and sophistication factors (10.0%)</b> .....	<b>95</b>	<b>3.4</b>
Business sophistication.....	97	3.7
Innovation.....	93	3.0

## Stage of development



## The most problematic factors for doing business

Access to financing.....	16.7
Corruption.....	15.5
Inefficient government bureaucracy.....	13.4
Tax regulations.....	11.0
Policy instability.....	10.1
Tax rates.....	8.4
Foreign currency regulations.....	4.2
Insufficient capacity to innovate.....	4.1
Inflation.....	3.7
Government instability/coups.....	3.5
Crime and theft.....	2.5
Inadequate supply of infrastructure.....	2.2
Restrictive labor regulations.....	1.9
Poor public health.....	1.3
Inadequately educated workforce.....	0.8
Poor work ethic in national labor force.....	0.6



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Ukraine

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.5	143
1.02 Intellectual property protection .....	2.5	133
1.03 Diversion of public funds .....	2.4	122
1.04 Public trust in politicians .....	2.2	117
1.05 Irregular payments and bribes .....	2.8	130
1.06 Judicial independence .....	2.2	139
1.07 Favoritism in decisions of government officials .....	2.3	133
1.08 Wastefulness of government spending .....	1.9	143
1.09 Burden of government regulation .....	2.6	137
1.10 Efficiency of legal framework in settling disputes .....	2.3	144
1.11 Efficiency of legal framework in challenging regs. ....	2.2	146
1.12 Transparency of government policymaking .....	3.5	130
1.13 Business costs of terrorism .....	5.9	<b>48</b>
1.14 Business costs of crime and violence .....	5.0	57
1.15 Organized crime .....	4.4	106
1.16 Reliability of police services .....	2.8	133
1.17 Ethical behavior of firms .....	3.2	130
1.18 Strength of auditing and reporting standards .....	3.7	130
1.19 Efficacy of corporate boards .....	4.2	103
1.20 Protection of minority shareholders' interests .....	2.7	146
1.21 Strength of investor protection, 0–10 (best)* .....	4.7	100
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	4.4	70
2.02 Quality of roads .....	2.1	144
2.03 Quality of railroad infrastructure .....	4.5	<b>25</b>
2.04 Quality of port infrastructure .....	3.7	94
2.05 Quality of air transport infrastructure .....	3.8	105
2.06 Available airline seat km/week, millions* .....	236.2	58
2.07 Quality of electricity supply .....	4.7	79
2.08 Mobile telephone subscriptions/100 pop.* .....	132.1	<b>37</b>
2.09 Fixed telephone lines/100 pop.* .....	27.1	<b>43</b>
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.6	112
3.02 Gross national savings, % GDP* .....	10.1	127
3.03 Inflation, annual % change* .....	0.6	<b>1</b>
3.04 General government debt, % GDP* .....	37.4	60
3.05 Country credit rating, 0–100 (best)* .....	32.7	99
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	5.3	81
4.04 Tuberculosis cases/100,000 pop.* .....	89.0	91
4.05 Business impact of HIV/AIDS .....	5.5	74
4.06 HIV prevalence, % adult pop.* .....	0.80	102
4.07 Infant mortality, deaths/1,000 live births* .....	8.7	53
4.08 Life expectancy, years* .....	70.8	93
4.09 Quality of primary education .....	4.7	<b>37</b>
4.10 Primary education enrollment, net %* .....	91.7	94
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	94.0	54
5.02 Tertiary education enrollment, gross %* .....	81.7	<b>10</b>
5.03 Quality of the educational system .....	3.6	79
5.04 Quality of math and science education .....	4.8	<b>28</b>
5.05 Quality of management schools .....	3.6	115
5.06 Internet access in schools .....	4.3	70
5.07 Availability of research and training services .....	3.9	92
5.08 Extent of staff training .....	3.7	103
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5	106
6.02 Extent of market dominance .....	3.0	132
6.03 Effectiveness of anti-monopoly policy .....	3.1	137
6.04 Effect of taxation on incentives to invest .....	2.3	145
6.05 Total tax rate, % profits* .....	55.4	126

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	7	74
6.07 No. days to start a business* .....	22	94
6.08 Agricultural policy costs .....	3.2	127
6.09 Prevalence of trade barriers .....	3.8	118
6.10 Trade tariffs, % duty* .....	2.9	<b>41</b>
6.11 Prevalence of foreign ownership .....	3.6	127
6.12 Business impact of rules on FDI .....	3.3	133
6.13 Burden of customs procedures .....	3.0	140
6.14 Imports as a percentage of GDP* .....	55.4	51
6.15 Degree of customer orientation .....	4.5	71
6.16 Buyer sophistication .....	3.3	86
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.7	125
7.02 Flexibility of wage determination .....	5.0	79
7.03 Hiring and firing practices .....	4.3	<b>32</b>
7.04 Redundancy costs, weeks of salary* .....	13.0	59
7.05 Effect of taxation on incentives to work .....	2.4	140
7.06 Pay and productivity .....	4.5	<b>26</b>
7.07 Reliance on professional management .....	3.3	128
7.08 Country capacity to retain talent .....	2.0	140
7.09 Country capacity to attract talent .....	2.1	136
7.10 Women in labor force, ratio to men* .....	0.86	53
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8	109
8.02 Affordability of financial services .....	3.4	126
8.03 Financing through local equity market .....	2.4	127
8.04 Ease of access to loans .....	2.3	116
8.05 Venture capital availability .....	2.1	120
8.06 Soundness of banks .....	3.0	143
8.07 Regulation of securities exchanges .....	2.9	129
8.08 Legal rights index, 0–10 (best)* .....	9	<b>12</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.3	106
9.02 Firm-level technology absorption .....	4.3	100
9.03 FDI and technology transfer .....	3.6	131
9.04 Individuals using Internet, %* .....	33.7	93
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	8.1	71
9.06 Int'l Internet bandwidth, kb/s per user* .....	14.3	84
9.07 Mobile broadband subscriptions/100 pop.* .....	5.5	94
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.4	<b>36</b>
10.02 Foreign market size index, 1–7 (best)* .....	5.3	<b>37</b>
10.03 GDP (PPP\$ billions)* .....	335.2	<b>38</b>
10.04 Exports as a percentage of GDP* .....	49.7	<b>50</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.6	81
11.02 Local supplier quality .....	4.4	73
11.03 State of cluster development .....	2.9	136
11.04 Nature of competitive advantage .....	3.0	112
11.05 Value chain breadth .....	3.6	87
11.06 Control of international distribution .....	4.1	60
11.07 Production process sophistication .....	3.4	97
11.08 Extent of marketing .....	4.1	77
11.09 Willingness to delegate authority .....	3.1	124
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.2	100
12.02 Quality of scientific research institutions .....	3.6	69
12.03 Company spending on R&D .....	2.7	112
12.04 University-industry collaboration in R&D .....	3.4	77
12.05 Gov't procurement of advanced tech products .....	3.0	118
12.06 Availability of scientists and engineers .....	4.5	<b>46</b>
12.07 PCT patents, applications/million pop.* .....	2.9	52

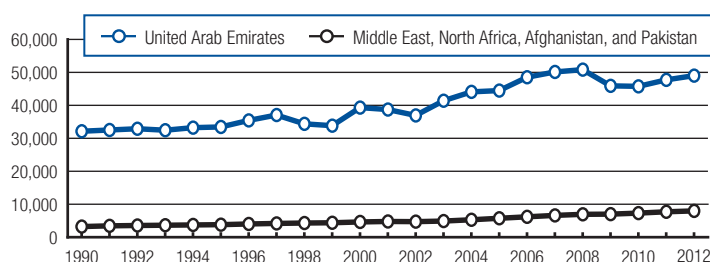
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# United Arab Emirates

## Key indicators, 2012

Population (millions).....	7.9
GDP (US\$ billions).....	358.9
GDP per capita (US\$).....	64,840
GDP (PPP) as share (%) of world total.....	0.33

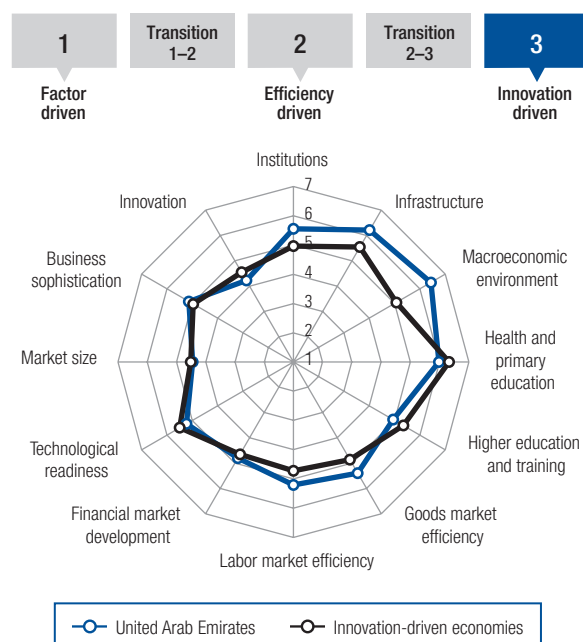
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

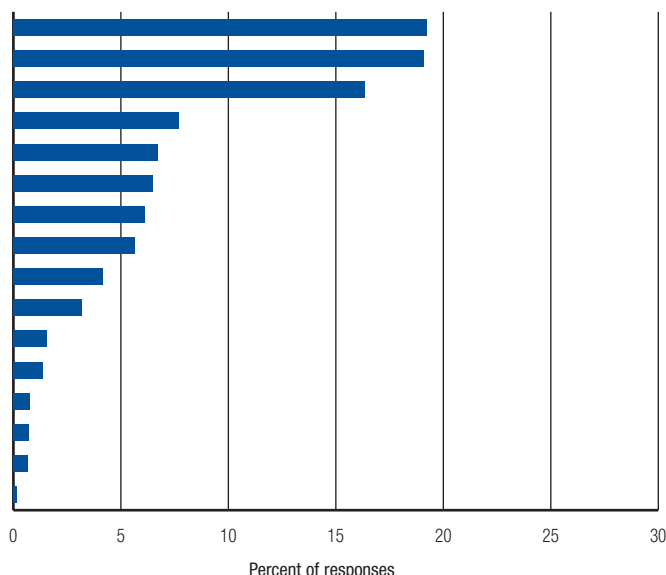
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>19</b>	<b>5.1</b>
GCI 2012–2013 (out of 144).....	24	5.1
GCI 2011–2012 (out of 142).....	27	4.9
<b>Basic requirements (20.0%)</b> .....	<b>4</b>	<b>6.0</b>
Institutions.....	11	5.5
Infrastructure.....	5	6.2
Macroeconomic environment.....	7	6.4
Health and primary education.....	49	6.0
<b>Efficiency enhancers (50.0%)</b> .....	<b>20</b>	<b>5.0</b>
Higher education and training.....	35	4.9
Goods market efficiency.....	4	5.4
Labor market efficiency.....	9	5.2
Financial market development.....	24	4.8
Technological readiness.....	28	5.2
Market size.....	44	4.4
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>24</b>	<b>4.7</b>
Business sophistication.....	16	5.1
Innovation.....	28	4.2

### Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	19.2
Access to financing.....	19.1
Inadequately educated workforce.....	16.4
Inflation.....	7.7
Inefficient government bureaucracy.....	6.7
Policy instability.....	6.5
Poor work ethic in national labor force.....	6.1
Insufficient capacity to innovate.....	5.7
Foreign currency regulations.....	4.1
Inadequate supply of infrastructure.....	3.2
Tax rates.....	1.6
Corruption.....	1.4
Poor public health.....	0.8
Tax regulations.....	0.7
Government instability/coups.....	0.7
Crime and theft.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# United Arab Emirates

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.4	26
1.02 Intellectual property protection .....	5.3	20
1.03 Diversion of public funds .....	5.8	12
1.04 Public trust in politicians .....	5.9	3
1.05 Irregular payments and bribes .....	6.4	5
1.06 Judicial independence .....	5.5	23
1.07 Favoritism in decisions of government officials .....	5.1	7
1.08 Wastefulness of government spending .....	5.8	3
1.09 Burden of government regulation .....	4.9	6
1.10 Efficiency of legal framework in settling disputes .....	4.9	20
1.11 Efficiency of legal framework in challenging regs. ....	4.8	16
1.12 Transparency of government policymaking .....	5.2	12
1.13 Business costs of terrorism .....	6.3	17
1.14 Business costs of crime and violence .....	6.5	2
1.15 Organized crime .....	6.9	1
1.16 Reliability of police services .....	6.1	12
1.17 Ethical behavior of firms .....	5.7	14
1.18 Strength of auditing and reporting standards .....	5.4	28
1.19 Efficacy of corporate boards .....	5.1	24
1.20 Protection of minority shareholders' interests .....	5.2	13
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	6.4	4
2.02 Quality of roads .....	6.6	1
2.03 Quality of railroad infrastructure .....	N/Apl.	n/a
2.04 Quality of port infrastructure .....	6.4	4
2.05 Quality of air transport infrastructure .....	6.7	3
2.06 Available airline seat km/week, millions* .....	4,198.9	7
2.07 Quality of electricity supply .....	6.5	18
2.08 Mobile telephone subscriptions/100 pop.* .....	169.9	12
2.09 Fixed telephone lines/100 pop.* .....	24.3	49
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	15.2	5
3.02 Gross national savings, % GDP* .....	32.6	18
3.03 Inflation, annual % change* .....	0.7	1
3.04 General government debt, % GDP* .....	17.6	18
3.05 Country credit rating, 0–100 (best)* .....	74.1	28
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	5.7	65
4.04 Tuberculosis cases/100,000 pop.* .....	3.7	5
4.05 Business impact of HIV/AIDS .....	5.9	43
4.06 HIV prevalence, % adult pop.* .....	<0.01	1
4.07 Infant mortality, deaths/1,000 live births* .....	5.6	37
4.08 Life expectancy, years* .....	76.7	42
4.09 Quality of primary education .....	5.2	19
4.10 Primary education enrollment, net %* .....	88.4	106
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	92.3	60
5.02 Tertiary education enrollment, gross %* .....	25.2	86
5.03 Quality of the educational system .....	5.1	15
5.04 Quality of math and science education .....	5.1	19
5.05 Quality of management schools .....	5.1	28
5.06 Internet access in schools .....	5.8	21
5.07 Availability of research and training services .....	5.3	19
5.08 Extent of staff training .....	5.0	13
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.7	17
6.02 Extent of market dominance .....	5.0	16
6.03 Effectiveness of anti-monopoly policy .....	5.3	7
6.04 Effect of taxation on incentives to invest .....	6.2	3
6.05 Total tax rate, % profits* .....	14.9	6

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	8	34
6.08 Agricultural policy costs .....	4.7	13
6.09 Prevalence of trade barriers .....	5.5	5
6.10 Trade tariffs, % duty* .....	4.6	58
6.11 Prevalence of foreign ownership .....	5.5	17
6.12 Business impact of rules on FDI .....	5.6	8
6.13 Burden of customs procedures .....	5.9	5
6.14 Imports as a percentage of GDP* .....	74.2	29
6.15 Degree of customer orientation .....	5.6	7
6.16 Buyer sophistication .....	4.2	20
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.2	17
7.02 Flexibility of wage determination .....	6.0	3
7.03 Hiring and firing practices .....	4.7	17
7.04 Redundancy costs, weeks of salary* .....	4.3	9
7.05 Effect of taxation on incentives to work .....	6.2	3
7.06 Pay and productivity .....	5.0	7
7.07 Reliance on professional management .....	5.3	25
7.08 Country capacity to retain talent .....	5.5	6
7.09 Country capacity to attract talent .....	5.5	7
7.10 Women in labor force, ratio to men* .....	0.48	131
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	5.4	25
8.02 Affordability of financial services .....	5.3	24
8.03 Financing through local equity market .....	4.5	21
8.04 Ease of access to loans .....	4.6	3
8.05 Venture capital availability .....	4.1	10
8.06 Soundness of banks .....	5.7	38
8.07 Regulation of securities exchanges .....	5.3	19
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.4	8
9.02 Firm-level technology absorption .....	6.1	4
9.03 FDI and technology transfer .....	5.9	2
9.04 Individuals using Internet, %* .....	85.0	14
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	11.7	53
9.06 Int'l Internet bandwidth, kb/s per user* .....	36.8	48
9.07 Mobile broadband subscriptions/100 pop.* .....	50.9	30
<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)* .....	5.5	29
10.03 GDP (PPP\$ billions)* .....	271.3	49
10.04 Exports as a percentage of GDP* .....	86.9	16
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.4	13
11.02 Local supplier quality .....	5.3	20
11.03 State of cluster development .....	5.5	3
11.04 Nature of competitive advantage .....	4.6	26
11.05 Value chain breadth .....	4.9	18
11.06 Control of international distribution .....	5.3	3
11.07 Production process sophistication .....	4.8	29
11.08 Extent of marketing .....	5.4	15
11.09 Willingness to delegate authority .....	4.8	19
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	4.0	39
12.02 Quality of scientific research institutions .....	4.8	34
12.03 Company spending on R&D .....	4.1	24
12.04 University-industry collaboration in R&D .....	4.8	24
12.05 Gov't procurement of advanced tech products .....	5.1	3
12.06 Availability of scientists and engineers .....	5.1	13
12.07 PCT patents, applications/million pop.* .....	4.2	46

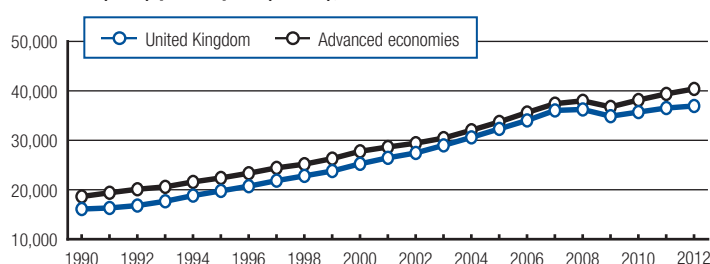
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# United Kingdom

## Key indicators, 2012

Population (millions).....	62.7
GDP (US\$ billions).....	2,440.5
GDP per capita (US\$).....	38,589
GDP (PPP) as share (%) of world total.....	2.81

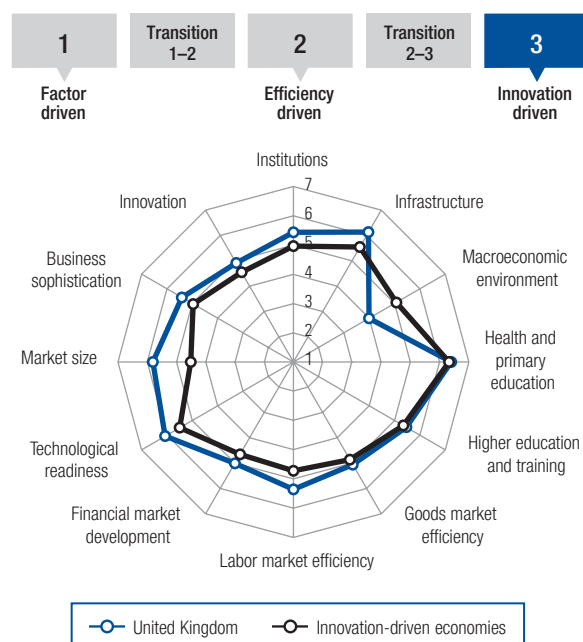
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

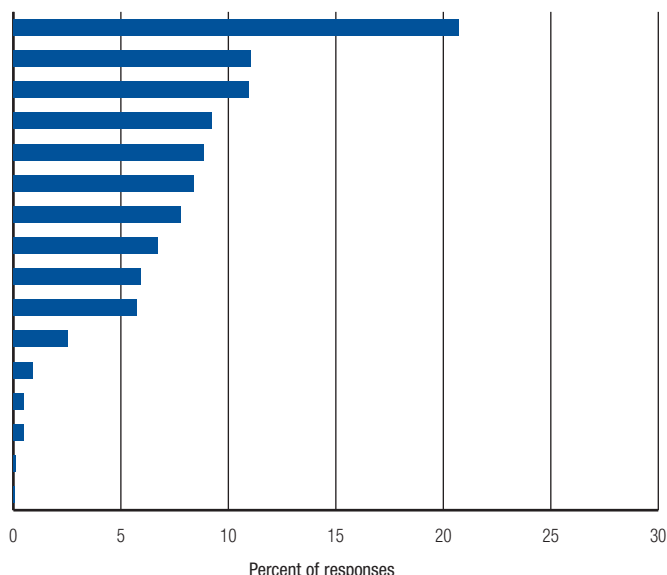
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>10</b>	<b>5.4</b>
GCI 2012–2013 (out of 144).....	8	5.4
GCI 2011–2012 (out of 142).....	10	5.4
<b>Basic requirements (20.0%)</b> .....	<b>24</b>	<b>5.5</b>
Institutions.....	12	5.4
Infrastructure.....	8	6.1
Macroeconomic environment.....	115	4.0
Health and primary education.....	16	6.4
<b>Efficiency enhancers (50.0%)</b> .....	<b>4</b>	<b>5.5</b>
Higher education and training.....	17	5.5
Goods market efficiency.....	14	5.1
Labor market efficiency.....	5	5.4
Financial market development.....	15	5.0
Technological readiness.....	4	6.1
Market size.....	6	5.8
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>10</b>	<b>5.2</b>
Business sophistication.....	9	5.4
Innovation.....	12	4.9

## Stage of development



## The most problematic factors for doing business

Access to financing.....	20.7
Tax rates.....	11.0
Inefficient government bureaucracy.....	11.0
Inadequately educated workforce.....	9.2
Tax regulations.....	8.9
Insufficient capacity to innovate.....	8.4
Inadequate supply of infrastructure.....	7.8
Restrictive labor regulations.....	6.7
Poor work ethic in national labor force.....	5.9
Policy instability.....	5.8
Inflation.....	2.5
Corruption.....	0.9
Foreign currency regulations.....	0.5
Poor public health.....	0.5
Crime and theft.....	0.1
Government instability/coups.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# United Kingdom

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	6.2	4
1.02 Intellectual property protection .....	5.8	8
1.03 Diversion of public funds .....	5.7	13
1.04 Public trust in politicians .....	4.2	22
1.05 Irregular payments and bribes .....	6.0	16
1.06 Judicial independence .....	6.2	6
1.07 Favoritism in decisions of government officials .....	4.3	17
1.08 Wastefulness of government spending .....	3.7	39
1.09 Burden of government regulation .....	3.7	45
1.10 Efficiency of legal framework in settling disputes .....	5.6	8
1.11 Efficiency of legal framework in challenging regs. ....	5.2	8
1.12 Transparency of government policymaking .....	5.3	11
1.13 Business costs of terrorism .....	5.2	89
1.14 Business costs of crime and violence .....	5.1	48
1.15 Organized crime .....	5.9	28
1.16 Reliability of police services .....	5.7	26
1.17 Ethical behavior of firms .....	5.8	12
1.18 Strength of auditing and reporting standards .....	5.8	16
1.19 Efficacy of corporate boards .....	5.2	21
1.20 Protection of minority shareholders' interests .....	5.2	15
1.21 Strength of investor protection, 0–10 (best)* .....	8.0	10
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.4	28
2.02 Quality of roads .....	5.3	28
2.03 Quality of railroad infrastructure .....	5.0	14
2.04 Quality of port infrastructure .....	5.7	15
2.05 Quality of air transport infrastructure .....	5.6	28
2.06 Available airline seat km/week, millions* .....	6,326.3	3
2.07 Quality of electricity supply .....	6.7	9
2.08 Mobile telephone subscriptions/100 pop.* .....	130.8	40
2.09 Fixed telephone lines/100 pop.* .....	52.6	9
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-8.3	140
3.02 Gross national savings, % GDP* .....	10.8	123
3.03 Inflation, annual % change* .....	2.8	1
3.04 General government debt, % GDP* .....	90.3	136
3.05 Country credit rating, 0–100 (best)* .....	86.7	15
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.5	21
4.04 Tuberculosis cases/100,000 pop.* .....	14.0	33
4.05 Business impact of HIV/AIDS .....	6.2	25
4.06 HIV prevalence, % adult pop.* .....	0.30	60
4.07 Infant mortality, deaths/1,000 live births* .....	4.4	29
4.08 Life expectancy, years* .....	80.8	20
4.09 Quality of primary education .....	4.9	31
4.10 Primary education enrollment, net %* .....	99.5	11
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	105.3	21
5.02 Tertiary education enrollment, gross %* .....	59.7	36
5.03 Quality of the educational system .....	4.6	26
5.04 Quality of math and science education .....	4.4	50
5.05 Quality of management schools .....	5.9	3
5.06 Internet access in schools .....	6.2	10
5.07 Availability of research and training services .....	5.6	11
5.08 Extent of staff training .....	4.7	22
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	6.0	3
6.02 Extent of market dominance .....	5.2	9
6.03 Effectiveness of anti-monopoly policy .....	5.0	16
6.04 Effect of taxation on incentives to invest .....	4.3	29
6.05 Total tax rate, % profits* .....	35.5	65

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	13	63
6.08 Agricultural policy costs .....	4.2	33
6.09 Prevalence of trade barriers .....	4.9	17
6.10 Trade tariffs, % duty* .....	0.8	4
6.11 Prevalence of foreign ownership .....	6.0	4
6.12 Business impact of rules on FDI .....	5.5	11
6.13 Burden of customs procedures .....	5.2	18
6.14 Imports as a percentage of GDP* .....	35.1	102
6.15 Degree of customer orientation .....	5.1	32
6.16 Buyer sophistication .....	4.6	10
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	5.0	26
7.02 Flexibility of wage determination .....	5.8	12
7.03 Hiring and firing practices .....	4.5	27
7.04 Redundancy costs, weeks of salary* .....	8.4	26
7.05 Effect of taxation on incentives to work .....	4.0	41
7.06 Pay and productivity .....	4.8	11
7.07 Reliance on professional management .....	5.9	9
7.08 Country capacity to retain talent .....	5.0	13
7.09 Country capacity to attract talent .....	5.8	4
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 .....	6.1	6
8.02 Affordability of financial services .....	5.3	18
8.03 Financing through local equity market .....	4.8	12
8.04 Ease of access to loans .....	2.7	82
8.05 Venture capital availability .....	3.5	20
8.06 Soundness of banks .....	4.3	105
8.07 Regulation of securities exchanges .....	5.2	24
8.08 Legal rights index, 0–10 (best)* .....	10	1
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.4	5
9.02 Firm-level technology absorption .....	5.7	24
9.03 FDI and technology transfer .....	5.2	22
9.04 Individuals using Internet, %* .....	87.0	11
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	34.0	10
9.06 Int'l Internet bandwidth, kb/s per user* .....	188.9	10
9.07 Mobile broadband subscriptions/100 pop.* .....	72.0	14
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	5.7	6
10.02 Foreign market size index, 1–7 (best)* .....	6.1	10
10.03 GDP (PPP\$ billions)* .....	2,336.3	8
10.04 Exports as a percentage of GDP* .....	30.6	96
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.5	9
11.02 Local supplier quality .....	5.4	18
11.03 State of cluster development .....	5.1	13
11.04 Nature of competitive advantage .....	5.9	8
11.05 Value chain breadth .....	5.2	12
11.06 Control of international distribution .....	4.8	16
11.07 Production process sophistication .....	5.6	14
11.08 Extent of marketing .....	6.0	1
11.09 Willingness to delegate authority .....	4.9	14
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.2	8
12.02 Quality of scientific research institutions .....	6.2	3
12.03 Company spending on R&D .....	4.7	12
12.04 University-industry collaboration in R&D .....	5.6	5
12.05 Gov't procurement of advanced tech products .....	3.6	56
12.06 Availability of scientists and engineers .....	4.8	23
12.07 PCT patents, applications/million pop.* .....	90.6	18

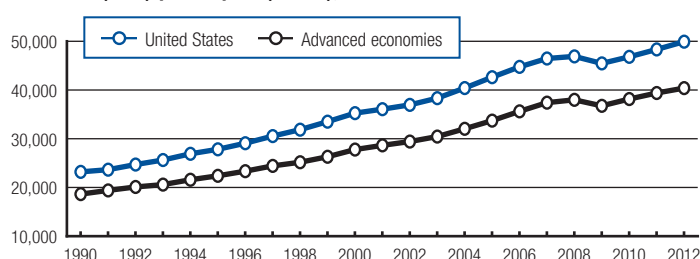
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# United States

## Key indicators, 2012

Population (millions).....	311.6
GDP (US\$ billions).....	15,684.8
GDP per capita (US\$).....	49,922
GDP (PPP) as share (%) of world total.....	18.87

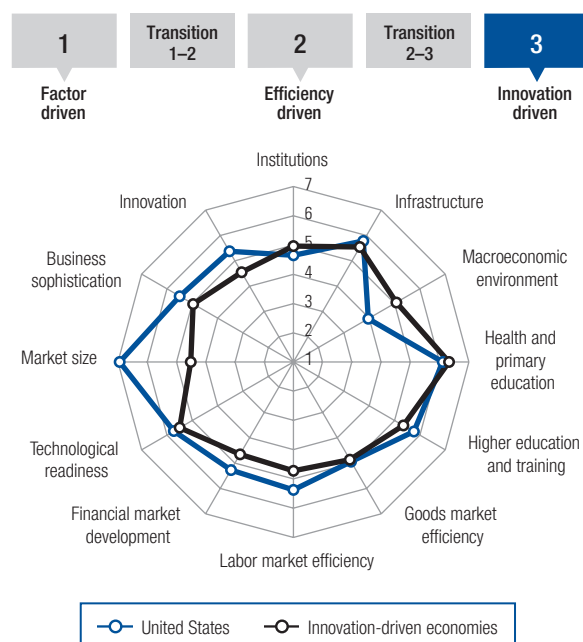
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

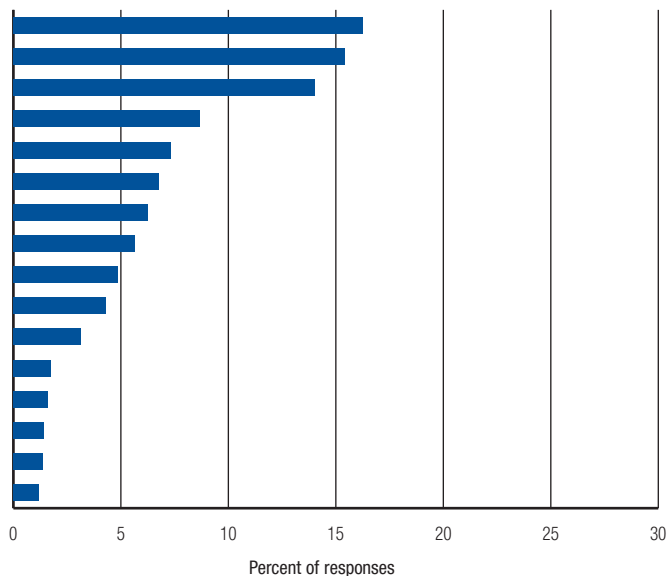
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>5</b>	<b>5.5</b>
GCI 2012–2013 (out of 144).....	7	5.5
GCI 2011–2012 (out of 142).....	5	5.4
<b>Basic requirements (20.0%)</b> .....	<b>36</b>	<b>5.1</b>
Institutions.....	35	4.6
Infrastructure.....	15	5.8
Macroeconomic environment.....	117	4.0
Health and primary education.....	34	6.1
<b>Efficiency enhancers (50.0%)</b> .....	<b>1</b>	<b>5.7</b>
Higher education and training.....	7	5.8
Goods market efficiency.....	20	4.9
Labor market efficiency.....	4	5.4
Financial market development.....	10	5.3
Technological readiness.....	15	5.7
Market size.....	1	6.9
<b>Innovation and sophistication factors (30.0%)</b> .....	<b>6</b>	<b>5.4</b>
Business sophistication.....	6	5.5
Innovation.....	7	5.4

### Stage of development



## The most problematic factors for doing business

Tax regulations.....	16.3
Tax rates.....	15.4
Inefficient government bureaucracy.....	14.0
Access to financing.....	8.7
Restrictive labor regulations.....	7.3
Inadequately educated workforce.....	6.8
Poor work ethic in national labor force.....	6.2
Policy instability.....	5.7
Inflation.....	4.8
Insufficient capacity to innovate.....	4.3
Inadequate supply of infrastructure.....	3.1
Corruption.....	1.7
Poor public health.....	1.6
Government instability/coups.....	1.4
Crime and theft.....	1.4
Foreign currency regulations.....	1.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# United States

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	5.2	33
1.02 Intellectual property protection .....	5.2	25
1.03 Diversion of public funds .....	4.6	29
1.04 Public trust in politicians .....	3.3	50
1.05 Irregular payments and bribes .....	4.9	38
1.06 Judicial independence .....	5.0	32
1.07 Favoritism in decisions of government officials .....	3.3	54
1.08 Wastefulness of government spending .....	3.1	76
1.09 Burden of government regulation .....	3.4	80
1.10 Efficiency of legal framework in settling disputes .....	4.7	26
1.11 Efficiency of legal framework in challenging regs. ....	4.3	29
1.12 Transparency of government policymaking .....	4.4	48
1.13 Business costs of terrorism .....	4.2	128
1.14 Business costs of crime and violence .....	4.3	87
1.15 Organized crime .....	4.8	84
1.16 Reliability of police services .....	5.7	24
1.17 Ethical behavior of firms .....	4.9	32
1.18 Strength of auditing and reporting standards .....	5.3	36
1.19 Efficacy of corporate boards .....	5.3	15
1.20 Protection of minority shareholders' interests .....	4.9	27
1.21 Strength of investor protection, 0–10 (best)* .....	8.3	<b>6</b>
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	5.7	19
2.02 Quality of roads .....	5.7	18
2.03 Quality of railroad infrastructure .....	4.9	17
2.04 Quality of port infrastructure .....	5.7	16
2.05 Quality of air transport infrastructure .....	5.9	18
2.06 Available airline seat km/week, millions* .....	32,852.2	<b>1</b>
2.07 Quality of electricity supply .....	6.2	30
2.08 Mobile telephone subscriptions/100 pop.* .....	98.2	95
2.09 Fixed telephone lines/100 pop.* .....	44.0	18
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-8.5	142
3.02 Gross national savings, % GDP* .....	13.1	112
3.03 Inflation, annual % change* .....	2.1	<b>1</b>
3.04 General government debt, % GDP* .....	106.5	140
3.05 Country credit rating, 0–100 (best)* .....	88.8	12
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	<b>1</b>
4.02 Malaria cases/100,000 pop.* .....	(NE)	<b>1</b>
4.03 Business impact of tuberculosis .....	5.8	60
4.04 Tuberculosis cases/100,000 pop.* .....	3.9	<b>8</b>
4.05 Business impact of HIV/AIDS .....	5.1	86
4.06 HIV prevalence, % adult pop.* .....	0.70	97
4.07 Infant mortality, deaths/1,000 live births* .....	6.4	41
4.08 Life expectancy, years* .....	78.6	34
4.09 Quality of primary education .....	4.7	41
4.10 Primary education enrollment, net %* .....	94.6	66
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	96.0	49
5.02 Tertiary education enrollment, gross %* .....	94.8	<b>3</b>
5.03 Quality of the educational system .....	4.6	25
5.04 Quality of math and science education .....	4.4	49
5.05 Quality of management schools .....	5.5	12
5.06 Internet access in schools .....	5.9	18
5.07 Availability of research and training services .....	5.7	<b>9</b>
5.08 Extent of staff training .....	5.0	12
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.8	14
6.02 Extent of market dominance .....	5.2	<b>10</b>
6.03 Effectiveness of anti-monopoly policy .....	5.0	14
6.04 Effect of taxation on incentives to invest .....	4.1	40
6.05 Total tax rate, % profits* .....	46.7	107

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	6	16
6.08 Agricultural policy costs .....	4.1	46
6.09 Prevalence of trade barriers .....	4.5	53
6.10 Trade tariffs, % duty* .....	1.3	33
6.11 Prevalence of foreign ownership .....	5.0	49
6.12 Business impact of rules on FDI .....	4.7	55
6.13 Burden of customs procedures .....	4.8	35
6.14 Imports as a percentage of GDP* .....	17.5	146
6.15 Degree of customer orientation .....	5.4	13
6.16 Buyer sophistication .....	4.6	<b>9</b>
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.7	42
7.02 Flexibility of wage determination .....	5.5	29
7.03 Hiring and firing practices .....	4.9	<b>9</b>
7.04 Redundancy costs, weeks of salary* .....	0.0	<b>1</b>
7.05 Effect of taxation on incentives to work .....	4.1	38
7.06 Pay and productivity .....	4.8	12
7.07 Reliance on professional management .....	5.6	15
7.08 Country capacity to retain talent .....	5.7	<b>4</b>
7.09 Country capacity to attract talent .....	5.7	<b>6</b>
7.10 Women in labor force, ratio to men* .....	0.86	47
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	6.1	<b>7</b>
8.02 Affordability of financial services .....	5.6	<b>10</b>
8.03 Financing through local equity market .....	5.1	<b>5</b>
8.04 Ease of access to loans .....	3.9	17
8.05 Venture capital availability .....	4.3	<b>3</b>
8.06 Soundness of banks .....	5.2	58
8.07 Regulation of securities exchanges .....	5.0	30
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	6.4	<b>6</b>
9.02 Firm-level technology absorption .....	6.0	<b>9</b>
9.03 FDI and technology transfer .....	4.9	46
9.04 Individuals using Internet, %* .....	81.0	20
9.05 Fixed broadband Internet subscriptions/100 pop.* .....	28.0	17
9.06 Int'l Internet bandwidth, kb/s per user* .....	62.3	35
9.07 Mobile broadband subscriptions/100 pop.* .....	74.7	<b>9</b>
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	7.0	<b>1</b>
10.02 Foreign market size index, 1–7 (best)* .....	6.7	<b>2</b>
10.03 GDP (PPP\$ billions)* .....	15,684.8	<b>1</b>
10.04 Exports as a percentage of GDP* .....	13.8	141
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.5	<b>10</b>
11.02 Local supplier quality .....	5.5	<b>10</b>
11.03 State of cluster development .....	5.2	<b>6</b>
11.04 Nature of competitive advantage .....	5.4	17
11.05 Value chain breadth .....	5.3	<b>8</b>
11.06 Control of international distribution .....	5.2	<b>6</b>
11.07 Production process sophistication .....	5.9	<b>7</b>
11.08 Extent of marketing .....	6.0	<b>2</b>
11.09 Willingness to delegate authority .....	5.2	<b>9</b>
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	5.6	<b>5</b>
12.02 Quality of scientific research institutions .....	6.0	<b>5</b>
12.03 Company spending on R&D .....	5.4	<b>5</b>
12.04 University-industry collaboration in R&D .....	5.7	<b>3</b>
12.05 Gov't procurement of advanced tech products .....	4.3	15
12.06 Availability of scientists and engineers .....	5.3	<b>6</b>
12.07 PCT patents, applications/million pop.* .....	141.1	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 97.

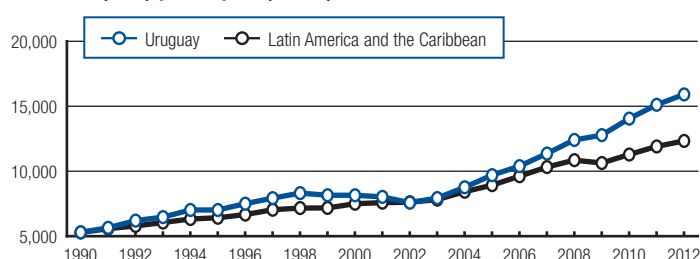


# Uruguay

## Key indicators, 2012

Population (millions).....	3.4
GDP (US\$ billions).....	49.4
GDP per capita (US\$).....	14,614
GDP (PPP) as share (%) of world total.....	0.07

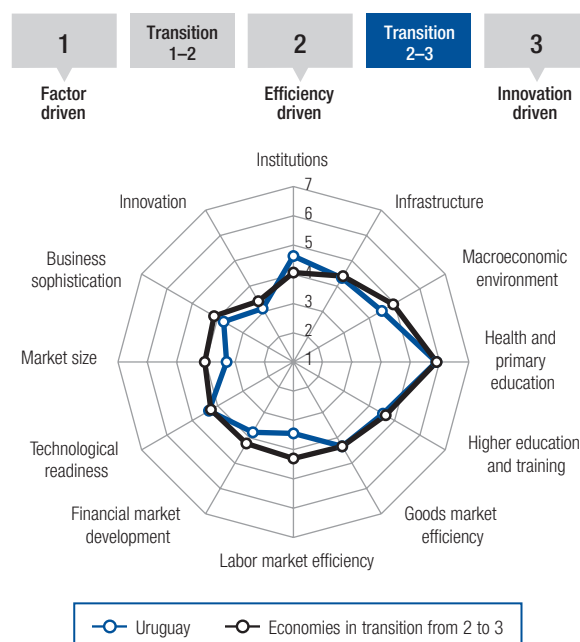
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

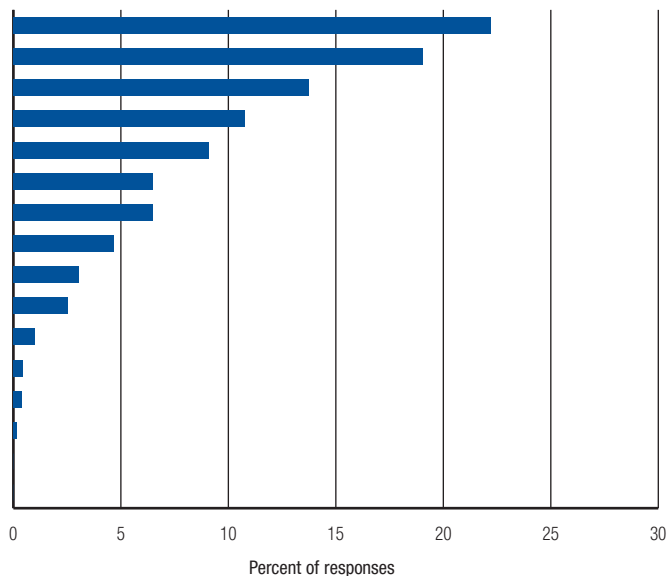
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>85</b>	<b>4.1</b>
GCI 2012–2013 (out of 144).....	74	4.1
GCI 2011–2012 (out of 142).....	63	4.3
<b>Basic requirements (26.0%)</b> .....	<b>53</b>	<b>4.8</b>
Institutions.....	36	4.6
Infrastructure.....	55	4.3
Macroeconomic environment.....	85	4.5
Health and primary education.....	58	5.9
<b>Efficiency enhancers (50.0%)</b> .....	<b>78</b>	<b>3.9</b>
Higher education and training.....	52	4.5
Goods market efficiency.....	60	4.3
Labor market efficiency.....	139	3.4
Financial market development.....	90	3.8
Technological readiness.....	48	4.3
Market size.....	88	3.3
<b>Innovation and sophistication factors (24.0%)</b> .....	<b>84</b>	<b>3.4</b>
Business sophistication.....	91	3.8
Innovation.....	82	3.1

## Stage of development



## The most problematic factors for doing business

Restrictive labor regulations.....	22.2
Inefficient government bureaucracy.....	19.1
Inadequate supply of infrastructure.....	13.7
Inadequately educated workforce.....	10.8
Tax rates.....	9.1
Access to financing.....	6.5
Inflation.....	6.5
Insufficient capacity to innovate.....	4.7
Tax regulations.....	3.1
Poor work ethic in national labor force.....	2.5
Policy instability.....	1.0
Foreign currency regulations.....	0.5
Crime and theft.....	0.4
Poor public health.....	0.2
Corruption.....	0.0
Government instability/coups.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Uruguay

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.9	42
1.02 Intellectual property protection .....	4.1	45
1.03 Diversion of public funds .....	5.0	24
1.04 Public trust in politicians .....	4.4	18
1.05 Irregular payments and bribes .....	5.5	27
1.06 Judicial independence .....	5.4	25
1.07 Favoritism in decisions of government officials .....	4.0	30
1.08 Wastefulness of government spending .....	2.7	108
1.09 Burden of government regulation .....	3.3	92
1.10 Efficiency of legal framework in settling disputes .....	3.9	55
1.11 Efficiency of legal framework in challenging regs. ....	4.0	40
1.12 Transparency of government policymaking .....	4.7	30
1.13 Business costs of terrorism .....	6.4	12
1.14 Business costs of crime and violence .....	3.9	105
1.15 Organized crime .....	6.0	23
1.16 Reliability of police services .....	3.9	86
1.17 Ethical behavior of firms .....	4.8	34
1.18 Strength of auditing and reporting standards .....	4.8	63
1.19 Efficacy of corporate boards .....	4.5	76
1.20 Protection of minority shareholders' interests .....	4.6	42
1.21 Strength of investor protection, 0–10 (best)* .....	5.0	84
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.9	88
2.02 Quality of roads .....	3.5	88
2.03 Quality of railroad infrastructure .....	1.2	117
2.04 Quality of port infrastructure .....	4.7	50
2.05 Quality of air transport infrastructure .....	4.3	81
2.06 Available airline seat km/week, millions* .....	47.4	99
2.07 Quality of electricity supply .....	5.6	43
2.08 Mobile telephone subscriptions/100 pop.* .....	147.3	23
2.09 Fixed telephone lines/100 pop.* .....	29.8	39
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-2.6	69
3.02 Gross national savings, % GDP* .....	16.6	88
3.03 Inflation, annual % change* .....	8.1	120
3.04 General government debt, % GDP* .....	53.7	102
3.05 Country credit rating, 0–100 (best)* .....	56.4	54
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	N/Apl.	1
4.02 Malaria cases/100,000 pop.* .....	(NE)	1
4.03 Business impact of tuberculosis .....	6.6	16
4.04 Tuberculosis cases/100,000 pop.* .....	21.0	47
4.05 Business impact of HIV/AIDS .....	6.2	28
4.06 HIV prevalence, % adult pop.* .....	0.60	92
4.07 Infant mortality, deaths/1,000 live births* .....	8.7	53
4.08 Life expectancy, years* .....	76.4	44
4.09 Quality of primary education .....	3.2	105
4.10 Primary education enrollment, net %* .....	99.5	10
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	90.4	68
5.02 Tertiary education enrollment, gross %* .....	63.2	31
5.03 Quality of the educational system .....	3.0	120
5.04 Quality of math and science education .....	2.9	124
5.05 Quality of management schools .....	4.2	79
5.06 Internet access in schools .....	5.9	19
5.07 Availability of research and training services .....	4.2	72
5.08 Extent of staff training .....	3.8	92
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.5	114
6.02 Extent of market dominance .....	4.0	55
6.03 Effectiveness of anti-monopoly policy .....	3.5	118
6.04 Effect of taxation on incentives to invest .....	3.8	67
6.05 Total tax rate, % profits* .....	42.0	89

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	5	30
6.07 No. days to start a business* .....	7	25
6.08 Agricultural policy costs .....	4.7	10
6.09 Prevalence of trade barriers .....	4.5	51
6.10 Trade tariffs, % duty* .....	7.9	91
6.11 Prevalence of foreign ownership .....	5.6	14
6.12 Business impact of rules on FDI .....	5.4	16
6.13 Burden of customs procedures .....	4.2	61
6.14 Imports as a percentage of GDP* .....	28.1	128
6.15 Degree of customer orientation .....	4.3	94
6.16 Buyer sophistication .....	3.7	52
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.3	138
7.02 Flexibility of wage determination .....	2.3	148
7.03 Hiring and firing practices .....	2.9	136
7.04 Redundancy costs, weeks of salary* .....	20.8	98
7.05 Effect of taxation on incentives to work .....	3.0	119
7.06 Pay and productivity .....	2.4	148
7.07 Reliance on professional management .....	4.0	85
7.08 Country capacity to retain talent .....	3.3	77
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	89
8.02 Affordability of financial services .....	4.2	60
8.03 Financing through local equity market .....	2.2	134
8.04 Ease of access to loans .....	2.7	84
8.05 Venture capital availability .....	2.5	80
8.06 Soundness of banks .....	5.4	52
8.07 Regulation of securities exchanges .....	4.4	53
8.08 Legal rights index, 0–10 (best)* .....	4	101
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.5	92
9.02 Firm-level technology absorption .....	4.4	92
9.03 FDI and technology transfer .....	5.2	19
9.04 Individuals using Internet, %* .....	55.1	56
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	16.6	40
9.06 Int'l Internet bandwidth, kb/s per user* .....	40.7	42
9.07 Mobile broadband subscriptions/100 pop.* .....	32.0	52
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	3.1	87
10.02 Foreign market size index, 1–7 (best)* .....	3.8	99
10.03 GDP (PPP\$ billions)* .....	53.8	87
10.04 Exports as a percentage of GDP* .....	24.4	124
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.9	129
11.02 Local supplier quality .....	4.2	88
11.03 State of cluster development .....	3.5	98
11.04 Nature of competitive advantage .....	3.4	79
11.05 Value chain breadth .....	3.5	94
11.06 Control of international distribution .....	4.0	75
11.07 Production process sophistication .....	3.7	75
11.08 Extent of marketing .....	4.1	74
11.09 Willingness to delegate authority .....	3.4	106
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	88
12.02 Quality of scientific research institutions .....	3.6	73
12.03 Company spending on R&D .....	3.1	72
12.04 University-industry collaboration in R&D .....	3.6	66
12.05 Gov't procurement of advanced tech products .....	3.2	93
12.06 Availability of scientists and engineers .....	3.3	116
12.07 PCT patents, applications/million pop.* .....	1.1	69

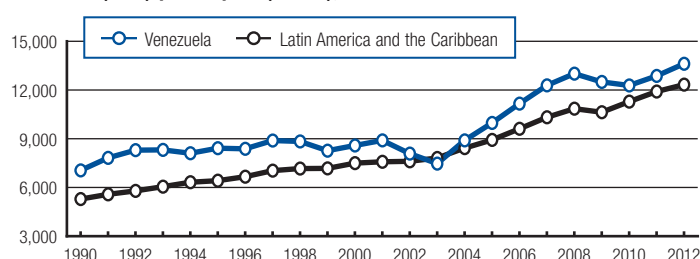
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Venezuela

## Key indicators, 2012

Population (millions).....	29.3
GDP (US\$ billions).....	382.4
GDP per capita (US\$).....	12,956
GDP (PPP) as share (%) of world total.....	0.48

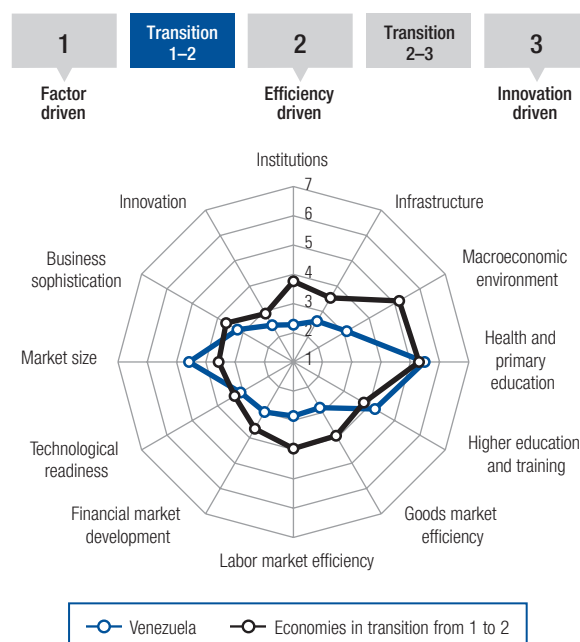
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

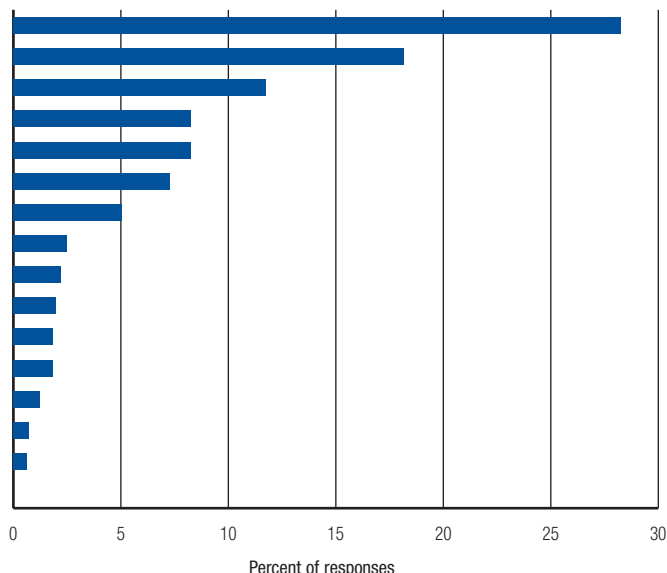
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>134</b> .....	<b>3.4</b>
GCI 2012–2013 (out of 144).....	126.....	3.5
GCI 2011–2012 (out of 142).....	124.....	3.5
<b>Basic requirements (54.1%)</b> .....	<b>138</b> .....	<b>3.4</b>
Institutions.....	148.....	2.3
Infrastructure.....	125.....	2.6
Macroeconomic environment.....	143.....	3.1
Health and primary education.....	83.....	5.5
<b>Efficiency enhancers (39.4%)</b> .....	<b>119</b> .....	<b>3.4</b>
Higher education and training.....	74.....	4.2
Goods market efficiency.....	148.....	2.8
Labor market efficiency.....	148.....	2.8
Financial market development.....	135.....	3.0
Technological readiness.....	107.....	3.1
Market size.....	39.....	4.6
<b>Innovation and sophistication factors (6.5%)</b> .....	<b>136</b> .....	<b>2.8</b>
Business sophistication.....	134.....	3.2
Innovation.....	137.....	2.5

## Stage of development



## The most problematic factors for doing business

Foreign currency regulations.....	28.3
Restrictive labor regulations.....	18.1
Inefficient government bureaucracy.....	11.7
Inflation.....	8.3
Policy instability.....	8.3
Corruption.....	7.3
Crime and theft.....	5.1
Inadequate supply of infrastructure.....	2.5
Tax regulations.....	2.2
Government instability/coups.....	2.0
Access to financing.....	1.9
Poor work ethic in national labor force.....	1.9
Inadequately educated workforce.....	1.2
Insufficient capacity to innovate.....	0.7
Tax rates.....	0.6
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Venezuela

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	1.6	148
1.02 Intellectual property protection .....	1.6	148
1.03 Diversion of public funds .....	1.5	148
1.04 Public trust in politicians .....	1.6	144
1.05 Irregular payments and bribes .....	2.5	139
1.06 Judicial independence .....	1.1	148
1.07 Favoritism in decisions of government officials .....	1.6	148
1.08 Wastefulness of government spending .....	1.5	148
1.09 Burden of government regulation .....	1.8	148
1.10 Efficiency of legal framework in settling disputes .....	1.8	148
1.11 Efficiency of legal framework in challenging regs. ....	1.5	148
1.12 Transparency of government policymaking .....	2.7	147
1.13 Business costs of terrorism .....	5.4	78
1.14 Business costs of crime and violence .....	2.1	146
1.15 Organized crime .....	2.8	145
1.16 Reliability of police services .....	1.9	148
1.17 Ethical behavior of firms .....	3.0	140
1.18 Strength of auditing and reporting standards .....	4.2	97
1.19 Efficacy of corporate boards .....	4.1	112
1.20 Protection of minority shareholders' interests .....	3.3	131
1.21 Strength of investor protection, 0–10 (best)* .....	2.3	144
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.6	137
2.02 Quality of roads .....	2.6	128
2.03 Quality of railroad infrastructure .....	1.6	109
2.04 Quality of port infrastructure .....	2.5	141
2.05 Quality of air transport infrastructure .....	3.0	135
2.06 Available airline seat km/week, millions* .....	262.5	55
2.07 Quality of electricity supply .....	1.8	142
2.08 Mobile telephone subscriptions/100 pop.* .....	102.1	89
2.09 Fixed telephone lines/100 pop.* .....	25.6	47
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-18.9	148
3.02 Gross national savings, % GDP* .....	28.9	30
3.03 Inflation, annual % change* .....	21.1	145
3.04 General government debt, % GDP* .....	57.3	108
3.05 Country credit rating, 0–100 (best)* .....	35.3	93
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	5.5	93
4.02 Malaria cases/100,000 pop.* .....	200.1	105
4.03 Business impact of tuberculosis .....	5.4	80
4.04 Tuberculosis cases/100,000 pop.* .....	33.0	60
4.05 Business impact of HIV/AIDS .....	5.0	92
4.06 HIV prevalence, % adult pop.* .....	0.60	92
4.07 Infant mortality, deaths/1,000 live births* .....	12.9	70
4.08 Life expectancy, years* .....	74.3	62
4.09 Quality of primary education .....	2.9	117
4.10 Primary education enrollment, net %* .....	92.7	86
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	83.5	86
5.02 Tertiary education enrollment, gross %* .....	78.1	13
5.03 Quality of the educational system .....	2.7	128
5.04 Quality of math and science education .....	2.9	123
5.05 Quality of management schools .....	4.2	76
5.06 Internet access in schools .....	3.4	106
5.07 Availability of research and training services .....	3.4	122
5.08 Extent of staff training .....	3.6	106
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	3.0	147
6.02 Extent of market dominance .....	2.9	136
6.03 Effectiveness of anti-monopoly policy .....	2.3	147
6.04 Effect of taxation on incentives to invest .....	3.3	108
6.05 Total tax rate, % profits* .....	62.7	129

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	17	146
6.07 No. days to start a business* .....	144	145
6.08 Agricultural policy costs .....	2.4	148
6.09 Prevalence of trade barriers .....	3.3	146
6.10 Trade tariffs, % duty* .....	12.6	130
6.11 Prevalence of foreign ownership .....	3.4	131
6.12 Business impact of rules on FDI .....	1.7	148
6.13 Burden of customs procedures .....	1.8	148
6.14 Imports as a percentage of GDP* .....	20.2	141
6.15 Degree of customer orientation .....	3.3	143
6.16 Buyer sophistication .....	3.0	107
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.0	147
7.02 Flexibility of wage determination .....	3.6	139
7.03 Hiring and firing practices .....	1.7	148
7.04 Redundancy costs, weeks of salary* .....	not possible	145
7.05 Effect of taxation on incentives to work .....	3.5	84
7.06 Pay and productivity .....	2.8	141
7.07 Reliance on professional management .....	4.4	59
7.08 Country capacity to retain talent .....	1.8	147
7.09 Country capacity to attract talent .....	1.5	148
7.10 Women in labor force, ratio to men* .....	0.66	107
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.7	123
8.02 Affordability of financial services .....	3.8	96
8.03 Financing through local equity market .....	1.8	145
8.04 Ease of access to loans .....	2.3	112
8.05 Venture capital availability .....	2.1	117
8.06 Soundness of banks .....	4.7	87
8.07 Regulation of securities exchanges .....	3.3	117
8.08 Legal rights index, 0–10 (best)* .....	1	145
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.1	115
9.02 Firm-level technology absorption .....	4.1	118
9.03 FDI and technology transfer .....	3.3	143
9.04 Individuals using Internet, %* .....	44.0	76
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	6.7	73
9.06 Int'l Internet bandwidth, kb/s per user* .....	10.9	93
9.07 Mobile broadband subscriptions/100 pop.* .....	4.7	100
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.4	33
10.02 Foreign market size index, 1–7 (best)* .....	5.0	51
10.03 GDP (PPP\$ billions)* .....	401.9	33
10.04 Exports as a percentage of GDP* .....	25.9	117
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.0	148
11.02 Local supplier quality .....	3.4	135
11.03 State of cluster development .....	2.7	143
11.04 Nature of competitive advantage .....	2.6	137
11.05 Value chain breadth .....	2.8	142
11.06 Control of international distribution .....	3.7	106
11.07 Production process sophistication .....	3.0	124
11.08 Extent of marketing .....	3.8	97
11.09 Willingness to delegate authority .....	3.3	109
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.8	128
12.02 Quality of scientific research institutions .....	2.7	125
12.03 Company spending on R&D .....	2.5	129
12.04 University-industry collaboration in R&D .....	3.4	82
12.05 Gov't procurement of advanced tech products .....	1.9	148
12.06 Availability of scientists and engineers .....	3.3	121
12.07 PCT patents, applications/million pop.* .....	0.2	88

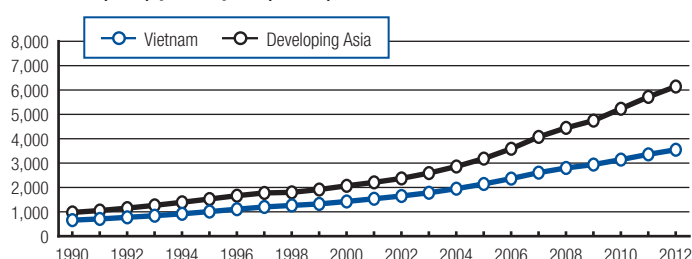
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Vietnam

## Key indicators, 2012

Population (millions).....	87.8
GDP (US\$ billions).....	138.1
GDP per capita (US\$).....	1,528
GDP (PPP) as share (%) of world total.....	0.39

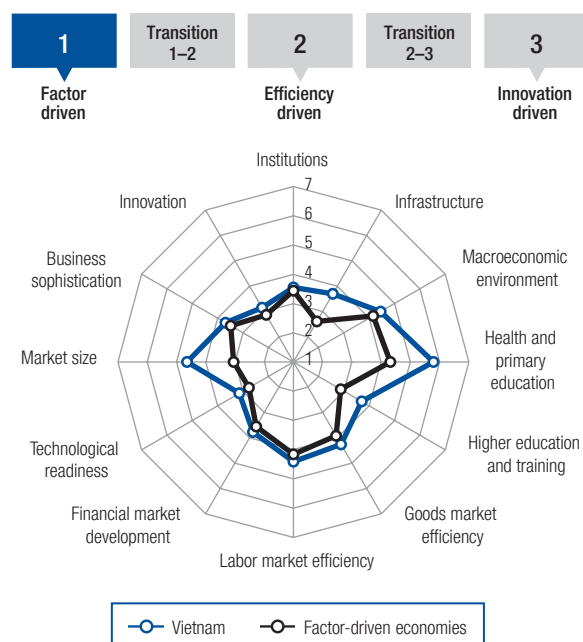
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

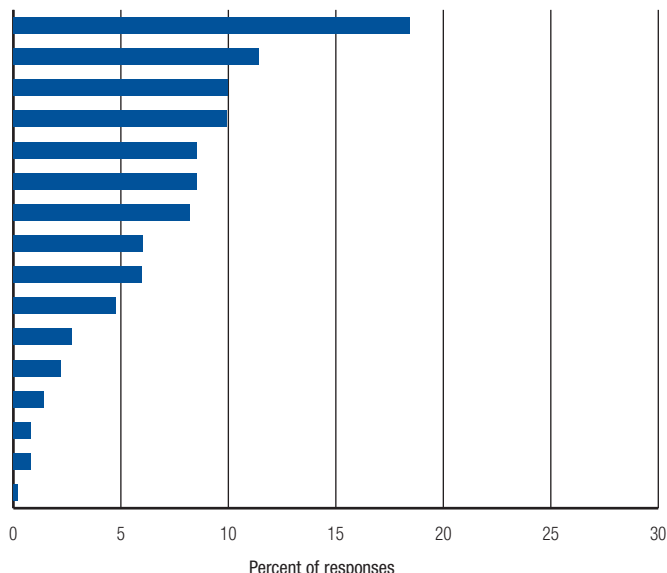
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>70</b>	<b>4.2</b>
GCI 2012–2013 (out of 144).....	75	4.1
GCI 2011–2012 (out of 142).....	65	4.2
<b>Basic requirements (60.0%)</b> .....	<b>86</b>	<b>4.4</b>
Institutions.....	98	3.5
Infrastructure.....	82	3.7
Macroeconomic environment.....	87	4.4
Health and primary education.....	67	5.8
<b>Efficiency enhancers (35.0%)</b> .....	<b>74</b>	<b>4.0</b>
Higher education and training.....	95	3.7
Goods market efficiency.....	74	4.3
Labor market efficiency.....	56	4.4
Financial market development.....	93	3.8
Technological readiness.....	102	3.1
Market size.....	36	4.6
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>85</b>	<b>3.4</b>
Business sophistication.....	98	3.7
Innovation.....	76	3.1

## Stage of development



## The most problematic factors for doing business

Access to financing.....	18.4
Policy instability.....	11.4
Inadequately educated workforce.....	10.0
Inflation.....	9.9
Inadequate supply of infrastructure.....	8.5
Tax regulations.....	8.5
Corruption.....	8.2
Tax rates.....	6.0
Poor work ethic in national labor force.....	6.0
Inefficient government bureaucracy.....	4.8
Foreign currency regulations.....	2.7
Government instability/coups.....	2.2
Insufficient capacity to innovate.....	1.4
Crime and theft.....	0.8
Restrictive labor regulations.....	0.8
Poor public health.....	0.2



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.



# Vietnam

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.5	113
1.02 Intellectual property protection .....	2.9	116
1.03 Diversion of public funds .....	3.2	74
1.04 Public trust in politicians .....	3.4	<b>46</b>
1.05 Irregular payments and bribes .....	3.1	116
1.06 Judicial independence .....	3.4	89
1.07 Favoritism in decisions of government officials .....	3.1	71
1.08 Wastefulness of government spending .....	2.7	103
1.09 Burden of government regulation .....	3.1	106
1.10 Efficiency of legal framework in settling disputes .....	3.4	93
1.11 Efficiency of legal framework in challenging regs. ....	3.3	79
1.12 Transparency of government policymaking .....	3.6	121
1.13 Business costs of terrorism .....	5.4	75
1.14 Business costs of crime and violence .....	4.8	64
1.15 Organized crime .....	4.9	78
1.16 Reliability of police services .....	3.8	95
1.17 Ethical behavior of firms .....	3.7	91
1.18 Strength of auditing and reporting standards .....	3.4	134
1.19 Efficacy of corporate boards .....	4.2	107
1.20 Protection of minority shareholders' interests .....	3.4	126
1.21 Strength of investor protection, 0–10 (best)* .....	3.0	134
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.4	110
2.02 Quality of roads .....	3.1	102
2.03 Quality of railroad infrastructure .....	3.0	58
2.04 Quality of port infrastructure .....	3.7	98
2.05 Quality of air transport infrastructure .....	4.0	92
2.06 Available airline seat km/week, millions* .....	734.0	<b>32</b>
2.07 Quality of electricity supply .....	4.0	95
2.08 Mobile telephone subscriptions/100 pop.* .....	149.4	<b>21</b>
2.09 Fixed telephone lines/100 pop.* .....	11.4	88
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.2	121
3.02 Gross national savings, % GDP* .....	30.7	<b>22</b>
3.03 Inflation, annual % change* .....	9.1	127
3.04 General government debt, % GDP* .....	52.1	96
3.05 Country credit rating, 0–100 (best)* .....	43.4	75
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.6	108
4.02 Malaria cases/100,000 pop.* .....	28.4	92
4.03 Business impact of tuberculosis .....	4.3	117
4.04 Tuberculosis cases/100,000 pop.* .....	199.0	121
4.05 Business impact of HIV/AIDS .....	4.4	112
4.06 HIV prevalence, % adult pop.* .....	0.50	88
4.07 Infant mortality, deaths/1,000 live births* .....	17.3	81
4.08 Life expectancy, years* .....	75.1	52
4.09 Quality of primary education .....	3.4	97
4.10 Primary education enrollment, net %* .....	99.3	<b>15</b>
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	77.2	96
5.02 Tertiary education enrollment, gross %* .....	24.4	89
5.03 Quality of the educational system .....	3.4	95
5.04 Quality of math and science education .....	3.9	85
5.05 Quality of management schools .....	3.3	125
5.06 Internet access in schools .....	5.1	<b>41</b>
5.07 Availability of research and training services .....	3.3	125
5.08 Extent of staff training .....	3.7	98
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	51
6.02 Extent of market dominance .....	3.8	74
6.03 Effectiveness of anti-monopoly policy .....	4.0	82
6.04 Effect of taxation on incentives to invest .....	3.5	97
6.05 Total tax rate, % profits* .....	34.5	55

INDICATOR	VALUE	RANK/148
<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	114
6.08 Agricultural policy costs .....	4.1	<b>47</b>
6.09 Prevalence of trade barriers .....	4.0	104
6.10 Trade tariffs, % duty* .....	8.0	92
6.11 Prevalence of foreign ownership .....	4.2	101
6.12 Business impact of rules on FDI .....	4.7	53
6.13 Burden of customs procedures .....	3.5	99
6.14 Imports as a percentage of GDP* .....	91.4	<b>11</b>
6.15 Degree of customer orientation .....	4.2	100
6.16 Buyer sophistication .....	3.5	60
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.4	64
7.02 Flexibility of wage determination .....	5.1	69
7.03 Hiring and firing practices .....	3.9	81
7.04 Redundancy costs, weeks of salary* .....	24.6	111
7.05 Effect of taxation on incentives to work .....	3.4	99
7.06 Pay and productivity .....	4.7	<b>15</b>
7.07 Reliance on professional management .....	3.6	119
7.08 Country capacity to retain talent .....	3.0	95
7.09 Country capacity to attract talent .....	3.5	69
7.10 Women in labor force, ratio to men* .....	0.92	<b>21</b>
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	4.0	93
8.02 Affordability of financial services .....	3.8	97
8.03 Financing through local equity market .....	3.6	57
8.04 Ease of access to loans .....	2.3	113
8.05 Venture capital availability .....	2.6	78
8.06 Soundness of banks .....	3.7	134
8.07 Regulation of securities exchanges .....	3.2	118
8.08 Legal rights index, 0–10 (best)* .....	8	<b>28</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.7	134
9.02 Firm-level technology absorption .....	3.8	135
9.03 FDI and technology transfer .....	4.1	103
9.04 Individuals using Internet, %* .....	39.5	83
9.05 Fixed broadband Internet subscriptions/100 pop.* ..	5.0	79
9.06 Int'l Internet bandwidth, kb/s per user* .....	13.5	87
9.07 Mobile broadband subscriptions/100 pop.* .....	19.0	69
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	4.3	<b>39</b>
10.02 Foreign market size index, 1–7 (best)* .....	5.6	<b>24</b>
10.03 GDP (PPP\$ billions)* .....	320.7	<b>41</b>
10.04 Exports as a percentage of GDP* .....	89.7	<b>13</b>
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.0	<b>30</b>
11.02 Local supplier quality .....	4.2	89
11.03 State of cluster development .....	3.9	68
11.04 Nature of competitive advantage .....	2.7	130
11.05 Value chain breadth .....	3.2	115
11.06 Control of international distribution .....	3.9	87
11.07 Production process sophistication .....	3.2	111
11.08 Extent of marketing .....	3.7	104
11.09 Willingness to delegate authority .....	3.4	105
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.4	86
12.02 Quality of scientific research institutions .....	3.4	89
12.03 Company spending on R&D .....	3.2	59
12.04 University-industry collaboration in R&D .....	3.3	87
12.05 Gov't procurement of advanced tech products .....	4.0	<b>30</b>
12.06 Availability of scientists and engineers .....	3.8	88
12.07 PCT patents, applications/million pop.* .....	0.1	92

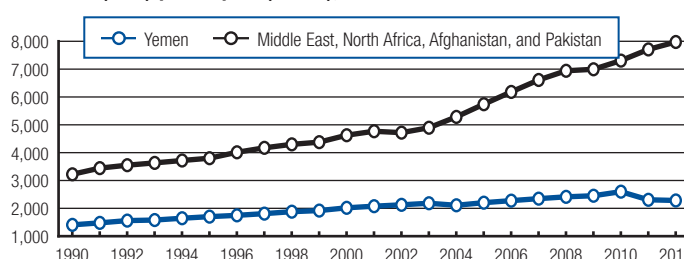
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Yemen

## Key indicators, 2012

Population (millions).....	24.8
GDP (US\$ billions).....	35.6
GDP per capita (US\$).....	1,377
GDP (PPP) as share (%) of world total.....	0.07

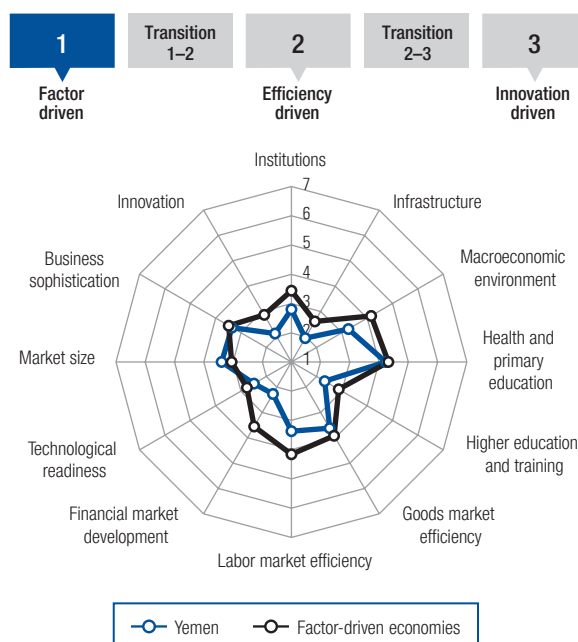
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

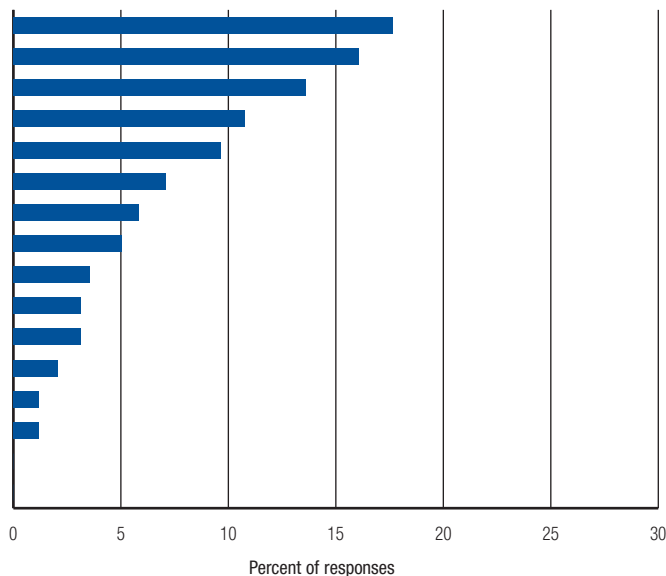
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>145</b> .....	<b>3.0</b>
GCI 2012–2013 (out of 144).....	140.....	3.0
GCI 2011–2012 (out of 142).....	138.....	3.1
<b>Basic requirements (60.0%)</b> .....	<b>145</b> .....	<b>3.1</b>
Institutions.....	142.....	2.8
Infrastructure.....	143.....	1.9
Macroeconomic environment.....	139.....	3.2
Health and primary education.....	129.....	4.2
<b>Efficiency enhancers (35.0%)</b> .....	<b>144</b> .....	<b>2.9</b>
Higher education and training.....	144.....	2.3
Goods market efficiency.....	133.....	3.6
Labor market efficiency.....	141.....	3.4
Financial market development.....	148.....	2.3
Technological readiness.....	137.....	2.5
Market size.....	85.....	3.4
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>139</b> .....	<b>2.7</b>
Business sophistication.....	124.....	3.3
Innovation.....	148.....	2.1

## Stage of development



## The most problematic factors for doing business

Policy instability.....	17.7
Inadequate supply of infrastructure.....	16.1
Corruption.....	13.6
Inadequately educated workforce.....	10.7
Access to financing.....	9.7
Inefficient government bureaucracy.....	7.1
Restrictive labor regulations.....	5.8
Poor work ethic in national labor force.....	5.0
Tax regulations.....	3.6
Crime and theft.....	3.2
Government instability/coups.....	3.2
Tax rates.....	2.1
Inflation.....	1.2
Insufficient capacity to innovate.....	1.2
Foreign currency regulations.....	0.0
Poor public health.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Yemen

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	3.2 .....	127
1.02 Intellectual property protection .....	2.4 .....	138
1.03 Diversion of public funds .....	1.7 .....	147
1.04 Public trust in politicians .....	2.6 .....	88
1.05 Irregular payments and bribes .....	2.4 .....	143
1.06 Judicial independence .....	2.2 .....	138
1.07 Favoritism in decisions of government officials .....	2.2 .....	138
1.08 Wastefulness of government spending .....	2.0 .....	141
1.09 Burden of government regulation .....	3.0 .....	112
1.10 Efficiency of legal framework in settling disputes .....	2.2 .....	147
1.11 Efficiency of legal framework in challenging regs. ....	2.7 .....	127
1.12 Transparency of government policymaking .....	3.8 .....	103
1.13 Business costs of terrorism .....	2.7 .....	145
1.14 Business costs of crime and violence .....	3.1 .....	134
1.15 Organized crime .....	4.1 .....	117
1.16 Reliability of police services .....	2.3 .....	145
1.17 Ethical behavior of firms .....	3.4 .....	121
1.18 Strength of auditing and reporting standards .....	2.7 .....	144
1.19 Efficacy of corporate boards .....	3.5 .....	144
1.20 Protection of minority shareholders' interests .....	3.1 .....	137
1.21 Strength of investor protection, 0–10 (best)* .....	4.0 .....	116
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	2.6 .....	136
2.02 Quality of roads .....	2.4 .....	137
2.03 Quality of railroad infrastructure .....	N/Appl. ....	n/a
2.04 Quality of port infrastructure .....	2.9 .....	129
2.05 Quality of air transport infrastructure .....	2.7 .....	140
2.06 Available airline seat km/week, millions* .....	39.8 .....	108
2.07 Quality of electricity supply .....	1.5 .....	146
2.08 Mobile telephone subscriptions/100 pop.* .....	54.4 .....	134
2.09 Fixed telephone lines/100 pop.* .....	4.3 .....	108
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-5.5 .....	124
3.02 Gross national savings, % GDP* .....	9.3 .....	131
3.03 Inflation, annual % change* .....	11.0 .....	135
3.04 General government debt, % GDP* .....	46.7 .....	85
3.05 Country credit rating, 0–100 (best)* .....	18.5 .....	137
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.6 .....	109
4.02 Malaria cases/100,000 pop.* .....	2,380.2 .....	118
4.03 Business impact of tuberculosis .....	5.0 .....	95
4.04 Tuberculosis cases/100,000 pop.* .....	44.0 .....	71
4.05 Business impact of HIV/AIDS .....	5.5 .....	69
4.06 HIV prevalence, % adult pop.* .....	0.20 .....	45
4.07 Infant mortality, deaths/1,000 live births* .....	57.0 .....	129
4.08 Life expectancy, years* .....	65.5 .....	112
4.09 Quality of primary education .....	2.0 .....	147
4.10 Primary education enrollment, net %* .....	76.0 .....	133
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	45.8 .....	123
5.02 Tertiary education enrollment, gross %* .....	10.2 .....	117
5.03 Quality of the educational system .....	2.0 .....	147
5.04 Quality of math and science education .....	2.3 .....	143
5.05 Quality of management schools .....	2.8 .....	138
5.06 Internet access in schools .....	1.7 .....	146
5.07 Availability of research and training services .....	2.8 .....	143
5.08 Extent of staff training .....	3.3 .....	122
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.4 .....	118
6.02 Extent of market dominance .....	2.8 .....	138
6.03 Effectiveness of anti-monopoly policy .....	3.1 .....	135
6.04 Effect of taxation on incentives to invest .....	3.1 .....	117
6.05 Total tax rate, % profits* .....	32.9 .....	45

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6 .....	47
6.07 No. days to start a business* .....	40 .....	124
6.08 Agricultural policy costs .....	2.9 .....	139
6.09 Prevalence of trade barriers .....	3.5 .....	142
6.10 Trade tariffs, % duty* .....	6.0 .....	76
6.11 Prevalence of foreign ownership .....	2.7 .....	145
6.12 Business impact of rules on FDI .....	3.5 .....	128
6.13 Burden of customs procedures .....	3.3 .....	121
6.14 Imports as a percentage of GDP* .....	36.3 .....	98
6.15 Degree of customer orientation .....	4.2 .....	105
6.16 Buyer sophistication .....	2.4 .....	142
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.2 .....	86
7.02 Flexibility of wage determination .....	5.8 .....	15
7.03 Hiring and firing practices .....	3.9 .....	76
7.04 Redundancy costs, weeks of salary* .....	27.4 .....	120
7.05 Effect of taxation on incentives to work .....	2.8 .....	126
7.06 Pay and productivity .....	3.6 .....	96
7.07 Reliance on professional management .....	2.8 .....	143
7.08 Country capacity to retain talent .....	2.1 .....	139
7.09 Country capacity to attract talent .....	2.2 .....	133
7.10 Women in labor force, ratio to men* .....	0.35 .....	140
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	2.9 .....	143
8.02 Affordability of financial services .....	2.6 .....	146
8.03 Financing through local equity market .....	2.1 .....	139
8.04 Ease of access to loans .....	1.9 .....	133
8.05 Venture capital availability .....	1.9 .....	134
8.06 Soundness of banks .....	3.1 .....	142
8.07 Regulation of securities exchanges .....	1.5 .....	147
8.08 Legal rights index, 0–10 (best)* .....	2 .....	141
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	3.4 .....	142
9.02 Firm-level technology absorption .....	4.1 .....	119
9.03 FDI and technology transfer .....	3.5 .....	140
9.04 Individuals using Internet, %* .....	17.4 .....	107
9.05 Fixed broadband Internet subscriptions/100 pop.* ...	0.7 .....	113
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.6 .....	131
9.07 Mobile broadband subscriptions/100 pop.* .....	0.2 .....	129
<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)* .....	4.1 .....	88
10.03 GDP (PPP\$ billions)* .....	59.1 .....	82
10.04 Exports as a percentage of GDP* .....	35.2 .....	84
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	5.1 .....	27
11.02 Local supplier quality .....	3.0 .....	145
11.03 State of cluster development .....	2.8 .....	138
11.04 Nature of competitive advantage .....	2.9 .....	124
11.05 Value chain breadth .....	3.2 .....	113
11.06 Control of international distribution .....	4.0 .....	72
11.07 Production process sophistication .....	2.8 .....	133
11.08 Extent of marketing .....	2.8 .....	139
11.09 Willingness to delegate authority .....	3.8 .....	63
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.6 .....	142
12.02 Quality of scientific research institutions .....	2.0 .....	148
12.03 Company spending on R&D .....	1.9 .....	148
12.04 University-industry collaboration in R&D .....	2.1 .....	145
12.05 Gov't procurement of advanced tech products .....	2.1 .....	147
12.06 Availability of scientists and engineers .....	3.1 .....	130
12.07 PCT patents, applications/million pop.* .....	0.0 .....	110

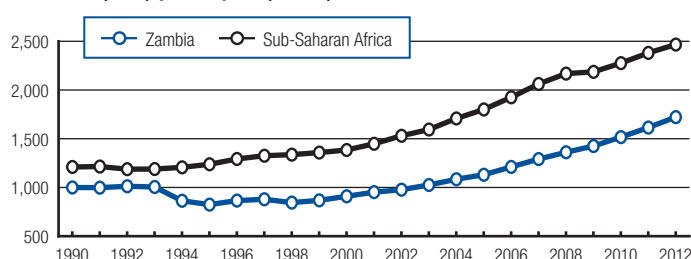
**Notes:** Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (\*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 97.

# Zambia

## Key indicators, 2012

Population (millions).....	13.5
GDP (US\$ billions).....	20.5
GDP per capita (US\$).....	1,474
GDP (PPP) as share (%) of world total.....	0.03

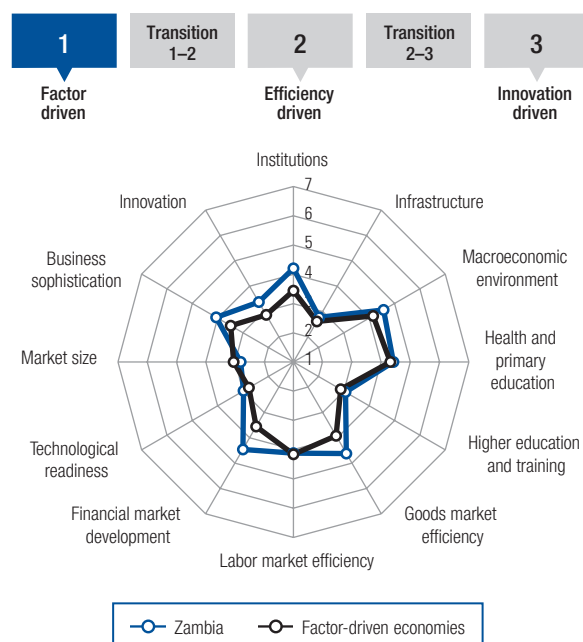
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

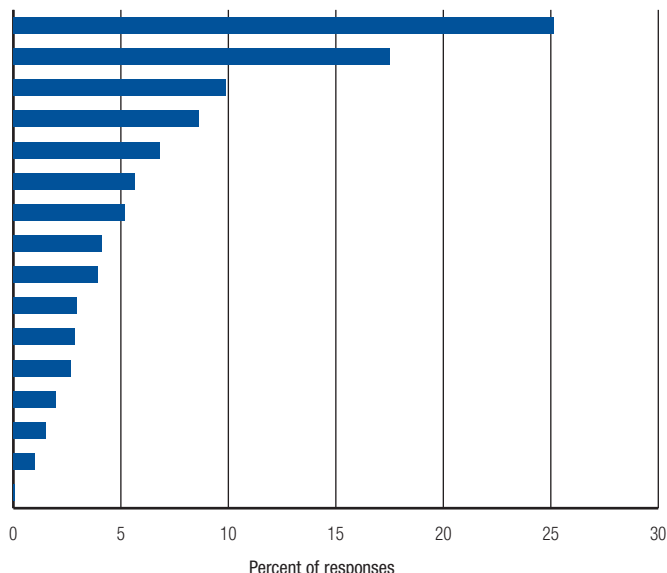
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>93</b>	<b>3.9</b>
GCI 2012–2013 (out of 144).....	102	3.8
GCI 2011–2012 (out of 142).....	113	3.7
<b>Basic requirements (60.0%)</b> .....	<b>104</b>	<b>4.0</b>
Institutions.....	51	4.2
Infrastructure.....	118	2.8
Macroeconomic environment.....	81	4.6
Health and primary education.....	126	4.4
<b>Efficiency enhancers (35.0%)</b> .....	<b>101</b>	<b>3.7</b>
Higher education and training.....	119	3.1
Goods market efficiency.....	38	4.6
Labor market efficiency.....	93	4.1
Financial market development.....	46	4.5
Technological readiness.....	115	3.0
Market size.....	111	2.8
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>61</b>	<b>3.7</b>
Business sophistication.....	66	4.0
Innovation.....	60	3.4

## Stage of development



## The most problematic factors for doing business

Access to financing.....	25.1
Corruption.....	17.5
Inadequate supply of infrastructure.....	9.9
Tax rates.....	8.6
Poor work ethic in national labor force.....	6.8
Inflation.....	5.7
Inefficient government bureaucracy.....	5.2
Crime and theft.....	4.1
Insufficient capacity to innovate.....	3.9
Poor public health.....	3.0
Policy instability.....	2.9
Restrictive labor regulations.....	2.7
Inadequately educated workforce.....	2.0
Tax regulations.....	1.5
Foreign currency regulations.....	1.0
Government instability/coups.....	0.1



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

## Zambia

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	4.7	49
1.02 Intellectual property protection .....	3.9	57
1.03 Diversion of public funds .....	3.3	64
1.04 Public trust in politicians .....	3.4	45
1.05 Irregular payments and bribes .....	3.5	93
1.06 Judicial independence .....	3.7	69
1.07 Favoritism in decisions of government officials .....	3.3	56
1.08 Wastefulness of government spending .....	3.7	37
1.09 Burden of government regulation .....	4.3	12
1.10 Efficiency of legal framework in settling disputes .....	4.4	37
1.11 Efficiency of legal framework in challenging regs. ....	3.7	51
1.12 Transparency of government policymaking .....	4.7	31
1.13 Business costs of terrorism .....	6.1	32
1.14 Business costs of crime and violence .....	4.7	70
1.15 Organized crime .....	5.7	44
1.16 Reliability of police services .....	4.2	71
1.17 Ethical behavior of firms .....	4.2	51
1.18 Strength of auditing and reporting standards .....	4.6	72
1.19 Efficacy of corporate boards .....	4.9	41
1.20 Protection of minority shareholders' interests .....	4.7	37
1.21 Strength of investor protection, 0–10 (best)* .....	5.3	69
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.8	94
2.02 Quality of roads .....	3.4	94
2.03 Quality of railroad infrastructure .....	2.1	87
2.04 Quality of port infrastructure .....	3.5	108
2.05 Quality of air transport infrastructure .....	3.5	114
2.06 Available airline seat km/week, millions* .....	43.5	104
2.07 Quality of electricity supply .....	3.1	114
2.08 Mobile telephone subscriptions/100 pop.* .....	75.8	118
2.09 Fixed telephone lines/100 pop.* .....	0.6	136
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-4.5	108
3.02 Gross national savings, % GDP* .....	23.4	53
3.03 Inflation, annual % change* .....	6.6	107
3.04 General government debt, % GDP* .....	26.9	33
3.05 Country credit rating, 0–100 (best)* .....	34.2	96
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	3.1	138
4.02 Malaria cases/100,000 pop.* .....	24,518.3	135
4.03 Business impact of tuberculosis .....	3.6	138
4.04 Tuberculosis cases/100,000 pop.* .....	444.0	138
4.05 Business impact of HIV/AIDS .....	3.2	138
4.06 HIV prevalence, % adult pop.* .....	12.50	141
4.07 Infant mortality, deaths/1,000 live births* .....	52.7	126
4.08 Life expectancy, years* .....	49.0	145
4.09 Quality of primary education .....	3.7	82
4.10 Primary education enrollment, net %* .....	95.5	59
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	30.4	140
5.02 Tertiary education enrollment, gross %* .....	2.4	144
5.03 Quality of the educational system .....	4.3	38
5.04 Quality of math and science education .....	4.0	76
5.05 Quality of management schools .....	4.3	71
5.06 Internet access in schools .....	3.5	103
5.07 Availability of research and training services .....	4.5	46
5.08 Extent of staff training .....	3.8	89
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	5.2	48
6.02 Extent of market dominance .....	4.2	39
6.03 Effectiveness of anti-monopoly policy .....	4.6	37
6.04 Effect of taxation on incentives to invest .....	3.8	66
6.05 Total tax rate, % profits* .....	15.2	8

INDICATOR	VALUE	RANK/148
<b>6th pillar: Goods market efficiency (cont'd.)</b>		
6.06 No. procedures to start a business* .....	6	47
6.07 No. days to start a business* .....	17	76
6.08 Agricultural policy costs .....	4.5	17
6.09 Prevalence of trade barriers .....	4.3	66
6.10 Trade tariffs, % duty* .....	10.7	121
6.11 Prevalence of foreign ownership .....	5.3	32
6.12 Business impact of rules on FDI .....	5.0	35
6.13 Burden of customs procedures .....	4.3	57
6.14 Imports as a percentage of GDP* .....	43.4	77
6.15 Degree of customer orientation .....	4.7	58
6.16 Buyer sophistication .....	3.5	61
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	4.3	67
7.02 Flexibility of wage determination .....	4.9	82
7.03 Hiring and firing practices .....	4.6	20
7.04 Redundancy costs, weeks of salary* .....	50.6	140
7.05 Effect of taxation on incentives to work .....	4.2	33
7.06 Pay and productivity .....	3.7	91
7.07 Reliance on professional management .....	4.6	47
7.08 Country capacity to retain talent .....	3.5	62
7.09 Country capacity to attract talent .....	3.6	65
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 .....	4.4	77
8.02 Affordability of financial services .....	4.0	80
8.03 Financing through local equity market .....	3.9	42
8.04 Ease of access to loans .....	2.7	77
8.05 Venture capital availability .....	2.5	79
8.06 Soundness of banks .....	5.3	56
8.07 Regulation of securities exchanges .....	4.4	49
8.08 Legal rights index, 0–10 (best)* .....	9	12
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.5	95
9.02 Firm-level technology absorption .....	4.6	77
9.03 FDI and technology transfer .....	4.6	76
9.04 Individuals using Internet, %* .....	13.5	117
9.05 Fixed broadband Internet subscriptions/100 pop.* ...	0.1	129
9.06 Int'l Internet bandwidth, kb/s per user* .....	2.8	130
9.07 Mobile broadband subscriptions/100 pop.* .....	0.7	122
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	2.5	115
10.02 Foreign market size index, 1–7 (best)* .....	3.7	101
10.03 GDP (PPP\$ billions)* .....	24.0	112
10.04 Exports as a percentage of GDP* .....	48.8	54
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	4.8	59
11.02 Local supplier quality .....	4.3	80
11.03 State of cluster development .....	4.1	48
11.04 Nature of competitive advantage .....	3.8	51
11.05 Value chain breadth .....	3.8	62
11.06 Control of international distribution .....	3.9	83
11.07 Production process sophistication .....	3.6	85
11.08 Extent of marketing .....	3.8	99
11.09 Willingness to delegate authority .....	4.1	36
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	3.7	52
12.02 Quality of scientific research institutions .....	3.4	88
12.03 Company spending on R&D .....	3.5	46
12.04 University-industry collaboration in R&D .....	3.5	70
12.05 Gov't procurement of advanced tech products .....	4.0	28
12.06 Availability of scientists and engineers .....	4.2	67
12.07 PCT patents, applications/million pop.* .....	0.0	126

**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 97.

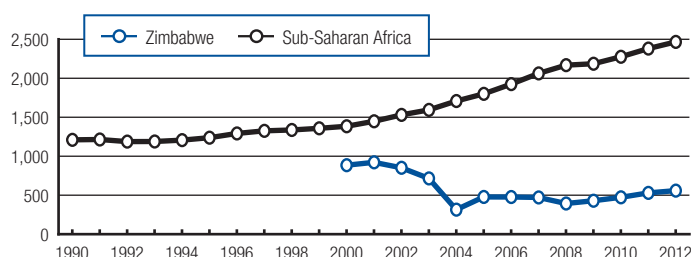


# Zimbabwe

## Key indicators, 2012

Population (millions).....	12.8
GDP (US\$ billions).....	9.8
GDP per capita (US\$).....	756
GDP (PPP) as share (%) of world total.....	0.01

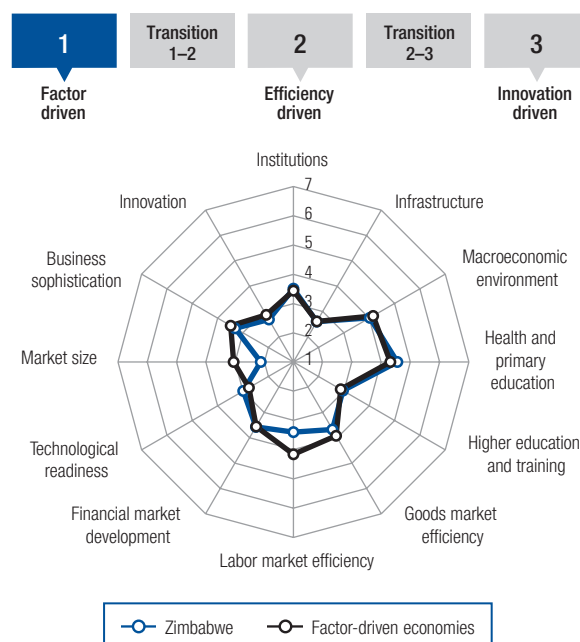
GDP (PPP) per capita (int'l \$), 1990–2012



## Global Competitiveness Index

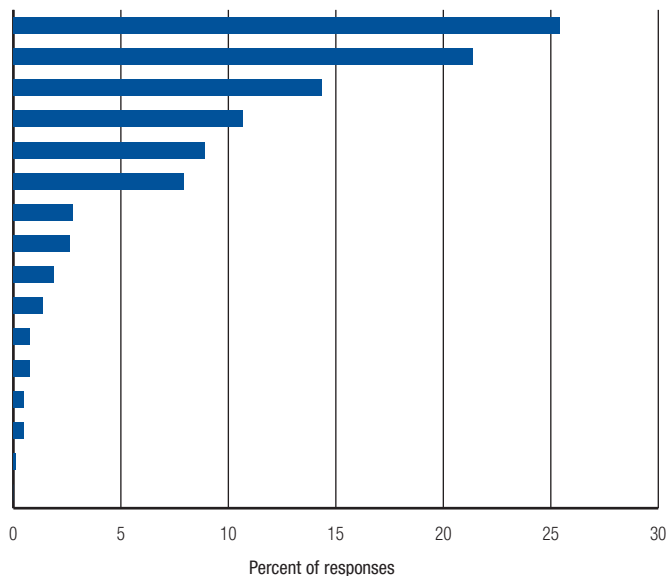
	Rank (out of 148)	Score (1–7)
<b>GCI 2013–2014</b> .....	<b>131</b>	<b>3.4</b>
GCI 2012–2013 (out of 144).....	132	3.3
GCI 2011–2012 (out of 142).....	132	3.3
<b>Basic requirements (60.0%)</b> .....	<b>124</b>	<b>3.7</b>
Institutions.....	101	3.5
Infrastructure.....	126	2.6
Macroeconomic environment.....	114	4.0
Health and primary education.....	116	4.5
<b>Efficiency enhancers (35.0%)</b> .....	<b>138</b>	<b>3.1</b>
Higher education and training.....	124	3.0
Goods market efficiency.....	130	3.7
Labor market efficiency.....	140	3.4
Financial market development.....	109	3.6
Technological readiness.....	112	3.0
Market size.....	136	2.1
<b>Innovation and sophistication factors (5.0%)</b> .....	<b>126</b>	<b>3.0</b>
Business sophistication.....	126	3.3
Innovation.....	127	2.7

## Stage of development



## The most problematic factors for doing business

Access to financing.....	25.4
Policy instability.....	21.4
Inadequate supply of infrastructure.....	14.3
Corruption.....	10.7
Restrictive labor regulations.....	8.9
Inefficient government bureaucracy.....	7.9
Government instability/coups.....	2.8
Insufficient capacity to innovate.....	2.6
Tax rates.....	1.9
Tax regulations.....	1.4
Crime and theft.....	0.8
Inadequately educated workforce.....	0.8
Foreign currency regulations.....	0.5
Poor work ethic in national labor force.....	0.5
Poor public health.....	0.1
Inflation.....	0.0



**Note:** From the list of factors above, 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 bars in the figure show the responses weighted according to their rankings.

# Zimbabwe

## The Global Competitiveness Index in detail

INDICATOR	VALUE	RANK/148
<b>1st pillar: Institutions</b>		
1.01 Property rights .....	2.6	142
1.02 Intellectual property protection .....	3.0	106
1.03 Diversion of public funds .....	2.8	95
1.04 Public trust in politicians .....	1.9	137
1.05 Irregular payments and bribes .....	3.7	80
1.06 Judicial independence .....	2.7	117
1.07 Favoritism in decisions of government officials .....	2.6	108
1.08 Wastefulness of government spending .....	2.6	112
1.09 Burden of government regulation .....	3.1	102
1.10 Efficiency of legal framework in settling disputes .....	3.6	78
1.11 Efficiency of legal framework in challenging regs. ....	2.8	123
1.12 Transparency of government policymaking .....	3.9	88
1.13 Business costs of terrorism .....	6.3	<b>18</b>
1.14 Business costs of crime and violence .....	5.0	56
1.15 Organized crime .....	5.9	<b>34</b>
1.16 Reliability of police services .....	3.0	123
1.17 Ethical behavior of firms .....	3.8	83
1.18 Strength of auditing and reporting standards .....	5.2	<b>39</b>
1.19 Efficacy of corporate boards .....	4.7	60
1.20 Protection of minority shareholders' interests .....	4.3	58
1.21 Strength of investor protection, 0–10 (best)* .....	4.3	107
<b>2nd pillar: Infrastructure</b>		
2.01 Quality of overall infrastructure .....	3.2	122
2.02 Quality of roads .....	3.3	100
2.03 Quality of railroad infrastructure .....	2.3	84
2.04 Quality of port infrastructure .....	4.1	76
2.05 Quality of air transport infrastructure .....	3.3	120
2.06 Available airline seat km/week, millions* .....	12.5	134
2.07 Quality of electricity supply .....	2.0	138
2.08 Mobile telephone subscriptions/100 pop.* .....	96.9	97
2.09 Fixed telephone lines/100 pop.* .....	2.3	119
<b>3rd pillar: Macroeconomic environment</b>		
3.01 Government budget balance, % GDP* .....	-0.9	<b>41</b>
3.02 Gross national savings, % GDP* .....	0.6	143
3.03 Inflation, annual % change* .....	3.7	70
3.04 General government debt, % GDP* .....	60.5	111
3.05 Country credit rating, 0–100 (best)* .....	7.2	146
<b>4th pillar: Health and primary education</b>		
4.01 Business impact of malaria .....	4.6	113
4.02 Malaria cases/100,000 pop.* .....	13,491.6	127
4.03 Business impact of tuberculosis .....	4.0	126
4.04 Tuberculosis cases/100,000 pop.* .....	603.0	143
4.05 Business impact of HIV/AIDS .....	3.7	132
4.06 HIV prevalence, % adult pop.* .....	14.90	143
4.07 Infant mortality, deaths/1,000 live births* .....	42.8	115
4.08 Life expectancy, years* .....	51.2	140
4.09 Quality of primary education .....	4.1	63
4.10 Primary education enrollment, net %* .....	90.0	99
<b>5th pillar: Higher education and training</b>		
5.01 Secondary education enrollment, gross %* .....	38.0	131
5.02 Tertiary education enrollment, gross %* .....	6.0	130
5.03 Quality of the educational system .....	4.3	<b>42</b>
5.04 Quality of math and science education .....	4.2	63
5.05 Quality of management schools .....	4.1	81
5.06 Internet access in schools .....	3.0	119
5.07 Availability of research and training services .....	3.7	105
5.08 Extent of staff training .....	3.9	82
<b>6th pillar: Goods market efficiency</b>		
6.01 Intensity of local competition .....	4.9	81
6.02 Extent of market dominance .....	3.6	84
6.03 Effectiveness of anti-monopoly policy .....	4.0	83
6.04 Effect of taxation on incentives to invest .....	3.6	88
6.05 Total tax rate, % profits* .....	35.8	66

INDICATOR	VALUE	RANK/148
<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	139
6.08 Agricultural policy costs .....	2.9	137
6.09 Prevalence of trade barriers .....	4.8	<b>21</b>
6.10 Trade tariffs, % duty* .....	19.4	144
6.11 Prevalence of foreign ownership .....	4.3	97
6.12 Business impact of rules on FDI .....	2.1	146
6.13 Burden of customs procedures .....	3.1	132
6.14 Imports as a percentage of GDP* .....	61.9	<b>40</b>
6.15 Degree of customer orientation .....	3.7	133
6.16 Buyer sophistication .....	3.1	97
<b>7th pillar: Labor market efficiency</b>		
7.01 Cooperation in labor-employer relations .....	3.7	123
7.02 Flexibility of wage determination .....	2.6	146
7.03 Hiring and firing practices .....	2.4	146
7.04 Redundancy costs, weeks of salary* .....	82.3	144
7.05 Effect of taxation on incentives to work .....	3.4	94
7.06 Pay and productivity .....	2.6	146
7.07 Reliance on professional management .....	5.0	<b>31</b>
7.08 Country capacity to retain talent .....	3.0	99
7.09 Country capacity to attract talent .....	2.9	100
7.10 Women in labor force, ratio to men* .....	0.93	<b>19</b>
<b>8th pillar: Financial market development</b>		
8.01 Availability of financial services .....	3.8	105
8.02 Affordability of financial services .....	3.2	134
8.03 Financing through local equity market .....	3.5	63
8.04 Ease of access to loans .....	2.1	122
8.05 Venture capital availability .....	1.8	140
8.06 Soundness of banks .....	3.4	137
8.07 Regulation of securities exchanges .....	4.1	69
8.08 Legal rights index, 0–10 (best)* .....	7	<b>42</b>
<b>9th pillar: Technological readiness</b>		
9.01 Availability of latest technologies .....	4.4	103
9.02 Firm-level technology absorption .....	4.3	99
9.03 FDI and technology transfer .....	3.6	132
9.04 Individuals using Internet, %* .....	17.1	109
9.05 Fixed broadband Internet subscriptions/100 pop.* ...	0.5	114
9.06 Int'l Internet bandwidth, kb/s per user* .....	3.3	125
9.07 Mobile broadband subscriptions/100 pop.* .....	29.7	54
<b>10th pillar: Market size</b>		
10.01 Domestic market size index, 1–7 (best)* .....	1.8	136
10.02 Foreign market size index, 1–7 (best)* .....	3.0	136
10.03 GDP (PPP\$ billions)* .....	7.2	137
10.04 Exports as a percentage of GDP* .....	43.4	62
<b>11th pillar: Business sophistication</b>		
11.01 Local supplier quantity .....	3.9	125
11.02 Local supplier quality .....	3.7	125
11.03 State of cluster development .....	3.0	130
11.04 Nature of competitive advantage .....	2.5	144
11.05 Value chain breadth .....	2.8	137
11.06 Control of international distribution .....	3.4	126
11.07 Production process sophistication .....	2.6	140
11.08 Extent of marketing .....	3.3	125
11.09 Willingness to delegate authority .....	3.7	74
<b>12th pillar: Innovation</b>		
12.01 Capacity for innovation .....	2.9	122
12.02 Quality of scientific research institutions .....	3.1	109
12.03 Company spending on R&D .....	2.4	133
12.04 University-industry collaboration in R&D .....	3.1	112
12.05 Gov't procurement of advanced tech products .....	2.6	137
12.06 Availability of scientists and engineers .....	3.5	109
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 97.



# 2.2

## Data Tables





# How to Read the Data Tables

The following pages provide detailed data for all 148 economies included in *The Global Competitiveness Report 2013–2014*. The data tables are organized into 13 sections:

## Key indicators

- Pillar 1: Institutions
- Pillar 2: Infrastructure
- Pillar 3: Macroeconomic environment
- Pillar 4: Health and primary education
- Pillar 5: Higher education and training
- Pillar 6: Goods market efficiency
- Pillar 7: Labor market efficiency
- Pillar 8: Financial market development
- Pillar 9: Technological readiness
- Pillar 10: Market size
- Pillar 11: Business sophistication
- Pillar 12: Innovation

## EXECUTIVE OPINION SURVEY INDICATORS

**1** In the tables, indicators derived from the World Economic Forum's Executive Opinion Survey (the Survey) have country scores represented by blue-colored bar graphs. Survey questions asked for responses on a scale of 1 to 7, where an answer of 1 and 7 always correspond to the worst and best possible outcome, respectively. In the tables, the Survey question and the two extreme answers are shown above the rankings. Country scores are reported with a precision of one decimal point, although exact figures are used to determine rankings. The sample mean is represented by a dotted line running across the bar graphs. For more information on the Survey and a detailed explanation of how scores are computed, refer to Chapter 1.3.

2.2: Data Tables

**1** 1.01 Property rights

In your country, how strong is the protection of property rights, including financial assets? (1 = extremely weak, 7 = extremely strong) (2012–13 weighted average)

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7
1	Finland	6.4				75	Mexico	4.2			
2	Singapore	6.3				76	Switzerland	4.2			
3	Switzerland	6.2				77	Gabon	4.1			
4	United Kingdom	6.2				78	Thailand	4.1			
5	Hong Kong SAR	6.1				79	Indonesia	4.1			
6	Canada	6.0				80	Burundi	4.0			
7	Luxembourg	6.0				81	Australia	4.0			
8	Spain	6.0				82	Romania	3.9			
9	Netherlands	6.0				83	Slovak Republic	3.9			
10	Norway	6.0				84	Malawi	3.9			
11	Puerto Rico	6.0				85	Laos PDR	3.9			
12	New Zealand	5.9				86	Kenya	3.9			
13	Austria	5.9				87	Ghana	3.9			
14	Sweden	5.9				88	Czech Republic	3.9			
15	Germany	5.8				89	Ghana	3.9			
16	Japan	5.8				90	Cape Verde	3.9			
17	Taiwan, China	5.8				91	Cameroon	3.8			
18	Iceland	5.7				92	Colombia	3.8			
19	France	5.7				93	Guatemala	3.8			
20	South Africa	5.6				94	Dominican Republic	3.8			
21	Chile	5.6				95	Malawi	3.8			
22	Malta	5.5				96	Croatia	3.8			
23	Slovenia	5.5				97	Tanzania	3.8			
24	Denmark	5.4				98	Ecuador	3.8			
25	Bulgaria	5.4				99	Liberia	3.8			
26	United Arab Emirates	5.4				100	Sierra Leone	3.7			
27	Saudi Arabia	5.3				101	Egypt	3.7			
28	Jordan	5.3				102	Panama	3.7			
29	Russia	5.2				103	Hungary	3.7			
30	Australia	5.2				104	Ethiopia	3.7			
31	Malaysia	5.2				105	Sierra Leone and Niger	3.7			
32	United States	5.2				106	Burkina Faso	3.7			
33	Estonia	5.1				107	Ghana	3.7			
34	China	5.1				108	Cameroon	3.6			
35	Namibia	5.1				109	Suriname	3.6			
36	Mauritius	5.1				110	Mongolia	3.6			
37	Burkina Faso	5.0				111	Bulgaria	3.5			
38	Burkina Faso	5.0				112	El Salvador	3.5			
39	Russia	5.0				113	Norway	3.5			
40	Israel	5.0				114	Nepal	3.5			
41	Bolivia	4.9				115	Mozambique	3.5			
42	Ukraine	4.9				116	Ukraine	3.4			
43	Portugal	4.8				117	Nigeria	3.4			
44	Panama	4.8				118	Benin	3.4			
45	Morocco	4.8				119	Chad of Lake	3.4			
46	Cyprus	4.7				120	Ghana	3.4			
47	Spain	4.7				121	Honduras	3.4			
48	Turkey	4.7				122	Bangladesh	3.4			
49	Zambia	4.7				123	Pakistan	3.3			
50	China	4.6				124	Norway	3.3			
51	Brazil	4.6				125	Lebanon	3.3			
52	Burkina Faso	4.6				126	Malawi	3.3			
53	Costa Rica	4.6				127	Yemen	3.3			
54	Armenia	4.6				128	Angola	3.2			
55	Korea, Rep.	4.5				129	Bolivia	3.2			
56	Mexico	4.5				130	Senegal	3.2			
57	Seychelles	4.4				131	Moldova	3.2			
58	India	4.4				132	Philippines	3.1			
59	Si Lanka	4.4				133	Russian Federation	3.0			
60	Guinea, The	4.3				134	China	3.0			
61	Philippines	4.3				135	Moldova	2.9			
62	Laos	4.3				136	Peru	2.9			
63	Bhutan	4.3				137	Albania	2.9			
64	Tajikistan	4.3				138	North Macedonia	2.9			
65	Vanuatu	4.3				139	Mauritius	2.9			
66	Italy	4.3				140	Argentina	2.9			
67	Kazakhstan	4.3				141	Barbados	2.9			
68	Slovenia	4.3				142	Zimbabwe	2.9			
69	Turkey	4.3				143	Ukraine	2.9			
70	Lithuania	4.2				144	Myanmar	2.9			
71	Ukraine	4.2				145	Argentina	2.9			
72	Ghana	4.2				146	Chad	2.4			
73	Moldova	4.2				147	Haiti	2.1			
74	Tanzania and Togo	4.2				148	Venezuela	1.6			

SOURCE: World Economic Forum, Executive Opinion Survey

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2.2: Data Tables

2

## 0.01 Gross domestic product

Gross domestic product in billions of current US dollars | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	United States	15,554.9	76	Uruguay	40.4
2	China	8,227.0	78	Slovenia	40.6
3	Japan	5,554.9	79	Tanzania	40.6
4	Germany	3,400.0	79	Costa Rica	40.1
5	France	2,800.0	80	Latvia	41.0
6	United Kingdom	2,440.0	80	Ethiopia	41.0
7	Spain	2,390.0	82	Kenya	41.1
8	Russian Federation	2,020.0	83	Chad	41.2
9	Italy	2,014.0	84	Senegal	41.4
10	India	1,854.0	85	Philippines	40.9
11	Canada	1,810.0	86	Yemen	40.6
12	Australia	1,541.0	87	Jordan	41.2
13	South Korea	1,500.0	88	Laos	40.4
14	Mexico	1,177.0	89	Tanzania	40.2
15	Korea, Rep.	1,150.0	90	Bolivia	40.4
16	Indonesia	870.0	91	Bahrain	40.0
17	Turkey	794.0	92	Paraguay	40.0
18	Netherlands	770.0	93	Turkmenistan and Turkmenistan	40.0
19	Saudi Arabia	727.0	94	Cape Verde	40.0
20	Switzerland	620.0	95	Cyprus	40.0
21	Iran, Islamic Rep.	540.0	96	Colombia	40.0
22	Sweden	470.0	97	Uganda	40.0
23	Norway	460.0	98	Costa Rica	40.0
24	Finland	454.0	99	Uganda	40.0
25	Bulgaria	440.0	100	Zambia	40.0
26	Argentina	410.0	101	Nepal	40.0
27	Taiwan, China	410.0	102	Honduras	40.0
28	Austria	380.0	103	Gabon	40.0
29	South Africa	380.0	104	Bolivia	40.0
30	Venezuela	360.0	105	Bosnia and Herzegovina	40.0
31	Colombia	360.0	106	Spain	40.0
32	Thailand	360.0	107	Georgia	40.0
33	United Arab Emirates	310.0	108	Japan	40.0
34	Denmark	270.0	109	Mauritania	40.0
35	Malaysia	300.0	110	Cameroon	40.0
36	Singapore	270.0	111	Senegal	40.0
37	Nigeria	260.0	112	Ireland	40.0
38	China	260.0	113	Albania	40.0
39	Hong Kong SAR	260.0	114	Nepal	40.0
40	Egypt	260.0	115	Maldives	40.0
41	Philippines	260.0	116	Chad	40.0
42	Finland	260.0	117	Nicaragua	40.0
43	Qatar	240.0	118	Burkina Faso	40.0
44	Israel	240.0	119	Mali	40.0
45	Pakistan	230.0	120	Mongolia	40.0
46	Portugal	210.0	121	Madagascar	40.0
47	Belgium	210.0	122	Armenia	40.0
48	Algeria	200.0	123	Zimbabwe	40.0
49	Peru	190.0	124	Macronesia, F.M.I.	40.0
50	Kazakhstan	190.0	125	Low FDI	40.0
51	Czech Republic	180.0	126	Mali	40.0
52	Qatar	180.0	127	Poland	40.0
53	Algeria	170.0	128	Burkina Faso	40.0
54	Kuwait	170.0	129	Maldives	40.0
55	New Zealand	160.0	130	Rwanda	40.0
56	Romania	160.0	131	Kyrgyz Republic	40.0
57	Norway	150.0	132	Ghana	40.0
58	Hungary	150.0	133	Suriname	40.0
59	Bangladesh	120.0	134	Barbados	40.0
60	Angola	110.0	135	Malawi	40.0
61	Guinea	110.0	136	Madagascar	40.0
62	Monaco	90.0	137	Timor-Leste	40.0
63	Swiss Republic	90.0	138	Senegal	40.0
64	Luxembourg	80.0	139	Guinea	40.0
65	Chad	80.0	140	Switzerland	40.0
66	Azerbaijan	80.0	141	Guinea	40.0
67	Si Leone	80.0	142	Burkina Faso	40.0
68	Dominican Republic	80.0	143	Laos	40.0
69	Croatia	80.0	144	Bhutan	40.0
70	Costa Rica	80.0	145	Cape Verde	40.0
71	Luxembourg	80.0	146	Ukraine	40.0
72	Myanmar	80.0	147	Seychelles	40.0
73	Belgium	80.0	148	Guinea, The	40.0
74	Guatemala	80.0			

SOURCE: International Monetary Fund, World Economic Outlook Database (April 2013 edition); national sources

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## OTHER INDICATORS

2 Indicators not derived from the Survey are presented in black bar graphs. For each indicator, a short description appears at the top of the page. The base period (i.e., the period when a majority of the data was collected) follows the description. When the year differs from the base year for a particular economy, this is indicated in a footnote. A more detailed description and the full source for each indicator can be found in the Technical Notes and Sources section at the end of the *Report*. When data are not available or are too outdated, “n/a” is used in lieu of the rank and the value.

Because of the nature of data, ties between two or more countries are possible. In such cases, shared rankings are indicated accordingly. For example, in both Canada and New Zealand the number of procedures to start a business amount to one. As a result, in table 6.06 (see page 475) the two countries are both ranked 1st and listed alphabetically.

The values are usually reported with a precision of one decimal place. Because of the rounding, some non-zero values are reported as “0.0.” In such cases, a narrow bar graph is used in order to distinguish these values from true zero values, for which no bar is attached. In addition, since the ranks are always based on the exact, unrounded figures, a non-zero value will also be ranked higher (or lower, in the case of certain indicators) than a true zero value.

## 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 possibility of downloading portions of the GCI data set.

# Index of Data Tables

<b>Key indicators.....</b>	<b>403</b>	<b>Pillar 5: Higher education and training.....</b>	<b>459</b>
0.01 Gross domestic product.....	404	5.01 Secondary education enrollment rate.....	460
0.02 Population.....	405	5.02 Tertiary education enrollment rate.....	461
0.03 GDP per capita.....	406	5.03 Quality of the educational system.....	462
0.04 GDP as a share of world GDP.....	407	5.04 Quality of math and science education.....	463
<b>Pillar 1: Institutions.....</b>	<b>409</b>	5.05 Quality of management schools.....	464
1.01 Property rights.....	410	5.06 Internet access in schools.....	465
1.02 Intellectual property protection.....	411	5.07 Local availability of specialized research and training services.....	466
1.03 Diversion of public funds.....	412	5.08 Extent of staff training.....	467
1.04 Public trust in politicians.....	413	<b>Pillar 6: Goods market efficiency.....</b>	<b>469</b>
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# Key indicators



## 0.01 Gross domestic product

Gross domestic product in billions of current US dollars | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE
1	United States .....	15,684.8		75	Uruguay .....	49.4
2	China .....	8,227.0		76	Slovenia .....	45.6
3	Japan .....	5,964.0		77	Tunisia .....	45.6
4	Germany .....	3,400.6		78	Costa Rica .....	45.1
5	France .....	2,608.7		79	Lithuania .....	42.2
6	United Kingdom .....	2,440.5		80	Ethiopia .....	41.9
7	Brazil .....	2,396.0		81	Lebanon .....	41.3
8	Russian Federation .....	2,022.0		82	Kenya .....	41.1
9	Italy .....	2,014.1		83	Ghana .....	38.9
10	India .....	1,824.8		84	Serbia .....	37.4
11	Canada .....	1,819.1		85	Panama .....	36.3
12	Australia .....	1,541.8		86	Yemen .....	35.6
13	Spain .....	1,352.1		87	Jordan .....	31.2
14	Mexico .....	1,177.1		88	Latvia .....	28.4
15	Korea, Rep. ....	1,155.9		89	Tanzania .....	28.2
16	Indonesia .....	878.2		90	Bolivia .....	27.4
17	Turkey .....	794.5		91	Bahrain .....	27.0
18	Netherlands .....	773.1		92	Paraguay .....	26.0
19	Saudi Arabia .....	727.3		93	Trinidad and Tobago .....	25.3
20	Switzerland .....	632.4		94	Cameroon .....	25.0
21	Iran, Islamic Rep. ....	548.9		95	Côte d'Ivoire .....	24.6
22	Sweden .....	526.2		96	El Salvador .....	23.8
23	Norway .....	501.1		97	Cyprus .....	23.0
24	Poland .....	487.7		98	Estonia .....	21.9
25	Belgium .....	484.7		99	Uganda .....	21.0
26	Argentina .....	475.0		100	Zambia .....	20.5
27	Taiwan, China .....	474.0		101	Nepal .....	19.4
28	Austria .....	398.6		102	Honduras .....	18.4
29	South Africa .....	384.3		103	Gabon .....	18.4
30	Venezuela .....	382.4		104	Botswana .....	17.6
31	Colombia .....	366.0		105	Bosnia and Herzegovina .....	17.3
32	Thailand .....	365.6		106	Brunei Darussalam .....	16.6
33	United Arab Emirates .....	358.9		107	Georgia .....	15.9
34	Denmark .....	313.6		108	Jamaica .....	15.2
35	Malaysia .....	303.5		109	Mozambique .....	14.6
36	Singapore .....	276.5		110	Cambodia .....	14.2
37	Nigeria .....	268.7		111	Senegal .....	13.9
38	Chile .....	268.2		112	Iceland .....	13.7
39	Hong Kong SAR .....	263.0		113	Albania .....	12.7
40	Egypt .....	256.7		114	Namibia .....	12.3
41	Philippines .....	250.4		115	Mauritius .....	11.5
42	Finland .....	250.1		116	Chad .....	10.8
43	Greece .....	249.2		117	Nicaragua .....	10.5
44	Israel .....	240.9		118	Burkina Faso .....	10.5
45	Pakistan .....	231.9		119	Mali .....	10.3
46	Portugal .....	212.7		120	Mongolia .....	10.3
47	Ireland .....	210.4		121	Madagascar .....	10.1
48	Algeria .....	207.8		122	Armenia .....	10.1
49	Peru .....	199.0		123	Zimbabwe .....	9.8
50	Kazakhstan .....	196.4		124	Macedonia, FYR .....	9.7
51	Czech Republic .....	196.1		125	Lao PDR .....	9.2
52	Qatar .....	183.4		126	Malta .....	8.7
53	Ukraine .....	176.2		127	Haiti .....	7.9
54	Kuwait .....	173.4		128	Benin .....	7.4
55	New Zealand .....	169.7		129	Moldova .....	7.3
56	Romania .....	169.4		130	Rwanda .....	7.2
57	Vietnam .....	138.1		131	Kyrgyz Republic .....	6.5
58	Hungary .....	126.9		132	Guinea .....	5.6
59	Bangladesh .....	122.7		133	Suriname .....	4.7
60	Angola .....	118.7		134	Barbados .....	4.5
61	Puerto Rico .....	101.0		135	Montenegro .....	4.3
62	Morocco .....	97.5		136	Malawi .....	4.2
63	Slovak Republic .....	91.9		137	Mauritania .....	4.2
64	Libya .....	81.9		138	Timor-Leste .....	4.2
65	Ecuador .....	80.9		139	Sierra Leone .....	3.8
66	Oman .....	76.5		140	Swaziland .....	3.8
67	Azerbaijan .....	68.8		141	Guyana .....	2.8
68	Sri Lanka .....	59.4		142	Burundi .....	2.5
69	Dominican Republic .....	59.0		143	Lesotho .....	2.4
70	Croatia .....	57.1		144	Bhutan .....	2.2
71	Luxembourg .....	56.7		145	Cape Verde .....	1.9
72	Myanmar .....	53.1		146	Liberia .....	1.7
73	Bulgaria .....	51.0		147	Seychelles .....	1.0
74	Guatemala .....	49.9		148	Gambia, The .....	0.9

SOURCE: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## 0.02 Population

Total population in millions | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	China.....	1,344.1		75	Dominican Republic.....	10.1	
2	India.....	1,241.5		76	Hungary.....	10.0	
3	United States.....	311.6		77	Sweden.....	9.4	
4	Indonesia.....	242.3		78	Azerbaijan.....	9.2	
5	Brazil.....	196.7		79	Benin.....	9.1	
6	Pakistan.....	176.7		80	Burundi.....	8.6	
7	Nigeria.....	162.5		81	Austria.....	8.4	
8	Bangladesh.....	150.5		82	Switzerland.....	7.9	
9	Russian Federation.....	143.0		83	United Arab Emirates.....	7.9	
10	Japan.....	127.8		84	Israel.....	7.8	
11	Mexico.....	114.8		85	Honduras.....	7.8	
12	Philippines.....	94.9		86	Bulgaria.....	7.3	
13	Vietnam.....	87.8		87	Serbia.....	7.3	
14	Ethiopia.....	84.7		88	Hong Kong SAR.....	7.1	
15	Egypt.....	82.5		89	Paraguay.....	6.6	
16	Germany.....	81.8		90	Libya.....	6.4	
17	Iran, Islamic Rep.....	74.8		91	Lao PDR.....	6.3	
18	Turkey.....	73.6		92	El Salvador.....	6.2	
19	Thailand.....	69.5		93	Jordan.....	6.2	
20	France.....	65.4		94	Sierra Leone.....	6.0	
21	United Kingdom.....	62.7		95	Nicaragua.....	5.9	
22	Italy.....	60.7		96	Denmark.....	5.6	
23	South Africa.....	50.6		97	Kyrgyz Republic.....	5.5	
24	Korea, Rep.....	49.8		98	Slovak Republic.....	5.4	
25	Myanmar.....	48.3		99	Finland.....	5.4	
26	Colombia.....	46.9		100	Singapore.....	5.2	
27	Tanzania.....	46.2		101	Norway.....	5.0	
28	Spain.....	46.2		102	Costa Rica.....	4.7	
29	Ukraine.....	45.7		103	Ireland.....	4.6	
30	Kenya.....	41.6		104	Georgia.....	4.5	
31	Argentina.....	40.8		105	New Zealand.....	4.4	
32	Poland.....	38.5		106	Croatia.....	4.4	
33	Algeria.....	36.0		107	Lebanon.....	4.3	
34	Uganda.....	34.5		108	Liberia.....	4.1	
35	Canada.....	34.5		109	Bosnia and Herzegovina.....	3.8	
36	Morocco.....	32.3		110	Puerto Rico.....	3.7	
37	Nepal.....	30.5		111	Panama.....	3.6	
38	Peru.....	29.4		112	Moldova.....	3.6	
39	Venezuela.....	29.3		113	Mauritania.....	3.5	
40	Malaysia.....	28.9		114	Uruguay.....	3.4	
41	Saudi Arabia.....	28.1		115	Albania.....	3.2	
42	Ghana.....	25.0		116	Armenia.....	3.1	
43	Yemen.....	24.8		117	Lithuania.....	3.0	
44	Mozambique.....	23.9		118	Oman.....	2.8	
45	Taiwan, China.....	23.2		119	Kuwait.....	2.8	
46	Australia.....	22.3		120	Mongolia.....	2.8	
47	Romania.....	21.4		121	Jamaica.....	2.7	
48	Madagascar.....	21.3		122	Namibia.....	2.3	
49	Sri Lanka.....	20.9		123	Lesotho.....	2.2	
50	Côte d'Ivoire.....	20.2		124	Macedonia, FYR.....	2.1	
51	Cameroon.....	20.0		125	Latvia.....	2.1	
52	Angola.....	19.6		126	Slovenia.....	2.1	
53	Chile.....	17.3		127	Botswana.....	2.0	
54	Burkina Faso.....	17.0		128	Qatar.....	1.9	
55	Netherlands.....	16.7		129	Gambia, The.....	1.8	
56	Kazakhstan.....	16.6		130	Gabon.....	1.5	
57	Mali.....	15.8		131	Trinidad and Tobago.....	1.3	
58	Malawi.....	15.4		132	Estonia.....	1.3	
59	Guatemala.....	14.8		133	Bahrain.....	1.3	
60	Ecuador.....	14.7		134	Mauritius.....	1.3	
61	Cambodia.....	14.3		135	Timor-Leste.....	1.2	
62	Zambia.....	13.5		136	Cyprus.....	1.1	
63	Senegal.....	12.8		137	Swaziland.....	1.1	
64	Zimbabwe.....	12.8		138	Guyana.....	0.8	
65	Chad.....	11.5		139	Bhutan.....	0.7	
66	Greece.....	11.3		140	Montenegro.....	0.6	
67	Belgium.....	11.0		141	Suriname.....	0.5	
68	Rwanda.....	10.9		142	Luxembourg.....	0.5	
69	Tunisia.....	10.7		143	Cape Verde.....	0.5	
70	Portugal.....	10.6		144	Malta.....	0.4	
71	Czech Republic.....	10.5		145	Brunei Darussalam.....	0.4	
72	Guinea.....	10.2		146	Iceland.....	0.3	
73	Haiti.....	10.1		147	Barbados.....	0.3	
74	Bolivia.....	10.1		148	Seychelles.....	0.1	

SOURCES: The World Bank, *World Development Indicators* (April 2013 edition); national sources

## 0.03 GDP per capita

Gross domestic product per capita in current US dollars | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Luxembourg .....	107,206	75	Montenegro .....	6,882
2	Qatar .....	99,731	76	Peru .....	6,530
3	Norway .....	99,462	77	China .....	6,076
4	Switzerland .....	79,033	78	Angola .....	5,873
5	Australia .....	67,723	79	Dominican Republic .....	5,763
6	United Arab Emirates .....	64,840	80	Namibia .....	5,705
7	Denmark .....	56,202	81	Algeria .....	5,694
8	Sweden .....	55,158	82	Thailand .....	5,678
9	Canada .....	52,232	83	Jamaica .....	5,541
10	Singapore .....	51,162	84	Ecuador .....	5,311
11	United States .....	49,922	85	Serbia .....	4,943
12	Austria .....	47,083	86	Jordan .....	4,879
13	Japan .....	46,736	87	Macedonia, FYR .....	4,683
14	Netherlands .....	46,142	88	Bosnia and Herzegovina .....	4,461
15	Finland .....	46,098	89	Tunisia .....	4,232
16	Ireland .....	45,888	90	Albania .....	3,913
17	Kuwait .....	45,824	91	Paraguay .....	3,903
18	Belgium .....	43,686	92	Ukraine .....	3,877
19	Iceland .....	41,739	93	El Salvador .....	3,823
20	Brunei Darussalam .....	41,703	94	Timor-Leste .....	3,730
21	Germany .....	41,513	95	Mongolia .....	3,627
22	France .....	41,141	96	Cape Verde .....	3,604
23	United Kingdom .....	38,589	97	Guyana .....	3,596
24	New Zealand .....	38,222	98	Indonesia .....	3,592
25	Hong Kong SAR .....	36,667	99	Georgia .....	3,543
26	Italy .....	33,115	100	Swaziland .....	3,475
27	Israel .....	31,296	101	Guatemala .....	3,302
28	Spain .....	29,289	102	Egypt .....	3,112
29	Puerto Rico .....	27,451	103	Morocco .....	2,999
30	Cyprus .....	26,389	104	Armenia .....	2,991
31	Saudi Arabia .....	25,085	105	Bhutan .....	2,954
32	Oman .....	24,765	106	Sri Lanka .....	2,873
33	Bahrain .....	23,477	107	Philippines .....	2,614
34	Korea, Rep. ....	23,113	108	Bolivia .....	2,532
35	Slovenia .....	22,193	109	Honduras .....	2,242
36	Greece .....	22,055	110	Moldova .....	2,037
37	Malta .....	20,852	111	Nicaragua .....	1,757
38	Taiwan, China .....	20,328	112	Nigeria .....	1,631
39	Portugal .....	20,179	113	Ghana .....	1,562
40	Trinidad and Tobago .....	19,018	114	Vietnam .....	1,528
41	Czech Republic .....	18,579	115	India .....	1,492
42	Slovak Republic .....	16,899	116	Zambia .....	1,474
43	Estonia .....	16,320	117	Lao PDR .....	1,446
44	Barbados .....	16,152	118	Yemen .....	1,377
45	Chile .....	15,410	119	Pakistan .....	1,296
46	Uruguay .....	14,614	120	Lesotho .....	1,283
47	Russian Federation .....	14,247	121	Cameroon .....	1,165
48	Lithuania .....	14,018	122	Kyrgyz Republic .....	1,158
49	Latvia .....	13,900	123	Mauritania .....	1,157
50	Croatia .....	12,972	124	Senegal .....	1,057
51	Venezuela .....	12,956	125	Côte d'Ivoire .....	1,054
52	Libya .....	12,778	126	Chad .....	1,006
53	Hungary .....	12,736	127	Kenya .....	977
54	Poland .....	12,538	128	Cambodia .....	934
55	Brazil .....	12,079	129	Myanmar .....	835
56	Gabon .....	11,929	130	Bangladesh .....	818
57	Kazakhstan .....	11,773	131	Benin .....	794
58	Argentina .....	11,576	132	Haiti .....	759
59	Seychelles .....	11,226	133	Zimbabwe .....	756
60	Turkey .....	10,609	134	Rwanda .....	693
61	Lebanon .....	10,311	135	Mozambique .....	650
62	Malaysia .....	10,304	136	Mali .....	631
63	Mexico .....	10,247	137	Nepal .....	626
64	Panama .....	9,919	138	Sierra Leone .....	613
65	Costa Rica .....	9,673	139	Burkina Faso .....	603
66	Botswana .....	9,398	140	Tanzania .....	599
67	Mauritius .....	8,850	141	Uganda .....	589
68	Suriname .....	8,686	142	Guinea .....	519
69	Romania .....	7,935	143	Gambia, The .....	503
70	Colombia .....	7,855	144	Ethiopia .....	483
71	South Africa .....	7,507	145	Madagascar .....	451
72	Azerbaijan .....	7,450	146	Liberia .....	436
73	Iran, Islamic Rep. ....	7,211	147	Burundi .....	282
74	Bulgaria .....	7,033	148	Malawi .....	253

SOURCES: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## 0.04 GDP as a share of world GDP

Gross domestic product based on purchasing power parity as a percentage of world GDP | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	United States .....	18.87		75	Croatia .....	0.09	
2	China .....	14.92		76	Libya .....	0.09	
3	India .....	5.63		77	Kenya .....	0.09	
4	Japan .....	5.57		78	Tanzania .....	0.09	
5	Germany .....	3.85		79	Lithuania .....	0.08	
6	Russian Federation .....	3.02		80	Lebanon .....	0.08	
7	Brazil .....	2.83		81	Costa Rica .....	0.07	
8	United Kingdom .....	2.81		81	Yemen .....	0.07	
9	France .....	2.71		83	Slovenia .....	0.07	
10	Italy .....	2.21		84	Panama .....	0.07	
11	Mexico .....	2.12		85	Bolivia .....	0.07	
12	Korea, Rep. ....	1.94		86	Uruguay .....	0.07	
13	Canada .....	1.79		87	Cameroon .....	0.06	
14	Spain .....	1.70		87	Uganda .....	0.06	
15	Indonesia .....	1.46		89	El Salvador .....	0.06	
16	Turkey .....	1.35		90	Luxembourg .....	0.05	
17	Iran, Islamic Rep. ....	1.20		91	Côte d'Ivoire .....	0.05	
18	Australia .....	1.17		91	Nepal .....	0.05	
19	Saudi Arabia .....	1.09		91	Paraguay .....	0.05	
20	Taiwan, China .....	1.09		94	Jordan .....	0.05	
21	Poland .....	0.96		95	Honduras .....	0.05	
22	Argentina .....	0.89		95	Latvia .....	0.05	
23	Netherlands .....	0.85		97	Cambodia .....	0.04	
24	Thailand .....	0.78		98	Bahrain .....	0.04	
25	South Africa .....	0.70		99	Bosnia and Herzegovina .....	0.04	
26	Egypt .....	0.65		99	Botswana .....	0.04	
27	Pakistan .....	0.62		101	Estonia .....	0.04	
28	Colombia .....	0.61		102	Georgia .....	0.03	
29	Malaysia .....	0.60		102	Mozambique .....	0.03	
30	Nigeria .....	0.54		102	Nicaragua .....	0.03	
31	Philippines .....	0.51		102	Senegal .....	0.03	
32	Belgium .....	0.51		102	Trinidad and Tobago .....	0.03	
33	Venezuela .....	0.48		107	Albania .....	0.03	
34	Sweden .....	0.47		107	Gabon .....	0.03	
35	Hong Kong SAR .....	0.44		109	Jamaica .....	0.03	
36	Switzerland .....	0.44		110	Burkina Faso .....	0.03	
37	Austria .....	0.43		110	Zambia .....	0.03	
38	Ukraine .....	0.40		112	Cyprus .....	0.03	
39	Peru .....	0.39		113	Brunei Darussalam .....	0.03	
39	Singapore .....	0.39		113	Macedonia, FYR .....	0.03	
41	Chile .....	0.39		113	Madagascar .....	0.03	
41	Vietnam .....	0.39		116	Chad .....	0.03	
43	Bangladesh .....	0.37		117	Armenia .....	0.02	
44	Czech Republic .....	0.35		117	Mauritius .....	0.02	
45	Greece .....	0.33		119	Lao PDR .....	0.02	
45	Norway .....	0.33		120	Mali .....	0.02	
47	Romania .....	0.33		121	Namibia .....	0.02	
48	Algeria .....	0.33		122	Benin .....	0.02	
49	United Arab Emirates .....	0.33		122	Rwanda .....	0.02	
50	Israel .....	0.30		124	Mongolia .....	0.02	
51	Portugal .....	0.30		125	Malawi .....	0.02	
52	Kazakhstan .....	0.28		126	Haiti .....	0.02	
53	Denmark .....	0.25		126	Kyrgyz Republic .....	0.02	
54	Finland .....	0.24		128	Guinea .....	0.02	
55	Hungary .....	0.24		128	Iceland .....	0.02	
56	Ireland .....	0.23		128	Moldova .....	0.02	
57	Qatar .....	0.23		131	Malta .....	0.01	
58	Morocco .....	0.21		132	Timor-Leste .....	0.01	
59	Ecuador .....	0.18		133	Sierra Leone .....	0.01	
60	Kuwait .....	0.18		134	Mauritania .....	0.01	
61	New Zealand .....	0.16		134	Montenegro .....	0.01	
61	Slovak Republic .....	0.16		134	Zimbabwe .....	0.01	
63	Angola .....	0.15		137	Barbados .....	0.01	
64	Sri Lanka .....	0.15		137	Suriname .....	0.01	
65	Tunisia .....	0.13		137	Swaziland .....	0.01	
66	Bulgaria .....	0.13		140	Burundi .....	0.01	
67	Ethiopia .....	0.12		140	Guyana .....	0.01	
68	Dominican Republic .....	0.12		142	Bhutan .....	0.01	
69	Azerbaijan .....	0.12		143	Lesotho .....	0.01	
70	Myanmar .....	0.11		144	Gambia, The .....	0.00	
70	Oman .....	0.11		145	Cape Verde .....	0.00	
72	Ghana .....	0.10		145	Liberia .....	0.00	
73	Guatemala .....	0.10		145	Seychelles .....	0.00	
73	Serbia .....	0.10		148	Puerto Rico <sup>1</sup> .....	0.00	

SOURCES: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

<sup>1</sup> 2011





# Pillar 1

## Institutions

## 1.01 Property rights

In your country, how strong is the protection of property rights, including financial assets? [1 = extremely weak; 7 = extremely strong] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7
1	Finland .....	6.4				75	Mexico .....	4.2			
2	Singapore .....	6.3				76	Swaziland .....	4.2			
3	Switzerland .....	6.2				77	Gabon .....	4.1			
4	United Kingdom .....	6.2				78	Thailand .....	4.1			
5	Hong Kong SAR .....	6.1				79	Indonesia .....	4.1			
6	Canada .....	6.0				80	Senegal .....	4.0			
7	Luxembourg .....	6.0				81	Azerbaijan .....	4.0			
8	Qatar .....	6.0				82	Romania .....	3.9			
9	Netherlands .....	6.0				83	Slovak Republic .....	3.9			
10	Norway .....	6.0				84	Lebanon .....	3.9			
11	Puerto Rico .....	6.0				85	Lao PDR .....	3.9			
12	New Zealand .....	5.9				86	Kenya .....	3.9			
13	Austria .....	5.9				87	Greece .....	3.9			
14	Sweden .....	5.9				88	Czech Republic .....	3.9			
15	Germany .....	5.8				89	Guyana .....	3.9			
16	Japan .....	5.8				90	Cape Verde .....	3.9			
17	Taiwan, China .....	5.8				91	Cameroon .....	3.8			
18	Ireland .....	5.7				92	Colombia .....	3.8			
19	France .....	5.7				93	Guatemala .....	3.8			
20	South Africa .....	5.6				94	Dominican Republic .....	3.8			
21	Oman .....	5.6				95	Malawi .....	3.8			
22	Malta .....	5.5				96	Croatia .....	3.8			
23	Bahrain .....	5.5				97	Tanzania .....	3.8			
24	Denmark .....	5.4				98	Ecuador .....	3.8			
25	Belgium .....	5.4				99	Liberia .....	3.8			
26	United Arab Emirates .....	5.4				100	Sierra Leone .....	3.7			
27	Saudi Arabia .....	5.3				101	Egypt .....	3.7			
28	Jordan .....	5.3				102	Peru .....	3.7			
29	Rwanda .....	5.2				103	Hungary .....	3.7			
30	Australia .....	5.2				104	Ethiopia .....	3.7			
31	Malaysia .....	5.2				105	Bosnia and Herzegovina .....	3.7			
32	Iceland .....	5.2				106	Burkina Faso .....	3.7			
33	United States .....	5.2				107	Uganda .....	3.7			
34	Estonia .....	5.1				108	Cambodia .....	3.6			
35	Chile .....	5.1				109	Suriname .....	3.6			
36	Namibia .....	5.1				110	Mongolia .....	3.6			
37	Mauritius .....	5.1				111	Bulgaria .....	3.5			
38	Barbados .....	5.0				112	El Salvador .....	3.5			
39	Kuwait .....	5.0				113	Vietnam .....	3.5			
40	Israel .....	5.0				114	Nepal .....	3.5			
41	Botswana .....	4.9				115	Mozambique .....	3.5			
42	Uruguay .....	4.9				116	Libya .....	3.4			
43	Portugal .....	4.8				117	Nigeria .....	3.4			
44	Panama .....	4.8				118	Benin .....	3.4			
45	Morocco .....	4.8				119	Côte d'Ivoire .....	3.4			
46	Cyprus .....	4.7				120	Georgia .....	3.4			
47	Spain .....	4.7				121	Honduras .....	3.4			
48	Turkey .....	4.7				122	Bangladesh .....	3.4			
49	Zambia .....	4.7				123	Pakistan .....	3.3			
50	China .....	4.6				124	Nicaragua .....	3.3			
51	Brazil .....	4.6				125	Lesotho .....	3.3			
52	Brunei Darussalam .....	4.6				126	Mali .....	3.3			
53	Costa Rica .....	4.6				127	Yemen .....	3.2			
54	Armenia .....	4.6				128	Algeria .....	3.2			
55	Korea, Rep. ....	4.5				129	Bolivia .....	3.2			
56	Macedonia, FYR .....	4.5				130	Serbia .....	3.2			
57	Seychelles .....	4.4				131	Moldova .....	3.2			
58	India .....	4.4				132	Paraguay .....	3.1			
59	Sri Lanka .....	4.4				133	Russian Federation .....	3.0			
60	Gambia, The .....	4.4				134	Guinea .....	3.0			
61	Philippines .....	4.3				135	Madagascar .....	2.9			
62	Latvia .....	4.3				136	Kyrgyz Republic .....	2.9			
63	Bhutan .....	4.3				137	Albania .....	2.8			
64	Jamaica .....	4.3				138	Timor-Leste .....	2.8			
65	Iran, Islamic Rep. ....	4.3				139	Mauritania .....	2.8			
66	Poland .....	4.3				140	Angola .....	2.8			
67	Italy .....	4.3				141	Burundi .....	2.7			
68	Kazakhstan .....	4.3				142	Zimbabwe .....	2.6			
69	Slovenia .....	4.3				143	Ukraine .....	2.5			
70	Tunisia .....	4.3				144	Myanmar .....	2.5			
71	Lithuania .....	4.2				145	Argentina .....	2.5			
72	Ghana .....	4.2				146	Chad .....	2.4			
73	Montenegro .....	4.2				147	Haiti .....	2.1			
74	Trinidad and Tobago .....	4.2				148	Venezuela .....	1.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.02 Intellectual property protection

In your country, how strong is the protection of intellectual property, including anti-counterfeiting measures? [1 = extremely weak; 7 = extremely strong] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Finland.....	6.2				75	Armenia.....	3.6			
2	Singapore.....	6.1				76	Montenegro.....	3.6			
3	New Zealand.....	6.0				77	Mexico.....	3.6			
4	Qatar.....	6.0				78	Philippines.....	3.6			
5	Switzerland.....	6.0				79	Ecuador.....	3.6			
6	Luxembourg.....	5.9				80	Brazil.....	3.5			
7	Puerto Rico.....	5.9				81	Croatia.....	3.5			
8	United Kingdom.....	5.8				82	Nicaragua.....	3.5			
9	Netherlands.....	5.7				83	Jamaica.....	3.5			
10	Hong Kong SAR.....	5.7				84	Guyana.....	3.5			
11	Japan.....	5.7				85	Ethiopia.....	3.5			
12	France.....	5.7				86	Kenya.....	3.4			
13	Canada.....	5.6				87	Sierra Leone.....	3.4			
14	Germany.....	5.6				88	Burkina Faso.....	3.4			
15	Norway.....	5.5				89	Malawi.....	3.4			
16	Sweden.....	5.5				90	Morocco.....	3.3			
17	Austria.....	5.5				91	Trinidad and Tobago.....	3.3			
18	South Africa.....	5.5				92	Lesotho.....	3.3			
19	Ireland.....	5.4				93	Tanzania.....	3.2			
20	United Arab Emirates.....	5.3				94	Egypt.....	3.2			
21	Australia.....	5.3				95	Colombia.....	3.2			
22	Belgium.....	5.2				96	Senegal.....	3.2			
23	Taiwan, China.....	5.2				97	Tunisia.....	3.2			
24	Oman.....	5.2				98	Bolivia.....	3.2			
25	United States.....	5.2				99	Cambodia.....	3.2			
26	Denmark.....	5.0				100	Cameroon.....	3.2			
27	Saudi Arabia.....	5.0				101	Benin.....	3.1			
28	Malta.....	4.9				102	Thailand.....	3.1			
29	Iceland.....	4.8				103	Honduras.....	3.1			
30	Malaysia.....	4.8				104	Bulgaria.....	3.0			
31	Estonia.....	4.8				105	Cape Verde.....	3.0			
32	Bahrain.....	4.8				106	Zimbabwe.....	3.0			
33	Rwanda.....	4.7				107	Dominican Republic.....	3.0			
34	Israel.....	4.6				108	Madagascar.....	2.9			
35	Panama.....	4.6				109	Pakistan.....	2.9			
36	Jordan.....	4.6				110	Romania.....	2.9			
37	Barbados.....	4.5				111	Guatemala.....	2.9			
38	Portugal.....	4.5				112	El Salvador.....	2.9			
39	Brunei Darussalam.....	4.4				113	Russian Federation.....	2.9			
40	Cyprus.....	4.4				114	Albania.....	2.9			
41	Namibia.....	4.3				115	Serbia.....	2.9			
42	Slovenia.....	4.2				116	Vietnam.....	2.9			
43	Gambia, The.....	4.2				117	Nepal.....	2.9			
44	Bhutan.....	4.1				118	Suriname.....	2.9			
45	Uruguay.....	4.1				119	Uganda.....	2.8			
46	Seychelles.....	4.1				120	Peru.....	2.8			
47	Botswana.....	4.1				121	Nigeria.....	2.8			
48	Korea, Rep.....	4.0				122	Iran, Islamic Rep.....	2.8			
49	Mauritius.....	4.0				123	Côte d'Ivoire.....	2.7			
50	Spain.....	4.0				124	Georgia.....	2.7			
51	Latvia.....	4.0				125	Moldova.....	2.7			
52	Swaziland.....	4.0				126	Myanmar.....	2.7			
53	China.....	3.9				127	Mali.....	2.7			
54	Macedonia, FYR.....	3.9				128	Timor-Leste.....	2.7			
55	Indonesia.....	3.9				129	Mozambique.....	2.7			
56	Ghana.....	3.9				130	Bangladesh.....	2.6			
57	Zambia.....	3.9				131	Gabon.....	2.6			
58	Hungary.....	3.9				132	Mauritania.....	2.5			
59	Costa Rica.....	3.8				133	Ukraine.....	2.5			
60	Chile.....	3.8				134	Mongolia.....	2.5			
61	Czech Republic.....	3.8				135	Bosnia and Herzegovina.....	2.5			
62	Kuwait.....	3.8				136	Lebanon.....	2.4			
63	Sri Lanka.....	3.8				137	Angola.....	2.4			
64	Lao PDR.....	3.8				138	Yemen.....	2.4			
65	Slovak Republic.....	3.7				139	Argentina.....	2.3			
66	Lithuania.....	3.7				140	Kyrgyz Republic.....	2.3			
67	Italy.....	3.7				141	Paraguay.....	2.3			
68	Liberia.....	3.7				142	Burundi.....	2.3			
69	Azerbaijan.....	3.7				143	Guinea.....	2.2			
70	Greece.....	3.7				144	Chad.....	2.2			
71	India.....	3.7				145	Algeria.....	2.2			
72	Poland.....	3.7				146	Libya.....	2.2			
73	Kazakhstan.....	3.6				147	Haiti.....	2.0			
74	Turkey.....	3.6				148	Venezuela.....	1.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.03 Diversion of public funds

In your country, how common is diversion of public funds to companies, individuals, or groups due to corruption? [1 = very commonly occurs; 7 = never occurs] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7
1	New Zealand	6.5				75	Iran, Islamic Rep.	3.2			
2	Denmark	6.3				76	Sri Lanka	3.2			
3	Qatar	6.3				77	Malawi	3.1			
4	Finland	6.1				78	Ghana	3.1			
5	Singapore	6.1				79	Philippines	3.1			
6	Switzerland	6.0				80	Suriname	3.1			
7	Luxembourg	6.0				81	Cambodia	3.1			
8	Sweden	5.9				82	Swaziland	3.1			
9	Norway	5.8				83	Azerbaijan	3.1			
10	Netherlands	5.8				84	Armenia	3.1			
11	Hong Kong SAR	5.8				85	Panama	3.0			
12	United Arab Emirates	5.8				86	Kenya	3.0			
13	United Kingdom	5.7				87	Croatia	3.0			
14	Ireland	5.6				88	Jamaica	3.0			
15	Oman	5.4				89	Trinidad and Tobago	2.9			
16	Germany	5.4				90	Nicaragua	2.9			
17	Japan	5.4				91	Tanzania	2.9			
18	Brunei Darussalam	5.4				92	El Salvador	2.9			
19	Canada	5.3				93	Italy	2.8			
20	Belgium	5.2				94	Serbia	2.8			
21	Australia	5.2				95	Zimbabwe	2.8			
22	Iceland	5.1				96	Nepal	2.8			
23	Chile	5.1				97	Gabon	2.8			
24	Uruguay	5.0				98	India	2.8			
25	Rwanda	5.0				99	South Africa	2.8			
26	Saudi Arabia	4.9				100	Guyana	2.7			
27	France	4.8				101	Thailand	2.7			
28	Barbados	4.8				102	Senegal	2.7			
29	United States	4.6				103	Pakistan	2.7			
30	Botswana	4.5				104	Greece	2.7			
31	Estonia	4.5				105	Mexico	2.7			
32	Bahrain	4.5				106	Bulgaria	2.7			
33	Israel	4.5				107	Bangladesh	2.7			
34	Georgia	4.5				108	Sierra Leone	2.7			
35	Cyprus	4.5				109	Côte d'Ivoire	2.6			
36	Bhutan	4.5				110	Hungary	2.6			
37	Austria	4.5				111	Peru	2.6			
38	Taiwan, China	4.4				112	Albania	2.5			
39	Malta	4.3				113	Russian Federation	2.5			
40	Gambia, The	4.3				114	Romania	2.5			
41	Seychelles	4.3				115	Guinea	2.5			
42	Malaysia	4.2				116	Egypt	2.5			
43	Montenegro	4.1				117	Czech Republic	2.4			
44	China	3.9				118	Libya	2.4			
45	Cape Verde	3.9				119	Benin	2.4			
46	Portugal	3.9				120	Mongolia	2.4			
47	Bosnia and Herzegovina	3.9				121	Mauritania	2.4			
48	Puerto Rico	3.9				122	Ukraine	2.4			
49	Jordan	3.9				123	Moldova	2.4			
50	Macedonia, FYR	3.8				124	Kyrgyz Republic	2.4			
51	Mauritius	3.8				125	Mozambique	2.4			
52	Morocco	3.8				126	Haiti	2.3			
53	Poland	3.7				127	Guatemala	2.3			
54	Lao PDR	3.7				128	Myanmar	2.3			
55	Costa Rica	3.7				129	Colombia	2.3			
56	Tunisia	3.7				130	Mali	2.3			
57	Liberia	3.6				131	Algeria	2.3			
58	Turkey	3.6				132	Madagascar	2.3			
59	Kuwait	3.5				133	Brazil	2.3			
60	Indonesia	3.4				134	Lebanon	2.2			
61	Latvia	3.3				135	Burundi	2.2			
62	Korea, Rep.	3.3				136	Honduras	2.2			
63	Timor-Leste	3.3				137	Angola	2.2			
64	Zambia	3.3				138	Slovak Republic	2.2			
65	Kazakhstan	3.3				139	Burkina Faso	2.1			
66	Lesotho	3.3				140	Cameroon	2.0			
67	Slovenia	3.2				141	Paraguay	2.0			
68	Ecuador	3.2				142	Dominican Republic	1.9			
69	Spain	3.2				143	Nigeria	1.9			
70	Ethiopia	3.2				144	Uganda	1.9			
71	Namibia	3.2				145	Argentina	1.8			
72	Bolivia	3.2				146	Chad	1.8			
73	Lithuania	3.2				147	Yemen	1.7			
74	Vietnam	3.2				148	Venezuela	1.5			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.04 Public trust in politicians

In your country, how would you rate the ethical standards of politicians? [1 = extremely low; 7 = extremely high] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.1	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.1	7
1	Singapore	6.2				75	Georgia	2.9			
2	Qatar	6.1				76	Nicaragua	2.8			
3	United Arab Emirates	5.9				77	Portugal	2.8			
4	Norway	5.7				78	Malawi	2.8			
5	New Zealand	5.6				79	Costa Rica	2.8			
6	Sweden	5.6				80	Tanzania	2.8			
7	Finland	5.5				81	Sierra Leone	2.8			
8	Rwanda	5.4				82	Egypt	2.8			
9	Netherlands	5.3				83	Kenya	2.7			
10	Saudi Arabia	5.3				84	Russian Federation	2.7			
11	Luxembourg	5.3				85	Bosnia and Herzegovina	2.6			
12	Switzerland	5.2				86	Côte d'Ivoire	2.6			
13	Oman	5.1				87	Senegal	2.6			
14	Brunei Darussalam	4.9				88	Yemen	2.6			
15	Canada	4.5				89	Latvia	2.5			
16	Denmark	4.5				90	Philippines	2.5			
17	Hong Kong SAR	4.4				91	Guinea	2.5			
18	Uruguay	4.4				92	Sri Lanka	2.5			
19	Germany	4.4				93	Uganda	2.4			
20	Malaysia	4.3				94	Panama	2.4			
21	Barbados	4.2				95	Lithuania	2.4			
22	United Kingdom	4.2				96	Burkina Faso	2.4			
23	Lao PDR	4.2				97	Bulgaria	2.4			
24	Bhutan	4.2				98	South Africa	2.4			
25	Taiwan, China	4.2				99	Albania	2.4			
26	China	4.1				100	Poland	2.4			
27	Gambia, The	4.1				101	Spain	2.3			
28	Ireland	3.9				102	Mozambique	2.3			
29	Belgium	3.9				103	Mauritania	2.3			
30	Botswana	3.9				104	El Salvador	2.3			
31	Bahrain	3.8				105	Mexico	2.3			
32	Seychelles	3.8				106	Burundi	2.3			
33	Japan	3.8				107	Benin	2.3			
34	Chile	3.8				108	Algeria	2.3			
35	Kazakhstan	3.8				109	Mali	2.3			
36	Australia	3.8				110	Pakistan	2.2			
37	Turkey	3.6				111	Trinidad and Tobago	2.2			
38	Cape Verde	3.6				112	Korea, Rep.	2.2			
39	Montenegro	3.6				113	Jamaica	2.2			
40	France	3.6				114	Croatia	2.2			
41	Jordan	3.5				115	India	2.2			
42	Estonia	3.5				116	Chad	2.2			
43	Azerbaijan	3.4				117	Ukraine	2.2			
44	Malta	3.4				118	Moldova	2.1			
45	Zambia	3.4				119	Suriname	2.1			
46	Vietnam	3.4				120	Serbia	2.1			
47	Iran, Islamic Rep.	3.3				121	Nigeria	2.1			
48	Iceland	3.3				122	Cameroon	2.1			
49	Austria	3.3				123	Angola	2.1			
50	United States	3.3				124	Mongolia	2.1			
51	Namibia	3.3				125	Colombia	2.0			
52	Liberia	3.3				126	Madagascar	2.0			
53	Tunisia	3.3				127	Thailand	2.0			
54	Cyprus	3.3				128	Kyrgyz Republic	2.0			
55	Indonesia	3.2				129	Hungary	2.0			
56	Kuwait	3.2				130	Guatemala	2.0			
57	Bolivia	3.2				131	Peru	2.0			
58	Timor-Leste	3.2				132	Bangladesh	1.9			
59	Ecuador	3.1				133	Slovenia	1.9			
60	Lesotho	3.1				134	Haiti	1.9			
61	Cambodia	3.1				135	Honduras	1.9			
62	Myanmar	3.1				136	Brazil	1.9			
63	Guyana	3.1				137	Zimbabwe	1.9			
64	Morocco	3.1				138	Greece	1.9			
65	Ethiopia	3.1				139	Slovak Republic	1.8			
66	Mauritius	3.1				140	Italy	1.8			
67	Libya	3.1				141	Romania	1.8			
68	Israel	3.0				142	Nepal	1.8			
69	Macedonia, FYR	3.0				143	Dominican Republic	1.7			
70	Swaziland	3.0				144	Venezuela	1.6			
71	Armenia	3.0				145	Paraguay	1.5			
72	Puerto Rico	3.0				146	Czech Republic	1.5			
73	Gabon	2.9				147	Argentina	1.5			
74	Ghana	2.9				148	Lebanon	1.4			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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). | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7
1	New Zealand .....	6.7				75	Armenia .....	3.8			
2	Finland .....	6.6				76	Romania .....	3.8			
3	Singapore .....	6.5				77	Thailand .....	3.8			
4	Qatar .....	6.5				78	Serbia .....	3.7			
5	United Arab Emirates .....	6.4				79	Jamaica .....	3.7			
6	Norway .....	6.3				80	Zimbabwe .....	3.7			
7	Iceland .....	6.3				81	Czech Republic .....	3.7			
8	Luxembourg .....	6.2				82	Sri Lanka .....	3.7			
9	Switzerland .....	6.2				83	Croatia .....	3.7			
10	Sweden .....	6.2				84	Peru .....	3.7			
11	Ireland .....	6.1				85	Lao PDR .....	3.7			
12	Japan .....	6.1				86	Nicaragua .....	3.6			
13	Hong Kong SAR .....	6.1				87	Azerbaijan .....	3.6			
14	Netherlands .....	6.1				88	Mexico .....	3.6			
15	Denmark .....	6.1				89	Swaziland .....	3.6			
16	United Kingdom .....	6.0				90	Senegal .....	3.6			
17	Oman .....	5.8				91	Greece .....	3.6			
18	Canada .....	5.8				92	Ecuador .....	3.6			
19	Brunei Darussalam .....	5.8				93	Zambia .....	3.5			
20	Australia .....	5.7				94	Mongolia .....	3.5			
21	Germany .....	5.7				95	Trinidad and Tobago .....	3.5			
22	Chile .....	5.7				96	Suriname .....	3.4			
23	Belgium .....	5.6				97	Colombia .....	3.4			
24	Rwanda .....	5.6				98	Côte d'Ivoire .....	3.4			
25	Estonia .....	5.6				99	Slovak Republic .....	3.4			
26	Saudi Arabia .....	5.5				100	Liberia .....	3.4			
27	Uruguay .....	5.5				101	Egypt .....	3.4			
28	Georgia .....	5.5				102	Libya .....	3.3			
29	Bahrain .....	5.5				103	Malawi .....	3.3			
30	France .....	5.4				104	Honduras .....	3.3			
31	Austria .....	5.4				105	Philippines .....	3.3			
32	Israel .....	5.4				106	Indonesia .....	3.3			
33	Portugal .....	5.2				107	Ghana .....	3.3			
34	Taiwan, China .....	5.1				108	Timor-Leste .....	3.3			
35	Barbados .....	5.1				109	Russian Federation .....	3.2			
36	Cyprus .....	5.0				110	India .....	3.2			
37	Botswana .....	5.0				111	Dominican Republic .....	3.2			
38	United States .....	4.9				112	Kenya .....	3.2			
39	Jordan .....	4.9				113	Mozambique .....	3.2			
40	Slovenia .....	4.8				114	Moldova .....	3.2			
41	Puerto Rico .....	4.8				115	Ethiopia .....	3.1			
42	Poland .....	4.8				116	Vietnam .....	3.1			
43	Spain .....	4.7				117	El Salvador .....	3.1			
44	Malaysia .....	4.7				118	Albania .....	3.1			
45	Mauritius .....	4.6				119	Madagascar .....	3.0			
46	Cape Verde .....	4.6				120	Guyana .....	3.0			
47	Macedonia, FYR .....	4.6				121	Sierra Leone .....	3.0			
48	Bhutan .....	4.6				122	Haiti .....	3.0			
49	South Africa .....	4.6				123	Pakistan .....	2.9			
50	Lithuania .....	4.6				124	Cambodia .....	2.9			
51	Seychelles .....	4.5				125	Burkina Faso .....	2.9			
52	Bosnia and Herzegovina .....	4.5				126	Nepal .....	2.8			
53	Turkey .....	4.5				127	Argentina .....	2.8			
54	Kuwait .....	4.4				128	Paraguay .....	2.8			
55	Latvia .....	4.4				129	Uganda .....	2.8			
56	Costa Rica .....	4.4				130	Ukraine .....	2.8			
57	Korea, Rep. ....	4.4				131	Cameroon .....	2.8			
58	Hungary .....	4.3				132	Tanzania .....	2.8			
59	Morocco .....	4.3				133	Algeria .....	2.6			
60	Malta .....	4.2				134	Kyrgyz Republic .....	2.6			
61	Gambia, The .....	4.1				135	Nigeria .....	2.6			
62	Montenegro .....	4.1				136	Mauritania .....	2.6			
63	Bulgaria .....	4.1				137	Burundi .....	2.5			
64	Namibia .....	4.1				138	Lebanon .....	2.5			
65	Kazakhstan .....	4.1				139	Venezuela .....	2.5			
66	Lesotho .....	4.0				140	Benin .....	2.5			
67	Panama .....	4.0				141	Angola .....	2.4			
68	China .....	4.0				142	Bolivia .....	2.4			
69	Tunisia .....	3.9				143	Yemen .....	2.4			
70	Gabon .....	3.9				144	Mali .....	2.3			
71	Guatemala .....	3.9				145	Myanmar .....	2.3			
72	Brazil .....	3.9				146	Bangladesh .....	2.2			
73	Iran, Islamic Rep. ....	3.8				147	Guinea .....	2.2			
74	Italy .....	3.8				148	Chad .....	2.2			

SOURCE: World Economic Forum, Executive Opinion Survey



## 1.06 Judicial independence

In your country, to what extent is the judiciary independent from influences of members of government, citizens or firms? [1 = heavily influenced; 7 = entirely independent]  
| 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7
1	New Zealand	6.7				75	Montenegro	3.6			
2	Finland	6.6				76	Slovenia	3.6			
3	Ireland	6.4				77	Tunisia	3.6			
4	Hong Kong SAR	6.3				78	Korea, Rep.	3.5			
5	Norway	6.3				79	Guyana	3.5			
6	United Kingdom	6.2				80	Lesotho	3.5			
7	Netherlands	6.2				81	Swaziland	3.5			
8	Denmark	6.2				82	Egypt	3.5			
9	Sweden	6.2				83	Liberia	3.4			
10	Canada	6.2				84	Greece	3.4			
11	Switzerland	6.1				85	Turkey	3.4			
12	Qatar	6.1				86	Timor-Leste	3.4			
13	Germany	6.0				87	Morocco	3.4			
14	Japan	6.0				88	Kazakhstan	3.4			
15	Israel	5.8				89	Vietnam	3.4			
16	Australia	5.7				90	Mexico	3.3			
17	Singapore	5.7				91	Georgia	3.3			
18	Luxembourg	5.7				92	Nepal	3.3			
19	Iceland	5.6				93	Azerbaijan	3.3			
20	Estonia	5.5				94	Tanzania	3.2			
21	Barbados	5.5				95	Algeria	3.2			
22	South Africa	5.5				96	Nigeria	3.2			
23	United Arab Emirates	5.5				97	Libya	3.2			
24	Belgium	5.4				98	Macedonia, FYR	3.2			
25	Uruguay	5.4				99	Philippines	3.2			
26	Botswana	5.3				100	Ecuador	3.2			
27	Chile	5.3				101	Uganda	3.1			
28	Saudi Arabia	5.3				102	Bolivia	3.1			
29	Oman	5.3				103	Senegal	3.1			
30	Austria	5.1				104	Sierra Leone	3.1			
31	France	5.1				105	El Salvador	3.0			
32	United States	5.0				106	Colombia	3.0			
33	Rwanda	5.0				107	Guatemala	3.0			
34	Brunei Darussalam	5.0				108	Honduras	3.0			
35	Mauritius	5.0				109	Croatia	3.0			
36	Kuwait	5.0				110	Armenia	3.0			
37	Costa Rica	4.8				111	Mongolia	2.9			
38	Bhutan	4.8				112	Ethiopia	2.9			
39	Malta	4.8				113	Myanmar	2.8			
40	India	4.7				114	Romania	2.8			
41	Namibia	4.7				115	Cambodia	2.8			
42	Puerto Rico	4.7				116	Benin	2.7			
43	Trinidad and Tobago	4.6				117	Zimbabwe	2.7			
44	Malaysia	4.5				118	Panama	2.7			
45	Taiwan, China	4.5				119	Russian Federation	2.7			
46	Bahrain	4.5				120	Gabon	2.6			
47	Cyprus	4.5				121	Nicaragua	2.6			
48	Jordan	4.4				122	Mali	2.6			
49	Jamaica	4.4				123	Bulgaria	2.6			
50	Ghana	4.4				124	Serbia	2.6			
51	Portugal	4.2				125	Mozambique	2.6			
52	Seychelles	4.1				126	Peru	2.5			
53	Cape Verde	4.1				127	Angola	2.4			
54	Poland	4.1				128	Côte d'Ivoire	2.4			
55	Pakistan	4.1				129	Bangladesh	2.4			
56	Lao PDR	4.1				130	Mauritania	2.4			
57	China	4.0				131	Dominican Republic	2.4			
58	Suriname	4.0				132	Argentina	2.4			
59	Malawi	4.0				133	Slovak Republic	2.3			
60	Kenya	4.0				134	Albania	2.3			
61	Gambia, The	4.0				135	Lebanon	2.3			
62	Sri Lanka	3.9				136	Cameroon	2.3			
63	Latvia	3.9				137	Guinea	2.2			
64	Bosnia and Herzegovina	3.9				138	Yemen	2.2			
65	Brazil	3.9				139	Ukraine	2.2			
66	Hungary	3.9				140	Kyrgyz Republic	2.2			
67	Thailand	3.8				141	Madagascar	2.1			
68	Czech Republic	3.8				142	Burkina Faso	2.1			
69	Zambia	3.7				143	Haiti	2.0			
70	Italy	3.7				144	Chad	2.0			
71	Lithuania	3.7				145	Moldova	1.9			
72	Spain	3.7				146	Paraguay	1.7			
73	Iran, Islamic Rep.	3.7				147	Burundi	1.7			
74	Indonesia	3.7				148	Venezuela	1.1			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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 = always show favoritism; 7 = never show favoritism] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.2	7
1	Singapore .....	5.4				75	Philippines .....	3.0			
2	Sweden .....	5.3				76	Sri Lanka .....	3.0			
3	New Zealand .....	5.3				77	Kazakhstan .....	3.0			
4	Finland .....	5.3				78	Puerto Rico .....	3.0			
5	Qatar .....	5.2				79	Korea, Rep. ....	3.0			
6	Netherlands .....	5.1				80	Egypt .....	3.0			
7	United Arab Emirates .....	5.1				81	Côte d'Ivoire .....	2.9			
8	Norway .....	5.0				82	Senegal .....	2.9			
9	Switzerland .....	4.9				83	Timor-Leste .....	2.9			
10	Japan .....	4.8				84	Ghana .....	2.9			
11	Rwanda .....	4.7				85	Peru .....	2.9			
12	Oman .....	4.6				86	Mexico .....	2.9			
13	Germany .....	4.6				87	Namibia .....	2.9			
14	Luxembourg .....	4.4				88	Panama .....	2.9			
15	Brunei Darussalam .....	4.4				89	Brazil .....	2.9			
16	Denmark .....	4.4				90	Libya .....	2.9			
17	United Kingdom .....	4.3				91	Madagascar .....	2.9			
18	Saudi Arabia .....	4.2				92	Malawi .....	2.8			
19	Taiwan, China .....	4.2				93	Thailand .....	2.8			
20	Canada .....	4.2				94	India .....	2.8			
21	Ireland .....	4.1				95	Burkina Faso .....	2.8			
22	Chile .....	4.1				96	Guatemala .....	2.8			
23	Estonia .....	4.1				97	Ethiopia .....	2.8			
24	Hong Kong SAR .....	4.1				98	Benin .....	2.8			
25	Malaysia .....	4.0				99	Kenya .....	2.8			
26	Belgium .....	4.0				100	Kuwait .....	2.8			
27	Australia .....	4.0				101	Mozambique .....	2.7			
28	Bahrain .....	4.0				102	Albania .....	2.7			
29	China .....	4.0				103	Nepal .....	2.7			
30	Uruguay .....	4.0				104	Uganda .....	2.7			
31	Gambia, The .....	3.9				105	Guinea .....	2.7			
32	Bhutan .....	3.9				106	Sierra Leone .....	2.7			
33	Austria .....	3.9				107	Jamaica .....	2.6			
34	France .....	3.9				108	Zimbabwe .....	2.6			
35	Montenegro .....	3.8				109	Colombia .....	2.6			
36	Jordan .....	3.8				110	Algeria .....	2.6			
37	Botswana .....	3.8				111	Russian Federation .....	2.6			
38	Seychelles .....	3.7				112	Croatia .....	2.6			
39	Indonesia .....	3.7				113	Greece .....	2.6			
40	Iceland .....	3.6				114	Slovenia .....	2.5			
41	Azerbaijan .....	3.6				115	Suriname .....	2.5			
42	Barbados .....	3.6				116	Hungary .....	2.5			
43	Lao PDR .....	3.5				117	Bulgaria .....	2.5			
44	Tunisia .....	3.4				118	Haiti .....	2.5			
45	Bolivia .....	3.4				119	Mali .....	2.5			
46	Morocco .....	3.4				120	South Africa .....	2.5			
47	Ecuador .....	3.4				121	Cameroon .....	2.4			
48	Macedonia, FYR .....	3.4				122	Guyana .....	2.4			
49	Liberia .....	3.4				123	Czech Republic .....	2.4			
50	Georgia .....	3.4				124	Burundi .....	2.4			
51	Costa Rica .....	3.4				125	Trinidad and Tobago .....	2.4			
52	Iran, Islamic Rep. ....	3.4				126	Italy .....	2.4			
53	Turkey .....	3.4				127	Serbia .....	2.4			
54	United States .....	3.3				128	El Salvador .....	2.4			
55	Israel .....	3.3				129	Kyrgyz Republic .....	2.4			
56	Zambia .....	3.3				130	Pakistan .....	2.3			
57	Cape Verde .....	3.3				131	Moldova .....	2.3			
58	Cyprus .....	3.3				132	Mongolia .....	2.3			
59	Lesotho .....	3.2				133	Ukraine .....	2.3			
60	Malta .....	3.2				134	Bangladesh .....	2.2			
61	Nicaragua .....	3.2				135	Honduras .....	2.2			
62	Lithuania .....	3.1				136	Myanmar .....	2.2			
63	Latvia .....	3.1				137	Romania .....	2.2			
64	Spain .....	3.1				138	Yemen .....	2.2			
65	Poland .....	3.1				139	Chad .....	2.2			
66	Mauritius .....	3.1				140	Angola .....	2.2			
67	Tanzania .....	3.1				141	Nigeria .....	2.2			
68	Armenia .....	3.1				142	Mauritania .....	2.1			
69	Gabon .....	3.1				143	Paraguay .....	2.1			
70	Cambodia .....	3.1				144	Slovak Republic .....	1.9			
71	Vietnam .....	3.1				145	Dominican Republic .....	1.9			
72	Portugal .....	3.1				146	Argentina .....	1.8			
73	Bosnia and Herzegovina .....	3.1				147	Lebanon .....	1.7			
74	Swaziland .....	3.0				148	Venezuela .....	1.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.2	7
1	Qatar .....	6.0				75	Israel .....	3.1			
2	Singapore .....	5.9				76	United States .....	3.1			
3	United Arab Emirates .....	5.8				77	Albania .....	3.1			
4	Rwanda .....	5.7				78	Senegal .....	3.1			
5	Oman .....	5.4				79	South Africa .....	3.1			
6	Finland .....	5.1				80	Korea, Rep. ....	3.0			
7	Saudi Arabia .....	5.1				81	Mexico .....	3.0			
8	Switzerland .....	5.0				82	Puerto Rico .....	3.0			
9	Sweden .....	5.0				83	France .....	3.0			
10	New Zealand .....	4.8				84	Tanzania .....	3.0			
11	Lao PDR .....	4.7				85	Latvia .....	3.0			
12	Hong Kong SAR .....	4.6				86	Bulgaria .....	3.0			
13	Chile .....	4.6				87	India .....	3.0			
14	Brunei Darussalam .....	4.6				88	Malawi .....	3.0			
15	Norway .....	4.6				89	Guyana .....	2.9			
16	Bhutan .....	4.5				90	Myanmar .....	2.9			
17	Netherlands .....	4.5				91	Peru .....	2.9			
18	Luxembourg .....	4.4				92	Bangladesh .....	2.9			
19	Bahrain .....	4.3				93	Poland .....	2.9			
20	Gambia, The .....	4.3				94	Suriname .....	2.9			
21	Malaysia .....	4.3				95	Lithuania .....	2.9			
22	Botswana .....	4.3				96	Trinidad and Tobago .....	2.9			
23	Germany .....	4.2				97	Mali .....	2.8			
24	Canada .....	4.1				98	Burkina Faso .....	2.8			
25	Seychelles .....	4.1				99	Russian Federation .....	2.8			
26	Turkey .....	4.1				100	Libya .....	2.8			
27	Estonia .....	4.0				101	Algeria .....	2.8			
28	Barbados .....	3.9				102	Kuwait .....	2.8			
29	China .....	3.9				103	Vietnam .....	2.7			
30	Liberia .....	3.9				104	Swaziland .....	2.7			
31	Kazakhstan .....	3.8				105	Nepal .....	2.7			
32	Malta .....	3.8				106	Colombia .....	2.7			
33	Indonesia .....	3.8				107	Thailand .....	2.7			
34	Iceland .....	3.8				108	Uruguay .....	2.7			
35	Jordan .....	3.8				109	Mozambique .....	2.6			
36	Sri Lanka .....	3.7				110	Hungary .....	2.6			
37	Zambia .....	3.7				111	Moldova .....	2.6			
38	Taiwan, China .....	3.7				112	Zimbabwe .....	2.6			
39	United Kingdom .....	3.7				113	Spain .....	2.6			
40	Panama .....	3.7				114	Costa Rica .....	2.5			
41	Azerbaijan .....	3.7				115	El Salvador .....	2.5			
42	Ecuador .....	3.6				116	Pakistan .....	2.5			
43	Macedonia, FYR .....	3.6				117	Jamaica .....	2.5			
44	Denmark .....	3.6				118	Portugal .....	2.4			
45	Ethiopia .....	3.6				119	Haiti .....	2.4			
46	Montenegro .....	3.6				120	Angola .....	2.4			
47	Mauritius .....	3.6				121	Cameroon .....	2.4			
48	Austria .....	3.6				122	Madagascar .....	2.4			
49	Tunisia .....	3.5				123	Croatia .....	2.4			
50	Morocco .....	3.5				124	Nigeria .....	2.4			
51	Belgium .....	3.5				125	Guatemala .....	2.4			
52	Japan .....	3.5				126	Kyrgyz Republic .....	2.4			
53	Czech Republic .....	3.4				127	Uganda .....	2.3			
54	Nicaragua .....	3.4				128	Mauritania .....	2.3			
55	Ireland .....	3.4				129	Slovenia .....	2.3			
56	Australia .....	3.4				130	Serbia .....	2.3			
57	Ghana .....	3.4				131	Burundi .....	2.2			
58	Georgia .....	3.4				132	Brazil .....	2.2			
59	Côte d'Ivoire .....	3.4				133	Mongolia .....	2.2			
60	Armenia .....	3.4				134	Romania .....	2.2			
61	Cape Verde .....	3.4				135	Egypt .....	2.1			
62	Guinea .....	3.4				136	Chad .....	2.1			
63	Philippines .....	3.3				137	Slovak Republic .....	2.1			
64	Kenya .....	3.3				138	Dominican Republic .....	2.1			
65	Namibia .....	3.3				139	Italy .....	2.0			
66	Lesotho .....	3.3				140	Greece .....	2.0			
67	Sierra Leone .....	3.3				141	Yemen .....	2.0			
68	Gabon .....	3.2				142	Paraguay .....	2.0			
69	Bolivia .....	3.2				143	Ukraine .....	1.9			
70	Benin .....	3.2				144	Lebanon .....	1.8			
71	Cyprus .....	3.2				145	Honduras .....	1.8			
72	Timor-Leste .....	3.2				146	Bosnia and Herzegovina .....	1.7			
73	Cambodia .....	3.2				147	Argentina .....	1.7			
74	Iran, Islamic Rep. ....	3.2				148	Venezuela .....	1.5			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.09 Burden of government regulation

In your country, how burdensome is it for businesses to comply with governmental administrative requirements (e.g., permits, regulations, reporting)? [1 = extremely burdensome; 7 = not burdensome at all] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7
1	Singapore .....	5.4				75	Timor-Leste .....	3.4			
2	Qatar .....	5.2				76	Mozambique .....	3.4			
3	Rwanda .....	5.0				77	Cameroon .....	3.4			
4	Finland .....	5.0				78	El Salvador .....	3.4			
5	Hong Kong SAR .....	4.9				79	Latvia .....	3.4			
6	United Arab Emirates .....	4.9				80	United States .....	3.4			
7	Oman .....	4.7				81	Japan .....	3.4			
8	Malaysia .....	4.6				82	Pakistan .....	3.4			
9	Bahrain .....	4.4				83	Ethiopia .....	3.4			
10	Georgia .....	4.4				84	Haiti .....	3.4			
11	Estonia .....	4.3				85	Swaziland .....	3.4			
12	Zambia .....	4.3				86	Malta .....	3.4			
13	New Zealand .....	4.3				87	Trinidad and Tobago .....	3.4			
14	China .....	4.3				88	Austria .....	3.4			
15	Taiwan, China .....	4.3				89	Mali .....	3.4			
16	Brunei Darussalam .....	4.3				90	Thailand .....	3.3			
17	Switzerland .....	4.2				91	Mauritania .....	3.3			
18	Luxembourg .....	4.2				92	Uruguay .....	3.3			
19	Barbados .....	4.2				93	Madagascar .....	3.3			
20	Gambia, The .....	4.2				94	Costa Rica .....	3.3			
21	Azerbaijan .....	4.2				95	Korea, Rep. ....	3.2			
22	Sweden .....	4.1				96	Egypt .....	3.2			
23	Liberia .....	4.1				97	Bangladesh .....	3.2			
24	Cyprus .....	4.1				98	Philippines .....	3.2			
25	Seychelles .....	4.1				99	Suriname .....	3.2			
26	Chile .....	4.1				100	Kyrgyz Republic .....	3.2			
27	Panama .....	4.1				101	Denmark .....	3.2			
28	Netherlands .....	4.0				102	Zimbabwe .....	3.1			
29	Ireland .....	3.9				103	Nepal .....	3.1			
30	Iceland .....	3.9				104	India .....	3.1			
31	Indonesia .....	3.9				105	Bulgaria .....	3.1			
32	Sierra Leone .....	3.9				106	Vietnam .....	3.1			
33	Albania .....	3.9				107	Lithuania .....	3.0			
34	Armenia .....	3.9				108	Chad .....	3.0			
35	Mauritius .....	3.8				109	Israel .....	3.0			
36	Jordan .....	3.8				110	Honduras .....	3.0			
37	Saudi Arabia .....	3.8				111	Mexico .....	3.0			
38	Macedonia, FYR .....	3.8				112	Yemen .....	3.0			
39	Botswana .....	3.8				113	Peru .....	2.9			
40	Paraguay .....	3.8				114	Colombia .....	2.9			
41	Uganda .....	3.8				115	Lebanon .....	2.9			
42	Lesotho .....	3.8				116	South Africa .....	2.9			
43	Guyana .....	3.8				117	Burundi .....	2.9			
44	Côte d'Ivoire .....	3.8				118	Puerto Rico .....	2.9			
45	United Kingdom .....	3.7				119	Mongolia .....	2.9			
46	Cape Verde .....	3.7				120	Russian Federation .....	2.9			
47	Burkina Faso .....	3.7				121	Libya .....	2.9			
48	Gabon .....	3.7				122	Moldova .....	2.8			
49	Malawi .....	3.7				123	Iran, Islamic Rep. ....	2.8			
50	Guinea .....	3.7				124	Benin .....	2.8			
51	Senegal .....	3.7				125	Spain .....	2.8			
52	Canada .....	3.7				126	Jamaica .....	2.8			
53	Tanzania .....	3.7				127	Romania .....	2.8			
54	Kazakhstan .....	3.7				128	Australia .....	2.8			
55	Lao PDR .....	3.7				129	Angola .....	2.8			
56	Germany .....	3.6				130	France .....	2.7			
57	Bolivia .....	3.6				131	Myanmar .....	2.7			
58	Nicaragua .....	3.6				132	Portugal .....	2.7			
59	Montenegro .....	3.6				133	Poland .....	2.7			
60	Kenya .....	3.6				134	Belgium .....	2.6			
61	Bosnia and Herzegovina .....	3.6				135	Czech Republic .....	2.6			
62	Norway .....	3.6				136	Slovenia .....	2.6			
63	Nigeria .....	3.5				137	Ukraine .....	2.6			
64	Morocco .....	3.5				138	Algeria .....	2.5			
65	Bhutan .....	3.5				139	Slovak Republic .....	2.5			
66	Guatemala .....	3.5				140	Hungary .....	2.4			
67	Namibia .....	3.5				141	Argentina .....	2.3			
68	Ecuador .....	3.5				142	Serbia .....	2.3			
69	Dominican Republic .....	3.5				143	Croatia .....	2.3			
70	Cambodia .....	3.5				144	Greece .....	2.2			
71	Tunisia .....	3.5				145	Kuwait .....	2.2			
72	Turkey .....	3.5				146	Italy .....	2.2			
73	Ghana .....	3.5				147	Brazil .....	2.0			
74	Sri Lanka .....	3.4				148	Venezuela .....	1.8			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.10 Efficiency of legal framework in settling disputes

In your country, how efficient is the legal framework for private businesses in settling disputes? [1 = extremely inefficient; 7 = extremely efficient] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Singapore	6.1				75	Tanzania	3.6			
2	Finland	6.1				76	Philippines	3.6			
3	Hong Kong SAR	5.8				77	Nigeria	3.6			
4	New Zealand	5.8				78	Zimbabwe	3.6			
5	Sweden	5.7				79	Trinidad and Tobago	3.6			
6	Switzerland	5.7				80	Lesotho	3.6			
7	Norway	5.6				81	Ethiopia	3.6			
8	United Kingdom	5.6				82	Bolivia	3.6			
9	Netherlands	5.6				83	Cambodia	3.5			
10	Qatar	5.4				84	Korea, Rep.	3.5			
11	Canada	5.4				85	Bosnia and Herzegovina	3.5			
12	South Africa	5.3				86	Gabon	3.5			
13	Germany	5.2				87	Macedonia, FYR	3.5			
14	Oman	5.2				88	Timor-Leste	3.5			
15	Luxembourg	5.2				89	Nicaragua	3.4			
16	Puerto Rico	5.2				90	Côte d'Ivoire	3.4			
17	Rwanda	5.1				91	Iran, Islamic Rep.	3.4			
18	Malaysia	5.1				92	Georgia	3.4			
19	Brunei Darussalam	5.0				93	Vietnam	3.4			
20	United Arab Emirates	4.9				94	Jamaica	3.4			
21	Denmark	4.9				95	Colombia	3.4			
22	Ireland	4.8				96	Lithuania	3.4			
23	Mauritius	4.8				97	Ecuador	3.4			
24	Austria	4.8				98	Mexico	3.4			
25	Botswana	4.8				99	Dominican Republic	3.4			
26	United States	4.7				100	Guatemala	3.3			
27	Iceland	4.7				101	Brazil	3.3			
28	Japan	4.7				102	Cameroon	3.3			
29	Chile	4.7				103	Burkina Faso	3.3			
30	Australia	4.6				104	Benin	3.3			
31	Sri Lanka	4.6				105	Mozambique	3.3			
32	Namibia	4.5				106	Egypt	3.2			
33	Gambia, The	4.5				107	Peru	3.2			
34	Barbados	4.5				108	Suriname	3.2			
35	Lao PDR	4.5				109	Honduras	3.2			
36	Saudi Arabia	4.5				110	Mongolia	3.2			
37	Zambia	4.4				111	Mali	3.1			
38	Jordan	4.3				112	Pakistan	3.1			
39	Estonia	4.3				113	Hungary	3.1			
40	Belgium	4.2				114	Bangladesh	3.1			
41	Bahrain	4.2				115	Czech Republic	3.1			
42	Cyprus	4.2				116	Algeria	3.1			
43	China	4.2				117	Latvia	3.0			
44	Israel	4.2				118	Russian Federation	3.0			
45	Taiwan, China	4.2				119	Poland	3.0			
46	Malta	4.2				120	Albania	3.0			
47	Seychelles	4.1				121	Madagascar	2.9			
48	France	4.1				122	Portugal	2.9			
49	Indonesia	4.1				123	Nepal	2.9			
50	Ghana	4.1				124	Libya	2.9			
51	Bhutan	4.0				125	Bulgaria	2.9			
52	Senegal	3.9				126	El Salvador	2.8			
53	Kazakhstan	3.9				127	Mauritania	2.8			
54	Tunisia	3.9				128	Romania	2.8			
55	Uruguay	3.9				129	Angola	2.7			
56	Malawi	3.9				130	Lebanon	2.7			
57	Kenya	3.9				131	Moldova	2.6			
58	Montenegro	3.9				132	Kyrgyz Republic	2.6			
59	Turkey	3.9				133	Argentina	2.6			
60	Thailand	3.9				134	Myanmar	2.6			
61	Panama	3.9				135	Slovenia	2.6			
62	India	3.8				136	Burundi	2.6			
63	Swaziland	3.8				137	Serbia	2.5			
64	Azerbaijan	3.8				138	Greece	2.5			
65	Uganda	3.8				139	Guinea	2.5			
66	Kuwait	3.8				140	Croatia	2.5			
67	Liberia	3.8				141	Paraguay	2.5			
68	Costa Rica	3.7				142	Chad	2.4			
69	Sierra Leone	3.7				143	Slovak Republic	2.4			
70	Spain	3.7				144	Ukraine	2.3			
71	Morocco	3.7				145	Italy	2.3			
72	Cape Verde	3.7				146	Haiti	2.2			
73	Guyana	3.7				147	Yemen	2.2			
74	Armenia	3.7				148	Venezuela	1.8			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.11 Efficiency of legal framework in challenging regulations

In your country, how easy is it for private businesses to challenge government actions and/or regulations through the legal system? [1 = extremely difficult; 7 = extremely easy] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7
1	Finland .....	5.9				75	Lesotho .....	3.4			
2	Hong Kong SAR .....	5.6				76	Armenia .....	3.4			
3	New Zealand .....	5.6				77	Jamaica .....	3.4			
4	Sweden .....	5.4				78	Mexico .....	3.3			
5	Netherlands .....	5.4				79	Vietnam .....	3.3			
6	Switzerland .....	5.3				80	Brunei Darussalam .....	3.3			
7	Qatar .....	5.2				81	Bangladesh .....	3.3			
8	United Kingdom .....	5.2				82	Tanzania .....	3.3			
9	Luxembourg .....	5.2				83	Mali .....	3.3			
10	Norway .....	5.1				84	Trinidad and Tobago .....	3.3			
11	Germany .....	4.9				85	Portugal .....	3.3			
12	Singapore .....	4.9				86	Gabon .....	3.3			
13	South Africa .....	4.9				87	Bhutan .....	3.3			
14	Puerto Rico .....	4.8				88	Bolivia .....	3.3			
15	Canada .....	4.8				89	Timor-Leste .....	3.3			
16	United Arab Emirates .....	4.8				90	Lithuania .....	3.2			
17	Malaysia .....	4.7				91	Benin .....	3.2			
18	Oman .....	4.7				92	Nigeria .....	3.2			
19	Ireland .....	4.6				93	Colombia .....	3.2			
20	Rwanda .....	4.5				94	Egypt .....	3.2			
21	Iceland .....	4.5				95	Côte d'Ivoire .....	3.2			
22	Mauritius .....	4.4				96	Honduras .....	3.1			
23	Botswana .....	4.4				97	Latvia .....	3.1			
24	Chile .....	4.4				98	Nicaragua .....	3.1			
25	Austria .....	4.4				99	Paraguay .....	3.1			
26	Cyprus .....	4.4				100	Ecuador .....	3.1			
27	Jordan .....	4.4				101	Korea, Rep. ....	3.0			
28	Saudi Arabia .....	4.4				102	Suriname .....	3.0			
29	United States .....	4.3				103	Cameroon .....	3.0			
30	Australia .....	4.3				104	Nepal .....	3.0			
31	France .....	4.3				105	Georgia .....	3.0			
32	Barbados .....	4.2				106	Burkina Faso .....	3.0			
33	Estonia .....	4.2				107	Dominican Republic .....	3.0			
34	Israel .....	4.1				108	Pakistan .....	3.0			
35	Japan .....	4.1				109	Peru .....	3.0			
36	Belgium .....	4.0				110	El Salvador .....	3.0			
37	Costa Rica .....	4.0				111	Poland .....	2.9			
38	Denmark .....	4.0				112	Macedonia, FYR .....	2.9			
39	Sri Lanka .....	4.0				113	Albania .....	2.9			
40	Uruguay .....	4.0				114	Lao PDR .....	2.9			
41	Seychelles .....	4.0				115	Libya .....	2.9			
42	Namibia .....	3.9				116	Ethiopia .....	2.9			
43	Bahrain .....	3.9				117	Mozambique .....	2.9			
44	Malawi .....	3.9				118	Guinea .....	2.9			
45	Gambia, The .....	3.9				119	Mauritania .....	2.8			
46	Turkey .....	3.9				120	Russian Federation .....	2.8			
47	China .....	3.8				121	Madagascar .....	2.8			
48	India .....	3.8				122	Bulgaria .....	2.8			
49	Kuwait .....	3.8				123	Zimbabwe .....	2.8			
50	Indonesia .....	3.7				124	Iran, Islamic Rep. ....	2.7			
51	Zambia .....	3.7				125	Sierra Leone .....	2.7			
52	Taiwan, China .....	3.7				126	Czech Republic .....	2.7			
53	Azerbaijan .....	3.7				127	Yemen .....	2.7			
54	Bosnia and Herzegovina .....	3.7				128	Romania .....	2.6			
55	Malta .....	3.7				129	Mongolia .....	2.6			
56	Kenya .....	3.7				130	Greece .....	2.6			
57	Liberia .....	3.7				131	Slovenia .....	2.6			
58	Panama .....	3.6				132	Croatia .....	2.5			
59	Senegal .....	3.6				133	Kyrgyz Republic .....	2.5			
60	Guyana .....	3.6				134	Italy .....	2.5			
61	Kazakhstan .....	3.6				135	Burundi .....	2.5			
62	Thailand .....	3.5				136	Serbia .....	2.5			
63	Montenegro .....	3.5				137	Moldova .....	2.5			
64	Cape Verde .....	3.5				138	Hungary .....	2.4			
65	Ghana .....	3.5				139	Algeria .....	2.3			
66	Uganda .....	3.5				140	Haiti .....	2.3			
67	Tunisia .....	3.5				141	Lebanon .....	2.3			
68	Brazil .....	3.5				142	Slovak Republic .....	2.2			
69	Spain .....	3.5				143	Myanmar .....	2.2			
70	Swaziland .....	3.5				144	Angola .....	2.2			
71	Philippines .....	3.5				145	Chad .....	2.2			
72	Cambodia .....	3.5				146	Ukraine .....	2.2			
73	Guatemala .....	3.5				147	Argentina .....	1.9			
74	Morocco .....	3.4				148	Venezuela .....	1.5			

SOURCE: World Economic Forum, Executive Opinion Survey



## 1.12 Transparency of government policymaking

In your country, how easy is it for businesses to obtain information about changes in government policies and regulations affecting their activities? [1 = extremely difficult; 7 = extremely easy] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	Singapore	6.1				75	Colombia	4.1			
2	Finland	6.1				76	Israel	4.1			
3	Hong Kong SAR	5.9				77	Uganda	4.1			
4	New Zealand	5.9				78	Portugal	4.1			
5	Qatar	5.8				79	Namibia	4.0			
6	Switzerland	5.7				80	Slovak Republic	4.0			
7	Luxembourg	5.5				81	Moldova	4.0			
8	Rwanda	5.5				82	Tunisia	4.0			
9	Sweden	5.5				83	Mozambique	4.0			
10	Taiwan, China	5.4				84	Paraguay	4.0			
11	United Kingdom	5.3				85	Côte d'Ivoire	3.9			
12	United Arab Emirates	5.2				86	Kenya	3.9			
13	Netherlands	5.2				87	Spain	3.9			
14	Japan	5.2				88	Zimbabwe	3.9			
15	Chile	5.1				89	Peru	3.9			
16	Canada	5.1				90	Egypt	3.9			
17	Norway	5.1				91	Nicaragua	3.9			
18	Austria	5.0				92	Philippines	3.9			
19	Estonia	5.0				93	Thailand	3.9			
20	Malaysia	5.0				94	Trinidad and Tobago	3.9			
21	Oman	5.0				95	Bangladesh	3.9			
22	Bahrain	5.0				96	Malawi	3.9			
23	Germany	5.0				97	Kyrgyz Republic	3.8			
24	Armenia	5.0				98	Czech Republic	3.8			
25	Ireland	5.0				99	Jamaica	3.8			
26	Iceland	4.9				100	Swaziland	3.8			
27	Cyprus	4.8				101	Russian Federation	3.8			
28	Barbados	4.7				102	Sierra Leone	3.8			
29	Kazakhstan	4.7				103	Yemen	3.8			
30	Uruguay	4.7				104	Lao PDR	3.8			
31	Zambia	4.7				105	Mongolia	3.7			
32	Panama	4.7				106	Croatia	3.7			
33	Georgia	4.7				107	Bhutan	3.7			
34	Lithuania	4.7				108	Tanzania	3.7			
35	South Africa	4.6				109	Lesotho	3.7			
36	Saudi Arabia	4.6				110	Nepal	3.7			
37	Turkey	4.6				111	Nigeria	3.7			
38	Mauritius	4.5				112	Brazil	3.7			
39	Guatemala	4.5				113	Kuwait	3.7			
40	Jordan	4.5				114	Burkina Faso	3.7			
41	Montenegro	4.5				115	Romania	3.7			
42	Gambia, The	4.5				116	Pakistan	3.7			
43	Azerbaijan	4.5				117	Honduras	3.7			
44	Botswana	4.5				118	Serbia	3.7			
45	Latvia	4.5				119	Cambodia	3.6			
46	China	4.4				120	Poland	3.6			
47	Macedonia, FYR	4.4				121	Vietnam	3.6			
48	United States	4.4				122	Benin	3.6			
49	Costa Rica	4.4				123	Greece	3.6			
50	Brunei Darussalam	4.4				124	Bulgaria	3.6			
51	Australia	4.4				125	Libya	3.5			
52	Slovenia	4.4				126	Ethiopia	3.5			
53	Seychelles	4.3				127	Bolivia	3.5			
54	Denmark	4.3				128	Suriname	3.5			
55	Cameroon	4.3				129	Guinea	3.5			
56	Puerto Rico	4.3				130	Ukraine	3.5			
57	Belgium	4.3				131	Iran, Islamic Rep.	3.5			
58	Liberia	4.3				132	Hungary	3.4			
59	France	4.3				133	Algeria	3.4			
60	Malta	4.2				134	Mali	3.4			
61	India	4.2				135	Timor-Leste	3.4			
62	Guyana	4.2				136	El Salvador	3.4			
63	Senegal	4.2				137	Korea, Rep.	3.4			
64	Bosnia and Herzegovina	4.2				138	Burundi	3.3			
65	Indonesia	4.2				139	Lebanon	3.3			
66	Morocco	4.2				140	Italy	3.0			
67	Mexico	4.2				141	Argentina	3.0			
68	Cape Verde	4.2				142	Madagascar	3.0			
69	Dominican Republic	4.2				143	Myanmar	2.9			
70	Gabon	4.2				144	Angola	2.9			
71	Sri Lanka	4.1				145	Mauritania	2.8			
72	Albania	4.1				146	Chad	2.8			
73	Ecuador	4.1				147	Venezuela	2.7			
74	Ghana	4.1				148	Haiti	2.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.3	7
1	Slovenia	6.7				75	Vietnam	5.4			
2	Qatar	6.7				76	Georgia	5.4			
3	Finland	6.7				77	Timor-Leste	5.4			
4	Oman	6.6				78	Venezuela	5.4			
5	Iceland	6.6				79	Ethiopia	5.4			
6	Austria	6.6				80	Lesotho	5.4			
7	Portugal	6.5				81	Morocco	5.3			
8	Bosnia and Herzegovina	6.5				82	Panama	5.3			
9	Brunei Darussalam	6.5				83	Haiti	5.3			
10	Moldova	6.4				84	Guinea	5.3			
11	Hungary	6.4				85	Malaysia	5.3			
12	Uruguay	6.4				86	Greece	5.3			
13	Estonia	6.4				87	Cambodia	5.3			
14	New Zealand	6.4				88	Canada	5.2			
15	Croatia	6.4				89	United Kingdom	5.2			
16	Czech Republic	6.4				90	Guyana	5.2			
17	United Arab Emirates	6.3				91	Japan	5.2			
18	Zimbabwe	6.3				92	Albania	5.2			
19	Luxembourg	6.3				93	Spain	5.2			
20	Mauritius	6.3				94	Côte d'Ivoire	5.1			
21	Botswana	6.3				95	Mozambique	5.1			
22	Brazil	6.3				96	France	5.1			
23	Lithuania	6.3				97	Liberia	5.0			
24	Argentina	6.2				98	China	5.0			
25	Latvia	6.2				99	Cameroon	5.0			
26	Slovak Republic	6.2				100	Senegal	5.0			
27	Poland	6.2				101	Paraguay	5.0			
28	South Africa	6.2				102	Tanzania	5.0			
29	Sri Lanka	6.1				103	Benin	5.0			
30	Taiwan, China	6.1				104	Guatemala	5.0			
31	Sweden	6.1				105	Seychelles	5.0			
32	Zambia	6.1				106	Korea, Rep.	4.9			
33	Belgium	6.1				107	Bulgaria	4.9			
34	Ireland	6.1				108	Denmark	4.9			
35	Costa Rica	6.1				109	Mauritania	4.8			
36	Netherlands	6.1				110	Mexico	4.8			
37	Suriname	6.1				111	Madagascar	4.8			
38	Armenia	6.1				112	Russian Federation	4.7			
39	Montenegro	6.1				113	India	4.7			
40	Namibia	6.0				114	Kyrgyz Republic	4.7			
41	Switzerland	6.0				115	Angola	4.7			
42	Barbados	6.0				116	Ghana	4.6			
43	Puerto Rico	6.0				117	Iran, Islamic Rep.	4.6			
44	Jamaica	6.0				118	Bangladesh	4.6			
45	Cyprus	6.0				119	Indonesia	4.6			
46	Australia	5.9				120	Thailand	4.5			
47	Gambia, The	5.9				121	Nicaragua	4.5			
48	Ukraine	5.9				122	Ecuador	4.5			
49	Mongolia	5.8				123	Burundi	4.4			
50	Malta	5.8				124	Philippines	4.4			
51	Saudi Arabia	5.8				125	Bahrain	4.4			
52	Sierra Leone	5.8				126	Burkina Faso	4.4			
53	Azerbaijan	5.8				127	Honduras	4.3			
54	Singapore	5.8				128	United States	4.2			
55	Trinidad and Tobago	5.8				129	Turkey	4.1			
56	Jordan	5.8				130	Bolivia	4.1			
57	Rwanda	5.8				131	El Salvador	4.1			
58	Norway	5.7				132	Libya	4.1			
59	Germany	5.7				133	Peru	4.0			
60	Kuwait	5.7				134	Nepal	4.0			
61	Macedonia, FYR	5.7				135	Uganda	3.9			
62	Malawi	5.7				136	Israel	3.9			
63	Hong Kong SAR	5.7				137	Tunisia	3.8			
64	Italy	5.7				138	Algeria	3.7			
65	Gabon	5.6				139	Chad	3.6			
66	Serbia	5.6				140	Kenya	3.6			
67	Romania	5.6				141	Lebanon	3.2			
68	Chile	5.6				142	Nigeria	2.9			
69	Kazakhstan	5.5				143	Mali	2.9			
70	Dominican Republic	5.5				144	Pakistan	2.7			
71	Lao PDR	5.5				145	Yemen	2.7			
72	Cape Verde	5.5				146	Myanmar	2.7			
73	Bhutan	5.4				147	Colombia	2.7			
74	Swaziland	5.4				148	Egypt	2.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7
1	Qatar .....	6.8				75	Malaysia.....	4.6			
2	United Arab Emirates.....	6.5				76	Tanzania.....	4.6			
3	Finland.....	6.3				77	Denmark.....	4.6			
4	Oman .....	6.3				78	Cambodia.....	4.5			
5	Luxembourg .....	6.3				79	Swaziland .....	4.5			
6	Singapore.....	6.2				80	Russian Federation .....	4.5			
7	Bosnia and Herzegovina.....	6.2				81	Italy.....	4.5			
8	Brunei Darussalam.....	6.2				82	Seychelles.....	4.5			
9	Iceland.....	6.1				83	Sierra Leone .....	4.5			
10	Austria .....	6.0				84	Bahrain .....	4.5			
11	Portugal.....	5.9				85	Barbados.....	4.4			
12	Rwanda.....	5.9				86	Indonesia.....	4.4			
13	Taiwan, China.....	5.9				87	United States.....	4.3			
14	Kuwait .....	5.9				88	Libya.....	4.3			
15	Saudi Arabia .....	5.9				89	Serbia .....	4.3			
16	Jordan .....	5.9				90	Suriname .....	4.3			
17	New Zealand .....	5.8				91	Cameroon.....	4.3			
18	Slovenia.....	5.8				92	Albania.....	4.3			
19	Malta .....	5.8				93	Ghana.....	4.2			
20	Armenia.....	5.7				94	Iran, Islamic Rep. ....	4.2			
21	Azerbaijan.....	5.7				95	Timor-Leste .....	4.2			
22	Hong Kong SAR.....	5.7				96	Lebanon .....	4.2			
23	Switzerland .....	5.7				97	Kyrgyz Republic.....	4.2			
24	Norway .....	5.7				98	Benin .....	4.2			
25	Estonia.....	5.6				99	Liberia.....	4.2			
26	Germany.....	5.6				100	Nicaragua .....	4.1			
27	Belgium .....	5.5				101	Philippines .....	4.1			
28	Sweden .....	5.5				102	Algeria .....	4.1			
29	Cyprus.....	5.5				103	Guyana.....	4.0			
30	Spain .....	5.5				104	Mozambique.....	3.9			
31	Ireland.....	5.5				105	Uruguay.....	3.9			
32	Netherlands .....	5.5				106	Costa Rica.....	3.9			
33	Latvia.....	5.4				107	Burkina Faso.....	3.9			
34	Poland .....	5.4				108	Bulgaria .....	3.9			
35	Gambia, The.....	5.4				109	Cape Verde .....	3.9			
36	Ethiopia.....	5.4				110	Bangladesh.....	3.9			
37	Australia.....	5.4				111	Malawi .....	3.9			
38	Mauritania.....	5.3				112	Namibia .....	3.9			
39	Croatia.....	5.3				113	Bolivia.....	3.8			
40	Canada.....	5.3				114	Burundi.....	3.8			
41	Morocco.....	5.3				115	Panama .....	3.7			
42	Bhutan.....	5.2				116	Puerto Rico.....	3.7			
43	Japan .....	5.2				117	Tunisia .....	3.6			
44	Kazakhstan.....	5.2				118	Argentina .....	3.6			
45	Sri Lanka.....	5.2				119	Ecuador.....	3.5			
46	Mauritius.....	5.2				120	Madagascar.....	3.5			
47	Montenegro.....	5.2				121	Lesotho .....	3.5			
48	United Kingdom.....	5.1				122	Paraguay .....	3.4			
49	Lithuania.....	5.1				123	Guinea.....	3.4			
50	Israel.....	5.1				124	Brazil.....	3.4			
51	Romania .....	5.1				125	Angola.....	3.4			
52	Georgia.....	5.0				126	Uganda.....	3.4			
53	Czech Republic .....	5.0				127	Kenya .....	3.4			
54	Moldova.....	5.0				128	Mali.....	3.3			
55	Lao PDR.....	5.0				129	Nepal .....	3.3			
56	Zimbabwe.....	5.0				130	Côte d'Ivoire.....	3.2			
57	Ukraine .....	5.0				131	Dominican Republic.....	3.2			
58	France.....	4.9				132	Peru.....	3.2			
59	Macedonia, FYR.....	4.9				133	Chad.....	3.1			
60	Korea, Rep. ....	4.9				134	Yemen .....	3.1			
61	Hungary.....	4.9				135	Myanmar.....	3.0			
62	China.....	4.8				136	Nigeria .....	2.9			
63	Senegal .....	4.8				137	Haiti.....	2.9			
64	Vietnam .....	4.8				138	Pakistan.....	2.8			
65	Mongolia.....	4.7				139	Mexico.....	2.8			
66	Chile .....	4.7				140	Colombia .....	2.7			
67	Botswana .....	4.7				141	South Africa.....	2.7			
68	Greece.....	4.7				142	El Salvador.....	2.4			
69	Slovak Republic.....	4.7				143	Egypt.....	2.3			
70	Zambia .....	4.7				144	Jamaica .....	2.3			
71	India.....	4.7				145	Trinidad and Tobago.....	2.3			
72	Turkey.....	4.6				146	Venezuela .....	2.1			
73	Thailand.....	4.6				147	Guatemala .....	2.0			
74	Gabon .....	4.6				148	Honduras.....	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.0	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.0	7
1	United Arab Emirates.....	6.9				75	Gabon .....	4.9			
2	Qatar .....	6.9				76	Montenegro .....	4.9			
3	Oman .....	6.8				77	Timor-Leste .....	4.9			
4	Singapore .....	6.7				78	Vietnam .....	4.9			
5	Finland .....	6.6				79	Mongolia.....	4.8			
6	New Zealand .....	6.6				80	Sierra Leone .....	4.8			
7	Luxembourg .....	6.5				81	Lebanon .....	4.8			
8	Brunei Darussalam.....	6.5				82	Thailand.....	4.8			
9	Austria .....	6.5				83	Moldova.....	4.8			
10	Iceland .....	6.4				84	United States .....	4.8			
11	Saudi Arabia .....	6.4				85	India.....	4.8			
12	Estonia.....	6.4				86	Philippines .....	4.8			
13	Jordan .....	6.3				87	Liberia.....	4.7			
14	Netherlands .....	6.2				88	China .....	4.7			
15	Norway .....	6.2				89	Lao PDR.....	4.7			
16	Portugal.....	6.2				90	Romania .....	4.7			
17	Barbados.....	6.2				91	Guyana .....	4.6			
18	Rwanda .....	6.2				92	Benin .....	4.6			
19	Bahrain .....	6.2				93	Burkina Faso.....	4.6			
20	Botswana .....	6.1				94	Turkey.....	4.6			
21	Mauritius .....	6.1				95	Ghana.....	4.6			
22	Bosnia and Herzegovina.....	6.0				96	Panama .....	4.6			
23	Uruguay.....	6.0				97	Cameroon.....	4.6			
24	Belgium .....	6.0				98	Macedonia, FYR .....	4.6			
25	Malta .....	6.0				99	Lesotho .....	4.5			
26	Sweden .....	6.0				100	Tunisia .....	4.5			
27	Australia.....	5.9				101	Senegal .....	4.5			
28	United Kingdom.....	5.9				102	Slovak Republic .....	4.5			
29	Kuwait .....	5.9				103	Bangladesh .....	4.4			
30	Taiwan, China.....	5.9				104	Cape Verde .....	4.4			
31	Gambia, The.....	5.9				105	Iran, Islamic Rep. ....	4.4			
32	Ireland.....	5.9				106	Ukraine .....	4.4			
33	Switzerland .....	5.9				107	Argentina .....	4.4			
34	Zimbabwe.....	5.9				108	Albania.....	4.4			
35	Bhutan.....	5.9				109	Nicaragua .....	4.3			
36	Germany .....	5.8				110	Dominican Republic.....	4.2			
37	Hong Kong SAR.....	5.8				111	Russian Federation .....	4.2			
38	Ethiopia.....	5.8				112	Madagascar .....	4.2			
39	Seychelles.....	5.7				113	South Africa .....	4.2			
40	Latvia.....	5.7				114	Haiti .....	4.1			
41	Morocco .....	5.7				115	Kenya .....	4.1			
42	Slovenia .....	5.7				116	Uganda.....	4.1			
43	Poland .....	5.7				117	Yemen .....	4.1			
44	Zambia .....	5.7				118	Guinea .....	4.1			
45	Cyprus.....	5.7				119	Indonesia .....	4.1			
46	Spain .....	5.7				120	Trinidad and Tobago.....	4.1			
47	Azerbaijan .....	5.6				121	Paraguay .....	4.1			
48	Denmark.....	5.5				122	Mozambique.....	4.1			
49	Croatia.....	5.5				123	Kyrgyz Republic.....	4.1			
50	Lithuania.....	5.5				124	Côte d'Ivoire .....	4.0			
51	France .....	5.5				125	Burundi.....	4.0			
52	Libya.....	5.5				126	Brazil.....	4.0			
53	Canada.....	5.5				127	Serbia .....	4.0			
54	Chile .....	5.4				128	Angola .....	3.9			
55	Mauritania.....	5.4				129	Ecuador.....	3.9			
56	Greece.....	5.4				130	Bulgaria .....	3.8			
57	Armenia .....	5.4				131	Algeria .....	3.8			
58	Malawi .....	5.4				132	Bolivia.....	3.7			
59	Puerto Rico.....	5.4				133	Mali.....	3.6			
60	Sri Lanka .....	5.3				134	Italy.....	3.6			
61	Costa Rica.....	5.3				135	Nepal.....	3.5			
62	Japan .....	5.2				136	Nigeria .....	3.4			
63	Malaysia.....	5.2				137	Peru.....	3.4			
64	Georgia.....	5.2				138	Egypt .....	3.4			
65	Israel.....	5.2				139	Chad.....	3.3			
66	Suriname .....	5.2				140	Jamaica.....	3.1			
67	Kazakhstan.....	5.2				141	Pakistan.....	3.1			
68	Hungary.....	5.1				142	Myanmar.....	2.9			
69	Cambodia.....	5.1				143	Mexico.....	2.9			
70	Swaziland .....	5.0				144	Colombia .....	2.8			
71	Czech Republic .....	5.0				145	Venezuela .....	2.8			
72	Tanzania .....	5.0				146	Honduras.....	2.5			
73	Korea, Rep. ....	5.0				147	El Salvador.....	2.5			
74	Namibia .....	4.9				148	Guatemala .....	2.4			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.16 Reliability of police services

In your country, to what extent can police services be relied upon to enforce law and order? [1 = cannot be relied upon at all; 7 = can be completely relied upon] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7
1	Finland.....	6.7				75	Burkina Faso.....	4.1			
2	New Zealand.....	6.4				76	Armenia.....	4.0			
3	Qatar.....	6.3				77	Greece.....	4.0			
4	Hong Kong SAR.....	6.3				78	Namibia.....	4.0			
5	Singapore.....	6.3				79	Indonesia.....	4.0			
6	Switzerland.....	6.3				80	Turkey.....	4.0			
7	Chile.....	6.2				81	Serbia.....	4.0			
8	Ireland.....	6.1				82	India.....	4.0			
9	Iceland.....	6.1				83	Sri Lanka.....	3.9			
10	Netherlands.....	6.1				84	Ethiopia.....	3.9			
11	Denmark.....	6.1				85	Malawi.....	3.9			
12	United Arab Emirates.....	6.1				86	Uruguay.....	3.9			
13	Norway.....	6.0				87	Tunisia.....	3.9			
14	Canada.....	6.0				88	Kazakhstan.....	3.9			
15	Luxembourg.....	6.0				89	Seychelles.....	3.9			
16	Australia.....	6.0				90	Czech Republic.....	3.9			
17	Germany.....	6.0				91	Nicaragua.....	3.9			
18	Spain.....	5.9				92	Lesotho.....	3.9			
19	Sweden.....	5.9				93	Sierra Leone.....	3.8			
20	Austria.....	5.9				94	Philippines.....	3.8			
21	Rwanda.....	5.8				95	Vietnam.....	3.8			
22	Oman.....	5.8				96	South Africa.....	3.8			
23	Japan.....	5.8				97	Algeria.....	3.7			
24	United States.....	5.7				98	Uganda.....	3.7			
25	Barbados.....	5.7				99	Mongolia.....	3.7			
26	United Kingdom.....	5.7				100	Timor-Leste.....	3.7			
27	Belgium.....	5.6				101	Albania.....	3.7			
28	Jordan.....	5.5				102	Kenya.....	3.7			
29	Saudi Arabia.....	5.4				103	Nepal.....	3.7			
30	Bosnia and Herzegovina.....	5.4				104	Liberia.....	3.7			
31	Brunei Darussalam.....	5.3				105	Jamaica.....	3.7			
32	Estonia.....	5.3				106	Ecuador.....	3.6			
33	Malta.....	5.3				107	Romania.....	3.6			
34	France.....	5.3				108	Slovak Republic.....	3.6			
35	Portugal.....	5.2				109	Thailand.....	3.5			
36	Taiwan, China.....	5.2				110	Tanzania.....	3.5			
37	Georgia.....	5.2				111	Gabon.....	3.5			
38	Italy.....	5.0				112	Mali.....	3.5			
39	Bahrain.....	5.0				113	Bulgaria.....	3.4			
40	Slovenia.....	5.0				114	Côte d'Ivoire.....	3.3			
41	Bhutan.....	4.9				115	Cambodia.....	3.3			
42	Malaysia.....	4.9				116	Guinea.....	3.2			
43	Costa Rica.....	4.9				117	Bolivia.....	3.2			
44	Cyprus.....	4.8				118	Mozambique.....	3.2			
45	Puerto Rico.....	4.8				119	Lebanon.....	3.2			
46	Kuwait.....	4.8				120	El Salvador.....	3.1			
47	Korea, Rep.....	4.8				121	Trinidad and Tobago.....	3.1			
48	Suriname.....	4.7				122	Russian Federation.....	3.0			
49	Panama.....	4.7				123	Zimbabwe.....	3.0			
50	Morocco.....	4.7				124	Moldova.....	3.0			
51	Montenegro.....	4.7				125	Myanmar.....	3.0			
52	Gambia, The.....	4.6				126	Mexico.....	3.0			
53	Croatia.....	4.6				127	Angola.....	3.0			
54	Mauritius.....	4.6				128	Mauritania.....	3.0			
55	Senegal.....	4.5				129	Haiti.....	3.0			
56	Ghana.....	4.5				130	Kyrgyz Republic.....	3.0			
57	Israel.....	4.5				131	Nigeria.....	2.9			
58	Botswana.....	4.4				132	Egypt.....	2.9			
59	China.....	4.4				133	Ukraine.....	2.8			
60	Benin.....	4.4				134	Guyana.....	2.8			
61	Macedonia, FYR.....	4.4				135	Pakistan.....	2.8			
62	Latvia.....	4.4				136	Guatemala.....	2.8			
63	Cape Verde.....	4.4				137	Peru.....	2.8			
64	Brazil.....	4.3				138	Madagascar.....	2.8			
65	Azerbaijan.....	4.3				139	Argentina.....	2.8			
66	Iran, Islamic Rep.....	4.3				140	Libya.....	2.7			
67	Swaziland.....	4.3				141	Bangladesh.....	2.6			
68	Lao PDR.....	4.3				142	Honduras.....	2.4			
69	Cameroon.....	4.3				143	Dominican Republic.....	2.3			
70	Lithuania.....	4.2				144	Chad.....	2.3			
71	Zambia.....	4.2				145	Yemen.....	2.3			
72	Hungary.....	4.2				146	Paraguay.....	2.2			
73	Colombia.....	4.2				147	Burundi.....	2.1			
74	Poland.....	4.1				148	Venezuela.....	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.17 Ethical behavior of firms

In your country, how would 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7
1	New Zealand	6.6				75	Guatemala	3.9			
2	Finland	6.4				76	Croatia	3.9			
3	Singapore	6.3				77	Liberia	3.8			
4	Switzerland	6.2				78	Kenya	3.8			
5	Norway	6.2				79	Korea, Rep.	3.8			
6	Sweden	6.2				80	Cambodia	3.8			
7	Denmark	6.1				81	Armenia	3.8			
8	Qatar	6.0				82	Iran, Islamic Rep.	3.8			
9	Netherlands	6.0				83	Zimbabwe	3.8			
10	Luxembourg	5.9				84	Malawi	3.8			
11	Japan	5.8				85	Senegal	3.7			
12	United Kingdom	5.8				86	India	3.7			
13	Canada	5.7				87	Brazil	3.7			
14	United Arab Emirates	5.7				88	Mexico	3.7			
15	Germany	5.7				89	Swaziland	3.7			
16	Hong Kong SAR	5.6				90	Ghana	3.7			
17	Austria	5.6				91	Vietnam	3.7			
18	Iceland	5.5				92	Hungary	3.7			
19	Australia	5.5				93	Suriname	3.7			
20	Oman	5.5				94	Sierra Leone	3.7			
21	Ireland	5.4				95	Côte d'Ivoire	3.7			
22	Belgium	5.3				96	Nicaragua	3.7			
23	France	5.2				97	Jamaica	3.7			
24	Rwanda	5.2				98	Uganda	3.7			
25	Barbados	5.1				99	Benin	3.7			
26	Saudi Arabia	5.1				100	Lesotho	3.7			
27	Chile	5.1				101	Russian Federation	3.7			
28	Malaysia	5.0				102	Libya	3.6			
29	Brunei Darussalam	5.0				103	Italy	3.6			
30	Taiwan, China	5.0				104	Bolivia	3.6			
31	Bahrain	5.0				105	Honduras	3.6			
32	United States	4.9				106	Burkina Faso	3.6			
33	Israel	4.9				107	Colombia	3.6			
34	Uruguay	4.8				108	Ecuador	3.6			
35	Estonia	4.8				109	Czech Republic	3.6			
36	Puerto Rico	4.8				110	Bulgaria	3.6			
37	South Africa	4.7				111	Dominican Republic	3.5			
38	Gambia, The	4.6				112	Pakistan	3.5			
39	Botswana	4.6				113	Greece	3.5			
40	Costa Rica	4.5				114	Peru	3.5			
41	Mauritius	4.5				115	Mali	3.5			
42	Malta	4.4				116	Cameroon	3.5			
43	Jordan	4.4				117	Mongolia	3.5			
44	Bhutan	4.4				118	Trinidad and Tobago	3.4			
45	Portugal	4.4				119	Moldova	3.4			
46	Seychelles	4.4				120	Timor-Leste	3.4			
47	Cyprus	4.3				121	Yemen	3.4			
48	Gabon	4.3				122	Tanzania	3.4			
49	Lithuania	4.3				123	El Salvador	3.4			
50	Turkey	4.2				124	Mozambique	3.3			
51	Zambia	4.2				125	Slovak Republic	3.3			
52	Cape Verde	4.2				126	Myanmar	3.3			
53	Namibia	4.2				127	Serbia	3.3			
54	China	4.2				128	Guinea	3.3			
55	Spain	4.1				129	Albania	3.3			
56	Kazakhstan	4.1				130	Ukraine	3.2			
57	Egypt	4.1				131	Nigeria	3.2			
58	Montenegro	4.1				132	Nepal	3.2			
59	Poland	4.1				133	Madagascar	3.2			
60	Latvia	4.1				134	Lebanon	3.2			
61	Slovenia	4.1				135	Bosnia and Herzegovina	3.2			
62	Lao PDR	4.1				136	Kyrgyz Republic	3.2			
63	Morocco	4.0				137	Ethiopia	3.2			
64	Indonesia	4.0				138	Algeria	3.1			
65	Tunisia	4.0				139	Romania	3.1			
66	Azerbaijan	4.0				140	Venezuela	3.0			
67	Georgia	4.0				141	Haiti	3.0			
68	Thailand	4.0				142	Paraguay	3.0			
69	Philippines	4.0				143	Argentina	2.9			
70	Guyana	4.0				144	Chad	2.9			
71	Panama	4.0				145	Angola	2.8			
72	Kuwait	3.9				146	Bangladesh	2.8			
73	Sri Lanka	3.9				147	Burundi	2.8			
74	Macedonia, FYR	3.9				148	Mauritania	2.8			

SOURCE: World Economic Forum, Executive Opinion Survey



## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.6	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.6	7
1	South Africa	6.7				75	Honduras	4.6			
2	Finland	6.4				76	Kazakhstan	4.6			
3	New Zealand	6.2				77	Bulgaria	4.5			
4	Singapore	6.2				78	Ghana	4.5			
5	Norway	6.1				79	Gabon	4.5			
6	Hong Kong SAR	6.1				80	China	4.5			
7	Luxembourg	6.1				81	Slovenia	4.5			
8	Qatar	6.1				82	Colombia	4.5			
9	Canada	6.0				83	Senegal	4.5			
10	Puerto Rico	6.0				84	Tunisia	4.5			
11	Sweden	5.9				85	Spain	4.4			
12	Netherlands	5.9				86	Kenya	4.4			
13	Malta	5.9				87	Armenia	4.4			
14	Australia	5.8				88	Pakistan	4.4			
15	Bahrain	5.8				89	Georgia	4.4			
16	United Kingdom	5.8				90	Ecuador	4.3			
17	Austria	5.7				91	Korea, Rep.	4.3			
18	Barbados	5.6				92	Croatia	4.3			
19	Oman	5.6				93	Greece	4.3			
20	Taiwan, China	5.6				94	Côte d'Ivoire	4.3			
21	Switzerland	5.6				95	Trinidad and Tobago	4.2			
22	Saudi Arabia	5.6				96	Montenegro	4.2			
23	Germany	5.5				97	Venezuela	4.2			
24	Mauritius	5.5				98	Lebanon	4.2			
25	Japan	5.5				99	Azerbaijan	4.2			
26	Estonia	5.5				100	Burkina Faso	4.1			
27	Malaysia	5.4				101	Nicaragua	4.1			
28	United Arab Emirates	5.4				102	Moldova	4.1			
29	Belgium	5.4				103	Guyana	4.1			
30	Namibia	5.4				104	Liberia	4.0			
31	Brazil	5.3				105	Iran, Islamic Rep.	4.0			
32	Panama	5.3				106	Nigeria	4.0			
33	France	5.3				107	Russian Federation	4.0			
34	Jamaica	5.3				108	Romania	4.0			
35	Israel	5.3				109	Paraguay	4.0			
36	United States	5.3				110	Italy	4.0			
37	Cyprus	5.2				111	Mozambique	4.0			
38	Philippines	5.2				112	Sierra Leone	4.0			
39	Zimbabwe	5.2				113	Ethiopia	4.0			
40	Hungary	5.2				114	Madagascar	3.9			
41	Denmark	5.2				115	Bosnia and Herzegovina	3.9			
42	Thailand	5.1				116	Cambodia	3.9			
43	Sri Lanka	5.1				117	Serbia	3.9			
44	Costa Rica	5.0				118	Uganda	3.8			
45	Mexico	5.0				119	Cape Verde	3.8			
46	Chile	5.0				120	Suriname	3.8			
47	Brunei Darussalam	5.0				121	Nepal	3.8			
48	Botswana	5.0				122	Egypt	3.8			
49	Poland	5.0				123	Albania	3.8			
50	Turkey	5.0				124	Benin	3.8			
51	Latvia	5.0				125	Kyrgyz Republic	3.8			
52	India	4.9				126	Argentina	3.8			
53	Peru	4.9				127	Tanzania	3.7			
54	Lithuania	4.9				128	El Salvador	3.7			
55	Jordan	4.9				129	Lao PDR	3.7			
56	Kuwait	4.9				130	Ukraine	3.7			
57	Seychelles	4.8				131	Bolivia	3.7			
58	Ireland	4.8				132	Cameroon	3.7			
59	Iceland	4.8				133	Bangladesh	3.6			
60	Slovak Republic	4.8				134	Vietnam	3.4			
61	Portugal	4.8				135	Mongolia	3.4			
62	Swaziland	4.8				136	Lesotho	3.3			
63	Uruguay	4.8				137	Chad	3.2			
64	Czech Republic	4.8				138	Haiti	3.2			
65	Rwanda	4.7				139	Mali	3.1			
66	Guatemala	4.7				140	Guinea	3.1			
67	Bhutan	4.7				141	Algeria	3.0			
68	Morocco	4.7				142	Burundi	2.9			
69	Dominican Republic	4.7				143	Timor-Leste	2.8			
70	Malawi	4.7				144	Yemen	2.7			
71	Macedonia, FYR	4.7				145	Mauritania	2.7			
72	Zambia	4.6				146	Libya	2.6			
73	Gambia, The	4.6				147	Angola	2.3			
74	Indonesia	4.6				148	Myanmar	2.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.19 Efficacy of corporate boards

In your country, how would you characterize corporate governance by investors and boards of directors? [1 = management has little accountability to investors and boards; 7 = management is highly accountable to investors and boards] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7
1	South Africa	6.0				75	Dominican Republic	4.5			
2	New Zealand	5.9				76	Uruguay	4.5			
3	Norway	5.9				77	Benin	4.5			
4	Finland	5.8				78	Mexico	4.5			
5	Singapore	5.7				79	Malawi	4.5			
6	Sweden	5.7				80	Ecuador	4.4			
7	Australia	5.5				81	Swaziland	4.4			
8	Luxembourg	5.5				82	Slovak Republic	4.4			
9	Qatar	5.5				83	Namibia	4.4			
10	Netherlands	5.5				84	China	4.4			
11	Switzerland	5.4				85	Portugal	4.4			
12	Puerto Rico	5.4				86	Myanmar	4.4			
13	Malaysia	5.3				87	Madagascar	4.4			
14	Canada	5.3				88	Czech Republic	4.4			
15	United States	5.3				89	Albania	4.4			
16	Belgium	5.3				90	Sierra Leone	4.4			
17	Hong Kong SAR	5.3				91	Ghana	4.4			
18	France	5.3				92	Turkey	4.4			
19	Japan	5.3				93	Spain	4.3			
20	Denmark	5.2				94	Montenegro	4.3			
21	United Kingdom	5.2				95	Poland	4.3			
22	Germany	5.2				96	Armenia	4.3			
23	Sri Lanka	5.1				97	Macedonia, FYR	4.3			
24	United Arab Emirates	5.1				98	Russian Federation	4.3			
25	Guatemala	5.0				99	Liberia	4.3			
26	Mauritius	5.0				100	El Salvador	4.3			
27	Chile	5.0				101	Moldova	4.2			
28	Oman	5.0				102	Tanzania	4.2			
29	Iceland	5.0				103	Ukraine	4.2			
30	Ireland	5.0				104	Jordan	4.2			
31	Lithuania	5.0				105	Paraguay	4.2			
32	Barbados	5.0				106	Croatia	4.2			
33	Peru	5.0				107	Vietnam	4.2			
34	Taiwan, China	5.0				108	Nigeria	4.1			
35	Saudi Arabia	5.0				109	Georgia	4.1			
36	Estonia	5.0				110	Cyprus	4.1			
37	Austria	5.0				111	Bolivia	4.1			
38	Brunei Darussalam	4.9				112	Venezuela	4.1			
39	Rwanda	4.9				113	Mozambique	4.1			
40	Morocco	4.9				114	Lesotho	4.1			
41	Zambia	4.9				115	Suriname	4.1			
42	Seychelles	4.8				116	Trinidad and Tobago	4.1			
43	Gambia, The	4.8				117	Kuwait	4.1			
44	Brazil	4.8				118	Argentina	4.1			
45	Senegal	4.8				119	Iran, Islamic Rep.	4.0			
46	Côte d'Ivoire	4.8				120	Hungary	4.0			
47	Costa Rica	4.8				121	Cape Verde	4.0			
48	Philippines	4.8				122	Greece	4.0			
49	Gabon	4.8				123	Pakistan	4.0			
50	Botswana	4.8				124	Tunisia	4.0			
51	Indonesia	4.8				125	Nicaragua	4.0			
52	Latvia	4.8				126	Romania	4.0			
53	Kazakhstan	4.8				127	Bulgaria	4.0			
54	Colombia	4.8				128	Kyrgyz Republic	3.9			
55	Cameroon	4.8				129	Nepal	3.9			
56	Bahrain	4.7				130	Korea, Rep.	3.9			
57	Bhutan	4.7				131	Haiti	3.9			
58	Lao PDR	4.7				132	Burundi	3.9			
59	Bosnia and Herzegovina	4.7				133	Lebanon	3.9			
60	Zimbabwe	4.7				134	Bangladesh	3.9			
61	Jamaica	4.6				135	Slovenia	3.8			
62	Thailand	4.6				136	Mongolia	3.8			
63	Malta	4.6				137	Italy	3.8			
64	Burkina Faso	4.6				138	Serbia	3.7			
65	India	4.6				139	Ethiopia	3.7			
66	Azerbaijan	4.6				140	Timor-Leste	3.6			
67	Uganda	4.6				141	Egypt	3.6			
68	Israel	4.6				142	Mali	3.6			
69	Honduras	4.6				143	Algeria	3.5			
70	Panama	4.6				144	Yemen	3.5			
71	Guyana	4.6				145	Mauritania	3.2			
72	Guinea	4.5				146	Chad	3.2			
73	Cambodia	4.5				147	Libya	3.1			
74	Kenya	4.5				148	Angola	2.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	South Africa	6.2				75	China	4.1			
2	Finland	6.2				76	Colombia	4.1			
3	Qatar	6.0				77	Guatemala	4.0			
4	Puerto Rico	6.0				78	Macedonia, FYR	4.0			
5	New Zealand	5.9				79	Spain	4.0			
6	Norway	5.9				80	Hungary	4.0			
7	Hong Kong SAR	5.7				81	Cameroon	4.0			
8	Sweden	5.6				82	Kenya	4.0			
9	Luxembourg	5.5				83	Czech Republic	3.9			
10	Singapore	5.4				84	Azerbaijan	3.9			
11	Netherlands	5.4				85	Liberia	3.9			
12	Oman	5.3				86	Cambodia	3.9			
13	United Arab Emirates	5.2				87	Ethiopia	3.9			
14	Saudi Arabia	5.2				88	Latvia	3.9			
15	United Kingdom	5.2				89	Ecuador	3.9			
16	Canada	5.2				90	Honduras	3.9			
17	Bahrain	5.2				91	Guyana	3.9			
18	Malta	5.2				92	Lithuania	3.9			
19	Mauritius	5.2				93	Poland	3.9			
20	Japan	5.1				94	Bolivia	3.9			
21	Malaysia	5.1				95	Albania	3.8			
22	Austria	5.0				96	Senegal	3.8			
23	Sri Lanka	5.0				97	Egypt	3.8			
24	Australia	4.9				98	Cape Verde	3.8			
25	Taiwan, China	4.9				99	Bulgaria	3.8			
26	Brazil	4.9				100	Armenia	3.8			
27	United States	4.9				101	Nigeria	3.8			
28	Jordan	4.8				102	Gabon	3.7			
29	Germany	4.8				103	Sierra Leone	3.7			
30	Belgium	4.8				104	Iran, Islamic Rep.	3.7			
31	Rwanda	4.8				105	Guinea	3.7			
32	Ireland	4.7				106	Lebanon	3.7			
33	Panama	4.7				107	Mozambique	3.7			
34	Thailand	4.7				108	Mali	3.7			
35	Namibia	4.7				109	Slovak Republic	3.7			
36	Brunei Darussalam	4.7				110	Tanzania	3.7			
37	Zambia	4.7				111	Trinidad and Tobago	3.7			
38	Costa Rica	4.6				112	Mongolia	3.6			
39	Barbados	4.6				113	Nicaragua	3.6			
40	Denmark	4.6				114	Croatia	3.6			
41	Seychelles	4.6				115	Slovenia	3.6			
42	Uruguay	4.6				116	Burkina Faso	3.6			
43	Israel	4.5				117	Uganda	3.5			
44	Switzerland	4.5				118	Moldova	3.5			
45	Indonesia	4.5				119	Paraguay	3.5			
46	France	4.5				120	Lesotho	3.5			
47	Philippines	4.5				121	Kyrgyz Republic	3.5			
48	Cyprus	4.5				122	Madagascar	3.5			
49	Chile	4.5				123	Nepal	3.5			
50	Botswana	4.5				124	Korea, Rep.	3.5			
51	Jamaica	4.4				125	Georgia	3.4			
52	India	4.4				126	Vietnam	3.4			
53	Gambia, The	4.4				127	Benin	3.4			
54	Ghana	4.4				128	Romania	3.3			
55	Malawi	4.4				129	Argentina	3.3			
56	Mexico	4.4				130	Bosnia and Herzegovina	3.3			
57	Turkey	4.3				131	Venezuela	3.3			
58	Zimbabwe	4.3				132	Russian Federation	3.3			
59	Iceland	4.3				133	Italy	3.3			
60	Kuwait	4.3				134	Suriname	3.2			
61	Tunisia	4.3				135	Bangladesh	3.1			
62	Swaziland	4.3				136	Timor-Leste	3.1			
63	Morocco	4.2				137	Yemen	3.1			
64	Estonia	4.2				138	Algeria	3.0			
65	Portugal	4.2				139	El Salvador	3.0			
66	Dominican Republic	4.2				140	Myanmar	3.0			
67	Greece	4.2				141	Burundi	3.0			
68	Peru	4.2				142	Mauritania	2.9			
69	Côte d'Ivoire	4.2				143	Haiti	2.8			
70	Montenegro	4.1				144	Serbia	2.7			
71	Lao PDR	4.1				145	Angola	2.7			
72	Bhutan	4.1				146	Ukraine	2.7			
73	Pakistan	4.1				147	Libya	2.6			
74	Kazakhstan	4.1				148	Chad	2.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 1.21 Strength of investor protection

Strength of Investor Protection Index on a 0–10 (best) scale | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	New Zealand	9.7	69	Guyana	5.3
2	Singapore	9.3	69	Jamaica	5.3
3	Hong Kong SAR	9.0	69	Malawi	5.3
4	Canada	8.7	69	Moldova	5.3
4	Malaysia	8.7	69	Namibia	5.3
6	Colombia	8.3	69	Nepal	5.3
6	Ireland	8.3	69	Panama	5.3
6	Israel	8.3	69	Serbia	5.3
6	United States	8.3	69	Zambia	5.3
10	Kazakhstan	8.0	84	Austria	5.0
10	South Africa	8.0	84	Bosnia and Herzegovina	5.0
10	United Kingdom	8.0	84	China	5.0
13	Kyrgyz Republic	7.7	84	Czech Republic	5.0
13	Mauritius	7.7	84	Dominican Republic	5.0
13	Peru	7.7	84	Germany	5.0
13	Thailand	7.7	84	Kenya	5.0
17	Albania	7.3	84	Lebanon	5.0
17	Slovenia	7.3	84	Lesotho	5.0
19	Belgium	7.0	84	Morocco	5.0
19	Georgia	7.0	84	Nicaragua	5.0
19	Japan	7.0	84	Oman	5.0
19	Macedonia, FYR	7.0	84	Qatar	5.0
19	Puerto Rico	7.0	84	Spain	5.0
19	Saudi Arabia	7.0	84	Tanzania	5.0
25	Armenia	6.7	84	Uruguay	5.0
25	Azerbaijan	6.7	100	Argentina	4.7
25	Bangladesh	6.7	100	Brunei Darussalam	4.7
25	Mongolia	6.7	100	Greece	4.7
25	Norway	6.7	100	Netherlands	4.7
25	Trinidad and Tobago	6.7	100	Russian Federation	4.7
31	Chile	6.3	100	Slovak Republic	4.7
31	Cyprus	6.3	100	Ukraine	4.7
31	Denmark	6.3	107	Cameroon	4.3
31	Kuwait	6.3	107	Ethiopia	4.3
31	Montenegro	6.3	107	Hungary	4.3
31	Pakistan	6.3	107	Jordan	4.3
31	Rwanda	6.3	107	Luxembourg	4.3
31	Sierra Leone	6.3	107	Philippines	4.3
31	Sweden	6.3	107	Swaziland	4.3
31	Taiwan, China	6.3	107	United Arab Emirates	4.3
41	Botswana	6.0	107	Zimbabwe	4.3
41	Bulgaria	6.0	116	Bolivia	4.0
41	Burundi	6.0	116	Cape Verde	4.0
41	Ghana	6.0	116	Croatia	4.0
41	Iceland	6.0	116	Ecuador	4.0
41	India	6.0	116	Timor-Leste	4.0
41	Indonesia	6.0	116	Uganda	4.0
41	Italy	6.0	116	Yemen	4.0
41	Korea, Rep.	6.0	123	Bhutan	3.7
41	Mexico	6.0	123	Burkina Faso	3.7
41	Mozambique	6.0	123	Iran, Islamic Rep.	3.7
41	Poland	6.0	123	Liberia	3.7
41	Portugal	6.0	123	Mali	3.7
41	Romania	6.0	123	Mauritania	3.7
41	Sri Lanka	6.0	129	Benin	3.3
41	Tunisia	6.0	129	Chad	3.3
57	Angola	5.7	129	Côte d'Ivoire	3.3
57	Australia	5.7	129	Gabon	3.3
57	Estonia	5.7	129	Guatemala	3.3
57	Finland	5.7	134	Barbados	3.0
57	Latvia	5.7	134	Costa Rica	3.0
57	Lithuania	5.7	134	El Salvador	3.0
57	Madagascar	5.7	134	Haiti	3.0
57	Malta	5.7	134	Honduras	3.0
57	Nigeria	5.7	134	Senegal	3.0
57	Paraguay	5.7	134	Switzerland	3.0
57	Seychelles	5.7	134	Vietnam	3.0
57	Turkey	5.7	142	Gambia, The	2.7
69	Algeria	5.3	142	Guinea	2.7
69	Bahrain	5.3	144	Venezuela	2.3
69	Brazil	5.3	145	Suriname	2.0
69	Cambodia	5.3	146	Lao PDR	1.7
69	Egypt	5.3	n/a	Libya	n/a
69	France	5.3	n/a	Myanmar	n/a

SOURCE: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*

# Pillar 2

## Infrastructure

## 2.01 Quality of overall infrastructure

How would you assess general infrastructure (e.g., transport, telephony, and energy) in your country? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7
1	Switzerland	6.6				75	Ecuador	4.2			
2	Hong Kong SAR	6.5				76	Iran, Islamic Rep.	4.2			
3	Finland	6.5				77	Jamaica	4.2			
4	United Arab Emirates	6.4				78	Botswana	4.2			
5	Singapore	6.4				79	Suriname	4.1			
6	France	6.3				80	Tunisia	4.1			
7	Iceland	6.3				81	Slovak Republic	4.1			
8	Austria	6.2				82	Indonesia	4.0			
9	Netherlands	6.2				83	Guyana	4.0			
10	Germany	6.2				84	Poland	4.0			
11	Portugal	6.1				85	India	3.9			
12	Spain	6.0				86	Cambodia	3.9			
13	Luxembourg	6.0				87	Macedonia, FYR	3.9			
14	Japan	6.0				88	Uruguay	3.9			
15	Canada	5.8				89	Algeria	3.8			
16	Belgium	5.8				90	Ghana	3.8			
17	Oman	5.8				91	Montenegro	3.8			
18	Denmark	5.7				92	Albania	3.8			
19	United States	5.7				93	Russian Federation	3.8			
20	Bahrain	5.7				94	Zambia	3.8			
21	Sweden	5.7				95	Mali	3.8			
22	Saudi Arabia	5.7				96	Côte d'Ivoire	3.8			
23	Korea, Rep.	5.6				97	Costa Rica	3.8			
24	Barbados	5.6				98	Philippines	3.7			
25	Malaysia	5.5				99	Dominican Republic	3.7			
26	Taiwan, China	5.5				100	Cape Verde	3.6			
27	Qatar	5.4				101	Peru	3.6			
28	United Kingdom	5.4				102	Bulgaria	3.5			
29	Norway	5.3				103	Liberia	3.5			
30	Panama	5.2				104	Nicaragua	3.5			
31	Slovenia	5.2				105	Moldova	3.5			
32	Namibia	5.2				106	Romania	3.4			
33	Estonia	5.2				107	Bolivia	3.4			
34	Australia	5.2				108	Kyrgyz Republic	3.4			
35	Ireland	5.2				109	Lesotho	3.4			
36	Malta	5.2				110	Vietnam	3.4			
37	Czech Republic	5.1				111	Uganda	3.4			
38	Jordan	5.1				112	Ethiopia	3.4			
39	Brunei Darussalam	5.1				113	Senegal	3.4			
40	Cyprus	5.1				114	Brazil	3.4			
41	Turkey	5.1				115	Serbia	3.4			
42	Croatia	5.1				116	Honduras	3.3			
43	New Zealand	5.1				117	Colombia	3.3			
44	Lithuania	5.1				118	Egypt	3.3			
45	Chile	5.0				119	Pakistan	3.3			
46	Puerto Rico	5.0				120	Argentina	3.2			
47	Bhutan	4.9				121	Malawi	3.2			
48	Morocco	4.9				122	Zimbabwe	3.2			
49	Hungary	4.9				123	Madagascar	3.2			
50	Latvia	4.9				124	Tanzania	3.2			
51	Israel	4.8				125	Sierra Leone	3.1			
52	Mauritius	4.8				126	Mozambique	3.1			
53	Italy	4.8				127	Bosnia and Herzegovina	3.1			
54	Sri Lanka	4.8				128	Cameroon	3.1			
55	Azerbaijan	4.7				129	Nigeria	3.0			
56	Seychelles	4.7				130	Gabon	2.9			
57	Trinidad and Tobago	4.7				131	Timor-Leste	2.9			
58	Georgia	4.6				132	Nepal	2.9			
59	Kuwait	4.6				133	Mongolia	2.8			
60	Greece	4.5				134	Bangladesh	2.8			
61	Thailand	4.5				135	Benin	2.8			
62	Rwanda	4.5				136	Yemen	2.6			
63	South Africa	4.5				137	Venezuela	2.6			
64	Kazakhstan	4.5				138	Mauritania	2.6			
65	Lao PDR	4.4				139	Paraguay	2.6			
66	Mexico	4.4				140	Burkina Faso	2.5			
67	Armenia	4.4				141	Burundi	2.5			
68	Kenya	4.4				142	Lebanon	2.3			
69	Guatemala	4.4				143	Chad	2.3			
70	Ukraine	4.4				144	Libya	2.3			
71	Swaziland	4.3				145	Haiti	2.2			
72	El Salvador	4.3				146	Myanmar	2.1			
73	Gambia, The	4.3				147	Guinea	2.1			
74	China	4.3				148	Angola	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey



## 2.02 Quality of roads

In your country, how would you assess the following aspects of transport infrastructure? (a) Roads [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7
1	United Arab Emirates.....	6.6				75	Trinidad and Tobago.....	3.9			
2	France.....	6.4				76	Albania.....	3.9			
3	Oman.....	6.4				77	Tunisia.....	3.8			
4	Portugal.....	6.3				78	Indonesia.....	3.7			
5	Hong Kong SAR.....	6.2				79	Nicaragua.....	3.7			
6	Austria.....	6.2				80	Cambodia.....	3.7			
7	Singapore.....	6.2				81	Czech Republic.....	3.7			
8	Switzerland.....	6.2				82	Armenia.....	3.7			
9	Finland.....	6.1				83	Norway.....	3.7			
10	Netherlands.....	6.0				84	India.....	3.6			
11	Germany.....	6.0				85	Slovak Republic.....	3.6			
12	Japan.....	6.0				86	Jamaica.....	3.6			
13	Spain.....	6.0				87	Philippines.....	3.6			
14	Taiwan, China.....	5.9				88	Uruguay.....	3.5			
15	Korea, Rep.....	5.8				89	Mali.....	3.5			
16	Luxembourg.....	5.8				90	Guatemala.....	3.4			
17	Saudi Arabia.....	5.8				91	Malta.....	3.4			
18	United States.....	5.7				92	Bolivia.....	3.4			
19	Canada.....	5.6				93	Guyana.....	3.4			
20	Sweden.....	5.5				94	Zambia.....	3.4			
21	Croatia.....	5.5				95	Montenegro.....	3.3			
22	Denmark.....	5.5				96	Malawi.....	3.3			
23	Malaysia.....	5.4				97	Senegal.....	3.3			
24	Bahrain.....	5.4				98	Peru.....	3.3			
25	Cyprus.....	5.4				99	Algeria.....	3.3			
26	Belgium.....	5.4				100	Zimbabwe.....	3.3			
27	Chile.....	5.4				101	Côte d'Ivoire.....	3.2			
28	United Kingdom.....	5.3				102	Vietnam.....	3.1			
29	Ireland.....	5.3				103	Argentina.....	3.1			
30	Namibia.....	5.3				104	Bosnia and Herzegovina.....	3.1			
31	Puerto Rico.....	5.1				105	Poland.....	3.0			
32	Slovenia.....	5.1				106	Uganda.....	3.0			
33	Barbados.....	5.1				107	Sierra Leone.....	3.0			
34	Lithuania.....	5.0				108	Burundi.....	3.0			
35	Brunei Darussalam.....	5.0				109	Tanzania.....	3.0			
36	Iceland.....	5.0				110	Latvia.....	3.0			
37	New Zealand.....	5.0				111	Macedonia, FYR.....	3.0			
38	Qatar.....	5.0				112	Bulgaria.....	2.9			
39	Israel.....	5.0				113	Liberia.....	2.9			
40	Australia.....	4.9				114	Honduras.....	2.9			
41	South Africa.....	4.9				115	Lesotho.....	2.9			
42	Thailand.....	4.9				116	Cameroon.....	2.8			
43	Swaziland.....	4.9				117	Kazakhstan.....	2.8			
44	Turkey.....	4.9				118	Bangladesh.....	2.8			
45	Kuwait.....	4.8				119	Serbia.....	2.8			
46	Jordan.....	4.8				120	Brazil.....	2.8			
47	Rwanda.....	4.8				121	Benin.....	2.8			
48	Panama.....	4.8				122	Egypt.....	2.7			
49	Sri Lanka.....	4.7				123	Lebanon.....	2.7			
50	Ecuador.....	4.6				124	Mauritania.....	2.7			
51	Mexico.....	4.6				125	Costa Rica.....	2.7			
52	Mauritius.....	4.5				126	Nepal.....	2.7			
53	Morocco.....	4.5				127	Nigeria.....	2.7			
54	China.....	4.5				128	Venezuela.....	2.6			
55	Italy.....	4.4				129	Madagascar.....	2.6			
56	Seychelles.....	4.3				130	Colombia.....	2.6			
57	Bhutan.....	4.3				131	Burkina Faso.....	2.6			
58	El Salvador.....	4.3				132	Paraguay.....	2.5			
59	Botswana.....	4.3				133	Kyrgyz Republic.....	2.5			
60	Georgia.....	4.2				134	Libya.....	2.5			
61	Gambia, The.....	4.2				135	Chad.....	2.5			
62	Dominican Republic.....	4.2				136	Russian Federation.....	2.5			
63	Greece.....	4.2				137	Yemen.....	2.4			
64	Estonia.....	4.2				138	Myanmar.....	2.4			
65	Lao PDR.....	4.2				139	Angola.....	2.4			
66	Iran, Islamic Rep.....	4.1				140	Gabon.....	2.3			
67	Kenya.....	4.1				141	Mongolia.....	2.3			
68	Cape Verde.....	4.1				142	Mozambique.....	2.3			
69	Ethiopia.....	4.1				143	Haiti.....	2.2			
70	Ghana.....	4.1				144	Ukraine.....	2.1			
71	Suriname.....	4.0				145	Romania.....	2.1			
72	Pakistan.....	4.0				146	Timor-Leste.....	2.0			
73	Hungary.....	4.0				147	Guinea.....	1.9			
74	Azerbaijan.....	4.0				148	Moldova.....	1.7			

SOURCE: World Economic Forum, Executive Opinion Survey

## 2.03 Quality of railroad infrastructure

In your country, how would you assess the following aspects of transport infrastructure? (b) Railroad system [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.2	7
1	Japan	6.7			
2	Switzerland	6.6			
3	Hong Kong SAR	6.5			
4	France	6.3			
5	Spain	5.9			
6	Finland	5.9			
7	Germany	5.7			
8	Korea, Rep.	5.7			
9	Taiwan, China	5.7			
10	Singapore	5.6			
11	Netherlands	5.5			
12	Austria	5.2			
13	Luxembourg	5.0			
14	United Kingdom	5.0			
15	Belgium	5.0			
16	Canada	5.0			
17	United States	4.9			
18	Malaysia	4.8			
19	India	4.8			
20	China	4.7			
21	Lithuania	4.7			
22	Czech Republic	4.6			
23	Sweden	4.6			
24	Denmark	4.5			
25	Ukraine	4.5			
26	Portugal	4.4			
27	Kazakhstan	4.4			
28	Slovak Republic	4.3			
29	Italy	4.2			
30	Panama	4.2			
31	Russian Federation	4.2			
32	Latvia	4.2			
33	Australia	4.1			
34	Ireland	4.1			
35	Georgia	3.9			
36	Azerbaijan	3.9			
37	Morocco	3.9			
38	Swaziland	3.7			
39	New Zealand	3.7			
40	Sri Lanka	3.6			
41	Hungary	3.6			
42	Estonia	3.6			
43	Norway	3.6			
44	Indonesia	3.5			
45	Namibia	3.5			
46	Iran, Islamic Rep.	3.5			
47	Saudi Arabia	3.4			
48	South Africa	3.4			
49	Tunisia	3.4			
50	Slovenia	3.2			
51	Israel	3.2			
52	Turkey	3.1			
53	Croatia	3.1			
54	Bulgaria	3.1			
55	Bosnia and Herzegovina	3.0			
56	Montenegro	3.0			
57	Ecuador	3.0			
58	Vietnam	3.0			
59	Botswana	2.9			
60	Mexico	2.8			
61	Bolivia	2.8			
62	Nicaragua	2.8			
63	Egypt	2.7			
64	Greece	2.7			
65	Chile	2.7			
66	Mongolia	2.6			
67	Dominican Republic	2.6			
68	Moldova	2.6			
69	Armenia	2.6			
70	Poland	2.6			
71	Puerto Rico	2.6			
72	Thailand	2.6			
73	El Salvador	2.5			
74	Kenya	2.5			
75	Pakistan	2.5			
76	Kyrgyz Republic	2.5			
77	Cameroon	2.5			
78	Bangladesh	2.4			
79	Guyana	2.4			
80	Gabon	2.4			
81	Mali	2.4			
82	Romania	2.3			
83	Algeria	2.3			
84	Zimbabwe	2.3			
85	Côte d'Ivoire	2.1			
86	Ghana	2.1			
87	Zambia	2.1			
88	Mozambique	2.1			
89	Philippines	2.1			
90	Jordan	2.0			
91	Cambodia	2.0			
92	Mauritania	2.0			
93	Tanzania	2.0			
94	Madagascar	2.0			
95	Serbia	2.0			
96	Liberia	2.0			
97	Malawi	1.9			
98	Senegal	1.9			
99	Macedonia, FYR	1.9			
100	Burkina Faso	1.8			
101	Nigeria	1.8			
102	Peru	1.8			
103	Brazil	1.8			
104	Myanmar	1.8			
105	Costa Rica	1.7			
106	Argentina	1.7			
107	Angola	1.7			
108	Suriname	1.7			
109	Venezuela	1.6			
110	Uganda	1.5			
111	Ethiopia	1.5			
112	Sierra Leone	1.5			
113	Colombia	1.5			
114	Guinea	1.4			
115	Benin	1.4			
116	Jamaica	1.3			
117	Uruguay	1.2			
118	Albania	1.2			
119	Guatemala	1.2			
120	Honduras	1.1			
121	Nepal	1.1			
n/a	Bahrain	N/Appl.			
n/a	Barbados	N/Appl.			
n/a	Bhutan	N/Appl.			
n/a	Brunei Darussalam	N/Appl.			
n/a	Burundi	N/Appl.			
n/a	Cape Verde	N/Appl.			
n/a	Chad	N/Appl.			
n/a	Cyprus	N/Appl.			
n/a	Gambia, The	N/Appl.			
n/a	Haiti	N/Appl.			
n/a	Iceland	N/Appl.			
n/a	Kuwait	N/Appl.			
n/a	Lao PDR	N/Appl.			
n/a	Lebanon	N/Appl.			
n/a	Lesotho	N/Appl.			
n/a	Libya	N/Appl.			
n/a	Malta	N/Appl.			
n/a	Mauritius	N/Appl.			
n/a	Oman	N/Appl.			
n/a	Paraguay	N/Appl.			
n/a	Qatar	N/Appl.			
n/a	Rwanda	N/Appl.			
n/a	Seychelles	N/Appl.			
n/a	Timor-Leste	N/Appl.			
n/a	Trinidad and Tobago	N/Appl.			
n/a	United Arab Emirates	N/Appl.			
n/a	Yemen	N/Appl.			

SOURCE: World Economic Forum, Executive Opinion Survey

NOTE: N/Appl. is used for economies where the railroad network totals less than 50 km.

## 2.04 Quality of port infrastructure

In your country, how would you assess the following aspects of transport infrastructure? (d) Seaport facilities [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] For landlocked countries: How accessible are seaport facilities? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	Netherlands	6.8				75	Trinidad and Tobago	4.1			
2	Singapore	6.8				76	Zimbabwe <sup>1</sup>	4.1			
3	Hong Kong SAR	6.6				77	Guatemala	4.1			
4	United Arab Emirates	6.4				78	Kenya	4.1			
5	Finland	6.4				79	Iran, Islamic Rep.	4.1			
6	Panama	6.4				80	Egypt	4.1			
7	Belgium	6.3				81	Cambodia	4.0			
8	Iceland	6.0				82	Tunisia	4.0			
9	Germany	5.8				83	Mali <sup>1</sup>	4.0			
10	Sweden	5.8				84	Hungary <sup>1</sup>	3.9			
11	Bahrain	5.8				85	Bulgaria	3.9			
12	Spain	5.8				86	Montenegro	3.9			
13	Malta	5.8				87	Honduras	3.9			
14	Denmark	5.7				88	Russian Federation	3.9			
15	United Kingdom	5.7				89	Indonesia	3.9			
16	United States	5.7				90	Israel	3.8			
17	Estonia	5.6				91	Cape Verde	3.8			
18	Barbados	5.6				92	Macedonia, FYR <sup>1</sup>	3.8			
19	New Zealand	5.5				93	Peru	3.7			
20	Canada	5.5				94	Ukraine	3.7			
21	Korea, Rep.	5.5				95	Benin	3.7			
22	Norway	5.5				96	Slovak Republic <sup>1</sup>	3.7			
23	Oman	5.5				97	Poland	3.7			
24	Malaysia	5.4				98	Vietnam	3.7			
25	France	5.4				99	Argentina	3.7			
26	Luxembourg <sup>1</sup>	5.4				100	Cameroon	3.7			
27	Namibia	5.3				101	Sierra Leone	3.6			
28	Puerto Rico	5.3				102	Botswana <sup>1</sup>	3.6			
29	Taiwan, China	5.3				103	Rwanda <sup>1</sup>	3.6			
30	Japan	5.2				104	Bangladesh	3.5			
31	Qatar	5.2				105	Madagascar	3.5			
32	Chile	5.2				106	Burkina Faso <sup>1</sup>	3.5			
33	Ireland	5.2				107	Mozambique	3.5			
34	Portugal	5.2				108	Zambia <sup>1</sup>	3.5			
35	Lithuania	5.1				109	Albania	3.5			
36	Saudi Arabia	5.1				110	Colombia	3.5			
37	Latvia	5.1				111	Nicaragua	3.5			
38	Slovenia	5.1				112	Nigeria	3.4			
39	Jamaica	5.1				113	Guyana	3.4			
40	Switzerland <sup>1</sup>	5.0				114	Uganda <sup>1</sup>	3.4			
41	Morocco	5.0				115	Paraguay <sup>1</sup>	3.4			
42	Australia	5.0				116	Philippines	3.4			
43	Suriname	4.9				117	Liberia	3.4			
44	Mauritius	4.9				118	Malawi <sup>1</sup>	3.3			
45	Seychelles	4.9				119	Guinea	3.2			
46	Cyprus	4.8				120	Tanzania	3.2			
47	Senegal	4.8				121	Ethiopia <sup>1</sup>	3.1			
48	Austria <sup>1</sup>	4.7				122	Armenia <sup>1</sup>	3.0			
49	Brunei Darussalam	4.7				123	Romania	3.0			
50	Uruguay	4.7				124	Libya	3.0			
51	South Africa	4.7				125	Angola	2.9			
52	Dominican Republic	4.6				126	Mauritania	2.9			
53	Gambia, The	4.6				127	Lesotho <sup>1</sup>	2.9			
54	Côte d'Ivoire	4.5				128	Costa Rica	2.9			
55	Pakistan	4.5				129	Yemen	2.9			
56	Thailand	4.5				130	Burundi <sup>1</sup>	2.8			
57	Greece	4.5				131	Brazil	2.7			
58	Jordan	4.5				132	Algeria	2.7			
59	China	4.5				133	Gabon	2.7			
60	Azerbaijan <sup>1</sup>	4.5				134	Nepal <sup>1</sup>	2.7			
61	Czech Republic <sup>1</sup>	4.4				135	Kazakhstan <sup>1</sup>	2.7			
62	Mexico	4.4				136	Myanmar	2.6			
63	Turkey	4.3				137	Lao PDR <sup>1</sup>	2.6			
64	Lebanon	4.3				138	Moldova <sup>1</sup>	2.6			
65	Croatia	4.3				139	Serbia <sup>1</sup>	2.6			
66	Swaziland <sup>1</sup>	4.3				140	Mongolia <sup>1</sup>	2.6			
67	Italy	4.3				141	Venezuela	2.5			
68	Georgia	4.2				142	Bolivia <sup>1</sup>	2.5			
69	Ecuador	4.2				143	Chad <sup>1</sup>	2.5			
70	India	4.2				144	Haiti	2.4			
71	Ghana	4.2				145	Timor-Leste	2.4			
72	El Salvador	4.2				146	Bhutan <sup>1</sup>	2.2			
73	Sri Lanka	4.2				147	Bosnia and Herzegovina	1.8			
74	Kuwait	4.1				148	Kyrgyz Republic <sup>1</sup>	1.3			

SOURCE: World Economic Forum, Executive Opinion Survey

<sup>1</sup> Landlocked

## 2.05 Quality of air transport infrastructure

In your country, how would you assess the following aspects of transport infrastructure? (c) Air transport infrastructure [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.4	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.4	7
1	Singapore .....	6.8				75	Lithuania .....	4.3			
2	Hong Kong SAR .....	6.7				76	Lao PDR .....	4.3			
3	United Arab Emirates .....	6.7				77	Albania .....	4.3			
4	Netherlands .....	6.5				78	Macedonia, FYR .....	4.3			
5	Panama .....	6.3				79	Ghana .....	4.3			
6	Finland .....	6.2				80	Rwanda .....	4.3			
7	Switzerland .....	6.2				81	Uruguay .....	4.3			
8	Germany .....	6.1				82	Montenegro .....	4.2			
9	Norway .....	6.1				83	Bulgaria .....	4.2			
10	France .....	6.1				84	Georgia .....	4.2			
11	South Africa .....	6.1				85	Peru .....	4.2			
12	Spain .....	6.0				86	Mali .....	4.1			
13	Iceland .....	6.0				87	Estonia .....	4.1			
14	Qatar .....	6.0				88	Pakistan .....	4.1			
15	Barbados .....	6.0				89	Kazakhstan .....	4.1			
16	Belgium .....	6.0				90	Cambodia .....	4.1			
17	New Zealand .....	6.0				91	Côte d'Ivoire .....	4.1			
18	United States .....	5.9				92	Vietnam .....	4.0			
19	Canada .....	5.9				93	Kuwait .....	4.0			
20	Malaysia .....	5.8				94	Botswana .....	4.0			
21	Czech Republic .....	5.8				95	Cape Verde .....	4.0			
22	Korea, Rep. ....	5.8				96	Colombia .....	4.0			
23	Malta .....	5.7				97	Honduras .....	4.0			
24	Sweden .....	5.7				98	Swaziland .....	4.0			
25	Bahrain .....	5.6				99	Nicaragua .....	3.9			
26	Denmark .....	5.6				100	Guyana .....	3.9			
27	Portugal .....	5.6				101	Hungary .....	3.9			
28	United Kingdom .....	5.6				102	Russian Federation .....	3.9			
29	Luxembourg .....	5.6				103	Poland .....	3.9			
30	Australia .....	5.6				104	Suriname .....	3.9			
31	Ireland .....	5.6				105	Ukraine .....	3.8			
32	Puerto Rico .....	5.5				106	Madagascar .....	3.6			
33	Turkey .....	5.5				107	Uganda .....	3.6			
34	Thailand .....	5.5				108	Nigeria .....	3.6			
35	Oman .....	5.5				109	Mozambique .....	3.6			
36	Jordan .....	5.5				110	Gabon .....	3.6			
37	Japan .....	5.4				111	Argentina .....	3.6			
38	Saudi Arabia .....	5.4				112	Cameroon .....	3.5			
39	Austria .....	5.4				113	Philippines .....	3.5			
40	Latvia .....	5.4				114	Zambia .....	3.5			
41	Taiwan, China .....	5.4				115	Bhutan .....	3.5			
42	Ethiopia .....	5.3				116	Moldova .....	3.5			
43	Cyprus .....	5.3				117	Bolivia .....	3.5			
44	Greece .....	5.3				118	Angola .....	3.4			
45	Jamaica .....	5.2				119	Romania .....	3.4			
46	Chile .....	5.2				120	Zimbabwe .....	3.3			
47	Dominican Republic .....	5.2				121	Serbia .....	3.3			
48	Azerbaijan .....	5.1				122	Iran, Islamic Rep. ....	3.3			
49	Morocco .....	5.0				123	Brazil .....	3.3			
50	Mauritius .....	5.0				124	Slovak Republic .....	3.2			
51	Trinidad and Tobago .....	5.0				125	Bangladesh .....	3.2			
52	Israel .....	5.0				126	Mongolia .....	3.2			
53	Lebanon .....	4.9				127	Liberia .....	3.1			
54	Seychelles .....	4.8				128	Kyrgyz Republic .....	3.1			
55	Brunei Darussalam .....	4.8				129	Burkina Faso .....	3.1			
56	El Salvador .....	4.8				130	Guinea .....	3.0			
57	Costa Rica .....	4.8				131	Nepal .....	3.0			
58	Namibia .....	4.8				132	Algeria .....	3.0			
59	Egypt .....	4.8				133	Benin .....	3.0			
60	Sri Lanka .....	4.8				134	Tanzania .....	3.0			
61	India .....	4.8				135	Venezuela .....	3.0			
62	Kenya .....	4.7				136	Libya .....	2.9			
63	Gambia, The .....	4.7				137	Malawi .....	2.9			
64	Mexico .....	4.7				138	Sierra Leone .....	2.8			
65	China .....	4.5				139	Haiti .....	2.7			
66	Armenia .....	4.5				140	Yemen .....	2.7			
67	Tunisia .....	4.5				141	Paraguay .....	2.7			
68	Indonesia .....	4.5				142	Burundi .....	2.7			
69	Senegal .....	4.5				143	Timor-Leste .....	2.5			
70	Ecuador .....	4.5				144	Mauritania .....	2.3			
71	Guatemala .....	4.5				145	Lesotho .....	2.3			
72	Croatia .....	4.4				146	Myanmar .....	2.2			
73	Italy .....	4.4				147	Chad .....	2.1			
74	Slovenia .....	4.3				148	Bosnia and Herzegovina .....	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey

## 2.06 Available airline seat kilometers

Scheduled available airline seat kilometers per week originating in country (in millions) | 2013

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	United States .....	32,852.2		75	Costa Rica.....	136.3	
2	China .....	12,672.0		76	Iceland.....	123.3	
3	United Kingdom.....	6,326.3		77	Hungary.....	122.5	
4	Japan .....	5,425.2		78	Angola .....	117.8	
5	Germany.....	4,663.0		79	Ghana.....	106.5	
6	Australia.....	4,334.3		80	Bulgaria .....	104.0	
7	United Arab Emirates.....	4,198.9		81	Senegal .....	100.8	
8	France .....	3,820.6		82	El Salvador.....	95.4	
9	Brazil.....	3,780.6		83	Nepal.....	90.1	
10	Spain .....	3,552.0		84	Azerbaijan.....	88.4	
11	Russian Federation .....	3,506.5		85	Croatia.....	86.0	
12	Canada.....	3,364.6		86	Tanzania .....	83.2	
13	India.....	3,288.0		87	Libya.....	82.1	
14	Thailand.....	2,464.2		88	Cambodia.....	75.4	
15	Indonesia .....	2,435.0		89	Latvia .....	72.5	
16	Singapore .....	2,378.3		90	Serbia.....	72.1	
17	Hong Kong SAR.....	2,371.9		91	Barbados.....	71.4	
18	Italy.....	2,261.7		92	Bolivia.....	70.4	
19	Korea, Rep. ....	2,167.4		93	Malta .....	70.3	
20	Turkey.....	2,081.9		94	Myanmar.....	69.8	
21	Mexico .....	1,849.4		95	Trinidad and Tobago.....	61.4	
22	Netherlands .....	1,759.5		96	Kyrgyz Republic.....	58.4	
23	Malaysia.....	1,683.0		97	Lithuania .....	51.3	
24	Saudi Arabia .....	1,201.1		98	Cameroon.....	50.2	
25	South Africa .....	1,088.5		99	Uruguay .....	47.4	
26	Philippines .....	1,036.1		100	Brunei Darussalam.....	47.2	
27	Taiwan, China.....	1,033.1		101	Madagascar.....	45.2	
28	Qatar .....	1,007.3		102	Côte d'Ivoire .....	44.2	
29	Switzerland .....	945.8		103	Uganda.....	43.7	
30	Argentina .....	808.3		104	Zambia .....	43.5	
31	Portugal .....	746.9		105	Guatemala .....	43.4	
32	Vietnam .....	734.0		106	Armenia .....	43.4	
33	Egypt.....	710.5		107	Cape Verde .....	40.4	
34	New Zealand .....	693.6		108	Yemen .....	39.8	
35	Chile .....	570.8		109	Georgia.....	39.3	
36	Norway .....	565.2		110	Mozambique.....	34.5	
37	Belgium .....	557.0		111	Namibia .....	31.0	
38	Greece.....	542.0		112	Mongolia.....	29.9	
39	Colombia .....	527.6		113	Gabon .....	28.6	
40	Peru.....	513.2		114	Suriname .....	28.1	
41	Israel .....	502.4		115	Seychelles.....	27.2	
42	Sweden .....	497.0		116	Honduras.....	26.5	
43	Denmark.....	463.8		117	Slovak Republic .....	26.4	
44	Ireland.....	438.9		118	Luxembourg .....	25.3	
45	Austria .....	416.1		119	Albania.....	24.2	
46	Pakistan.....	409.4		120	Haiti .....	23.4	
47	Morocco .....	408.2		121	Lao PDR .....	22.1	
48	Finland .....	392.6		122	Paraguay .....	21.7	
49	Dominican Republic .....	386.4		123	Montenegro .....	21.6	
50	Poland .....	342.1		124	Estonia.....	21.6	
51	Panama .....	340.2		125	Nicaragua .....	21.0	
52	Nigeria .....	285.3		126	Mali.....	20.7	
53	Sri Lanka .....	271.6		127	Benin .....	20.2	
54	Kenya .....	264.2		128	Moldova.....	18.9	
55	Venezuela.....	262.5		129	Burkina Faso.....	17.9	
56	Iran, Islamic Rep. ....	261.1		130	Slovenia.....	16.4	
57	Ethiopia.....	253.6		131	Rwanda .....	15.3	
58	Ukraine .....	236.2		132	Gambia, The.....	14.5	
59	Kazakhstan .....	234.1		133	Macedonia, FYR.....	13.1	
60	Kuwait .....	230.9		134	Zimbabwe.....	12.5	
61	Puerto Rico.....	223.0		135	Guyana .....	11.0	
62	Bangladesh.....	203.2		136	Mauritania.....	11.0	
63	Oman .....	201.6		137	Guinea.....	9.4	
64	Czech Republic .....	194.6		138	Sierra Leone .....	8.4	
65	Algeria .....	183.9		139	Chad.....	7.7	
66	Jordan .....	181.6		140	Bosnia and Herzegovina.....	7.6	
67	Romania .....	176.3		141	Botswana .....	6.9	
68	Bahrain .....	174.8		142	Malawi .....	5.9	
69	Cyprus.....	173.4		143	Liberia.....	5.0	
70	Ecuador.....	166.6		144	Timor-Leste .....	4.5	
71	Tunisia .....	163.8		145	Burundi.....	2.6	
72	Mauritius .....	162.7		146	Bhutan.....	2.2	
73	Lebanon .....	148.8		147	Swaziland .....	0.3	
74	Jamaica.....	139.1		148	Lesotho .....	0.3	

SOURCE: International Air Transport Association, SRS Analyser

## 2.07 Quality of electricity supply

In your country, how would you assess the reliability of the electricity supply (lack of interruptions and lack of voltage fluctuations)? [1 = not reliable at all; 7 = extremely reliable] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7
1	Hong Kong SAR	6.8				75	Azerbaijan	4.8			
2	Switzerland	6.8				76	Brazil	4.8			
3	Netherlands	6.7				77	Turkey	4.8			
4	Austria	6.7				78	Kazakhstan	4.8			
5	Finland	6.7				79	Ukraine	4.7			
6	Denmark	6.7				80	El Salvador	4.7			
7	Iceland	6.7				81	Mexico	4.7			
8	Singapore	6.7				82	Montenegro	4.5			
9	United Kingdom	6.7				83	Russian Federation	4.5			
10	France	6.6				84	Ecuador	4.5			
11	Norway	6.6				85	Albania	4.5			
12	Luxembourg	6.6				86	Jamaica	4.4			
13	Qatar	6.6				87	Moldova	4.3			
14	Sweden	6.5				88	Romania	4.3			
15	Bosnia and Herzegovina	6.5				89	Indonesia	4.3			
16	Canada	6.5				90	Algeria	4.2			
17	Ireland	6.5				91	Swaziland	4.1			
18	United Arab Emirates	6.5				92	Rwanda	4.1			
19	Oman	6.4				93	Philippines	4.0			
20	Czech Republic	6.4				94	Bulgaria	4.0			
21	Belgium	6.4				95	Vietnam	4.0			
22	Portugal	6.4				96	Libya	3.9			
23	Spain	6.4				97	Nicaragua	3.9			
24	Saudi Arabia	6.4				98	Gambia, The	3.8			
25	Slovenia	6.4				99	Suriname	3.8			
26	Barbados	6.3				100	Kenya	3.8			
27	Bahrain	6.3				101	South Africa	3.8			
28	Taiwan, China	6.2				102	Bolivia	3.8			
29	Australia	6.2				103	Mongolia	3.6			
30	United States	6.2				104	Côte d'Ivoire	3.6			
31	Slovak Republic	6.2				105	Lesotho	3.5			
32	Germany	6.1				106	Mali	3.4			
33	New Zealand	6.1				107	Egypt	3.4			
34	Japan	6.0				108	Mauritania	3.3			
35	Bhutan	5.9				109	Mozambique	3.2			
36	Italy	5.8				110	Honduras	3.2			
37	Malaysia	5.8				111	India	3.2			
38	Jordan	5.8				112	Cambodia	3.2			
39	Korea, Rep.	5.7				113	Botswana	3.1			
40	Israel	5.6				114	Zambia	3.1			
41	Hungary	5.6				115	Ethiopia	3.1			
42	Croatia	5.6				116	Argentina	3.1			
43	Uruguay	5.6				117	Paraguay	3.0			
44	Costa Rica	5.6				118	Myanmar	2.9			
45	Namibia	5.5				119	Timor-Leste	2.9			
46	Lithuania	5.5				120	Ghana	2.7			
47	Morocco	5.5				121	Guyana	2.7			
48	Poland	5.5				122	Kyrgyz Republic	2.7			
49	Panama	5.4				123	Malawi	2.6			
50	Trinidad and Tobago	5.4				124	Cameroon	2.6			
51	Iran, Islamic Rep.	5.3				125	Liberia	2.6			
52	Georgia	5.3				126	Uganda	2.5			
53	Guatemala	5.3				127	Madagascar	2.5			
54	Latvia	5.3				128	Sierra Leone	2.4			
55	Greece	5.3				129	Senegal	2.3			
56	Tunisia	5.3				130	Gabon	2.3			
57	Cyprus	5.2				131	Tanzania	2.3			
58	Thailand	5.2				132	Benin	2.2			
59	Brunei Darussalam	5.2				133	Bangladesh	2.2			
60	Armenia	5.2				134	Dominican Republic	2.1			
61	Lao PDR	5.2				135	Pakistan	2.0			
62	Kuwait	5.2				136	Burkina Faso	2.0			
63	Colombia	5.2				137	Haiti	2.0			
64	Puerto Rico	5.2				138	Zimbabwe	2.0			
65	Chile	5.2				139	Cape Verde	1.9			
66	Mauritius	5.1				140	Burundi	1.8			
67	China	5.1				141	Nigeria	1.8			
68	Estonia	5.1				142	Venezuela	1.8			
69	Malta	5.1				143	Angola	1.7			
70	Sri Lanka	5.0				144	Nepal	1.6			
71	Seychelles	4.9				145	Chad	1.6			
72	Serbia	4.9				146	Yemen	1.5			
73	Peru	4.9				147	Guinea	1.3			
74	Macedonia, FYR	4.9				148	Lebanon	1.3			

SOURCE: World Economic Forum, Executive Opinion Survey



## 2.08 Mobile telephone subscriptions

Number of mobile telephone subscriptions per 100 population | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Hong Kong SAR	227.9		75	Albania	108.4	
2	Kuwait	191.1		76	Spain	108.3	
3	Gabon	187.4		77	Macedonia, FYR	108.2	
4	Panama	186.7		78	Azerbaijan	107.5	
5	Saudi Arabia	184.7		79	Ireland	107.1	
6	Russian Federation	183.5		80	Armenia	106.9	
7	Suriname	182.9		81	Philippines	106.8	
8	Oman	181.7		82	Australia	106.2	
9	Montenegro	177.9		83	Romania	106.1	
10	Kazakhstan	175.4		84	Iceland	105.4	
11	Finland	172.5		85	Latvia	103.4	
12	United Arab Emirates	169.9		86	Algeria	103.3	
13	Austria	161.2		87	Colombia	103.2	
14	Italy	159.5		88	Namibia	103.0	
15	Seychelles	158.6		89	Venezuela	102.1	
16	Bahrain	156.2		90	Lao PDR	101.9	
17	Estonia	154.5		91	Paraguay	101.7	
18	Singapore	153.4		92	Ghana	100.3	
19	Lithuania	151.8		93	Peru	98.8	
20	Botswana	150.1		94	Cyprus	98.4	
21	Vietnam	149.4		95	United States	98.2	
22	Libya	148.2		96	France	98.1	
23	Uruguay	147.3		97	Zimbabwe	96.9	
24	Bulgaria	145.7		98	Jamaica	96.5	
25	Luxembourg	145.5		99	Côte d'Ivoire	96.3	
26	Argentina	142.5		100	Sri Lanka	95.8	
27	Malaysia	140.9		101	Lebanon	93.2	
28	Trinidad and Tobago	139.4		102	Honduras	93.1	
29	Jordan	139.1		103	Serbia	92.8	
30	Chile	138.5		104	Bolivia	92.6	
31	El Salvador	138.1		105	Turkey	90.8	
32	Guatemala	137.3		106	Benin	89.9	
33	Switzerland	135.3		107	Nicaragua	89.8	
34	South Africa	134.8		108	Mali	89.5	
35	Qatar	134.1		109	Bosnia and Herzegovina	89.5	
36	Poland	132.7		110	Dominican Republic	88.8	
37	Ukraine	132.1		111	Senegal	87.5	
38	Cambodia	132.0		112	Mexico	86.8	
39	Germany	131.3		113	Cape Verde	84.2	
40	United Kingdom	130.8		114	Gambia, The	83.6	
41	Malta	128.7		115	Puerto Rico	81.7	
42	Costa Rica	128.3		116	China	81.3	
43	Taiwan, China	126.5		117	Iran, Islamic Rep.	76.9	
44	Barbados	126.4		118	Zambia	75.8	
45	Brazil	125.2		119	Canada	75.7	
46	Kyrgyz Republic	124.8		120	Bhutan	74.7	
47	Czech Republic	122.8		121	Guyana	72.2	
48	Sweden	122.6		122	Kenya	71.9	
49	Thailand	120.3		123	India	68.7	
50	Tunisia	120.0		124	Nigeria	67.7	
51	Israel	119.9		125	Pakistan	66.8	
52	Morocco	119.7		126	Swaziland	66.0	
53	Belgium	119.4		127	Cameroon	64.0	
54	Denmark	118.0		128	Bangladesh	63.8	
55	Mongolia	117.6		129	Haiti	59.4	
56	Netherlands	117.5		130	Lesotho	59.2	
57	Greece	116.9		131	Tanzania	57.1	
58	Hungary	116.4		132	Burkina Faso	57.1	
59	Moldova	115.9		133	Liberia	56.4	
60	Norway	115.5		134	Yemen	54.4	
61	Egypt	115.3		135	Nepal	52.8	
62	Indonesia	115.2		136	Timor-Leste	52.3	
63	Portugal	115.1		137	Rwanda	50.5	
64	Brunei Darussalam	113.8		138	Angola	48.6	
65	Croatia	113.3		139	Uganda	45.9	
66	Mauritius	113.1		140	Guinea	45.6	
67	Slovak Republic	111.2		141	Madagascar	39.1	
68	Mauritania	111.1		142	Sierra Leone	36.1	
69	Ecuador	110.7		143	Chad	35.5	
70	Korea, Rep.	110.4		144	Mozambique	33.1	
71	New Zealand	110.3		145	Malawi	27.8	
72	Slovenia	110.1		146	Burundi	25.7	
73	Japan	109.4		147	Ethiopia	23.7	
74	Georgia	109.2		148	Myanmar	11.2	

SOURCE: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2013* (June 2013 edition)

## 2.09 Fixed telephone lines

Number of active fixed telephone lines per 100 population | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Taiwan, China.....	68.7		75	Saudi Arabia.....	16.7	
2	Korea, Rep. ....	61.9		76	Finland.....	16.5	
3	France.....	61.9		77	Sri Lanka.....	16.3	
4	Germany.....	61.8		78	Poland.....	16.0	
5	Hong Kong SAR.....	60.6		79	Malaysia.....	15.7	
6	Iceland.....	57.6		80	Suriname.....	15.5	
7	Switzerland.....	56.7		81	Ecuador.....	15.5	
8	Malta.....	54.8		82	Indonesia.....	15.5	
9	United Kingdom.....	52.6		83	Cape Verde.....	13.9	
10	Barbados.....	52.5		84	Colombia.....	13.2	
11	Canada.....	51.9		85	Libya.....	12.6	
12	Luxembourg.....	51.0		86	Guatemala.....	11.5	
13	Japan.....	50.8		87	Peru.....	11.5	
14	Greece.....	47.8		88	Vietnam.....	11.4	
15	Israel.....	46.7		89	Oman.....	10.5	
16	Australia.....	45.7		90	Dominican Republic.....	10.5	
17	Sweden.....	45.5		91	Tunisia.....	10.3	
18	United States.....	44.0		92	Egypt.....	10.2	
19	Ireland.....	43.8		93	Morocco.....	10.1	
20	Denmark.....	43.5		94	Albania.....	9.7	
21	Belgium.....	42.9		95	Jamaica.....	9.6	
22	Portugal.....	42.6		96	Thailand.....	9.1	
23	Netherlands.....	42.4		97	Kyrgyz Republic.....	9.0	
24	New Zealand.....	42.1		98	Algeria.....	8.8	
25	Spain.....	41.1		99	Bolivia.....	8.6	
26	Slovenia.....	40.4		100	South Africa.....	7.9	
27	Austria.....	39.6		101	Botswana.....	7.8	
28	Iran, Islamic Rep. ....	38.0		102	Honduras.....	7.7	
29	Singapore.....	37.8		103	Namibia.....	7.2	
30	Croatia.....	37.4		104	Jordan.....	6.7	
31	Italy.....	35.5		105	Mongolia.....	6.2	
32	Moldova.....	34.3		106	Paraguay.....	5.6	
33	Estonia.....	33.5		107	Nicaragua.....	5.4	
34	Seychelles.....	33.1		108	Yemen.....	4.3	
35	Cyprus.....	33.1		109	Philippines.....	4.1	
36	Bulgaria.....	30.4		110	Cambodia.....	4.0	
37	Serbia.....	30.2		111	Swaziland.....	4.0	
38	Russian Federation.....	30.1		112	Cameroon.....	3.6	
39	Uruguay.....	29.8		113	Bhutan.....	3.6	
40	Hungary.....	29.8		114	Gambia, The.....	3.5	
41	Georgia.....	29.6		115	Pakistan.....	3.2	
42	Norway.....	29.5		116	Nepal.....	2.7	
43	Ukraine.....	27.1		117	Senegal.....	2.6	
44	Mauritius.....	26.6		118	India.....	2.5	
45	Kazakhstan.....	26.5		119	Zimbabwe.....	2.3	
46	Montenegro.....	25.8		120	Lesotho.....	1.9	
47	Venezuela.....	25.6		121	Mauritania.....	1.8	
48	Argentina.....	24.3		122	Lao PDR.....	1.8	
49	United Arab Emirates.....	24.3		123	Benin.....	1.7	
50	Bosnia and Herzegovina.....	23.5		124	Angola.....	1.5	
51	Latvia.....	22.4		125	Malawi.....	1.4	
52	Brazil.....	22.3		126	Côte d'Ivoire.....	1.3	
53	Romania.....	21.9		127	Myanmar.....	1.1	
54	Bahrain.....	21.3		128	Ghana.....	1.1	
55	Costa Rica.....	21.2		129	Gabon.....	1.1	
56	Trinidad and Tobago.....	21.2		130	Ethiopia.....	0.9	
57	Puerto Rico.....	20.8		131	Uganda.....	0.9	
58	China.....	20.6		132	Burkina Faso.....	0.8	
59	Lebanon.....	20.5		133	Mali.....	0.7	
60	Guyana.....	20.4		134	Madagascar.....	0.7	
61	Lithuania.....	20.3		135	Bangladesh.....	0.6	
62	Czech Republic.....	19.9		136	Zambia.....	0.6	
63	Macedonia, FYR.....	19.7		137	Kenya.....	0.6	
64	Chile.....	18.8		138	Haiti.....	0.5	
65	Armenia.....	18.8		139	Rwanda.....	0.4	
66	Turkey.....	18.6		140	Tanzania.....	0.4	
67	Azerbaijan.....	18.4		141	Mozambique.....	0.4	
68	Slovak Republic.....	17.8		142	Sierra Leone.....	0.3	
69	Panama.....	17.7		143	Timor-Leste.....	0.3	
70	Kuwait.....	17.6		144	Chad.....	0.3	
71	Mexico.....	17.4		145	Nigeria.....	0.3	
72	Brunei Darussalam.....	17.2		146	Burundi.....	0.2	
73	El Salvador.....	16.9		147	Guinea.....	0.2	
74	Qatar.....	16.9		148	Liberia.....	0.0	

SOURCE: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2013* (June 2013 edition)

## Pillar 3

# Macroeconomic environment

## 3.01 Government budget balance

General government budget balance as a percentage of GDP | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Timor-Leste .....	38.8		75	Australia.....	-2.9	
2	Kuwait .....	30.6		76	Iceland.....	-3.0	
3	Brunei Darussalam.....	26.4		77	Mozambique.....	-3.0	
4	Libya.....	20.9		78	Lithuania.....	-3.0	
5	United Arab Emirates.....	15.2		79	Malta .....	-3.0	
6	Saudi Arabia.....	15.2		80	Italy.....	-3.0	
7	Norway .....	13.8		81	Albania.....	-3.1	
8	Oman .....	11.8		82	Madagascar.....	-3.1	
9	Angola .....	8.5		83	Burkina Faso.....	-3.1	
10	Qatar .....	8.0		84	Slovenia.....	-3.2	
11	Lesotho .....	5.9		85	Cambodia.....	-3.2	
12	Singapore .....	5.6		86	Canada.....	-3.2	
13	Kazakhstan.....	4.7		87	Guinea.....	-3.3	
14	Swaziland .....	3.7		88	Bangladesh.....	-3.4	
15	Azerbaijan.....	3.1		89	Côte d'Ivoire.....	-3.4	
16	Mauritania.....	2.6		90	Poland.....	-3.5	
17	Peru.....	2.0		91	Taiwan, China.....	-3.6	
18	Korea, Rep. ....	1.9		92	Uganda.....	-3.6	
19	Seychelles.....	1.9		93	Mexico.....	-3.7	
20	Bolivia.....	1.8		94	El Salvador.....	-3.8	
21	Nigeria.....	0.9		95	Macedonia, FYR.....	-3.8	
22	Chile .....	0.6		96	Jamaica.....	-4.0	
23	Russian Federation.....	0.4		97	Montenegro.....	-4.0	
24	Switzerland.....	0.3		98	Bhutan.....	-4.0	
25	Botswana .....	0.3		99	Belgium.....	-4.0	
26	Hong Kong SAR.....	0.2		100	Croatia.....	-4.1	
27	Colombia.....	0.2		101	Namibia .....	-4.1	
28	Germany.....	0.2		102	Netherlands.....	-4.1	
29	Latvia .....	0.1		103	Malaysia.....	-4.3	
30	Gabon.....	-0.2		104	Argentina.....	-4.3	
31	Estonia.....	-0.2		105	Honduras.....	-4.3	
32	Sweden .....	-0.4		106	Denmark.....	-4.4	
33	Bulgaria.....	-0.5		107	Gambia, The.....	-4.4	
34	Liberia.....	-0.5		108	Zambia .....	-4.5	
35	Ecuador.....	-0.5		109	Guyana.....	-4.6	
36	Nicaragua.....	-0.5		110	Costa Rica.....	-4.6	
37	Nepal.....	-0.6		111	France.....	-4.6	
38	Georgia.....	-0.8		112	Ukraine.....	-4.6	
39	Benin .....	-0.8		113	Malawi.....	-4.6	
40	Cameroon.....	-0.9		114	Israel.....	-4.7	
41	Zimbabwe.....	-0.9		115	South Africa.....	-4.8	
42	Philippines.....	-0.9		116	Portugal.....	-4.9	
43	Puerto Rico.....	-1.0		117	Tunisia.....	-4.9	
44	Paraguay.....	-1.0		118	Slovak Republic.....	-4.9	
45	Mali.....	-1.1		119	Tanzania.....	-5.0	
46	Ethiopia.....	-1.2		120	Czech Republic.....	-5.0	
47	Indonesia.....	-1.3		121	Vietnam.....	-5.2	
48	Chad.....	-1.4		122	Kenya.....	-5.3	
49	Turkey.....	-1.5		123	Myanmar.....	-5.3	
50	Armenia .....	-1.5		124	Yemen.....	-5.5	
51	Trinidad and Tobago.....	-1.6		125	Cyprus.....	-5.6	
52	Burundi.....	-1.7		126	Senegal.....	-5.7	
53	Rwanda.....	-1.7		127	Kyrgyz Republic.....	-5.8	
54	Thailand.....	-1.7		128	Haiti.....	-5.9	
55	Finland.....	-1.7		129	Barbados.....	-6.2	
56	Mauritius.....	-1.8		130	Greece.....	-6.4	
57	Luxembourg.....	-1.9		131	Sri Lanka.....	-6.5	
58	Suriname.....	-1.9		132	Serbia.....	-7.0	
59	Moldova.....	-2.1		133	Mongolia.....	-7.0	
60	Panama.....	-2.1		134	Dominican Republic.....	-7.0	
61	China.....	-2.2		135	Morocco.....	-7.5	
62	Iran, Islamic Rep. ....	-2.3		136	Cape Verde.....	-7.5	
63	Guatemala.....	-2.4		137	Ireland.....	-7.7	
64	Lao PDR.....	-2.5		138	Pakistan.....	-8.2	
65	Hungary.....	-2.5		139	Jordan.....	-8.2	
66	Romania.....	-2.5		140	United Kingdom.....	-8.3	
67	Austria.....	-2.5		141	India.....	-8.3	
68	Bahrain.....	-2.6		142	United States.....	-8.5	
69	Uruguay.....	-2.6		143	Lebanon.....	-9.0	
70	New Zealand.....	-2.6		144	Japan.....	-10.2	
71	Algeria.....	-2.7		145	Spain.....	-10.3	
72	Brazil.....	-2.8		146	Egypt.....	-10.7	
73	Bosnia and Herzegovina.....	-2.8		147	Ghana.....	-11.5	
74	Sierra Leone.....	-2.8		148	Venezuela.....	-18.9	

SOURCES: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## 3.02 Gross national savings

Gross national savings as a percentage of GDP | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Timor-Leste <sup>1</sup>	63.1		75	Israel	19.1	
2	Kuwait	62.2		76	Panama	19.1	
3	Qatar	55.4		77	Suriname	18.8	
4	Libya	52.4		78	Spain	18.6	
5	Saudi Arabia	51.0		79	Tunisia	18.2	
6	China	49.5		80	Finland	17.7	
7	Singapore	45.6		81	France	17.6	
8	Oman	44.6		82	Poland	17.5	
9	Gabon	43.9		83	Lao PDR <sup>1</sup>	17.3	
10	Azerbaijan	43.2		84	Armenia	17.3	
11	Algeria	42.4		85	Italy	17.1	
12	Bahrain	42.0		86	Mauritania	16.9	
13	Norway	39.2		87	Seychelles	16.9	
14	Nepal	39.1		88	Uruguay	16.6	
15	Iran, Islamic Rep.	35.0		89	Nicaragua	16.6	
16	Switzerland	34.3		90	Puerto Rico	16.3	
17	Chad	33.0		91	Lithuania	16.2	
18	United Arab Emirates	32.6		92	Madagascar	15.7	
19	Indonesia	32.6		93	Brazil	15.4	
20	Malaysia	31.9		94	Costa Rica	15.4	
21	Korea, Rep.	31.4		95	Cameroon	15.3	
22	Vietnam	30.7		95	Honduras	15.3	
23	Botswana	30.7		97	Ireland	15.0	
24	Thailand	30.6		98	Georgia	14.9	
25	Taiwan, China	30.0		99	Turkey	14.7	
26	Bolivia	30.0		100	Mauritius	14.7	
27	Bangladesh	29.9		101	New Zealand	14.5	
28	India	29.8		102	Jamaica	14.3	
29	Bhutan	29.1		103	Moldova	14.0	
30	Venezuela	28.9		104	Kyrgyz Republic	14.0	
31	Nigeria	28.7		105	Albania	13.9	
32	Russian Federation	28.5		106	Portugal	13.8	
33	Mongolia	28.4		107	Burkina Faso	13.7	
34	Luxembourg	27.5		108	Egypt	13.6	
35	Hong Kong SAR	27.5		109	Cambodia	13.5	
36	Kazakhstan	27.3		110	Malawi	13.5	
37	Sri Lanka	27.3		111	South Africa	13.2	
38	Ecuador	26.8		112	United States	13.1	
39	Lesotho	26.4		113	Myanmar	12.8	
40	Estonia	26.4		114	Malta	12.7	
41	Morocco	26.3		115	Kenya	12.5	
42	Sweden	25.7		116	Paraguay	12.3	
43	Trinidad and Tobago	25.6		117	Rwanda	12.1	
44	Netherlands	25.5		118	Côte d'Ivoire	11.9	
45	Australia	25.2		119	Uganda	11.5	
46	Haiti	25.1		120	Mali	11.3	
47	Macedonia, FYR	24.9		121	Guatemala	11.0	
48	Austria	24.8		122	Mozambique	10.9	
49	Germany	24.2		123	United Kingdom	10.8	
50	Latvia	24.2		124	Greece	10.7	
51	Mexico	23.8		125	Barbados	10.6	
52	Tanzania	23.6		126	Pakistan	10.5	
53	Zambia	23.4		127	Ukraine	10.1	
54	Peru	23.3		128	Iceland	9.7	
55	Romania	23.2		129	Swaziland	9.5	
56	Bulgaria	23.2		130	El Salvador	9.4	
57	Angola	23.1		131	Yemen	9.3	
58	Denmark	22.6		132	Dominican Republic	9.2	
59	Philippines	22.3		133	Lebanon	8.6	
60	Slovak Republic	21.9		134	Cyprus	8.6	
61	Cape Verde	21.8		135	Benin	8.2	
62	Argentina	21.8		136	Serbia	8.0	
63	Czech Republic	21.6		137	Jordan	7.4	
64	Japan	21.6		138	Guyana	7.1	
65	Chile	21.4		139	Bosnia and Herzegovina	6.5	
66	Ethiopia	21.1		140	Ghana	6.4	
67	Canada	20.8		141	Gambia, The	6.3	
68	Belgium	20.8		142	Burundi	4.4	
69	Hungary	20.4		143	Zimbabwe	0.6	
70	Senegal	20.3		144	Montenegro	-1.2	
71	Croatia	20.2		145	Sierra Leone	-6.9	
72	Colombia	20.2		146	Guinea	-8.4	
73	Namibia	19.5		n/a	Brunei Darussalam	n/a	
74	Slovenia	19.3		n/a	Liberia	n/a	

SOURCES: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

<sup>1</sup> 2011

### 3.03 Inflation

Annual percent change in consumer price index (year average) | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Ukraine .....	0.6	■	78	Estonia.....	4.2	■
1	United Arab Emirates.....	0.7	■	79	Lao PDR.....	4.3	■
1	Norway .....	0.7	■	80	Indonesia.....	4.3	■
1	Sweden .....	0.9	■	82	Costa Rica.....	4.5	■
1	Greece.....	1.0	■	83	Bolivia.....	4.5	■
1	New Zealand .....	1.1	■	84	Singapore .....	4.6	■
1	Azerbaijan.....	1.1	■	85	Barbados.....	4.6	■
1	Senegal .....	1.1	■	86	Gambia, The.....	4.6	■
1	Bahrain .....	1.2	■	87	Moldova.....	4.7	■
1	Morocco .....	1.3	■	88	Jordan .....	4.8	■
1	Côte d'Ivoire.....	1.3	■	89	Mauritania.....	4.9	■
1	Canada.....	1.5	■	90	Suriname .....	5.0	■
1	Malaysia.....	1.7	■	91	Russian Federation.....	5.1	■
1	Israel .....	1.7	■	92	Ecuador.....	5.1	■
1	El Salvador.....	1.7	■	93	Kazakhstan.....	5.1	■
1	Australia.....	1.8	■	94	Iceland.....	5.2	■
1	Qatar .....	1.9	■	95	Honduras.....	5.2	■
1	Ireland.....	1.9	■	96	Mali.....	5.3	■
1	Taiwan, China.....	1.9	■	97	Lesotho .....	5.3	■
1	France .....	2.0	■	98	Brazil.....	5.4	■
1	Albania.....	2.0	■	99	Tunisia.....	5.6	■
1	Bosnia and Herzegovina.....	2.0	■	100	South Africa.....	5.7	■
1	United States.....	2.1	■	101	Panama .....	5.7	■
1	Mozambique.....	2.1	■	102	Hungary.....	5.7	■
1	Germany.....	2.1	■	103	Libya.....	6.1	■
1	Korea, Rep. ....	2.2	■	104	Myanmar.....	6.1	■
1	Latvia .....	2.3	■	105	Rwanda .....	6.3	■
1	Bulgaria .....	2.4	■	106	Madagascar.....	6.5	■
1	Denmark.....	2.4	■	107	Zambia.....	6.6	■
1	Spain .....	2.4	■	108	Lebanon .....	6.6	■
1	Armenia .....	2.5	■	109	Namibia .....	6.7	■
1	Cape Verde .....	2.5	■	110	Benin .....	6.7	■
1	Austria.....	2.6	■	111	Haiti.....	6.8	■
1	Slovenia.....	2.6	■	112	Liberia.....	6.8	■
1	Puerto Rico.....	2.6	■	113	Seychelles.....	7.1	■
1	Belgium .....	2.6	■	114	Jamaica.....	7.3	■
1	China.....	2.7	■	115	Serbia.....	7.3	■
1	Kyrgyz Republic.....	2.8	■	116	Botswana .....	7.5	■
1	Portugal.....	2.8	■	117	Sri Lanka .....	7.5	■
1	Netherlands.....	2.8	■	118	Chad.....	7.7	■
1	United Kingdom.....	2.8	■	119	Nicaragua .....	7.9	■
1	Saudi Arabia .....	2.9	■	120	Uruguay.....	8.1	■
1	Luxembourg .....	2.9	■	121	Nepal.....	8.3	■
44	Cambodia.....	2.9	■	122	Egypt.....	8.6	■
44	Kuwait .....	2.9	■	123	Bangladesh.....	8.7	■
46	Oman .....	2.9	■	124	Algeria .....	8.9	■
48	Guyana .....	3.0	■	125	Turkey.....	8.9	■
49	Cameroon.....	3.0	■	126	Swaziland .....	8.9	■
49	Gabon .....	3.0	■	127	Vietnam .....	9.1	■
51	Chile .....	3.0	■	128	Ghana.....	9.2	■
52	Thailand.....	3.0	■	129	Trinidad and Tobago.....	9.3	■
53	Cyprus.....	3.1	■	130	India.....	9.3	■
54	Philippines .....	3.1	■	131	Kenya .....	9.4	■
55	Finland.....	3.2	■	132	Bhutan.....	9.7	■
56	Lithuania.....	3.2	■	133	Argentina .....	10.0	■
57	Colombia .....	3.2	■	134	Angola.....	10.3	■
58	Malta .....	3.2	■	135	Yemen .....	11.0	■
59	Czech Republic .....	3.3	■	136	Pakistan.....	11.0	■
60	Italy.....	3.3	■	137	Burundi.....	11.8	■
61	Macedonia, FYR.....	3.3	■	138	Timor-Leste .....	11.8	■
62	Romania .....	3.3	■	139	Nigeria .....	12.2	■
63	Croatia.....	3.4	■	140	Sierra Leone .....	13.8	■
65	Burkina Faso.....	3.6	■	141	Uganda.....	14.1	■
66	Montenegro .....	3.6	■	142	Mongolia.....	15.0	■
67	Peru.....	3.7	■	143	Guinea.....	15.2	■
68	Poland .....	3.7	■	144	Tanzania .....	16.0	■
69	Dominican Republic.....	3.7	■	145	Venezuela .....	21.1	■
70	Zimbabwe.....	3.7	■	146	Malawi.....	21.3	■
71	Slovak Republic.....	3.7	■	147	Ethiopia.....	22.8	■
72	Guatemala .....	3.8	■	148	Iran, Islamic Rep. ....	30.6	■
73	Paraguay .....	3.8	■	47	Brunei Darussalam.....	0.5	■
74	Mauritius.....	3.9	■	64	Japan .....	0.0	■
75	Hong Kong SAR.....	4.1	■	76	Switzerland .....	-0.7	■
77	Mexico.....	4.1	■	81	Georgia.....	-0.9	■

SOURCE: International Monetary Fund, [i]World Economic Outlook Database[i] (April 2013 edition)

NOTE: For inflation rates between 0.5 and 2.9 percent, a country received the highest possible score of 7. Outside this range, scores decrease linearly as they move away from these values.



## 3.04 Government debt

Gross general government debt as a percentage of GDP | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Libya.....	0.0	75	Guinea.....	43.0
2	Timor-Leste.....	0.0	76	Czech Republic.....	43.1
3	Brunei Darussalam.....	2.4	77	Mexico.....	43.5
4	Saudi Arabia.....	3.6	78	Thailand.....	44.3
5	Oman.....	6.1	79	Bosnia and Herzegovina.....	44.3
6	Kuwait.....	7.3	80	Tunisia.....	44.5
7	Estonia.....	8.5	81	Sierra Leone.....	44.5
8	Algeria.....	9.9	82	Argentina.....	44.9
9	Iran, Islamic Rep.....	10.7	83	Senegal.....	45.0
10	Russian Federation.....	10.9	84	Mozambique.....	46.6
11	Chile.....	11.2	85	Yemen.....	46.7
12	Paraguay.....	11.4	86	Myanmar.....	47.5
13	Azerbaijan.....	11.6	87	Kenya.....	48.2
14	Kazakhstan.....	12.3	88	Kyrgyz Republic.....	48.9
15	Cameroon.....	14.9	89	Côte d'Ivoire.....	49.1
16	Botswana.....	14.9	90	Switzerland.....	49.1
17	Haiti.....	15.4	91	Denmark.....	50.1
18	United Arab Emirates.....	17.6	92	Mauritius.....	50.3
19	Nigeria.....	17.8	93	Montenegro.....	51.1
20	Bulgaria.....	18.5	94	Mongolia <sup>1</sup> .....	51.7
21	Ecuador.....	18.6	95	Nicaragua.....	52.1
22	Swaziland.....	19.0	96	Vietnam.....	52.1
23	Peru.....	19.8	97	El Salvador.....	52.2
24	Suriname.....	20.5	98	Slovak Republic.....	52.3
25	Luxembourg.....	21.1	99	Slovenia.....	52.6
26	Ethiopia.....	21.6	100	Lao PDR.....	53.1
27	Gabon.....	22.0	101	Finland.....	53.3
28	China.....	22.8	102	Uruguay.....	53.7
29	Moldova.....	23.8	103	Malawi.....	54.9
30	Indonesia.....	24.0	104	Poland.....	55.2
31	Guatemala.....	25.1	105	Malaysia.....	55.5
32	Namibia.....	26.6	106	Croatia.....	56.3
33	Zambia.....	26.9	107	Ghana.....	56.5
34	Australia.....	27.2	108	Venezuela.....	57.3
35	Burkina Faso.....	27.7	109	Morocco.....	59.6
36	Rwanda.....	28.0	110	Guyana.....	60.3
37	Cambodia.....	28.5	111	Zimbabwe.....	60.5
38	Liberia.....	29.1	112	Albania.....	60.6
39	Angola.....	29.3	113	Pakistan.....	62.1
40	Burundi.....	32.0	114	Serbia.....	63.7
41	Mali.....	32.0	115	Puerto Rico.....	64.1
42	Hong Kong SAR.....	32.4	116	India.....	66.8
43	Benin.....	32.5	117	Brazil.....	68.5
44	Georgia.....	32.7	118	Netherlands.....	71.7
45	Colombia.....	32.8	119	Bhutan.....	72.1
46	Bolivia.....	33.1	120	Malta.....	72.5
47	Nepal.....	33.1	121	Barbados.....	72.6
48	Macedonia, FYR.....	33.3	122	Austria.....	73.7
49	Dominican Republic.....	33.5	123	Israel.....	74.6
50	Korea, Rep.....	33.7	124	Gambia, The.....	77.2
51	Bahrain.....	33.7	125	Hungary.....	79.0
52	Norway.....	34.1	126	Sri Lanka.....	79.1
53	Chad.....	34.5	127	Jordan.....	79.6
54	Uganda.....	34.5	128	Mauritania.....	79.7
55	Honduras.....	34.7	129	Egypt.....	80.2
56	Costa Rica.....	34.8	130	Germany.....	82.0
57	Turkey.....	36.4	131	Seychelles.....	82.5
58	Latvia.....	36.4	132	Spain.....	84.1
59	Romania.....	37.0	133	Canada.....	85.6
60	Ukraine.....	37.4	134	Cyprus.....	86.2
61	Qatar.....	37.8	135	France.....	90.3
62	Sweden.....	38.0	136	United Kingdom.....	90.3
63	New Zealand.....	38.2	137	Iceland.....	99.1
64	Madagascar.....	38.3	138	Belgium.....	99.6
65	Panama.....	38.8	139	Cape Verde.....	103.4
66	Armenia.....	39.5	140	United States.....	106.5
67	Lithuania.....	39.6	141	Singapore.....	111.0
68	Trinidad and Tobago.....	39.7	142	Ireland.....	117.1
69	Taiwan, China.....	40.9	143	Portugal.....	123.0
70	Tanzania.....	41.4	144	Italy.....	127.0
71	Lesotho.....	41.9	145	Lebanon.....	139.5
72	Philippines.....	41.9	146	Jamaica.....	146.6
73	South Africa.....	42.3	147	Greece.....	158.5
74	Bangladesh <sup>1</sup> .....	42.9	148	Japan.....	237.9

SOURCES: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition) and *Public Information Notices* (various issues); national sources

<sup>1</sup> 2011

### 3.05 Country credit rating

Institutional Investor's Country Credit Ratings™ based on expert assessment of the probability of sovereign debt default on a 0–100 (lowest probability) scale | March 2013

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Norway .....	95.7		75	Vietnam .....	43.4	
2	Switzerland .....	94.4		76	Guatemala .....	41.0	
3	Sweden .....	93.4		77	El Salvador .....	40.6	
4	Singapore .....	92.7		78	Gabon .....	40.5	
5	Canada .....	92.4		79	Macedonia, FYR .....	39.8	
6	Germany .....	92.3		80	Georgia .....	39.2	
7	Finland .....	92.0		80	Serbia .....	39.2	
8	Luxembourg .....	91.8		82	Dominican Republic .....	38.4	
9	Denmark .....	90.3		83	Montenegro .....	38.3	
10	Australia .....	90.2		84	Mongolia .....	38.0	
11	Netherlands .....	89.6		85	Nigeria .....	37.8	
12	United States .....	88.8		86	Bolivia .....	37.7	
13	Austria .....	88.6		87	Libya .....	37.4	
14	Hong Kong SAR .....	87.2		88	Albania .....	37.3	
15	United Kingdom .....	86.7		89	Angola .....	36.2	
16	New Zealand .....	85.0		90	Ghana .....	36.0	
17	France .....	84.8		91	Paraguay .....	35.7	
18	Japan .....	82.2		92	Senegal .....	35.6	
19	Belgium .....	80.1		93	Venezuela .....	35.3	
19	Taiwan, China .....	80.1		94	Egypt .....	35.1	
21	Chile .....	80.0		95	Armenia .....	34.5	
22	Korea, Rep. ....	79.4		96	Zambia .....	34.2	
23	China .....	78.9		97	Uganda .....	33.8	
24	Qatar .....	77.4		98	Lesotho .....	32.9	
25	Czech Republic .....	75.4		99	Suriname .....	32.7	
26	Kuwait .....	74.9		99	Ukraine .....	32.7	
27	Saudi Arabia .....	74.3		101	Sri Lanka .....	32.6	
28	United Arab Emirates .....	74.1		102	Cape Verde .....	31.8	
29	Slovak Republic .....	74.0		103	Kenya .....	31.2	
30	Malaysia .....	71.7		104	Lebanon .....	30.2	
31	Estonia .....	71.0		105	Argentina .....	29.8	
32	Poland .....	70.5		105	Mozambique .....	29.8	
33	Malta .....	70.3		107	Bangladesh .....	29.2	
34	Oman .....	69.8		107	Tanzania .....	29.2	
35	Israel .....	69.7		109	Honduras .....	29.1	
36	Mexico .....	68.5		110	Bosnia and Herzegovina .....	29.0	
37	Slovenia .....	68.4		111	Moldova .....	28.3	
38	Brazil .....	68.0		112	Bhutan .....	28.2	
39	Russian Federation .....	65.9		113	Jamaica .....	27.9	
40	Italy .....	64.5		113	Kyrgyz Republic .....	27.9	
41	Peru .....	63.6		115	Cambodia .....	27.8	
42	Colombia .....	62.8		116	Guyana .....	27.2	
43	Trinidad and Tobago .....	62.6		117	Seychelles .....	25.0	
44	Thailand .....	61.2		118	Iran, Islamic Rep. ....	24.5	
45	Botswana .....	60.9		119	Rwanda .....	24.4	
46	Lithuania .....	60.6		120	Benin .....	24.2	
47	India .....	60.0		121	Ecuador .....	24.0	
48	South Africa .....	59.9		122	Cameroon .....	23.9	
49	Bahrain .....	58.3		123	Pakistan .....	23.6	
50	Spain .....	57.8		124	Côte d'Ivoire .....	23.2	
51	Panama .....	57.5		125	Lao PDR .....	23.1	
52	Barbados .....	57.3		125	Mauritania .....	23.1	
53	Kazakhstan .....	57.0		127	Swaziland .....	22.6	
54	Uruguay .....	56.4		128	Malawi .....	22.0	
55	Ireland .....	56.0		129	Burkina Faso .....	21.7	
56	Indonesia .....	55.9		129	Greece .....	21.7	
57	Latvia .....	55.7		131	Nicaragua .....	21.1	
58	Croatia .....	55.1		132	Timor-Leste .....	21.0	
59	Mauritius .....	54.5		133	Nepal .....	20.7	
60	Philippines .....	54.2		134	Mali .....	20.4	
61	Costa Rica .....	53.7		135	Gambia, The .....	19.3	
62	Turkey .....	53.3		136	Liberia .....	18.6	
63	Bulgaria .....	52.3		137	Yemen .....	18.5	
63	Namibia .....	52.3		138	Myanmar .....	18.4	
65	Azerbaijan .....	51.3		139	Madagascar .....	18.1	
66	Iceland .....	50.8		140	Ethiopia .....	18.0	
67	Romania .....	50.3		141	Sierra Leone .....	17.5	
68	Algeria .....	50.0		142	Chad .....	15.9	
69	Morocco .....	49.7		143	Burundi .....	13.0	
70	Hungary .....	49.6		144	Guinea .....	12.6	
71	Portugal .....	47.5		144	Haiti .....	12.6	
72	Tunisia .....	45.4		146	Zimbabwe .....	7.2	
73	Jordan .....	44.0		n/a	Brunei Darussalam .....	n/a	
74	Cyprus .....	43.9		n/a	Puerto Rico .....	n/a	

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## Pillar 4

# Health and primary education

## 4.01 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7
1	Albania.....	N/Appl.				75	Turkey.....	6.5			
1	Armenia.....	N/Appl.				76	Mexico.....	6.5			
1	Australia.....	N/Appl.				77	Costa Rica.....	6.4			
1	Austria.....	N/Appl.				78	Panama.....	6.3			
1	Bahrain.....	N/Appl.				79	Sri Lanka.....	6.2			
1	Barbados.....	N/Appl.				80	El Salvador.....	6.2			
1	Belgium.....	N/Appl.				81	Iran, Islamic Rep.....	6.2			
1	Bosnia and Herzegovina.....	N/Appl.				82	Brazil.....	6.2			
1	Brunei Darussalam.....	N/Appl.				83	Azerbaijan.....	6.1			
1	Bulgaria.....	N/Appl.				84	Paraguay.....	5.9			
1	Canada.....	N/Appl.				85	Guatemala.....	5.9			
1	Chile.....	N/Appl.				86	Nicaragua.....	5.8			
1	Croatia.....	N/Appl.				87	Peru.....	5.8			
1	Cyprus.....	N/Appl.				88	Saudi Arabia.....	5.8			
1	Czech Republic.....	N/Appl.				89	Thailand.....	5.8			
1	Denmark.....	N/Appl.				90	Korea, Rep.....	5.7			
1	Egypt.....	N/Appl.				91	Suriname.....	5.7			
1	Estonia.....	N/Appl.				92	Bangladesh.....	5.6			
1	Finland.....	N/Appl.				93	Venezuela.....	5.5			
1	France.....	N/Appl.				94	Kyrgyz Republic.....	5.4			
1	Georgia.....	N/Appl.				95	Cape Verde.....	5.4			
1	Germany.....	N/Appl.				96	Malaysia.....	5.4			
1	Greece.....	N/Appl.				97	China.....	5.3			
1	Hong Kong SAR.....	N/Appl.				98	Dominican Republic.....	5.3			
1	Hungary.....	N/Appl.				99	Nepal.....	5.3			
1	Iceland.....	N/Appl.				100	South Africa.....	5.2			
1	Ireland.....	N/Appl.				101	Botswana.....	5.2			
1	Israel.....	N/Appl.				102	Colombia.....	5.2			
1	Italy.....	N/Appl.				103	Honduras.....	5.2			
1	Jamaica.....	N/Appl.				104	Ecuador.....	5.2			
1	Japan.....	N/Appl.				105	Algeria.....	5.1			
1	Jordan.....	N/Appl.				106	Philippines.....	5.0			
1	Kazakhstan.....	N/Appl.				107	Guyana.....	4.8			
1	Kuwait.....	N/Appl.				108	Vietnam.....	4.6			
1	Latvia.....	N/Appl.				109	Yemen.....	4.6			
1	Lebanon.....	N/Appl.				110	Rwanda.....	4.6			
1	Lesotho.....	N/Appl.				111	Cambodia.....	4.6			
1	Libya.....	N/Appl.				112	India.....	4.6			
1	Lithuania.....	N/Appl.				113	Zimbabwe.....	4.6			
1	Luxembourg.....	N/Appl.				114	Mauritania.....	4.4			
1	Macedonia, FYR.....	N/Appl.				115	Ethiopia.....	4.4			
1	Malta.....	N/Appl.				116	Bhutan.....	4.4			
1	Mauritius.....	N/Appl.				117	Myanmar.....	4.4			
1	Moldova.....	N/Appl.				118	Namibia.....	4.3			
1	Mongolia.....	N/Appl.				119	Indonesia.....	4.2			
1	Montenegro.....	N/Appl.				120	Kenya.....	4.1			
1	Morocco.....	N/Appl.				121	Senegal.....	4.0			
1	Netherlands.....	N/Appl.				122	Côte d'Ivoire.....	4.0			
1	New Zealand.....	N/Appl.				123	Pakistan.....	4.0			
1	Norway.....	N/Appl.				124	Haiti.....	3.9			
1	Oman.....	N/Appl.				125	Bolivia.....	3.9			
1	Poland.....	N/Appl.				126	Lao PDR.....	3.7			
1	Portugal.....	N/Appl.				127	Nigeria.....	3.6			
1	Puerto Rico.....	N/Appl.				128	Cameroon.....	3.4			
1	Qatar.....	N/Appl.				129	Liberia.....	3.4			
1	Romania.....	N/Appl.				130	Gambia, The.....	3.4			
1	Russian Federation.....	N/Appl.				131	Madagascar.....	3.4			
1	Serbia.....	N/Appl.				132	Benin.....	3.4			
1	Seychelles.....	N/Appl.				133	Swaziland.....	3.3			
1	Singapore.....	N/Appl.				134	Ghana.....	3.3			
1	Slovak Republic.....	N/Appl.				135	Mozambique.....	3.2			
1	Slovenia.....	N/Appl.				136	Uganda.....	3.1			
1	Spain.....	N/Appl.				137	Burkina Faso.....	3.1			
1	Sweden.....	N/Appl.				138	Zambia.....	3.1			
1	Switzerland.....	N/Appl.				139	Guinea.....	2.9			
1	Taiwan, China.....	N/Appl.				140	Gabon.....	2.9			
1	Trinidad and Tobago.....	N/Appl.				141	Malawi.....	2.9			
1	Tunisia.....	N/Appl.				142	Burundi.....	2.8			
1	Ukraine.....	N/Appl.				143	Tanzania.....	2.7			
1	United Arab Emirates.....	N/Appl.				144	Mali.....	2.7			
1	United Kingdom.....	N/Appl.				145	Timor-Leste.....	2.6			
1	United States.....	N/Appl.				146	Sierra Leone.....	2.5			
1	Uruguay.....	N/Appl.				147	Chad.....	2.5			
74	Argentina.....	6.7				148	Angola.....	1.8			

SOURCE: World Economic Forum, Executive Opinion Survey

NOTE: This indicator does not apply to economies where malaria is not endemic (N/Appl.).

## 4.02 Malaria incidence

Number of malaria cases per 100,000 population | 2010

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Albania.....	(NE)	75	Algeria.....	0.1
1	Armenia.....	0.0	76	Kyrgyz Republic.....	0.1
1	Australia.....	(NE)	77	Saudi Arabia.....	0.1
1	Austria.....	(NE)	78	Argentina.....	0.2
1	Bahrain.....	(NE)	79	El Salvador.....	0.4
1	Barbados.....	(NE)	80	Paraguay.....	0.5
1	Belgium.....	(NE)	81	Azerbaijan.....	0.6
1	Bosnia and Herzegovina.....	(NE)	82	China.....	0.9
1	Brunei Darussalam.....	(NE)	83	Mexico.....	1.3
1	Bulgaria.....	(NE)	84	Costa Rica.....	2.8
1	Canada.....	(NE)	85	Iran, Islamic Rep.....	2.9
1	Chile.....	(NE)	86	Korea, Rep.....	9.0
1	Croatia.....	(NE)	87	Sri Lanka.....	10.6
1	Cyprus.....	(NE)	88	Panama.....	13.8
1	Czech Republic.....	(NE)	89	Ecuador.....	15.2
1	Denmark.....	(NE)	90	Nicaragua.....	22.1
1	Egypt.....	0.0	91	Cape Verde.....	28.0
1	Estonia.....	(NE)	92	Vietnam.....	28.4
1	Finland.....	(NE)	93	Swaziland.....	32.5
1	France.....	(NE)	94	South Africa.....	34.6
1	Georgia.....	0.0	95	Dominican Republic.....	47.0
1	Germany.....	(NE)	96	Malaysia.....	56.2
1	Greece.....	(NE)	97	Philippines.....	62.2
1	Hong Kong SAR.....	(NE)	98	Nepal.....	63.1
1	Hungary.....	(NE)	99	Guatemala.....	80.3
1	Iceland.....	(NE)	100	Bhutan.....	102.5
1	Ireland.....	(NE)	101	Namibia.....	128.9
1	Israel.....	(NE)	102	Suriname.....	150.2
1	Italy.....	(NE)	103	Botswana.....	192.7
1	Jamaica.....	(NE)	104	Bolivia.....	197.2
1	Japan.....	(NE)	105	Venezuela.....	200.1
1	Jordan.....	(NE)	106	Thailand.....	202.6
1	Kazakhstan.....	(NE)	107	Brazil.....	219.6
1	Kuwait.....	(NE)	108	Peru.....	264.4
1	Latvia.....	(NE)	109	Honduras.....	272.9
1	Lebanon.....	(NE)	110	Bangladesh.....	392.0
1	Lesotho.....	(NE)	111	Colombia.....	405.6
1	Libya.....	(NE)	112	Pakistan.....	1,007.7
1	Lithuania.....	(NE)	113	Lao PDR.....	1,097.4
1	Luxembourg.....	(NE)	114	Cambodia.....	1,337.4
1	Macedonia, FYR.....	(NE)	115	Haiti.....	1,871.5
1	Malta.....	(NE)	116	India.....	1,946.2
1	Mauritius.....	(NE)	117	Indonesia.....	2,250.6
1	Moldova.....	(NE)	118	Yemen.....	2,380.2
1	Mongolia.....	(NE)	119	Myanmar.....	3,155.0
1	Montenegro.....	(NE)	120	Madagascar.....	3,556.9
1	Morocco.....	(NE)	121	Rwanda.....	5,381.2
1	Netherlands.....	(NE)	122	Guyana.....	6,036.3
1	New Zealand.....	(NE)	123	Ethiopia.....	6,219.3
1	Norway.....	(NE)	124	Kenya.....	8,301.1
1	Oman.....	0.0	125	Burundi.....	9,688.3
1	Poland.....	(NE)	126	Timor-Leste.....	10,111.0
1	Portugal.....	(NE)	127	Zimbabwe.....	13,491.6
1	Puerto Rico.....	(NE)	128	Mauritania.....	17,311.2
1	Qatar.....	(NE)	129	Angola.....	19,796.1
1	Romania.....	(NE)	130	Tanzania.....	21,897.6
1	Russian Federation.....	(NE)	131	Gabon.....	22,715.1
1	Serbia.....	(NE)	132	Mali.....	23,225.5
1	Seychelles.....	(NE)	133	Senegal.....	23,652.2
1	Singapore.....	(NE)	134	Cameroon.....	24,202.5
1	Slovak Republic.....	(NE)	135	Zambia.....	24,518.3
1	Slovenia.....	(NE)	136	Malawi.....	26,033.1
1	Spain.....	(NE)	137	Ghana.....	26,147.4
1	Sweden.....	(NE)	138	Liberia.....	27,023.2
1	Switzerland.....	(NE)	139	Gambia, The.....	27,806.0
1	Taiwan, China.....	(NE)	140	Uganda.....	28,011.9
1	Trinidad and Tobago.....	(NE)	141	Benin.....	28,228.7
1	Tunisia.....	(NE)	142	Sierra Leone.....	29,407.1
1	Ukraine.....	(NE)	143	Nigeria.....	31,118.0
1	United Arab Emirates.....	(NE)	144	Mozambique.....	31,221.2
1	United Kingdom.....	(NE)	145	Burkina Faso.....	31,924.2
1	United States.....	(NE)	146	Côte d'Ivoire.....	34,429.1
1	Uruguay.....	(NE)	147	Chad.....	36,280.1
74	Turkey.....	0.0	148	Guinea.....	37,575.1

SOURCE: The World Health Organization, *World Malaria Report 2012*

NOTE: (NE) indicates that malaria is not endemic.

## 4.03 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.3	7
1	Norway .....	6.9				75	Trinidad and Tobago.....	5.5			
2	Finland .....	6.9				76	Armenia .....	5.4			
3	Denmark .....	6.8				77	Czech Republic .....	5.4			
4	Bosnia and Herzegovina .....	6.8				78	Brunei Darussalam.....	5.4			
5	Iceland .....	6.8				79	Georgia.....	5.4			
6	New Zealand .....	6.8				80	Venezuela .....	5.4			
7	Austria .....	6.7				81	Ukraine .....	5.3			
8	Sweden .....	6.7				82	Suriname .....	5.3			
9	Netherlands .....	6.7				83	Mongolia.....	5.3			
10	Spain .....	6.7				84	Libya.....	5.2			
11	Puerto Rico.....	6.7				85	Azerbaijan.....	5.2			
12	Switzerland .....	6.6				86	Romania .....	5.2			
13	Croatia .....	6.6				87	Malaysia.....	5.1			
14	Slovenia .....	6.6				88	Thailand.....	5.1			
15	Germany .....	6.6				89	Honduras.....	5.1			
16	Uruguay.....	6.6				90	Cape Verde .....	5.1			
17	Canada.....	6.5				91	Dominican Republic.....	5.1			
18	Luxembourg .....	6.5				92	China .....	5.1			
19	Jordan .....	6.5				93	Ecuador .....	5.1			
20	Belgium .....	6.5				94	Colombia.....	5.0			
21	United Kingdom.....	6.5				95	Yemen .....	5.0			
22	Ireland.....	6.5				96	Peru.....	5.0			
23	Slovak Republic .....	6.5				97	Moldova.....	5.0			
24	Australia.....	6.5				98	Rwanda .....	4.9			
25	Italy.....	6.5				99	Guyana .....	4.9			
26	Greece.....	6.5				100	Côte d'Ivoire .....	4.9			
27	Turkey.....	6.4				101	Gambia, The.....	4.9			
28	Lebanon .....	6.4				102	Nigeria .....	4.8			
29	Qatar .....	6.4				103	India.....	4.7			
30	France .....	6.3				104	Seychelles.....	4.7			
31	Costa Rica.....	6.3				105	Nepal.....	4.6			
32	Israel .....	6.3				106	Senegal .....	4.6			
33	Argentina .....	6.3				107	El Salvador.....	4.6			
34	Albania.....	6.3				108	Kyrgyz Republic.....	4.5			
35	Hungary.....	6.2				109	Burkina Faso.....	4.5			
36	Chile .....	6.2				110	Ghana.....	4.5			
37	Mexico .....	6.2				111	Kazakhstan .....	4.4			
38	Estonia.....	6.2				112	Madagascar .....	4.4			
39	Morocco .....	6.1				113	Cambodia.....	4.4			
40	Serbia .....	6.1				114	Pakistan.....	4.3			
41	Portugal.....	6.1				115	Algeria .....	4.3			
42	Taiwan, China.....	6.1				116	Philippines .....	4.3			
43	Guatemala.....	6.0				117	Vietnam .....	4.3			
44	Sri Lanka .....	6.0				118	Bhutan.....	4.3			
45	Cyprus.....	6.0				119	Uganda.....	4.3			
46	Malta .....	6.0				120	Sierra Leone .....	4.2			
47	Poland .....	6.0				121	Mauritania.....	4.2			
48	Nicaragua .....	6.0				122	Kenya .....	4.1			
49	Panama .....	6.0				123	Cameroon.....	4.1			
50	Brazil.....	6.0				124	Gabon .....	4.1			
51	Singapore .....	6.0				125	Tanzania .....	4.0			
52	Japan .....	5.9				126	Zimbabwe.....	4.0			
53	Kuwait .....	5.9				127	Haiti .....	4.0			
54	Bahrain .....	5.9				128	Guinea.....	3.9			
55	Hong Kong SAR.....	5.9				129	Mali.....	3.9			
56	Jamaica .....	5.9				130	Benin .....	3.9			
57	Paraguay .....	5.9				131	Indonesia .....	3.8			
58	Barbados.....	5.8				132	Ethiopia.....	3.8			
59	Bulgaria .....	5.8				133	Lesotho .....	3.8			
60	United States.....	5.8				134	Botswana .....	3.7			
61	Montenegro .....	5.8				135	Myanmar.....	3.7			
62	Tunisia .....	5.8				136	Lao PDR.....	3.7			
63	Iran, Islamic Rep. ....	5.7				137	Malawi .....	3.7			
64	Mauritius.....	5.7				138	Zambia .....	3.6			
65	United Arab Emirates.....	5.7				139	Mozambique.....	3.6			
66	Latvia.....	5.7				140	Liberia.....	3.6			
67	Macedonia, FYR.....	5.7				141	Namibia .....	3.4			
68	Saudi Arabia.....	5.7				142	South Africa.....	3.4			
69	Bangladesh.....	5.6				143	Timor-Leste .....	3.4			
70	Egypt .....	5.6				144	Burundi.....	3.3			
71	Lithuania.....	5.6				145	Bolivia .....	3.2			
72	Oman .....	5.5				146	Angola .....	3.2			
73	Korea, Rep. ....	5.5				147	Chad.....	3.0			
74	Russian Federation .....	5.5				148	Swaziland .....	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey



## 4.04 Tuberculosis incidence

Number of tuberculosis cases per 100,000 population | 2011

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Luxembourg	0.5	75	Bosnia and Herzegovina	49.0
2	Barbados <sup>1</sup>	1.2	76	Armenia	55.0
3	Puerto Rico	1.8	77	Burkina Faso	57.0
4	Italy	2.8	78	Lithuania	59.0
5	Austria	3.7	79	Guatemala	61.0
5	United Arab Emirates	3.7	80	Ecuador	62.0
7	Greece	3.8	80	Mali	62.0
8	United States	3.9	82	Dominican Republic	65.0
9	Cyprus	4.0	83	Sri Lanka	66.0
10	France	4.3	84	Benin	70.0
11	Canada	4.5	84	Brunei Darussalam	70.0
11	Germany	4.5	84	Taiwan, China	70.0
13	Iceland	4.8	87	China	75.0
13	Switzerland	4.8	88	Hong Kong SAR	78.0
15	Israel	5.8	89	Ghana	79.0
16	Australia	6.0	90	Malaysia	81.0
16	Czech Republic	6.0	91	Ukraine	89.0
16	Jordan	6.0	92	Algeria	90.0
19	Norway	6.1	93	Rwanda	94.0
20	Denmark	6.5	94	Russian Federation	97.0
21	Jamaica	6.6	95	Korea, Rep.	100.0
22	Netherlands	6.8	96	Peru	101.0
22	Sweden	6.8	96	Romania	101.0
24	Slovak Republic	7.2	98	Morocco	103.0
25	Finland	7.5	99	Guyana	110.0
25	Ireland	7.5	100	Azerbaijan	113.0
27	New Zealand	7.6	101	Nigeria	118.0
28	Belgium	8.1	102	Thailand	124.0
29	Malta	9.1	103	Georgia	125.0
30	Slovenia	9.3	104	Kyrgyz Republic	128.0
31	Costa Rica	12.0	105	Kazakhstan	129.0
32	Albania	13.0	106	Bolivia	131.0
33	Oman	14.0	107	Senegal	136.0
33	United Kingdom	14.0	108	Burundi	139.0
35	Lebanon	15.0	109	Cape Verde	145.0
35	Spain	15.0	110	Chad	151.0
37	Serbia	16.0	111	Moldova	161.0
38	Croatia	17.0	112	Nepal	163.0
38	Egypt	17.0	113	Tanzania	169.0
38	Montenegro	17.0	114	India	181.0
38	Saudi Arabia	17.0	115	Guinea	183.0
42	Bahrain	18.0	116	Indonesia	187.0
42	Chile	18.0	117	Côte d'Ivoire	191.0
42	Hungary	18.0	117	Malawi	191.0
45	Japan	20.0	119	Bhutan	192.0
45	Macedonia, FYR	20.0	120	Uganda	193.0
47	Iran, Islamic Rep.	21.0	121	Vietnam	199.0
47	Mauritius	21.0	122	Lao PDR	213.0
47	Trinidad and Tobago	21.0	123	Haiti	222.0
47	Uruguay	21.0	124	Mongolia	223.0
51	Mexico	23.0	125	Bangladesh	225.0
51	Poland	23.0	126	Pakistan	231.0
53	Portugal	24.0	127	Madagascar	238.0
53	Turkey	24.0	128	Cameroon	243.0
55	Estonia	25.0	129	Ethiopia	258.0
56	Argentina	26.0	130	Philippines	270.0
57	El Salvador	27.0	131	Gambia, The	279.0
58	Seychelles	30.0	132	Kenya	288.0
58	Tunisia	30.0	133	Liberia	299.0
60	Venezuela	33.0	134	Angola	310.0
61	Colombia	34.0	135	Mauritania	344.0
62	Bulgaria	35.0	136	Myanmar	381.0
63	Kuwait	36.0	137	Cambodia	424.0
64	Qatar	37.0	138	Zambia	444.0
64	Singapore	37.0	139	Gabon	450.0
66	Libya	40.0	140	Botswana	455.0
66	Nicaragua	40.0	141	Timor-Leste	498.0
68	Brazil	42.0	142	Mozambique	548.0
68	Latvia	42.0	143	Zimbabwe	603.0
70	Honduras	43.0	144	Lesotho	632.0
71	Suriname	44.0	145	Namibia	723.0
71	Yemen	44.0	145	Sierra Leone	723.0
73	Paraguay	45.0	147	South Africa	993.0
74	Panama	48.0	148	Swaziland	1,317.0

SOURCES: The World Bank, *World Development Indicators* (April 2013 edition); national sources

<sup>1</sup> 2010

## 4.05 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 5.2	7
1	Bosnia and Herzegovina	6.9				75	Brazil	5.5			
2	Finland	6.8				76	Kazakhstan	5.4			
3	Norway	6.8				77	Korea, Rep.	5.4			
4	Denmark	6.7				78	Libya	5.3			
5	Croatia	6.6				79	Romania	5.3			
6	Austria	6.6				80	Mauritius	5.3			
7	New Zealand	6.6				81	Peru	5.3			
8	Sweden	6.6				82	Czech Republic	5.2			
9	Jordan	6.5				83	Oman	5.2			
10	Israel	6.5				84	Kyrgyz Republic	5.2			
11	Iceland	6.5				85	China	5.1			
12	Turkey	6.5				86	United States	5.1			
13	Slovak Republic	6.5				87	Cape Verde	5.1			
14	Netherlands	6.4				88	Malaysia	5.0			
15	Spain	6.4				89	Philippines	5.0			
16	Ireland	6.4				90	El Salvador	5.0			
17	Slovenia	6.4				91	Madagascar	5.0			
18	Hungary	6.3				92	Venezuela	5.0			
19	Qatar	6.3				93	Gambia, The	4.9			
20	Luxembourg	6.3				94	Côte d'Ivoire	4.9			
21	Taiwan, China	6.3				95	Thailand	4.8			
22	Serbia	6.3				96	India	4.8			
23	Albania	6.3				97	Pakistan	4.8			
24	Switzerland	6.2				98	Colombia	4.8			
25	United Kingdom	6.2				99	Suriname	4.8			
26	Germany	6.2				100	Ecuador	4.8			
27	Lithuania	6.2				101	Guyana	4.7			
28	Uruguay	6.2				102	Jamaica	4.7			
29	Canada	6.1				103	Dominican Republic	4.7			
30	Kuwait	6.1				104	Nepal	4.6			
31	Belgium	6.1				105	Cambodia	4.6			
32	Greece	6.1				106	Mauritania	4.6			
33	Australia	6.1				107	Liberia	4.5			
34	Lebanon	6.1				108	Senegal	4.5			
35	Morocco	6.1				109	Honduras	4.5			
36	Poland	6.0				110	Rwanda	4.5			
37	Sri Lanka	6.0				111	Burkina Faso	4.5			
38	Azerbaijan	6.0				112	Vietnam	4.4			
39	Italy	6.0				113	Ghana	4.4			
40	Egypt	6.0				114	Bhutan	4.4			
41	Bangladesh	6.0				115	Trinidad and Tobago	4.4			
42	Estonia	5.9				116	Panama	4.3			
43	United Arab Emirates	5.9				117	Nigeria	4.3			
44	Portugal	5.9				118	Algeria	4.3			
45	Bulgaria	5.9				119	Haiti	4.3			
46	Cyprus	5.9				120	Seychelles	4.2			
47	Singapore	5.9				121	Myanmar	4.2			
48	Malta	5.9				122	Barbados	4.1			
49	Bahrain	5.9				123	Sierra Leone	4.1			
50	Armenia	5.8				124	Cameroon	4.0			
51	France	5.8				125	Timor-Leste	3.9			
52	Brunei Darussalam	5.8				126	Guinea	3.9			
53	Japan	5.8				127	Ethiopia	3.9			
54	Tunisia	5.8				128	Lao PDR	3.9			
55	Guatemala	5.8				129	Benin	3.9			
56	Chile	5.8				130	Indonesia	3.8			
57	Costa Rica	5.7				131	Mali	3.7			
58	Macedonia, FYR	5.7				132	Zimbabwe	3.7			
59	Moldova	5.7				133	Gabon	3.7			
60	Mongolia	5.7				134	Tanzania	3.7			
61	Saudi Arabia	5.7				135	Kenya	3.6			
62	Latvia	5.6				136	Mozambique	3.3			
63	Puerto Rico	5.6				137	Burundi	3.3			
64	Montenegro	5.6				138	Zambia	3.2			
65	Russian Federation	5.6				139	Uganda	3.1			
66	Hong Kong SAR	5.6				140	Bolivia	3.1			
67	Argentina	5.6				141	Angola	3.0			
68	Mexico	5.6				142	Botswana	3.0			
69	Yemen	5.5				143	South Africa	3.0			
70	Georgia	5.5				144	Lesotho	3.0			
71	Paraguay	5.5				145	Namibia	2.9			
72	Iran, Islamic Rep.	5.5				146	Malawi	2.8			
73	Nicaragua	5.5				147	Chad	2.8			
74	Ukraine	5.5				148	Swaziland	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey

## 4.06 HIV prevalence

HIV prevalence as a percentage of adults aged 15–49 years | 2011 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Albania.....	<0.1	60	Paraguay .....	0.3
1	Bahrain <sup>2</sup> .....	<0.1	60	United Kingdom.....	0.3
1	Bosnia and Herzegovina <sup>2</sup> .....	<0.1	77	Puerto Rico <sup>4</sup> .....	0.3
1	Brunei Darussalam <sup>3</sup> .....	0.0	78	Argentina .....	0.4
1	Cyprus <sup>4</sup> .....	<0.1	78	Austria .....	0.4
1	Hong Kong SAR <sup>3</sup> .....	0.0	78	Ecuador.....	0.4
1	Jordan .....	0.0	78	France .....	0.4
1	Macedonia, FYR <sup>1</sup> .....	<0.01	78	Italy.....	0.4
1	Montenegro .....	0.0	78	Kyrgyz Republic.....	0.4
1	United Arab Emirates.....	<0.01	78	Malaysia.....	0.4
11	Algeria <sup>3</sup> .....	0.1	78	Peru.....	0.4
11	Azerbaijan.....	0.1	78	Spain .....	0.4
11	Bangladesh.....	0.1	78	Switzerland .....	0.4
11	Bulgaria .....	0.1	88	Chile .....	0.5
11	China.....	0.1	88	Colombia .....	0.5
11	Croatia.....	0.1	88	Moldova.....	0.5
11	Czech Republic .....	0.1	88	Vietnam .....	0.5
11	Egypt .....	0.1	92	Cambodia.....	0.6
11	Finland.....	0.1	92	El Salvador.....	0.6
11	Hungary.....	0.1	92	Myanmar.....	0.6
11	Japan .....	0.1	92	Uruguay.....	0.6
11	Korea, Rep. ....	0.1	92	Venezuela .....	0.6
11	Lebanon .....	0.1	97	Dominican Republic.....	0.7
11	Lithuania .....	0.1	97	Latvia.....	0.7
11	Malta .....	0.1	97	Portugal.....	0.7
11	Mongolia.....	0.1	97	Senegal .....	0.7
11	New Zealand .....	0.1	97	United States.....	0.7
11	Oman <sup>3</sup> .....	0.1	102	Guatemala .....	0.8
11	Pakistan.....	0.1	102	Honduras <sup>3</sup> .....	0.8
11	Philippines .....	0.1	102	Panama .....	0.8
11	Poland.....	0.1	102	Ukraine .....	0.8
11	Qatar <sup>3</sup> .....	0.1	106	Barbados.....	0.9
11	Romania .....	0.1	107	Cape Verde .....	1.0
11	Serbia.....	0.1	107	Liberia.....	1.0
11	Singapore .....	0.1	107	Mauritius.....	1.0
11	Slovak Republic.....	0.1	107	Russian Federation <sup>3</sup> .....	1.0
11	Slovenia.....	0.1	107	Suriname .....	1.0
11	Sri Lanka .....	0.1	112	Burkina Faso.....	1.1
11	Tunisia .....	0.1	112	Guyana .....	1.1
11	Turkey.....	0.1	112	Mali.....	1.1
41	Kuwait <sup>2</sup> .....	<0.2	112	Mauritania.....	1.1
41	Libya <sup>2</sup> .....	<0.2	116	Benin .....	1.2
41	Timor-Leste <sup>1</sup> .....	<0.2	116	Thailand.....	1.2
44	Taiwan, China.....	0.2	118	Burundi.....	1.3
45	Armenia .....	0.2	118	Estonia.....	1.3
45	Australia.....	0.2	120	Ethiopia.....	1.4
45	Denmark.....	0.2	120	Guinea.....	1.4
45	Georgia.....	0.2	122	Gambia, The.....	1.5
45	Germany.....	0.2	122	Ghana.....	1.5
45	Greece.....	0.2	122	Trinidad and Tobago.....	1.5
45	Iran, Islamic Rep. ....	0.2	125	Sierra Leone .....	1.6
45	Israel.....	0.2	126	Haiti.....	1.8
45	Kazakhstan.....	0.2	126	Jamaica.....	1.8
45	Morocco .....	0.2	128	Angola .....	2.1
45	Netherlands .....	0.2	129	Rwanda .....	2.9
45	Nicaragua .....	0.2	130	Côte d'Ivoire .....	3.0
45	Norway .....	0.2	130	Seychelles <sup>4</sup> .....	3.0
45	Sweden.....	0.2	132	Chad.....	3.1
45	Yemen .....	0.2	133	Nigeria .....	3.7
60	Belgium.....	0.3	134	Cameroon.....	4.6
60	Bhutan.....	0.3	135	Gabon .....	5.0
60	Bolivia.....	0.3	136	Tanzania .....	5.8
60	Brazil.....	0.3	137	Kenya .....	6.2
60	Canada.....	0.3	138	Uganda.....	7.2
60	Costa Rica.....	0.3	139	Malawi .....	10.0
60	Iceland.....	0.3	140	Mozambique.....	11.3
60	India <sup>3</sup> .....	0.3	141	Zambia .....	12.5
60	Indonesia .....	0.3	142	Namibia .....	13.4
60	Ireland.....	0.3	143	Zimbabwe.....	14.9
60	Lao PDR.....	0.3	144	South Africa.....	17.3
60	Luxembourg .....	0.3	145	Lesotho .....	23.3
60	Madagascar.....	0.3	146	Botswana .....	23.4
60	Mexico.....	0.3	147	Swaziland .....	26.0
60	Nepal.....	0.3	n/a	Saudi Arabia.....	n/a

**SOURCES:** The World Bank, *World Development Indicators* (April 2013 edition); UNAIDS, *Global Report on the Global AIDS Epidemic* (2008 edition); national sources

**NOTE:** Economies with a prevalence rate of less than 0.1 percent are all ranked first and listed alphabetically.

<sup>1</sup> 2005    <sup>2</sup> 2007    <sup>3</sup> 2009    <sup>4</sup> 2010

## 4.07 Infant mortality

Infant (children aged 0–12 months) mortality per 1,000 live births | 2011

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Hong Kong SAR.....	1.4	74	Tunisia.....	13.9
2	Iceland.....	1.7	76	Peru.....	14.1
3	Singapore.....	2.0	77	Colombia.....	15.4
4	Slovenia.....	2.1	78	Armenia.....	15.6
5	Sweden.....	2.2	79	Jamaica.....	15.7
6	Finland.....	2.3	80	Panama.....	16.7
6	Luxembourg.....	2.3	81	Vietnam.....	17.3
8	Japan.....	2.4	82	Barbados.....	17.7
9	Cyprus.....	2.6	83	Egypt.....	18.0
9	Norway.....	2.6	83	Jordan.....	18.0
11	Portugal.....	2.7	85	Cape Verde.....	18.2
12	Estonia.....	2.8	85	Honduras.....	18.2
13	Denmark.....	3.1	87	Georgia.....	18.3
14	Czech Republic.....	3.2	88	Paraguay.....	19.1
14	Ireland.....	3.2	89	Ecuador.....	19.6
14	Italy.....	3.2	90	Philippines.....	20.2
17	Germany.....	3.3	91	Botswana.....	20.3
18	France.....	3.4	92	Dominican Republic.....	20.9
18	Netherlands.....	3.4	93	Iran, Islamic Rep.....	21.1
20	Austria.....	3.5	94	Nicaragua.....	21.6
20	Belgium.....	3.5	95	Guatemala.....	24.2
20	Israel.....	3.5	96	Trinidad and Tobago.....	24.5
20	Spain.....	3.5	97	Indonesia.....	24.8
24	Greece.....	3.7	98	Kazakhstan.....	25.0
25	Switzerland.....	4.0	99	Mongolia.....	25.5
26	Australia.....	4.1	100	Algeria.....	25.6
26	Korea, Rep.....	4.1	101	Suriname.....	26.0
28	Taiwan, China.....	4.2	102	Kyrgyz Republic.....	27.0
29	Croatia.....	4.4	103	Morocco.....	28.2
29	United Kingdom.....	4.4	104	Guyana.....	29.4
31	Lithuania.....	4.7	105	Namibia.....	29.6
31	New Zealand.....	4.7	106	Lao PDR.....	33.8
33	Canada.....	4.9	107	South Africa.....	34.6
33	Poland.....	4.9	108	Cambodia.....	36.2
35	Malta.....	5.1	109	Bangladesh.....	36.7
36	Hungary.....	5.4	110	Rwanda.....	38.1
37	Brunei Darussalam.....	5.6	111	Azerbaijan.....	38.5
37	Malaysia.....	5.6	112	Nepal.....	39.0
37	United Arab Emirates.....	5.6	113	Bolivia.....	39.3
40	Serbia.....	6.1	114	Bhutan.....	42.0
41	Qatar.....	6.4	115	Madagascar.....	42.8
41	United States.....	6.4	115	Zimbabwe.....	42.8
43	Montenegro.....	6.5	117	Tanzania.....	45.4
43	Slovak Republic.....	6.5	118	Timor-Leste.....	45.8
45	Bosnia and Herzegovina.....	6.7	119	Senegal.....	46.7
46	Latvia.....	7.1	120	India.....	47.2
47	Oman.....	7.3	121	Myanmar.....	47.9
48	Chile.....	7.7	122	Kenya.....	48.3
49	Saudi Arabia.....	7.9	123	Gabon.....	49.3
50	Lebanon.....	8.0	124	Ethiopia.....	51.5
51	Bahrain.....	8.6	125	Ghana.....	51.8
51	Costa Rica.....	8.6	126	Zambia.....	52.7
53	Macedonia, FYR.....	8.7	127	Haiti.....	52.9
53	Ukraine.....	8.7	127	Malawi.....	52.9
53	Uruguay.....	8.7	129	Yemen.....	57.0
56	Puerto Rico <sup>1</sup> .....	8.8	130	Gambia, The.....	57.6
57	Kuwait.....	9.3	131	Uganda.....	57.9
58	Russian Federation.....	9.8	132	Liberia.....	58.2
59	Sri Lanka.....	10.5	133	Pakistan.....	59.2
60	Bulgaria.....	10.6	134	Lesotho.....	62.6
60	Thailand.....	10.6	135	Benin.....	67.9
62	Romania.....	10.8	136	Swaziland.....	69.0
63	Turkey.....	11.5	137	Mozambique.....	71.6
64	Seychelles.....	11.9	138	Mauritania.....	75.6
65	Argentina.....	12.6	139	Nigeria.....	78.0
65	China.....	12.6	140	Guinea.....	78.9
67	Albania.....	12.8	141	Cameroon.....	79.2
67	Libya.....	12.8	142	Côte d'Ivoire.....	81.2
67	Mauritius.....	12.8	143	Burkina Faso.....	81.6
70	Venezuela.....	12.9	144	Burundi.....	86.3
71	El Salvador.....	13.1	145	Angola.....	96.4
72	Mexico.....	13.4	146	Chad.....	97.1
73	Moldova.....	13.8	147	Mali.....	98.2
74	Brazil.....	13.9	148	Sierra Leone.....	119.2

SOURCES: The World Bank, *World Development Indicators* (April 2013 edition); national sources

<sup>1</sup> 2012

## 4.08 Life expectancy

Life expectancy at birth (years) | 2011 or 2010

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Hong Kong SAR	83.4	75	China	73.5
2	Switzerland	82.7	76	Seychelles	73.5
3	Japan	82.6	77	Dominican Republic	73.4
4	Iceland	82.4	78	Brazil	73.4
5	Spain	82.3	79	Jordan	73.4
6	Italy	82.1	80	Oman	73.3
7	Malta	82.0	81	Georgia <sup>1</sup>	73.3
8	Singapore	81.9	82	Mauritius	73.3
9	Australia	81.8	83	Egypt	73.2
10	Sweden	81.8	84	Honduras	73.1
11	Israel	81.8	85	Algeria	73.1
12	France	81.7	86	Jamaica	73.1
13	Norway	81.3	87	Iran, Islamic Rep.	73.0
14	Netherlands	81.2	88	Lebanon	72.6
15	Austria	81.0	89	Paraguay	72.5
16	Luxembourg	81.0	90	Morocco	72.1
17	Canada	80.9	91	El Salvador	71.9
18	New Zealand	80.9	92	Guatemala	71.1
19	Korea, Rep.	80.9	93	Ukraine	70.8
20	United Kingdom	80.8	94	Azerbaijan	70.7
21	Greece	80.7	95	Suriname	70.6
22	Germany	80.7	96	Trinidad and Tobago	70.0
23	Portugal	80.7	97	Guyana	69.9
24	Ireland	80.5	98	Kyrgyz Republic	69.6
25	Belgium	80.5	99	Indonesia	69.3
26	Finland	80.5	100	Moldova	69.2
27	Slovenia	80.0	101	Russian Federation	69.0
28	Denmark	79.8	102	Bangladesh	68.9
29	Cyprus	79.6	103	Kazakhstan	68.9
30	Costa Rica	79.3	104	Philippines	68.8
31	Taiwan, China <sup>1</sup>	79.2	105	Nepal	68.7
32	Puerto Rico	79.0	106	Mongolia	68.5
33	Chile	79.0	107	Lao PDR	67.4
34	United States	78.6	108	Bhutan	67.3
35	Qatar	78.2	109	Madagascar	66.7
36	Brunei Darussalam	78.1	110	Bolivia	66.6
37	Czech Republic	77.9	111	India	65.5
38	Albania	77.0	112	Yemen	65.5
39	Mexico	76.9	113	Pakistan	65.4
40	Croatia	76.9	114	Myanmar	65.2
41	Poland	76.7	115	Ghana	64.2
42	United Arab Emirates	76.7	116	Cambodia	63.0
43	Barbados	76.7	117	Gabon	62.7
44	Uruguay	76.4	118	Timor-Leste	62.5
45	Panama	76.1	119	Namibia	62.3
46	Estonia	76.1	120	Haiti	62.1
47	Slovak Republic	76.0	121	Senegal	59.3
48	Argentina	75.8	122	Ethiopia	59.2
49	Ecuador	75.6	123	Mauritania	58.5
50	Bosnia and Herzegovina	75.6	124	Gambia, The	58.5
51	Bahrain	75.2	125	Tanzania	58.2
52	Vietnam	75.1	126	Kenya	57.1
53	Libya	75.0	127	Liberia	56.7
54	Sri Lanka	74.9	128	Benin	56.0
55	Hungary	74.9	129	Côte d'Ivoire	55.4
56	Macedonia, FYR	74.8	130	Rwanda	55.4
57	Tunisia	74.8	131	Burkina Faso	55.4
58	Kuwait	74.7	132	Malawi	54.1
59	Serbia	74.6	133	Guinea	54.1
60	Romania	74.5	134	Uganda	54.1
61	Montenegro	74.5	135	Botswana	53.0
62	Venezuela	74.3	136	South Africa	52.6
63	Malaysia	74.3	137	Nigeria	51.9
64	Bulgaria	74.2	138	Cameroon	51.6
65	Thailand	74.1	139	Mali	51.4
66	Saudi Arabia	74.1	140	Zimbabwe	51.2
67	Nicaragua	74.0	141	Angola	51.1
68	Peru	74.0	142	Burundi	50.3
69	Turkey	73.9	143	Mozambique	50.2
70	Cape Verde	73.9	144	Chad	49.5
71	Armenia	73.9	145	Zambia	49.0
72	Colombia	73.6	146	Swaziland	48.7
73	Latvia	73.6	147	Lesotho	48.0
74	Lithuania	73.6	148	Sierra Leone	47.8

SOURCES: The World Bank, *World Development Indicators* (April 2013 edition); national sources

<sup>1</sup> 2010

## 4.09 Quality of primary education

In your country, how would you assess the quality of primary schools [1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7
1	Finland .....	6.8				75	Rwanda .....	3.8			
2	Belgium .....	6.3				76	Philippines .....	3.8			
3	Singapore .....	6.0				77	Armenia .....	3.8			
4	Barbados .....	6.0				78	Greece .....	3.8			
5	Switzerland .....	6.0				79	Lao PDR .....	3.8			
6	New Zealand .....	5.8				80	Moldova .....	3.7			
7	Lebanon .....	5.7				81	Serbia .....	3.7			
8	Ireland .....	5.7				82	Zambia .....	3.7			
9	Malta .....	5.7				83	Puerto Rico .....	3.7			
10	Netherlands .....	5.7				84	India .....	3.6			
11	Qatar .....	5.6				85	Romania .....	3.6			
12	Cyprus .....	5.6				86	Thailand .....	3.6			
13	Canada .....	5.5				87	Ghana .....	3.6			
14	Taiwan, China .....	5.4				88	Cameroon .....	3.6			
15	Iceland .....	5.4				89	Kenya .....	3.6			
16	Bosnia and Herzegovina .....	5.4				90	Nepal .....	3.5			
17	Brunei Darussalam .....	5.3				91	Mongolia .....	3.5			
18	Estonia .....	5.2				92	Turkey .....	3.5			
19	United Arab Emirates .....	5.2				93	Kuwait .....	3.4			
20	Slovenia .....	5.1				94	Georgia .....	3.4			
21	Japan .....	5.1				95	Jamaica .....	3.4			
22	Australia .....	5.0				96	Panama .....	3.4			
23	Korea, Rep. ....	5.0				97	Vietnam .....	3.4			
24	Sweden .....	5.0				98	Côte d'Ivoire .....	3.4			
25	Germany .....	5.0				99	Lesotho .....	3.3			
26	Lithuania .....	5.0				100	Benin .....	3.3			
27	Montenegro .....	5.0				101	Bolivia .....	3.3			
28	Austria .....	4.9				102	Argentina .....	3.3			
29	Norway .....	4.9				103	Senegal .....	3.3			
30	Hong Kong SAR .....	4.9				104	Colombia .....	3.3			
31	United Kingdom .....	4.9				105	Uruguay .....	3.2			
32	Costa Rica .....	4.8				106	Cambodia .....	3.2			
33	Malaysia .....	4.8				107	Chile .....	3.2			
34	Latvia .....	4.8				108	Ethiopia .....	3.1			
35	France .....	4.7				109	Nicaragua .....	3.0			
36	Guyana .....	4.7				110	Namibia .....	3.0			
37	Ukraine .....	4.7				111	Azerbaijan .....	3.0			
38	Croatia .....	4.7				112	Gabon .....	3.0			
39	Luxembourg .....	4.7				113	Kyrgyz Republic .....	3.0			
40	Italy .....	4.7				114	Sierra Leone .....	2.9			
41	United States .....	4.7				115	Bangladesh .....	2.9			
42	Denmark .....	4.7				116	Pakistan .....	2.9			
43	Sri Lanka .....	4.6				117	Venezuela .....	2.9			
44	Jordan .....	4.6				118	Morocco .....	2.9			
45	Trinidad and Tobago .....	4.6				119	Nigeria .....	2.9			
46	Portugal .....	4.5				120	Uganda .....	2.9			
47	Mauritius .....	4.5				121	Burkina Faso .....	2.9			
48	Bhutan .....	4.5				122	Malawi .....	2.9			
49	Seychelles .....	4.4				123	Liberia .....	2.8			
50	Gambia, The .....	4.4				124	Mexico .....	2.8			
51	Czech Republic .....	4.3				125	El Salvador .....	2.8			
52	Hungary .....	4.3				126	Madagascar .....	2.7			
53	Albania .....	4.3				127	Haiti .....	2.6			
54	Slovak Republic .....	4.3				128	Mali .....	2.5			
55	Indonesia .....	4.3				129	Brazil .....	2.5			
56	China .....	4.3				130	Tanzania .....	2.5			
57	Oman .....	4.2				131	Algeria .....	2.5			
58	Poland .....	4.2				132	Libya .....	2.5			
59	Saudi Arabia .....	4.2				133	South Africa .....	2.3			
60	Bulgaria .....	4.1				134	Guinea .....	2.3			
61	Russian Federation .....	4.1				135	Peru .....	2.3			
62	Swaziland .....	4.1				136	Guatemala .....	2.2			
63	Zimbabwe .....	4.1				137	Honduras .....	2.2			
64	Bahrain .....	4.0				138	Burundi .....	2.2			
65	Iran, Islamic Rep. ....	4.0				139	Mozambique .....	2.2			
66	Spain .....	4.0				140	Mauritania .....	2.2			
67	Botswana .....	4.0				141	Timor-Leste .....	2.2			
68	Suriname .....	4.0				142	Paraguay .....	2.2			
69	Kazakhstan .....	3.9				143	Myanmar .....	2.1			
70	Macedonia, FYR .....	3.9				144	Angola .....	2.1			
71	Israel .....	3.9				145	Chad .....	2.1			
72	Tunisia .....	3.9				146	Dominican Republic .....	2.0			
73	Cape Verde .....	3.9				147	Yemen .....	2.0			
74	Ecuador .....	3.8				148	Egypt .....	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey



## 4.10 Primary education enrollment rate

Net primary education enrollment rate | 2011 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Singapore	100.0	75	Malta <sup>9</sup>	93.8
2	Japan <sup>9</sup>	100.0	76	Uganda	93.8
3	Canada <sup>1</sup>	99.8	77	Montenegro <sup>10</sup>	93.7
4	China	99.8	78	Cape Verde	93.5
5	Netherlands <sup>9</sup>	99.8	79	Russian Federation <sup>8</sup>	93.4
6	Iran, Islamic Rep.	99.8	80	India <sup>9</sup>	93.3
7	Ireland	99.7	81	Chile	93.3
8	Spain	99.7	82	Serbia	93.2
9	Myanmar <sup>5</sup>	99.6	83	Albania <sup>3</sup>	93.0
10	Uruguay <sup>9</sup>	99.5	84	Sri Lanka	92.9
11	United Kingdom <sup>9</sup>	99.5	85	Suriname	92.8
12	Taiwan, China <sup>10</sup>	99.5	86	Venezuela	92.7
13	Sweden	99.5	87	Hungary	92.5
14	Tunisia	99.4	88	Nicaragua <sup>9</sup>	92.5
15	Vietnam	99.3	89	Hong Kong SAR	92.3
16	New Zealand <sup>9</sup>	99.3	90	Luxembourg <sup>9</sup>	92.1
17	Portugal <sup>9</sup>	99.2	91	Kuwait <sup>7</sup>	92.1
18	Norway <sup>9</sup>	99.1	92	Benin <sup>7</sup>	92.1
19	Argentina <sup>4</sup>	99.1	93	Cameroon <sup>9</sup>	91.9
20	Greece <sup>9</sup>	99.0	94	Ukraine	91.7
21	Cyprus <sup>9</sup>	99.0	95	Lithuania	91.1
22	Iceland <sup>9</sup>	99.0	96	Jordan <sup>9</sup>	90.7
23	Turkey <sup>9</sup>	98.9	97	Timor-Leste	90.4
24	Belgium <sup>9</sup>	98.9	98	Mozambique <sup>10</sup>	90.4
25	Rwanda <sup>9</sup>	98.7	99	Zimbabwe <sup>5</sup>	90.0
26	Ecuador <sup>8</sup>	98.6	100	Burundi <sup>6</sup>	89.7
27	Mongolia	98.6	101	Thailand <sup>9</sup>	89.7
28	Korea, Rep. <sup>9</sup>	98.6	102	Czech Republic <sup>5</sup>	89.6
29	France	98.5	103	Dominican Republic	89.4
30	Austria <sup>8</sup>	98.4	104	Bhutan <sup>10</sup>	89.0
31	Cambodia	98.2	105	Kyrgyz Republic	88.4
32	Georgia	98.1	106	United Arab Emirates <sup>5</sup>	88.4
33	Tanzania <sup>7</sup>	98.0	107	Bosnia and Herzegovina	88.4
34	Bulgaria <sup>9</sup>	98.0	108	Philippines <sup>8</sup>	88.3
35	Finland	97.9	109	Macedonia, FYR <sup>9</sup>	88.0
36	Bahrain <sup>5</sup>	97.8	110	Bolivia <sup>9</sup>	88.0
37	Mexico	97.8	111	Moldova	87.8
38	Slovenia	97.7	112	Romania <sup>9</sup>	87.6
39	Germany <sup>9</sup>	97.7	113	Colombia	87.1
40	Italy <sup>9</sup>	97.4	114	Botswana <sup>8</sup>	87.1
41	Slovak Republic <sup>8</sup>	97.4	115	Armenia <sup>6</sup>	87.1
42	Lao PDR	97.4	116	Croatia <sup>9</sup>	86.8
43	Honduras	97.3	117	Azerbaijan	86.6
44	Australia <sup>9</sup>	97.1	118	Kazakhstan <sup>10</sup>	86.5
45	Israel <sup>9</sup>	97.1	119	Ethiopia	86.5
46	Mauritius	97.0	120	Angola <sup>9</sup>	85.7
47	Brunei Darussalam <sup>8</sup>	96.9	121	Namibia <sup>9</sup>	85.1
48	Malawi <sup>8</sup>	96.9	122	South Africa <sup>8</sup>	85.1
49	Panama	96.9	123	Swaziland <sup>6</sup>	84.8
50	Poland <sup>9</sup>	96.6	124	Paraguay <sup>9</sup>	83.6
51	Oman	96.6	125	Kenya <sup>8</sup>	82.8
52	Saudi Arabia	96.5	126	Guyana	82.7
53	Algeria	96.2	127	Ghana <sup>10</sup>	82.1
54	Morocco <sup>10</sup>	96.0	128	Jamaica <sup>9</sup>	82.0
55	Malaysia <sup>4</sup>	95.9	129	Guinea <sup>10</sup>	81.7
56	Indonesia	95.8	130	Gabon <sup>2</sup>	80.0
57	Guatemala <sup>9</sup>	95.8	131	Madagascar <sup>3</sup>	79.2
58	Egypt	95.6	132	Puerto Rico	79.1
59	Zambia	95.5	133	Yemen	76.0
60	Denmark <sup>9</sup>	95.4	134	Senegal	75.7
61	Seychelles <sup>4</sup>	95.1	135	Mauritania	74.5
62	Latvia	95.1	136	Lesotho	74.5
63	Barbados <sup>7</sup>	95.0	137	Pakistan	72.1
64	Estonia <sup>9</sup>	95.0	138	Gambia, The	67.5
65	Lebanon	94.9	139	Sierra Leone	65.0
66	United States <sup>9</sup>	94.6	140	Burkina Faso <sup>10</sup>	64.1
67	Peru	94.5	141	Mali	62.9
68	Nepal <sup>9</sup>	94.5	142	Chad <sup>3</sup>	62.3
69	Brazil <sup>4</sup>	94.4	143	Côte d'Ivoire <sup>8</sup>	61.5
70	Bangladesh	94.4	144	Nigeria <sup>9</sup>	57.6
71	El Salvador	94.3	145	Liberia	40.8
72	Qatar	94.0	n/a	Costa Rica	n/a
73	Trinidad and Tobago <sup>9</sup>	93.9	n/a	Haiti	n/a
74	Switzerland	93.9	n/a	Libya	n/a

**SOURCES:** UNESCO Institute for Statistics (accessed June 21, 2013); The Asian Development Bank, *Key Indicators for Asia and the Pacific 2012*; The World Bank, *EdStats Database* (accessed June 27, 2012); Organisation for Economic Co-operation and Development (OECD), *UNICEF Education at a Glance 2011*; UNESCO Country Programming Document; national sources

<sup>1</sup> 2000    <sup>2</sup> 2001    <sup>3</sup> 2003    <sup>4</sup> 2005    <sup>5</sup> 2006    <sup>6</sup> 2007    <sup>7</sup> 2008    <sup>8</sup> 2009    <sup>9</sup> 2010    <sup>10</sup> 2012



## Pillar 5

# Higher education and training

## 5.01 Secondary education enrollment rate

Gross secondary education enrollment rate | 2011 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Australia <sup>8</sup>	131.3	75	Russian Federation <sup>7</sup>	88.6
2	Spain	128.5	76	Kyrgyz Republic	88.2
3	Seychelles	123.9	77	Moldova	87.7
4	Netherlands <sup>8</sup>	121.5	78	Ecuador	87.6
5	New Zealand <sup>8</sup>	119.1	79	Jordan <sup>8</sup>	86.9
6	Denmark <sup>8</sup>	118.7	80	Georgia <sup>7</sup>	86.2
7	Ireland	118.6	81	Iran, Islamic Rep.	85.7
8	France	113.6	82	Suriname	85.3
9	Brunei Darussalam	111.8	83	Philippines <sup>7</sup>	84.8
10	Norway <sup>8</sup>	111.0	84	Mauritius <sup>3</sup>	83.8
11	Belgium <sup>8</sup>	110.5	85	Macedonia, FYR <sup>8</sup>	83.7
12	Libya <sup>4</sup>	110.3	86	Venezuela	83.5
13	Greece <sup>8</sup>	109.5	87	Lebanon	83.3
14	Portugal <sup>8</sup>	109.1	88	Botswana <sup>6</sup>	82.1
15	Finland	108.0	89	Turkey <sup>8</sup>	82.1
16	Iceland <sup>8</sup>	108.0	90	China	81.4
17	Saudi Arabia	107.3	91	Bolivia <sup>6</sup>	81.0
18	Singapore	107.0	92	Indonesia	80.7
19	Estonia <sup>8</sup>	106.6	93	Hong Kong SAR	80.1
20	Brazil <sup>3</sup>	105.8	94	Thailand <sup>9</sup>	78.2
21	United Kingdom <sup>8</sup>	105.3	95	Albania <sup>2</sup>	78.2
22	Oman	104.1	96	Vietnam <sup>8</sup>	77.2
23	Barbados	103.7	97	Puerto Rico	77.2
24	Germany <sup>8</sup>	103.3	98	Dominican Republic	76.1
25	Bahrain <sup>4</sup>	103.1	99	Bhutan <sup>9</sup>	75.3
26	Sri Lanka	102.4	100	Honduras	74.0
27	Japan <sup>8</sup>	102.2	101	Panama	73.6
28	Israel <sup>8</sup>	102.1	102	Egypt <sup>8</sup>	72.5
29	Kazakhstan <sup>9</sup>	101.9	103	Morocco <sup>9</sup>	69.8
30	Qatar	101.7	104	Nicaragua <sup>8</sup>	69.4
31	Algeria	101.6	105	Malaysia <sup>8</sup>	69.1
32	Canada <sup>7</sup>	101.5	106	Paraguay <sup>8</sup>	67.9
33	Costa Rica	101.5	107	El Salvador	67.6
34	Luxembourg <sup>8</sup>	101.2	108	Guatemala <sup>8</sup>	64.5
35	Kuwait <sup>6</sup>	101.0	109	Namibia <sup>5</sup>	64.0
36	Malta <sup>8</sup>	100.9	110	India <sup>8</sup>	63.2
37	Hungary	100.7	111	Kenya <sup>7</sup>	60.2
38	Italy <sup>8</sup>	100.4	112	Swaziland	60.0
39	Azerbaijan	99.5	113	Ghana <sup>9</sup>	59.2
40	Taiwan, China <sup>9</sup>	99.0	114	Timor-Leste	58.1
41	Lithuania	98.8	115	Myanmar <sup>8</sup>	54.3
42	Austria	98.3	116	Gambia, The <sup>8</sup>	54.1
43	Sweden	98.2	117	Gabon <sup>1</sup>	53.1
44	Colombia	97.5	118	Bangladesh	51.9
45	Slovenia	97.4	119	Benin	51.4
46	Romania <sup>8</sup>	97.2	120	Cameroon	51.3
47	Korea, Rep. <sup>8</sup>	97.1	121	Lesotho	49.1
48	Poland <sup>8</sup>	97.0	122	Lao PDR	45.8
49	United States <sup>8</sup>	96.0	123	Yemen	45.8
50	Latvia	95.8	124	Liberia	44.8
51	Croatia <sup>8</sup>	95.7	125	Cambodia <sup>8</sup>	44.4
52	Switzerland	95.5	126	Nigeria <sup>8</sup>	44.0
53	Montenegro <sup>9</sup>	95.4	127	Nepal <sup>4</sup>	43.5
54	Ukraine	94.0	128	Guinea <sup>9</sup>	42.7
55	South Africa <sup>7</sup>	93.8	129	Senegal	42.1
56	Guyana	93.3	130	Mali	39.5
57	Jamaica <sup>8</sup>	92.7	131	Zimbabwe <sup>4</sup>	38.0
58	Mongolia	92.6	132	Ethiopia	37.6
59	Tunisia	92.6	133	Rwanda	35.8
60	United Arab Emirates <sup>4</sup>	92.3	134	Tanzania <sup>9</sup>	35.1
61	Armenia <sup>8</sup>	92.0	135	Sierra Leone	35.0
62	Serbia	91.5	136	Pakistan	35.0
63	Cyprus <sup>8</sup>	91.4	137	Malawi	34.2
64	Slovak Republic	91.2	138	Angola <sup>8</sup>	31.3
65	Peru	91.2	139	Madagascar <sup>7</sup>	31.1
66	Czech Republic	90.8	140	Zambia <sup>4</sup>	30.4
67	Mexico	90.7	141	Uganda <sup>7</sup>	28.4
68	Uruguay <sup>8</sup>	90.4	142	Burundi	28.0
69	Argentina <sup>8</sup>	90.2	143	Côte d'Ivoire <sup>1</sup>	27.1
70	Chile	90.1	144	Mauritania	27.0
71	Trinidad and Tobago <sup>6</sup>	89.9	145	Mozambique <sup>9</sup>	26.0
72	Cape Verde	89.7	146	Chad	25.4
73	Bosnia and Herzegovina	89.3	147	Burkina Faso <sup>9</sup>	24.7
74	Bulgaria <sup>8</sup>	88.9	n/a	Haiti	n/a

SOURCES: UNESCO Institute for Statistics (accessed June 21, 2013, and April 21, 2013); ChildInfo.org Country Profiles; national sources

<sup>1</sup> 2002   <sup>2</sup> 2003   <sup>3</sup> 2005   <sup>4</sup> 2006   <sup>5</sup> 2007   <sup>6</sup> 2008   <sup>7</sup> 2009   <sup>8</sup> 2010   <sup>9</sup> 2012

## 5.02 Tertiary education enrollment rate

Gross tertiary education enrollment rate | 2011 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Korea, Rep. <sup>11</sup>	103.1		75	Mauritius	32.4	
2	Finland	95.2		76	Algeria	32.1	
3	United States <sup>11</sup>	94.8		77	Georgia	30.0	
4	Greece <sup>8</sup>	89.4		78	Bahrain <sup>7</sup>	29.8	
5	Slovenia	86.3		79	Mexico	28.8	
6	Puerto Rico	86.2		80	Oman	28.7	
7	Taiwan, China <sup>12</sup>	84.4		81	Philippines <sup>10</sup>	28.2	
8	Spain	82.6		82	Egypt	27.8	
9	New Zealand <sup>11</sup>	82.6		83	China	26.8	
10	Ukraine	81.7		84	Jamaica <sup>11</sup>	26.0	
11	Australia <sup>11</sup>	79.9		85	Brazil <sup>6</sup>	25.6	
12	Iceland <sup>11</sup>	78.6		86	United Arab Emirates <sup>9</sup>	25.2	
13	Venezuela <sup>10</sup>	78.1		87	Indonesia	24.9	
14	Russian Federation <sup>10</sup>	75.9		88	El Salvador	24.6	
15	Argentina <sup>11</sup>	74.8		89	Vietnam	24.4	
16	Norway <sup>11</sup>	74.4		90	Kuwait <sup>5</sup>	21.9	
17	Denmark <sup>11</sup>	73.7		91	Honduras <sup>11</sup>	20.6	
18	Sweden	73.1		92	Cape Verde	20.4	
19	Poland <sup>11</sup>	72.4		93	Azerbaijan	19.6	
20	Singapore	72.0		94	Brunei Darussalam	19.6	
21	Chile	70.7		95	Liberia <sup>2</sup>	19.1	
22	Belgium <sup>11</sup>	70.6		96	Luxembourg <sup>11</sup>	18.2	
23	Austria	70.5		97	Nicaragua <sup>4</sup>	18.0	
24	Lithuania	69.5		98	India <sup>11</sup>	17.9	
25	Ireland	68.1		99	Guatemala <sup>8</sup>	17.8	
26	Portugal <sup>11</sup>	65.5		100	Lao PDR	17.7	
27	Netherlands <sup>11</sup>	65.4		101	Timor-Leste <sup>10</sup>	16.7	
28	Italy <sup>11</sup>	65.0		102	South Africa <sup>7</sup>	15.4	
29	Czech Republic	64.9		103	Myanmar	14.8	
30	Estonia <sup>11</sup>	64.3		104	Cambodia	14.5	
31	Uruguay <sup>11</sup>	63.2		105	Sri Lanka	14.3	
32	Israel <sup>10</sup>	62.5		106	Morocco <sup>11</sup>	14.1	
33	Barbados	61.8		107	Bangladesh	13.6	
34	Hong Kong SAR	60.4		108	Cameroon	12.4	
35	Hungary	59.9		109	Ghana <sup>12</sup>	12.3	
36	United Kingdom <sup>11</sup>	59.7		110	Suriname <sup>3</sup>	12.1	
37	Japan <sup>11</sup>	59.7		111	Guyana	12.0	
38	Canada <sup>2</sup>	59.3		112	Qatar	11.6	
39	Romania <sup>11</sup>	58.8		113	Trinidad and Tobago <sup>6</sup>	11.5	
40	France	57.7		114	Guinea	11.3	
41	Lebanon	57.7		115	Benin <sup>10</sup>	10.6	
42	Latvia	57.4		116	Nigeria <sup>6</sup>	10.3	
43	Mongolia	57.2		117	Yemen <sup>8</sup>	10.2	
44	Bulgaria <sup>11</sup>	56.9		118	Uganda	9.1	
45	Switzerland	56.7		119	Namibia <sup>9</sup>	9.0	
46	Turkey <sup>11</sup>	55.4		120	Bhutan	8.8	
47	Libya <sup>4</sup>	54.4		121	Pakistan	8.3	
48	Croatia <sup>11</sup>	54.1		122	Côte d'Ivoire <sup>10</sup>	8.3	
49	Slovak Republic	53.9		123	Senegal <sup>11</sup>	7.9	
50	Serbia	50.4		124	Ethiopia	7.6	
51	Armenia	48.9		125	Botswana <sup>7</sup>	7.4	
52	Iran, Islamic Rep.	48.6		126	Nepal <sup>7</sup>	7.3	
53	Cyprus <sup>11</sup>	48.3		127	Gabon <sup>1</sup>	7.0	
54	Montenegro <sup>11</sup>	47.6		128	Rwanda	6.6	
55	Thailand <sup>12</sup>	46.4		129	Mali	6.1	
56	Panama <sup>11</sup>	45.7		130	Zimbabwe	6.0	
57	Albania	43.9		131	Swaziland	5.9	
58	Kazakhstan <sup>12</sup>	43.2		132	Sierra Leone	5.0	
59	Peru <sup>11</sup>	43.0		133	Mozambique	4.9	
60	Costa Rica	43.0		134	Mauritania	4.7	
61	Colombia	42.9		135	Gambia, The <sup>9</sup>	4.1	
62	Malaysia <sup>11</sup>	42.3		136	Madagascar	4.1	
63	Kyrgyz Republic	41.3		137	Kenya <sup>10</sup>	4.0	
64	Saudi Arabia	41.2		138	Tanzania <sup>12</sup>	3.9	
65	Ecuador <sup>9</sup>	39.8		139	Burkina Faso	3.9	
66	Moldova	39.4		140	Angola <sup>11</sup>	3.7	
67	Bolivia <sup>8</sup>	38.6		141	Lesotho <sup>7</sup>	3.5	
68	Macedonia, FYR <sup>11</sup>	38.6		142	Burundi <sup>11</sup>	3.2	
69	Bosnia and Herzegovina	38.1		143	Seychelles	2.6	
70	Jordan	37.8		144	Zambia <sup>2</sup>	2.4	
71	Tunisia	37.1		145	Chad	2.3	
72	Malta <sup>11</sup>	35.3		146	Malawi	0.8	
73	Paraguay <sup>11</sup>	34.6		n/a	Germany	n/a	
74	Dominican Republic <sup>5</sup>	34.0		n/a	Haiti	n/a	

SOURCES: UNESCO Institute for Statistics (accessed June 21, 2013); national sources

<sup>1</sup> 1999    <sup>2</sup> 2000    <sup>3</sup> 2002    <sup>4</sup> 2003    <sup>5</sup> 2004    <sup>6</sup> 2005    <sup>7</sup> 2006    <sup>8</sup> 2007    <sup>9</sup> 2008    <sup>10</sup> 2009    <sup>11</sup> 2010    <sup>12</sup> 2012

## 5.03 Quality of the educational system

How well does the educational system in your country meet the needs of a competitive economy? [1 = not well at all; 7 = extremely well] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7
1	Switzerland .....	6.0				75	Panama .....	3.6			
2	Finland .....	5.9				76	Cambodia .....	3.6			
3	Singapore .....	5.8				77	Spain .....	3.6			
4	Qatar .....	5.8				78	Thailand .....	3.6			
5	Ireland .....	5.5				79	Ukraine .....	3.6			
6	Barbados .....	5.3				80	Senegal .....	3.5			
7	Belgium .....	5.3				81	Swaziland .....	3.5			
8	Malta .....	5.3				82	Uganda .....	3.5			
9	Cyprus .....	5.3				83	Côte d'Ivoire .....	3.5			
10	Canada .....	5.2				84	Pakistan .....	3.5			
11	New Zealand .....	5.2				85	Russian Federation .....	3.5			
12	Netherlands .....	5.2				86	Colombia .....	3.5			
13	Lebanon .....	5.2				87	Poland .....	3.4			
14	Germany .....	5.1				88	Kazakhstan .....	3.4			
15	United Arab Emirates .....	5.1				89	Bolivia .....	3.4			
16	Iceland .....	5.1				90	Bulgaria .....	3.4			
17	Sweden .....	5.0				91	Turkey .....	3.4			
18	Norway .....	5.0				92	Malawi .....	3.4			
19	Malaysia .....	5.0				93	Hungary .....	3.4			
20	Costa Rica .....	4.9				94	Nepal .....	3.4			
21	Denmark .....	4.9				95	Vietnam .....	3.4			
22	Hong Kong SAR .....	4.8				96	Liberia .....	3.4			
23	Australia .....	4.8				97	Croatia .....	3.4			
24	Austria .....	4.8				98	Bangladesh .....	3.3			
25	United States .....	4.6				99	Romania .....	3.3			
26	United Kingdom .....	4.6				100	Tanzania .....	3.2			
27	Jordan .....	4.6				101	Benin .....	3.2			
28	Sri Lanka .....	4.6				102	Suriname .....	3.2			
29	Gambia, The .....	4.5				103	Iran, Islamic Rep. ....	3.2			
30	Taiwan, China .....	4.5				104	Argentina .....	3.2			
31	Seychelles .....	4.4				105	Georgia .....	3.2			
32	Brunei Darussalam .....	4.4				106	Kuwait .....	3.1			
33	India .....	4.4				107	Nicaragua .....	3.1			
34	Luxembourg .....	4.4				108	Ethiopia .....	3.1			
35	Montenegro .....	4.4				109	El Salvador .....	3.1			
36	Indonesia .....	4.3				110	Morocco .....	3.1			
37	Mauritius .....	4.3				111	Serbia .....	3.1			
38	Zambia .....	4.3				112	Greece .....	3.1			
39	Saudi Arabia .....	4.3				113	Nigeria .....	3.1			
40	Philippines .....	4.3				114	Azerbaijan .....	3.1			
41	Bhutan .....	4.3				115	Moldova .....	3.0			
42	Zimbabwe .....	4.3				116	Sierra Leone .....	3.0			
43	France .....	4.2				117	Madagascar .....	3.0			
44	Kenya .....	4.2				118	Namibia .....	3.0			
45	Trinidad and Tobago .....	4.2				119	Mexico .....	3.0			
46	Ghana .....	4.2				120	Uruguay .....	3.0			
47	Estonia .....	4.1				121	Brazil .....	3.0			
48	Bahrain .....	4.1				122	Mali .....	2.9			
49	Guyana .....	4.1				123	Kyrgyz Republic .....	2.7			
50	Japan .....	4.1				124	Timor-Leste .....	2.7			
51	Rwanda .....	4.1				125	Myanmar .....	2.7			
52	Albania .....	4.0				126	Gabon .....	2.7			
53	Oman .....	4.0				127	Burkina Faso .....	2.7			
54	China .....	4.0				128	Venezuela .....	2.7			
55	Slovenia .....	4.0				129	Mozambique .....	2.7			
56	Israel .....	4.0				130	Slovak Republic .....	2.7			
57	Lao PDR .....	4.0				131	Chad .....	2.7			
58	Portugal .....	4.0				132	Bosnia and Herzegovina .....	2.7			
59	Lithuania .....	4.0				133	Algeria .....	2.7			
60	Cameroon .....	3.9				134	Peru .....	2.7			
61	Cape Verde .....	3.9				135	Guatemala .....	2.6			
62	Ecuador .....	3.8				136	Mauritania .....	2.6			
63	Puerto Rico .....	3.8				137	Mongolia .....	2.6			
64	Korea, Rep. ....	3.8				138	Paraguay .....	2.6			
65	Botswana .....	3.7				139	Guinea .....	2.6			
66	Jamaica .....	3.7				140	Dominican Republic .....	2.5			
67	Czech Republic .....	3.7				141	Honduras .....	2.4			
68	Latvia .....	3.7				142	Haiti .....	2.3			
69	Armenia .....	3.7				143	Burundi .....	2.3			
70	Macedonia, FYR .....	3.7				144	Angola .....	2.2			
71	Tunisia .....	3.7				145	Egypt .....	2.2			
72	Italy .....	3.6				146	South Africa .....	2.1			
73	Lesotho .....	3.6				147	Yemen .....	2.0			
74	Chile .....	3.6				148	Libya .....	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey



## 5.04 Quality of math and science education

In your country, how would you assess the quality of math and science education in schools [1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7
1	Singapore	6.3				75	Kazakhstan	4.1			
2	Finland	6.3				76	Zambia	4.0			
3	Belgium	6.0				77	Bahrain	4.0			
4	Lebanon	5.8				78	Israel	4.0			
5	Switzerland	5.8				79	Senegal	4.0			
6	Qatar	5.6				80	Thailand	4.0			
7	Cyprus	5.6				81	Suriname	4.0			
8	Malta	5.5				82	Madagascar	4.0			
9	Barbados	5.5				83	Czech Republic	4.0			
10	Hong Kong SAR	5.5				84	Ecuador	4.0			
11	Taiwan, China	5.4				85	Vietnam	3.9			
12	New Zealand	5.4				86	Slovak Republic	3.9			
13	Bosnia and Herzegovina	5.4				87	Oman	3.9			
14	Netherlands	5.3				88	Spain	3.9			
15	France	5.2				89	Nepal	3.8			
16	Lithuania	5.2				90	Lao PDR	3.8			
17	Canada	5.2				91	Swaziland	3.8			
18	Slovenia	5.1				92	Botswana	3.8			
19	United Arab Emirates	5.1				93	Puerto Rico	3.8			
20	Korea, Rep.	5.1				94	Gambia, The	3.8			
21	Germany	5.1				95	Kenya	3.8			
22	Croatia	5.0				96	Philippines	3.7			
23	Montenegro	4.9				97	Burkina Faso	3.7			
24	Iceland	4.9				98	Bolivia	3.6			
25	Ireland	4.9				99	Kuwait	3.6			
26	Estonia	4.9				100	Cape Verde	3.5			
27	Malaysia	4.9				101	Turkey	3.5			
28	Ukraine	4.8				102	Cambodia	3.5			
29	Brunei Darussalam	4.8				103	Burundi	3.4			
30	Jordan	4.8				104	Pakistan	3.4			
31	Tunisia	4.7				105	Lesotho	3.4			
32	India	4.7				106	Georgia	3.4			
33	Latvia	4.7				107	Chile	3.4			
34	Japan	4.7				108	Colombia	3.4			
35	Indonesia	4.7				109	Ethiopia	3.4			
36	Trinidad and Tobago	4.6				110	Azerbaijan	3.3			
37	Australia	4.6				111	Guinea	3.3			
38	Hungary	4.6				112	Bangladesh	3.3			
39	Austria	4.6				113	Malawi	3.2			
40	Iran, Islamic Rep.	4.6				114	Panama	3.2			
41	Sweden	4.6				115	Jamaica	3.2			
42	Denmark	4.5				116	Argentina	3.2			
43	Mauritius	4.5				117	Nigeria	3.1			
44	Luxembourg	4.5				118	Nicaragua	3.1			
45	Costa Rica	4.5				119	Uganda	3.1			
46	Sri Lanka	4.5				120	Haiti	3.0			
47	Norway	4.4				121	Gabon	3.0			
48	China	4.4				122	Kyrgyz Republic	3.0			
49	United States	4.4				123	Venezuela	2.9			
50	United Kingdom	4.4				124	Uruguay	2.9			
51	Macedonia, FYR	4.4				125	Liberia	2.9			
52	Morocco	4.3				126	Mali	2.9			
53	Guyana	4.3				127	Chad	2.9			
54	Albania	4.3				128	Namibia	2.9			
55	Serbia	4.3				129	El Salvador	2.8			
56	Russian Federation	4.3				130	Libya	2.7			
57	Romania	4.3				131	Mexico	2.7			
58	Greece	4.3				132	Algeria	2.7			
59	Bulgaria	4.3				133	Mauritania	2.7			
60	Côte d'Ivoire	4.3				134	Myanmar	2.7			
61	Italy	4.3				135	Sierra Leone	2.6			
62	Ghana	4.2				136	Brazil	2.6			
63	Zimbabwe	4.2				137	Mozambique	2.6			
64	Saudi Arabia	4.2				138	Tanzania	2.5			
65	Seychelles	4.2				139	Guatemala	2.4			
66	Benin	4.2				140	Peru	2.4			
67	Armenia	4.2				141	Timor-Leste	2.3			
68	Mongolia	4.1				142	Paraguay	2.3			
69	Poland	4.1				143	Yemen	2.3			
70	Rwanda	4.1				144	Honduras	2.2			
71	Bhutan	4.1				145	Egypt	2.2			
72	Cameroon	4.1				146	Dominican Republic	2.2			
73	Portugal	4.1				147	Angola	2.1			
74	Moldova	4.1				148	South Africa	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey

## 5.05 Quality of management schools

In your country, how would you assess the quality of business schools [1 = extremely poor—among the worst in the world; 7 = excellent—among the best in the world] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	Switzerland .....	6.1				75	Seychelles.....	4.2			
2	Belgium .....	6.0				76	Venezuela .....	4.2			
3	United Kingdom.....	5.9				77	Ecuador.....	4.2			
4	Spain .....	5.8				78	Croatia.....	4.2			
5	France .....	5.8				79	Uruguay .....	4.2			
6	Singapore .....	5.7				80	Suriname .....	4.1			
7	Canada.....	5.7				81	Zimbabwe.....	4.1			
8	Qatar .....	5.7				82	Lao PDR.....	4.1			
9	Netherlands .....	5.7				83	China .....	4.1			
10	Finland .....	5.6				84	Albania.....	4.1			
11	Portugal.....	5.5				85	Bahrain .....	4.1			
12	United States.....	5.5				86	Japan .....	4.0			
13	Lebanon .....	5.4				87	Madagascar.....	4.0			
14	Hong Kong SAR.....	5.4				88	Oman .....	4.0			
15	Sweden .....	5.4				89	Poland .....	4.0			
16	Chile .....	5.3				90	Czech Republic .....	4.0			
17	Costa Rica.....	5.3				91	Rwanda .....	3.9			
18	Cyprus.....	5.3				92	Kuwait .....	3.9			
19	Ireland.....	5.3				93	El Salvador.....	3.8			
20	Norway .....	5.2				94	Greece.....	3.8			
21	Malta .....	5.2				95	Iran, Islamic Rep.....	3.8			
22	Iceland.....	5.2				96	Kazakhstan.....	3.8			
23	South Africa.....	5.2				97	Botswana .....	3.8			
24	New Zealand .....	5.2				98	Uganda.....	3.8			
25	Denmark.....	5.2				99	Macedonia, FYR.....	3.8			
26	Barbados.....	5.1				100	Nepal .....	3.8			
27	Germany.....	5.1				101	Turkey.....	3.8			
28	United Arab Emirates.....	5.1				102	Nigeria .....	3.7			
29	Australia.....	5.1				103	Nicaragua .....	3.7			
30	India.....	5.0				104	Romania .....	3.7			
31	Italy.....	5.0				105	Bangladesh.....	3.7			
32	Taiwan, China.....	4.9				106	Dominican Republic.....	3.7			
33	Argentina.....	4.9				107	Georgia.....	3.7			
34	Trinidad and Tobago.....	4.9				108	Cambodia.....	3.7			
35	Malaysia.....	4.9				109	Slovak Republic .....	3.7			
36	Montenegro .....	4.8				110	Burkina Faso.....	3.6			
37	Sri Lanka .....	4.8				111	Bhutan.....	3.6			
38	Guatemala .....	4.8				112	Bulgaria .....	3.6			
39	Philippines .....	4.7				113	Russian Federation .....	3.6			
40	Austria .....	4.7				114	Serbia .....	3.6			
41	Bosnia and Herzegovina.....	4.7				115	Ukraine .....	3.6			
42	Israel .....	4.7				116	Cape Verde .....	3.5			
43	Senegal .....	4.6				117	Liberia.....	3.5			
44	Puerto Rico.....	4.6				118	Ethiopia.....	3.5			
45	Morocco .....	4.6				119	Mali.....	3.4			
46	Gambia, The.....	4.6				120	Armenia .....	3.4			
47	Jordan .....	4.6				121	Namibia .....	3.4			
48	Cameroon.....	4.6				122	Lesotho .....	3.4			
49	Brazil.....	4.5				123	Honduras.....	3.4			
50	Guyana .....	4.5				124	Malawi .....	3.3			
51	Ghana.....	4.5				125	Vietnam .....	3.3			
52	Brunei Darussalam.....	4.5				126	Bolivia .....	3.3			
53	Thailand.....	4.5				127	Gabon .....	3.3			
54	Estonia.....	4.5				128	Swaziland .....	3.3			
55	Luxembourg .....	4.5				129	Tanzania .....	3.3			
56	Korea, Rep. ....	4.5				130	Haiti.....	3.2			
57	Kenya .....	4.4				131	Sierra Leone .....	3.2			
58	Indonesia .....	4.4				132	Paraguay .....	3.2			
59	Latvia .....	4.4				133	Moldova.....	3.2			
60	Lithuania.....	4.4				134	Azerbaijan.....	3.1			
61	Mauritius.....	4.4				135	Algeria .....	3.0			
62	Côte d'Ivoire.....	4.3				136	Mongolia.....	2.9			
63	Panama .....	4.3				137	Mozambique.....	2.8			
64	Saudi Arabia.....	4.3				138	Yemen .....	2.8			
65	Mexico.....	4.3				139	Kyrgyz Republic.....	2.7			
66	Tunisia .....	4.3				140	Chad.....	2.7			
67	Peru.....	4.3				141	Myanmar.....	2.7			
68	Hungary.....	4.3				142	Burundi.....	2.6			
69	Jamaica .....	4.3				143	Mauritania.....	2.5			
70	Colombia .....	4.3				144	Guinea.....	2.5			
71	Zambia .....	4.3				145	Egypt.....	2.3			
72	Pakistan.....	4.3				146	Libya.....	2.2			
73	Benin .....	4.3				147	Timor-Leste .....	2.2			
74	Slovenia.....	4.2				148	Angola .....	2.2			

SOURCE: World Economic Forum, Executive Opinion Survey

## 5.06 Internet access in schools

In your country, how widespread is Internet access in schools? [1 = nonexistent; 7 = extremely widespread] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	Iceland.....	6.6				75	Jamaica.....	4.1			
2	Finland.....	6.6				76	Guyana.....	4.1			
3	Estonia.....	6.5				77	India.....	4.1			
4	Singapore.....	6.3				78	Armenia.....	4.0			
5	Norway.....	6.3				79	Argentina.....	4.0			
6	Netherlands.....	6.3				80	Ecuador.....	4.0			
7	Taiwan, China.....	6.2				81	Kenya.....	4.0			
8	Sweden.....	6.2				82	Colombia.....	3.9			
9	Luxembourg.....	6.2				83	Mongolia.....	3.9			
10	United Kingdom.....	6.2				84	Serbia.....	3.9			
11	Canada.....	6.1				85	Gambia, The.....	3.9			
12	Switzerland.....	6.1				86	Greece.....	3.9			
13	Korea, Rep.....	6.1				87	Lao PDR.....	3.9			
14	Hong Kong SAR.....	6.1				88	Bhutan.....	3.8			
15	Qatar.....	6.0				89	Cambodia.....	3.8			
16	Slovenia.....	6.0				90	Mexico.....	3.8			
17	Australia.....	5.9				91	Cape Verde.....	3.8			
18	United States.....	5.9				92	Pakistan.....	3.7			
19	Uruguay.....	5.9				93	Senegal.....	3.7			
20	Malta.....	5.9				94	Peru.....	3.7			
21	United Arab Emirates.....	5.8				95	Tunisia.....	3.7			
22	Denmark.....	5.8				96	Italy.....	3.7			
23	Lithuania.....	5.8				97	El Salvador.....	3.7			
24	Czech Republic.....	5.8				98	Brazil.....	3.6			
25	Austria.....	5.7				99	Dominican Republic.....	3.6			
26	Belgium.....	5.7				100	Bolivia.....	3.5			
27	Latvia.....	5.7				101	Nigeria.....	3.5			
28	New Zealand.....	5.7				102	Nicaragua.....	3.5			
29	Portugal.....	5.7				103	Zambia.....	3.5			
30	Cyprus.....	5.6				104	Botswana.....	3.4			
31	Slovak Republic.....	5.5				105	Nepal.....	3.4			
32	Brunei Darussalam.....	5.5				106	Venezuela.....	3.4			
33	Hungary.....	5.4				107	Lebanon.....	3.4			
34	Panama.....	5.4				108	Sri Lanka.....	3.4			
35	China.....	5.3				109	Kyrgyz Republic.....	3.3			
36	Malaysia.....	5.2				110	Guatemala.....	3.3			
37	Japan.....	5.2				111	Namibia.....	3.2			
38	Barbados.....	5.1				112	Swaziland.....	3.2			
39	Israel.....	5.1				113	Morocco.....	3.1			
40	Macedonia, FYR.....	5.1				114	Ghana.....	3.1			
41	Vietnam.....	5.1				115	Honduras.....	3.1			
42	Germany.....	5.0				116	South Africa.....	3.1			
43	Ireland.....	5.0				117	Mali.....	3.1			
44	Jordan.....	5.0				118	Tanzania.....	3.1			
45	Bahrain.....	5.0				119	Zimbabwe.....	3.0			
46	Spain.....	4.9				120	Lesotho.....	3.0			
47	Oman.....	4.9				121	Uganda.....	2.9			
48	Chile.....	4.9				122	Bangladesh.....	2.8			
49	Saudi Arabia.....	4.8				123	Malawi.....	2.8			
50	Indonesia.....	4.8				124	Ethiopia.....	2.8			
51	Bulgaria.....	4.7				125	Egypt.....	2.7			
52	Kazakhstan.....	4.7				126	Iran, Islamic Rep.....	2.7			
53	Croatia.....	4.7				127	Angola.....	2.6			
54	Russian Federation.....	4.6				128	Mozambique.....	2.6			
55	Poland.....	4.6				129	Liberia.....	2.6			
56	Moldova.....	4.6				130	Paraguay.....	2.6			
57	Trinidad and Tobago.....	4.6				131	Suriname.....	2.6			
58	Costa Rica.....	4.6				132	Madagascar.....	2.4			
59	Puerto Rico.....	4.5				133	Sierra Leone.....	2.3			
60	Romania.....	4.5				134	Côte d'Ivoire.....	2.3			
61	Bosnia and Herzegovina.....	4.5				135	Cameroon.....	2.3			
62	Georgia.....	4.5				136	Haiti.....	2.3			
63	Turkey.....	4.4				137	Timor-Leste.....	2.3			
64	France.....	4.4				138	Algeria.....	2.2			
65	Thailand.....	4.4				139	Myanmar.....	2.2			
66	Kuwait.....	4.4				140	Benin.....	2.0			
67	Mauritius.....	4.3				141	Mauritania.....	2.0			
68	Rwanda.....	4.3				142	Gabon.....	2.0			
69	Seychelles.....	4.3				143	Guinea.....	1.8			
70	Ukraine.....	4.3				144	Burundi.....	1.8			
71	Montenegro.....	4.3				145	Libya.....	1.8			
72	Azerbaijan.....	4.2				146	Yemen.....	1.7			
73	Albania.....	4.2				147	Burkina Faso.....	1.6			
74	Philippines.....	4.2				148	Chad.....	1.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 5.07 Local availability of specialized research and training services

In your country, to what extent are high-quality, specialized training services available? [1 = not available at all; 7 = widely available] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	Switzerland .....	6.5				75	Cameroon.....	4.1			
2	Germany.....	6.1				76	Russian Federation.....	4.1			
3	Netherlands .....	6.1				77	Dominican Republic.....	4.1			
4	Austria .....	6.1				78	Macedonia, FYR.....	4.1			
5	Belgium .....	5.9				79	Guyana.....	4.1			
6	Finland.....	5.9				80	Jamaica.....	4.1			
7	Hong Kong SAR.....	5.8				81	Morocco.....	4.1			
8	Sweden.....	5.7				82	Iran, Islamic Rep.....	4.0			
9	United States.....	5.7				83	Nigeria.....	4.0			
10	Puerto Rico.....	5.6				84	Hungary.....	3.9			
11	United Kingdom.....	5.6				85	Tunisia.....	3.9			
12	Japan .....	5.5				86	Ecuador.....	3.9			
13	Norway.....	5.5				87	Brunei Darussalam.....	3.9			
14	Singapore.....	5.4				88	Lao PDR.....	3.9			
15	France.....	5.4				89	Peru.....	3.9			
16	Taiwan, China.....	5.4				90	Cambodia.....	3.9			
17	Qatar .....	5.4				91	Romania.....	3.9			
18	Canada.....	5.4				92	Ukraine.....	3.9			
19	United Arab Emirates.....	5.3				93	Seychelles.....	3.8			
20	Malaysia.....	5.3				94	Greece.....	3.8			
21	Luxembourg.....	5.3				95	Benin.....	3.8			
22	Denmark.....	5.2				96	Uganda.....	3.8			
23	Australia.....	5.1				97	Ghana.....	3.8			
24	Ireland.....	5.0				98	Kuwait.....	3.8			
25	Costa Rica.....	5.0				99	Montenegro.....	3.8			
26	Czech Republic.....	5.0				100	Bosnia and Herzegovina.....	3.7			
27	Portugal.....	5.0				101	Honduras.....	3.7			
28	New Zealand.....	4.9				102	Lesotho.....	3.7			
29	Cyprus.....	4.9				103	Egypt.....	3.7			
30	Spain.....	4.8				104	Malawi.....	3.7			
31	Korea, Rep.....	4.8				105	Zimbabwe.....	3.7			
32	Italy.....	4.8				106	Rwanda.....	3.6			
33	Poland.....	4.8				107	Pakistan.....	3.6			
34	Israel.....	4.8				108	Botswana.....	3.6			
35	Senegal.....	4.7				109	Bulgaria.....	3.6			
36	Estonia.....	4.7				110	Bolivia.....	3.6			
37	Iceland.....	4.7				111	Madagascar.....	3.6			
38	Brazil.....	4.7				112	Burkina Faso.....	3.6			
39	Malta.....	4.7				113	Albania.....	3.6			
40	Lithuania.....	4.7				114	Mali.....	3.5			
41	Barbados.....	4.7				115	Nicaragua.....	3.5			
42	Chile.....	4.6				116	Namibia.....	3.5			
43	Jordan.....	4.6				117	Tanzania.....	3.5			
44	Kenya.....	4.6				118	Suriname.....	3.5			
45	Panama.....	4.6				119	Armenia.....	3.5			
46	Zambia.....	4.5				120	Swaziland.....	3.4			
47	India.....	4.5				121	Serbia.....	3.4			
48	Indonesia.....	4.5				122	Venezuela.....	3.4			
49	Trinidad and Tobago.....	4.5				123	Liberia.....	3.4			
50	Mexico.....	4.4				124	Cape Verde.....	3.4			
51	Philippines.....	4.4				125	Vietnam.....	3.3			
52	Bahrain.....	4.4				126	Bhutan.....	3.3			
53	Sri Lanka.....	4.4				127	Mozambique.....	3.3			
54	South Africa.....	4.4				128	Moldova.....	3.3			
55	Saudi Arabia.....	4.4				129	Kyrgyz Republic.....	3.3			
56	Slovenia.....	4.4				130	Georgia.....	3.3			
57	Côte d'Ivoire.....	4.4				131	Ethiopia.....	3.2			
58	Lebanon.....	4.4				132	Bangladesh.....	3.2			
59	Guatemala.....	4.4				133	Sierra Leone.....	3.1			
60	Argentina.....	4.4				134	Paraguay.....	3.1			
61	Slovak Republic.....	4.4				135	Guinea.....	3.1			
62	China.....	4.4				136	Algeria.....	3.1			
63	Mauritius.....	4.3				137	Nepal.....	3.1			
64	Thailand.....	4.3				138	Mauritania.....	3.0			
65	Kazakhstan.....	4.3				139	Chad.....	3.0			
66	El Salvador.....	4.3				140	Myanmar.....	2.9			
67	Latvia.....	4.3				141	Timor-Leste.....	2.8			
68	Colombia.....	4.2				142	Gabon.....	2.8			
69	Azerbaijan.....	4.2				143	Yemen.....	2.8			
70	Turkey.....	4.2				144	Haiti.....	2.8			
71	Gambia, The.....	4.2				145	Mongolia.....	2.7			
72	Uruguay.....	4.2				146	Angola.....	2.5			
73	Oman.....	4.2				147	Burundi.....	2.5			
74	Croatia.....	4.2				148	Libya.....	2.5			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7
1	Switzerland	5.6				75	Poland	4.0			
2	Finland	5.5				76	Dominican Republic	4.0			
3	Luxembourg	5.4				77	Honduras	3.9			
4	Japan	5.3				78	Cameroon	3.9			
5	Qatar	5.3				79	Ghana	3.9			
6	Singapore	5.2				80	Azerbaijan	3.9			
7	Sweden	5.2				81	El Salvador	3.9			
8	Norway	5.2				82	Zimbabwe	3.9			
9	Netherlands	5.1				83	Jordan	3.9			
10	Germany	5.1				84	Malawi	3.9			
11	Malaysia	5.1				85	Nicaragua	3.8			
12	United States	5.0				86	Swaziland	3.8			
13	United Arab Emirates	5.0				87	Botswana	3.8			
14	Denmark	5.0				88	Russian Federation	3.8			
15	New Zealand	5.0				89	Zambia	3.8			
16	Austria	4.9				90	Peru	3.8			
17	South Africa	4.9				91	Slovak Republic	3.8			
18	Puerto Rico	4.9				92	Uruguay	3.8			
19	Belgium	4.9				93	Colombia	3.7			
20	Ireland	4.8				94	Kuwait	3.7			
21	Hong Kong SAR	4.7				95	Tanzania	3.7			
22	United Kingdom	4.7				96	Morocco	3.7			
23	Costa Rica	4.7				97	Spain	3.7			
24	Iceland	4.7				98	Vietnam	3.7			
25	Indonesia	4.6				99	Lebanon	3.7			
26	Brunei Darussalam	4.6				100	Argentina	3.7			
27	Philippines	4.6				101	Liberia	3.7			
28	Guatemala	4.5				102	Madagascar	3.7			
29	Gambia, The	4.5				103	Ukraine	3.7			
30	Australia	4.5				104	Macedonia, FYR	3.7			
31	Taiwan, China	4.5				105	Slovenia	3.6			
32	Barbados	4.5				106	Venezuela	3.6			
33	Oman	4.5				107	Georgia	3.6			
34	Canada	4.5				108	Hungary	3.6			
35	Malta	4.4				109	Paraguay	3.6			
36	Albania	4.4				110	Lesotho	3.6			
37	Estonia	4.4				111	Tunisia	3.6			
38	Mauritius	4.4				112	Bolivia	3.6			
39	Seychelles	4.4				113	Gabon	3.6			
40	Côte d'Ivoire	4.3				114	Armenia	3.6			
41	Bahrain	4.3				115	Uganda	3.5			
42	France	4.3				116	Greece	3.5			
43	Panama	4.3				117	Sierra Leone	3.5			
44	Brazil	4.3				118	Cape Verde	3.4			
45	Nigeria	4.3				119	Bhutan	3.4			
46	Chile	4.3				120	Mozambique	3.3			
47	Latvia	4.3				121	Croatia	3.3			
48	China	4.3				122	Yemen	3.3			
49	Israel	4.2				123	Ethiopia	3.3			
50	Thailand	4.2				124	Angola	3.3			
51	Korea, Rep.	4.2				125	Senegal	3.3			
52	Sri Lanka	4.2				126	Moldova	3.2			
53	India	4.2				127	Bulgaria	3.2			
54	Kenya	4.2				128	Pakistan	3.2			
55	Lao PDR	4.2				129	Guinea	3.2			
56	Kazakhstan	4.1				130	Italy	3.2			
57	Saudi Arabia	4.1				131	Kyrgyz Republic	3.2			
58	Bosnia and Herzegovina	4.1				132	Timor-Leste	3.2			
59	Lithuania	4.1				133	Nepal	3.2			
60	Trinidad and Tobago	4.1				134	Romania	3.1			
61	Ecuador	4.1				135	Mali	3.1			
62	Jamaica	4.1				136	Benin	3.1			
63	Montenegro	4.1				137	Bangladesh	3.1			
64	Guyana	4.1				138	Egypt	3.1			
65	Turkey	4.0				139	Algeria	3.0			
66	Cambodia	4.0				140	Serbia	3.0			
67	Cyprus	4.0				141	Iran, Islamic Rep.	3.0			
68	Czech Republic	4.0				142	Burkina Faso	2.9			
69	Namibia	4.0				143	Libya	2.9			
70	Portugal	4.0				144	Haiti	2.8			
71	Rwanda	4.0				145	Chad	2.8			
72	Mexico	4.0				146	Myanmar	2.6			
73	Mongolia	4.0				147	Burundi	2.6			
74	Suriname	4.0				148	Mauritania	2.5			

SOURCE: World Economic Forum, Executive Opinion Survey





## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7
1	Japan .....	6.2				75	Dominican Republic .....	4.9			
2	Taiwan, China .....	6.1				76	Nigeria .....	4.9			
3	United Kingdom .....	6.0				77	Portugal .....	4.9			
4	Malta .....	6.0				78	Cambodia .....	4.9			
5	Netherlands .....	6.0				79	Pakistan .....	4.9			
6	Belgium .....	6.0				80	Tunisia .....	4.9			
7	Hong Kong SAR .....	5.9				81	Zimbabwe .....	4.9			
8	Korea, Rep. ....	5.9				82	Madagascar .....	4.8			
9	Puerto Rico .....	5.9				83	Iceland .....	4.8			
10	Germany .....	5.9				84	Gambia, The .....	4.8			
11	Austria .....	5.8				85	Macedonia, FYR .....	4.8			
12	Czech Republic .....	5.8				86	Finland .....	4.8			
13	Australia .....	5.8				87	Greece .....	4.8			
14	United States .....	5.8				88	Trinidad and Tobago .....	4.7			
15	Turkey .....	5.8				89	Benin .....	4.7			
16	Qatar .....	5.8				90	Rwanda .....	4.7			
17	United Arab Emirates .....	5.7				91	Suriname .....	4.7			
18	Saudi Arabia .....	5.7				92	Cameroon .....	4.7			
19	Singapore .....	5.6				93	Botswana .....	4.7			
20	Sri Lanka .....	5.6				94	Lesotho .....	4.7			
21	Switzerland .....	5.6				95	Israel .....	4.7			
22	Estonia .....	5.6				96	Bhutan .....	4.7			
23	Sweden .....	5.6				97	Myanmar .....	4.6			
24	India .....	5.6				98	Mongolia .....	4.6			
25	Lebanon .....	5.5				99	Namibia .....	4.6			
26	France .....	5.5				100	Seychelles .....	4.6			
27	Denmark .....	5.5				101	Bulgaria .....	4.6			
28	Spain .....	5.5				102	Armenia .....	4.6			
29	Slovak Republic .....	5.5				103	Liberia .....	4.6			
30	Mauritius .....	5.5				104	Honduras .....	4.6			
31	New Zealand .....	5.4				105	El Salvador .....	4.6			
32	Malaysia .....	5.4				106	Ukraine .....	4.5			
33	Canada .....	5.4				107	Croatia .....	4.5			
34	Latvia .....	5.4				108	Mauritania .....	4.5			
35	Kenya .....	5.4				109	Nepal .....	4.5			
36	Lithuania .....	5.4				110	Kuwait .....	4.5			
37	Chile .....	5.4				111	Mali .....	4.5			
38	Poland .....	5.3				112	Ecuador .....	4.5			
39	Norway .....	5.3				113	Russian Federation .....	4.5			
40	Bahrain .....	5.3				114	Uruguay .....	4.5			
41	Thailand .....	5.3				115	Romania .....	4.4			
42	Ireland .....	5.3				116	Burkina Faso .....	4.4			
43	Hungary .....	5.3				117	Swaziland .....	4.4			
44	Jordan .....	5.3				118	Yemen .....	4.4			
45	South Africa .....	5.3				119	Moldova .....	4.4			
46	China .....	5.3				120	Kazakhstan .....	4.3			
47	Cyprus .....	5.2				121	Iran, Islamic Rep. ....	4.3			
48	Zambia .....	5.2				122	Cape Verde .....	4.3			
49	Slovenia .....	5.2				123	Georgia .....	4.3			
50	Barbados .....	5.2				124	Kyrgyz Republic .....	4.3			
51	Vietnam .....	5.2				125	Malawi .....	4.3			
52	Costa Rica .....	5.2				126	Mozambique .....	4.2			
53	Guatemala .....	5.2				127	Tanzania .....	4.2			
54	Oman .....	5.2				128	Azerbaijan .....	4.2			
55	Jamaica .....	5.2				129	Gabon .....	4.2			
56	Lao PDR .....	5.2				130	Sierra Leone .....	4.1			
57	Paraguay .....	5.2				131	Egypt .....	4.1			
58	Senegal .....	5.1				132	Guinea .....	4.1			
59	Luxembourg .....	5.1				133	Ethiopia .....	4.0			
60	Morocco .....	5.1				134	Argentina .....	4.0			
61	Peru .....	5.1				135	Montenegro .....	3.9			
62	Brunei Darussalam .....	5.1				136	Nicaragua .....	3.8			
63	Philippines .....	5.1				137	Bolivia .....	3.8			
64	Colombia .....	5.1				138	Serbia .....	3.8			
65	Mexico .....	5.0				139	Libya .....	3.7			
66	Indonesia .....	5.0				140	Haiti .....	3.7			
67	Uganda .....	5.0				141	Algeria .....	3.6			
68	Ghana .....	5.0				142	Timor-Leste .....	3.5			
69	Guyana .....	5.0				143	Bosnia and Herzegovina .....	3.4			
70	Brazil .....	5.0				144	Albania .....	3.4			
71	Panama .....	5.0				145	Chad .....	3.3			
72	Côte d'Ivoire .....	5.0				146	Burundi .....	3.3			
73	Italy .....	5.0				147	Venezuela .....	3.0			
74	Bangladesh .....	4.9				148	Angola .....	2.8			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.02 Extent of market dominance

In your country, how would you characterize corporate activity? [1 = dominated by a few business groups; 7 = spread among many firms] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Switzerland .....	5.9				75	Armenia .....	3.7			
2	Germany .....	5.8				76	Thailand .....	3.7			
3	Japan .....	5.6				77	Pakistan .....	3.7			
4	Taiwan, China .....	5.6				78	Kazakhstan .....	3.7			
5	Austria .....	5.5				79	Slovenia .....	3.7			
6	Netherlands .....	5.4				80	Montenegro .....	3.6			
7	Qatar .....	5.4				81	Mauritius .....	3.6			
8	Belgium .....	5.3				82	Trinidad and Tobago .....	3.6			
9	United Kingdom .....	5.2				83	Azerbaijan .....	3.6			
10	United States .....	5.2				84	Zimbabwe .....	3.6			
11	Denmark .....	5.2				85	Ecuador .....	3.6			
12	Singapore .....	5.1				86	Swaziland .....	3.6			
13	Norway .....	5.1				87	Paraguay .....	3.6			
14	Puerto Rico .....	5.0				88	Romania .....	3.6			
15	Italy .....	5.0				89	Macedonia, FYR .....	3.5			
16	United Arab Emirates .....	5.0				90	Namibia .....	3.5			
17	Poland .....	4.8				91	Barbados .....	3.5			
18	Malaysia .....	4.8				92	Iceland .....	3.5			
19	Ireland .....	4.7				93	Russian Federation .....	3.5			
20	Canada .....	4.7				94	Kuwait .....	3.5			
21	Sweden .....	4.7				95	Portugal .....	3.5			
22	Finland .....	4.6				96	Lithuania .....	3.4			
23	China .....	4.6				97	Botswana .....	3.4			
24	Saudi Arabia .....	4.6				98	Honduras .....	3.4			
25	Luxembourg .....	4.5				99	Colombia .....	3.4			
26	India .....	4.4				100	Nicaragua .....	3.4			
27	Spain .....	4.4				101	Lesotho .....	3.4			
28	Brazil .....	4.4				102	Peru .....	3.4			
29	New Zealand .....	4.4				103	Madagascar .....	3.4			
30	France .....	4.4				104	Benin .....	3.4			
31	Lao PDR .....	4.4				105	Philippines .....	3.4			
32	Brunei Darussalam .....	4.4				106	Slovak Republic .....	3.4			
33	Costa Rica .....	4.3				107	Mexico .....	3.3			
34	Hong Kong SAR .....	4.3				108	Guinea .....	3.3			
35	Turkey .....	4.3				109	Egypt .....	3.3			
36	Australia .....	4.3				110	Croatia .....	3.3			
37	South Africa .....	4.3				111	Bosnia and Herzegovina .....	3.3			
38	Gambia, The .....	4.2				112	Hungary .....	3.3			
39	Zambia .....	4.2				113	Burundi .....	3.3			
40	Jordan .....	4.2				114	Tanzania .....	3.3			
41	Sri Lanka .....	4.2				115	Sierra Leone .....	3.3			
42	Cameroon .....	4.2				116	Bangladesh .....	3.3			
43	El Salvador .....	4.2				117	Malawi .....	3.2			
44	Czech Republic .....	4.2				118	Korea, Rep. ....	3.2			
45	Oman .....	4.1				119	Georgia .....	3.2			
46	Malta .....	4.1				120	Bulgaria .....	3.2			
47	Cyprus .....	4.1				121	Bhutan .....	3.2			
48	Tunisia .....	4.1				122	Côte d'Ivoire .....	3.2			
49	Panama .....	4.0				123	Argentina .....	3.2			
50	Ghana .....	4.0				124	Kyrgyz Republic .....	3.1			
51	Mali .....	4.0				125	Uganda .....	3.1			
52	Nigeria .....	4.0				126	Mauritania .....	3.1			
53	Morocco .....	4.0				127	Dominican Republic .....	3.1			
54	Indonesia .....	4.0				128	Timor-Leste .....	3.1			
55	Uruguay .....	4.0				129	Mozambique .....	3.1			
56	Jamaica .....	3.9				130	Algeria .....	3.1			
57	Estonia .....	3.9				131	Albania .....	3.0			
58	Seychelles .....	3.9				132	Ukraine .....	3.0			
59	Rwanda .....	3.9				133	Moldova .....	3.0			
60	Kenya .....	3.9				134	Chile .....	2.9			
61	Guatemala .....	3.9				135	Libya .....	2.9			
62	Latvia .....	3.9				136	Venezuela .....	2.9			
63	Cape Verde .....	3.9				137	Gabon .....	2.9			
64	Guyana .....	3.9				138	Yemen .....	2.8			
65	Bahrain .....	3.8				139	Nepal .....	2.7			
66	Senegal .....	3.8				140	Burkina Faso .....	2.7			
67	Iran, Islamic Rep. ....	3.8				141	Israel .....	2.6			
68	Liberia .....	3.8				142	Serbia .....	2.6			
69	Lebanon .....	3.8				143	Haiti .....	2.6			
70	Suriname .....	3.8				144	Ethiopia .....	2.6			
71	Cambodia .....	3.8				145	Chad .....	2.6			
72	Bolivia .....	3.8				146	Mongolia .....	2.6			
73	Greece .....	3.8				147	Myanmar .....	2.4			
74	Vietnam .....	3.8				148	Angola .....	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.03 Effectiveness of anti-monopoly policy

In your country, to what extent does anti-monopoly policy promote competition? [1 = does not promote competition; 7 = effectively promotes competition] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7
1	Finland .....	5.6				75	Latvia .....	4.1			
2	Qatar .....	5.5				76	Ecuador .....	4.1			
3	Sweden .....	5.5				77	Slovenia .....	4.0			
4	Singapore .....	5.4				78	Colombia .....	4.0			
5	Netherlands .....	5.4				79	Botswana .....	4.0			
6	New Zealand .....	5.4				80	Côte d'Ivoire .....	4.0			
7	United Arab Emirates .....	5.3				81	Macedonia, FYR .....	4.0			
8	South Africa .....	5.3				82	Vietnam .....	4.0			
9	Puerto Rico .....	5.3				83	Zimbabwe .....	4.0			
10	Norway .....	5.2				84	Guyana .....	4.0			
11	Japan .....	5.2				85	Pakistan .....	3.9			
12	Germany .....	5.1				86	Malawi .....	3.9			
13	Belgium .....	5.1				87	Nigeria .....	3.9			
14	United States .....	5.0				88	Philippines .....	3.9			
15	Luxembourg .....	5.0				89	Tanzania .....	3.9			
16	United Kingdom .....	5.0				90	Hungary .....	3.9			
17	Switzerland .....	5.0				91	Kazakhstan .....	3.8			
18	Taiwan, China .....	4.9				92	Greece .....	3.8			
19	Oman .....	4.9				93	Sierra Leone .....	3.8			
20	Denmark .....	4.9				94	Montenegro .....	3.8			
21	Saudi Arabia .....	4.8				95	Slovak Republic .....	3.8			
22	Malta .....	4.8				96	Croatia .....	3.8			
23	Malaysia .....	4.8				97	Armenia .....	3.8			
24	Ireland .....	4.8				98	Lithuania .....	3.8			
25	Panama .....	4.8				99	Bangladesh .....	3.8			
26	France .....	4.7				100	Nicaragua .....	3.8			
27	Cyprus .....	4.7				101	Dominican Republic .....	3.8			
28	Austria .....	4.7				102	Cape Verde .....	3.7			
29	India .....	4.7				103	Italy .....	3.7			
30	Turkey .....	4.6				104	Trinidad and Tobago .....	3.7			
31	Estonia .....	4.6				105	Guatemala .....	3.7			
32	Chile .....	4.6				106	Swaziland .....	3.7			
33	Australia .....	4.6				107	Nepal .....	3.6			
34	Lao PDR .....	4.6				108	Timor-Leste .....	3.6			
35	Bahrain .....	4.6				109	Israel .....	3.6			
36	Brunei Darussalam .....	4.6				110	Burkina Faso .....	3.6			
37	Zambia .....	4.6				111	Lesotho .....	3.6			
38	Rwanda .....	4.6				112	Honduras .....	3.6			
39	Canada .....	4.5				113	Romania .....	3.6			
40	Brazil .....	4.5				114	Mexico .....	3.5			
41	Uganda .....	4.5				115	Lebanon .....	3.5			
42	Hong Kong SAR .....	4.5				116	Russian Federation .....	3.5			
43	Indonesia .....	4.5				117	Madagascar .....	3.5			
44	Mauritius .....	4.5				118	Uruguay .....	3.5			
45	Jordan .....	4.5				119	Kuwait .....	3.5			
46	Gambia, The .....	4.4				120	Paraguay .....	3.4			
47	Spain .....	4.4				121	Bolivia .....	3.4			
48	Iceland .....	4.4				122	Suriname .....	3.4			
49	Korea, Rep. ....	4.4				123	Mongolia .....	3.4			
50	Kenya .....	4.4				124	Myanmar .....	3.4			
51	Senegal .....	4.4				125	Albania .....	3.4			
52	Costa Rica .....	4.3				126	Bulgaria .....	3.3			
53	Cambodia .....	4.3				127	Azerbaijan .....	3.3			
54	Cameroon .....	4.3				128	Mozambique .....	3.3			
55	China .....	4.3				129	Mauritania .....	3.3			
56	Liberia .....	4.3				130	Gabon .....	3.2			
57	Jamaica .....	4.2				131	Ethiopia .....	3.2			
58	Peru .....	4.2				132	Egypt .....	3.2			
59	El Salvador .....	4.2				133	Moldova .....	3.2			
60	Bhutan .....	4.2				134	Benin .....	3.2			
61	Seychelles .....	4.2				135	Yemen .....	3.1			
62	Barbados .....	4.2				136	Algeria .....	3.1			
63	Ghana .....	4.2				137	Ukraine .....	3.1			
64	Portugal .....	4.1				138	Georgia .....	3.1			
65	Morocco .....	4.1				139	Burundi .....	3.1			
66	Namibia .....	4.1				140	Kyrgyz Republic .....	3.1			
67	Mali .....	4.1				141	Serbia .....	3.0			
68	Bosnia and Herzegovina .....	4.1				142	Argentina .....	3.0			
69	Thailand .....	4.1				143	Guinea .....	3.0			
70	Czech Republic .....	4.1				144	Libya .....	2.7			
71	Sri Lanka .....	4.1				145	Chad .....	2.7			
72	Poland .....	4.1				146	Haiti .....	2.6			
73	Iran, Islamic Rep. ....	4.1				147	Venezuela .....	2.3			
74	Tunisia .....	4.1				148	Angola .....	2.2			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.04 Effect of taxation on incentives to invest

In your country, to what extent do taxes reduce the incentive to invest? [1 = significantly reduce the incentive to invest; 7 = do not reduce the incentive to invest at all]  
| 2013

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Bahrain .....	6.4				75	Albania .....	3.7			
2	Qatar .....	6.3				76	Azerbaijan .....	3.7			
3	United Arab Emirates <sup>1</sup> .....	6.2				77	Tanzania .....	3.7			
4	Singapore .....	6.0				78	Guatemala .....	3.7			
5	Brunei Darussalam .....	5.7				79	Bolivia .....	3.7			
6	Hong Kong SAR .....	5.6				80	Australia .....	3.7			
7	Oman <sup>1</sup> .....	5.6				81	Mongolia .....	3.7			
8	Luxembourg .....	5.3				82	Pakistan .....	3.7			
9	Mauritius .....	5.2				83	Latvia .....	3.7			
10	Saudi Arabia .....	5.1				84	Algeria .....	3.6			
11	Switzerland .....	5.1				85	Egypt .....	3.6			
12	Malaysia .....	5.0				86	Japan .....	3.6			
13	Estonia .....	5.0				87	Mexico .....	3.6			
14	Botswana .....	4.7				88	Zimbabwe .....	3.6			
15	Chile .....	4.7				89	Sierra Leone .....	3.6			
16	South Africa .....	4.7				90	Nicaragua .....	3.6			
17	Paraguay .....	4.7				91	Myanmar .....	3.6			
18	Ireland .....	4.6				92	Bangladesh .....	3.6			
19	New Zealand .....	4.6				93	Kenya .....	3.5			
20	Netherlands .....	4.6				94	Turkey .....	3.5			
21	Trinidad and Tobago .....	4.6				95	Iran, Islamic Rep. ....	3.5			
22	Kuwait .....	4.6				96	Armenia .....	3.5			
23	Sweden .....	4.5				97	Vietnam .....	3.5			
24	Georgia .....	4.4				98	Haiti .....	3.5			
25	Cambodia .....	4.4				99	Mozambique .....	3.4			
26	Canada .....	4.4				100	Uganda .....	3.4			
27	Panama .....	4.4				101	Kyrgyz Republic .....	3.4			
28	Indonesia .....	4.4				102	Jordan <sup>1</sup> .....	3.4			
29	United Kingdom .....	4.3				103	Bulgaria .....	3.4			
30	Seychelles .....	4.3				104	Korea, Rep. ....	3.4			
31	Rwanda .....	4.3				105	Nepal .....	3.3			
32	Cyprus .....	4.2				106	Libya .....	3.3			
33	Lebanon .....	4.2				107	Gambia, The .....	3.3			
34	Malta .....	4.2				108	Venezuela .....	3.3			
35	Liberia .....	4.2				109	Cape Verde .....	3.3			
36	Guyana .....	4.2				110	Belgium .....	3.3			
37	Macedonia, FYR .....	4.2				111	Ethiopia .....	3.2			
38	Norway .....	4.2				112	Denmark .....	3.2			
39	Senegal .....	4.1				113	Colombia .....	3.2			
40	United States .....	4.1				114	Lithuania .....	3.2			
41	China .....	4.1				115	Madagascar .....	3.2			
42	Taiwan, China .....	4.1				116	Poland .....	3.1			
43	Germany .....	4.1				117	Yemen .....	3.1			
44	India .....	4.1				118	Spain .....	3.1			
45	Lao PDR .....	4.1				119	Bosnia and Herzegovina <sup>1</sup> .....	3.1			
46	Montenegro .....	4.0				120	Cameroon .....	3.1			
47	Guinea .....	4.0				121	Jamaica .....	3.1			
48	Finland .....	4.0				122	Slovak Republic .....	3.1			
49	Suriname .....	4.0				123	Burkina Faso .....	3.0			
50	Israel .....	4.0				124	Iceland .....	3.0			
51	Puerto Rico .....	4.0				125	Russian Federation .....	3.0			
52	Namibia .....	4.0				126	Moldova .....	3.0			
53	Ghana .....	3.9				127	Slovenia .....	2.9			
54	Kazakhstan .....	3.9				128	Dominican Republic .....	2.8			
55	Angola .....	3.9				129	El Salvador .....	2.8			
56	Peru .....	3.9				130	Serbia .....	2.8			
57	Thailand .....	3.9				131	Côte d'Ivoire .....	2.8			
58	Philippines .....	3.9				132	Czech Republic .....	2.7			
59	Bhutan .....	3.9				133	Mauritania .....	2.7			
60	Lesotho .....	3.9				134	Mali .....	2.7			
61	Nigeria .....	3.9				135	Hungary .....	2.7			
62	Morocco .....	3.9				136	Romania .....	2.6			
63	Sri Lanka .....	3.9				137	France .....	2.6			
64	Tunisia .....	3.9				138	Burundi .....	2.6			
65	Austria .....	3.9				139	Portugal .....	2.6			
66	Zambia .....	3.8				140	Brazil .....	2.5			
67	Uruguay .....	3.8				141	Benin .....	2.5			
68	Barbados .....	3.8				142	Greece .....	2.4			
69	Gabon .....	3.8				143	Croatia .....	2.3			
70	Swaziland .....	3.8				144	Honduras .....	2.3			
71	Malawi .....	3.8				145	Ukraine .....	2.3			
72	Ecuador .....	3.8				146	Italy .....	2.1			
73	Timor-Leste .....	3.8				147	Argentina .....	2.1			
74	Costa Rica .....	3.7				148	Chad .....	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey

<sup>1</sup> For those economies for which the data from the 2012 edition of the Survey are used, the results of the general question on *the extent and effect of taxation* are used for the computation and reported above. 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) | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Macedonia, FYR	9.4	74	Spain	38.7
2	Kuwait	10.7	76	Armenia	38.8
3	Qatar	11.3	77	Côte d'Ivoire	39.5
4	Bahrain	13.9	78	Azerbaijan	40.0
5	Saudi Arabia	14.5	79	Netherlands	40.1
6	United Arab Emirates	14.9	80	Honduras	40.3
7	Timor-Leste	15.1	81	Peru	40.5
8	Zambia	15.2	82	Finland	40.6
9	Lesotho	16.0	83	Bhutan	40.8
10	Georgia	16.5	83	Haiti	40.8
11	Brunei Darussalam	16.8	85	Guatemala	40.9
12	Luxembourg	21.0	86	Turkey	41.2
13	Oman	22.0	87	Malta	41.6
14	Montenegro	22.3	87	Norway	41.6
15	Cambodia	22.5	89	Panama	42.0
16	Namibia	22.7	89	Uruguay	42.0
17	Cyprus	23.0	91	Dominican Republic	42.5
17	Hong Kong SAR	23.0	92	Egypt	42.6
19	Bosnia and Herzegovina	24.1	92	Portugal	42.6
20	Malaysia	24.5	94	Gabon	43.5
21	Mongolia	24.6	95	Burkina Faso	43.6
22	Botswana	25.3	96	Lithuania	43.7
23	Seychelles	25.7	97	Poland	43.8
24	Ireland	26.4	98	Iran, Islamic Rep.	44.1
25	Canada	26.9	99	Romania	44.2
26	Liberia	27.4	100	Kenya	44.4
27	Singapore	27.6	101	Greece	44.6
28	Denmark	27.7	102	Tanzania	45.3
29	Suriname	27.9	103	Barbados	45.4
30	Chile	28.1	104	Jamaica	45.6
30	Jordan	28.1	105	Senegal	46.0
32	Mauritius	28.5	106	Philippines	46.6
33	Kazakhstan	28.6	107	United States	46.7
34	Bulgaria	28.7	108	Germany	46.8
35	Trinidad and Tobago	29.1	109	Australia	47.5
36	Korea, Rep.	29.8	110	Slovak Republic	47.9
37	Lebanon	30.2	111	Cameroon	49.1
37	Switzerland	30.2	112	Czech Republic	49.2
39	Israel	30.5	113	Morocco	49.6
40	Moldova	31.2	114	Japan	50.0
41	Rwanda	31.3	115	Sri Lanka	50.1
42	Nepal	31.5	116	Hungary	50.3
43	Sierra Leone	32.1	117	Puerto Rico	50.7
44	Croatia	32.8	118	Mali	51.7
45	Yemen	32.9	119	Mexico	52.5
46	Iceland	33.0	120	Burundi	53.0
47	Ethiopia	33.3	120	Sweden	53.0
47	Lao PDR	33.3	122	Austria	53.1
47	South Africa	33.3	123	Angola	53.2
50	Ghana	33.5	124	Russian Federation	54.1
50	New Zealand	33.5	125	Costa Rica	55.0
52	Nigeria	33.8	126	Ukraine	55.4
53	Serbia	34.0	127	Belgium	57.7
54	Mozambique	34.3	128	India	61.8
55	Indonesia	34.5	129	Venezuela	62.9
55	Vietnam	34.5	130	Tunisia	62.7
57	Ecuador	34.6	131	China	63.7
58	Malawi	34.7	132	Nicaragua	65.0
58	Slovenia	34.7	133	Chad	65.4
60	Taiwan, China	34.8	134	France	65.7
61	Bangladesh	35.0	135	Benin	65.9
61	El Salvador	35.0	136	Estonia	67.3
61	Paraguay	35.0	137	Mauritania	68.2
64	Pakistan	35.3	138	Italy	68.3
65	United Kingdom	35.5	139	Kyrgyz Republic	68.9
66	Zimbabwe	35.8	140	Brazil	69.3
67	Madagascar	36.0	141	Algeria	72.0
68	Guyana	36.1	142	Guinea	73.2
69	Latvia	36.6	143	Colombia	74.4
70	Swaziland	36.8	144	Bolivia	83.4
71	Uganda	37.1	145	Argentina	108.3
72	Cape Verde	37.2	146	Gambia, The	283.5
73	Thailand	37.6	n/a	Libya	n/a
74	Albania	38.7	n/a	Myanmar	n/a

SOURCE: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*



## 6.06 Number of procedures required to start a business

Number of procedures required to start a business | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Canada.....	1	74	Bangladesh.....	7
1	New Zealand.....	1	74	Chile.....	7
3	Australia.....	2	74	Dominican Republic.....	7
3	Georgia.....	2	74	Ghana.....	7
3	Kyrgyz Republic.....	2	74	Iran, Islamic Rep. ....	7
3	Macedonia, FYR.....	2	74	Jordan.....	7
3	Madagascar.....	2	74	Lesotho.....	7
3	Rwanda.....	2	74	Lithuania.....	7
3	Slovenia.....	2	74	Moldova.....	7
10	Armenia.....	3	74	Mongolia.....	7
10	Belgium.....	3	74	Nepal.....	7
10	Burkina Faso.....	3	74	Paraguay.....	7
10	Finland.....	3	74	Ukraine.....	7
10	Hong Kong SAR.....	3	88	Angola.....	8
10	Malaysia.....	3	88	Austria.....	8
10	Senegal.....	3	88	Barbados.....	8
10	Singapore.....	3	88	Bhutan.....	8
10	Sweden.....	3	88	Cape Verde.....	8
10	Taiwan, China.....	3	88	Colombia.....	8
20	Albania.....	4	88	El Salvador.....	8
20	Bulgaria.....	4	88	Gambia, The.....	8
20	Burundi.....	4	88	Guyana.....	8
20	Denmark.....	4	88	Japan.....	8
20	Hungary.....	4	88	Nicaragua.....	8
20	Ireland.....	4	88	Nigeria.....	8
20	Latvia.....	4	88	Qatar.....	8
20	Liberia.....	4	88	Russian Federation.....	8
20	Mali.....	4	88	Timor-Leste.....	8
20	Thailand.....	4	88	Trinidad and Tobago.....	8
30	Benin.....	5	104	Cambodia.....	9
30	Cameroon.....	5	104	Chad.....	9
30	Estonia.....	5	104	Czech Republic.....	9
30	France.....	5	104	Ethiopia.....	9
30	Iceland.....	5	104	Gabon.....	9
30	Israel.....	5	104	Germany.....	9
30	Korea, Rep. ....	5	104	Indonesia.....	9
30	Lebanon.....	5	104	Mauritania.....	9
30	Mauritius.....	5	104	Mozambique.....	9
30	Netherlands.....	5	104	Saudi Arabia.....	9
30	Norway.....	5	104	Tanzania.....	9
30	Oman.....	5	104	Zimbabwe.....	9
30	Peru.....	5	116	Botswana.....	10
30	Portugal.....	5	116	Côte d'Ivoire.....	10
30	South Africa.....	5	116	Kenya.....	10
30	Sri Lanka.....	5	116	Malawi.....	10
30	Uruguay.....	5	116	Namibia.....	10
47	Azerbaijan.....	6	116	Pakistan.....	10
47	Croatia.....	6	116	Seychelles.....	10
47	Cyprus.....	6	116	Spain.....	10
47	Egypt.....	6	116	Tunisia.....	10
47	Guinea.....	6	116	Vietnam.....	10
47	Italy.....	6	126	Bosnia and Herzegovina.....	11
47	Jamaica.....	6	126	Greece.....	11
47	Kazakhstan.....	6	126	Malta.....	11
47	Lao PDR.....	6	129	Costa Rica.....	12
47	Luxembourg.....	6	129	Guatemala.....	12
47	Mexico.....	6	129	Haiti.....	12
47	Montenegro.....	6	129	India.....	12
47	Morocco.....	6	129	Kuwait.....	12
47	Panama.....	6	129	Swaziland.....	12
47	Poland.....	6	135	Brazil.....	13
47	Puerto Rico.....	6	135	China.....	13
47	Romania.....	6	135	Ecuador.....	13
47	Serbia.....	6	135	Honduras.....	13
47	Sierra Leone.....	6	135	Suriname.....	13
47	Slovak Republic.....	6	140	Algeria.....	14
47	Switzerland.....	6	140	Argentina.....	14
47	Turkey.....	6	142	Bolivia.....	15
47	United Arab Emirates.....	6	142	Brunei Darussalam.....	15
47	United Kingdom.....	6	142	Uganda.....	15
47	United States.....	6	145	Philippines.....	16
47	Yemen.....	6	146	Venezuela.....	17
47	Zambia.....	6	n/a	Libya.....	n/a
74	Bahrain.....	7	n/a	Myanmar.....	n/a

SOURCE: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*

## 6.07 Time required to start a business

Number of days required to start a business | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	New Zealand .....	1	73	Sweden .....	16
2	Australia .....	2	76	El Salvador .....	17
2	Georgia .....	2	76	Zambia .....	17
2	Macedonia, FYR .....	2	78	Barbados .....	18
5	Hong Kong SAR .....	3	78	Bulgaria .....	18
5	Rwanda .....	3	78	Russian Federation .....	18
5	Singapore .....	3	78	Switzerland .....	18
8	Albania .....	4	82	Bangladesh .....	19
8	Belgium .....	4	82	Dominican Republic .....	19
10	Canada .....	5	82	Kazakhstan .....	19
10	Hungary .....	5	82	Luxembourg .....	19
10	Iceland .....	5	82	Mauritania .....	19
10	Netherlands .....	5	82	South Africa .....	19
10	Portugal .....	5	88	Czech Republic .....	20
10	Senegal .....	5	88	Guyana .....	20
16	Denmark .....	6	88	Lithuania .....	20
16	Italy .....	6	91	Israel .....	21
16	Liberia .....	6	91	Pakistan .....	21
16	Malaysia .....	6	91	Saudi Arabia .....	21
16	Mauritius .....	6	94	Ukraine .....	22
16	Puerto Rico .....	6	95	Japan .....	23
16	Slovenia .....	6	96	Lesotho .....	24
16	Turkey .....	6	97	Algeria .....	25
16	United States .....	6	97	Austria .....	25
25	Egypt .....	7	99	Argentina .....	26
25	Estonia .....	7	99	Benin .....	26
25	France .....	7	99	Peru .....	26
25	Jamaica .....	7	99	Tanzania .....	26
25	Korea, Rep. ....	7	103	Gambia, The .....	27
25	Norway .....	7	103	India .....	27
25	Panama .....	7	105	Spain .....	28
25	Sri Lanka .....	7	106	Nepal .....	29
25	Uruguay .....	7	106	Thailand .....	29
34	Armenia .....	8	108	Côte d'Ivoire .....	32
34	Azerbaijan .....	8	108	Kenya .....	32
34	Burundi .....	8	108	Kuwait .....	32
34	Chile .....	8	108	Poland .....	32
34	Cyprus .....	8	112	China .....	33
34	Madagascar .....	8	112	Uganda .....	33
34	Mali .....	8	114	Nigeria .....	34
34	Oman .....	8	114	Vietnam .....	34
34	United Arab Emirates .....	8	116	Guinea .....	35
43	Bahrain .....	9	116	Paraguay .....	35
43	Croatia .....	9	118	Bhutan .....	36
43	Lebanon .....	9	118	Philippines .....	36
43	Mexico .....	9	120	Bosnia and Herzegovina .....	37
43	Moldova .....	9	121	Malawi .....	39
43	Qatar .....	9	121	Nicaragua .....	39
49	Ireland .....	10	121	Seychelles .....	39
49	Kyrgyz Republic .....	10	124	Guatemala .....	40
49	Montenegro .....	10	124	Malta .....	40
49	Romania .....	10	124	Yemen .....	40
49	Taiwan, China .....	10	127	Trinidad and Tobago .....	41
54	Cape Verde .....	11	128	Indonesia .....	47
54	Greece .....	11	129	Bolivia .....	50
54	Tunisia .....	11	130	Ecuador .....	56
57	Ghana .....	12	130	Swaziland .....	56
57	Jordan .....	12	132	Gabon .....	58
57	Mongolia .....	12	133	Costa Rica .....	60
57	Morocco .....	12	134	Botswana .....	61
57	Serbia .....	12	135	Chad .....	62
57	Sierra Leone .....	12	136	Namibia .....	66
63	Burkina Faso .....	13	137	Angola .....	68
63	Colombia .....	13	138	Cambodia .....	85
63	Iran, Islamic Rep. ....	13	139	Zimbabwe .....	90
63	Mozambique .....	13	140	Lao PDR .....	92
63	United Kingdom .....	13	141	Timor-Leste .....	94
68	Finland .....	14	142	Brunei Darussalam .....	101
68	Honduras .....	14	143	Haiti .....	105
70	Cameroon .....	15	144	Brazil .....	119
70	Ethiopia .....	15	145	Venezuela .....	144
70	Germany .....	15	146	Suriname .....	694
73	Latvia .....	16	n/a	Libya .....	n/a
73	Slovak Republic .....	16	n/a	Myanmar .....	n/a

SOURCE: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*

## 6.08 Agricultural policy costs

In your country, how would you assess the agricultural policy? [1 = excessively burdensome for the economy; 7 = balances well the interests of taxpayers, consumers, and producers] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	New Zealand	6.1				75	Switzerland	3.8			
2	Malaysia	5.0				76	Bosnia and Herzegovina	3.8			
3	Oman	5.0				77	Ethiopia	3.8			
4	Luxembourg	4.9				78	Uganda	3.8			
5	Singapore	4.9				79	France	3.8			
6	Rwanda	4.8				80	Philippines	3.8			
7	Brunei Darussalam	4.7				81	Costa Rica	3.8			
8	Netherlands	4.7				82	Mongolia	3.7			
9	Ireland	4.7				83	Senegal	3.7			
10	Uruguay	4.7				84	Tanzania	3.7			
11	Gambia, The	4.7				85	Angola	3.7			
12	Sweden	4.7				86	Korea, Rep.	3.7			
13	United Arab Emirates	4.7				87	India	3.7			
14	China	4.6				88	Cameroon	3.7			
15	Chile	4.5				89	Nigeria	3.7			
16	Estonia	4.5				90	Hungary	3.7			
17	Zambia	4.5				91	Norway	3.7			
18	Bangladesh	4.5				92	Puerto Rico	3.7			
19	Hong Kong SAR	4.5				93	Honduras	3.6			
20	Australia	4.5				94	Bolivia	3.6			
21	Saudi Arabia	4.5				95	Swaziland	3.6			
22	Qatar	4.5				96	Burkina Faso	3.6			
23	Brazil	4.4				97	Poland	3.6			
24	Malta	4.4				98	Dominican Republic	3.6			
25	Mauritius	4.4				99	Czech Republic	3.6			
26	Macedonia, FYR	4.4				100	Lesotho	3.6			
27	Morocco	4.4				101	Spain	3.6			
28	Bhutan	4.3				102	Malawi	3.6			
29	Paraguay	4.3				103	Gabon	3.6			
30	Montenegro	4.3				104	Timor-Leste	3.6			
31	Indonesia	4.3				105	Madagascar	3.5			
32	Botswana	4.3				106	Pakistan	3.5			
33	United Kingdom	4.2				107	Tunisia	3.5			
34	Sri Lanka	4.2				108	Nepal	3.5			
35	Belgium	4.2				109	Liberia	3.5			
36	Lao PDR	4.2				110	Romania	3.5			
37	Bahrain	4.2				111	Slovenia	3.5			
38	Austria	4.2				112	Italy	3.5			
39	Namibia	4.2				113	Trinidad and Tobago	3.4			
40	Kazakhstan	4.1				114	Iran, Islamic Rep.	3.4			
41	Seychelles	4.1				115	Albania	3.4			
42	Taiwan, China	4.1				116	Bulgaria	3.4			
43	Canada	4.1				117	Portugal	3.4			
44	Finland	4.1				118	Chad	3.4			
45	Armenia	4.1				119	Egypt	3.3			
46	United States	4.1				120	Slovak Republic	3.3			
47	Vietnam	4.1				121	Thailand	3.2			
48	Ghana	4.1				122	Colombia	3.2			
49	Azerbaijan	4.1				123	Algeria	3.2			
50	Guatemala	4.1				124	Suriname	3.2			
51	Barbados	4.1				125	Georgia	3.2			
52	Sierra Leone	4.1				126	El Salvador	3.2			
53	Guyana	4.1				127	Ukraine	3.2			
54	South Africa	4.0				128	Iceland	3.2			
55	Côte d'Ivoire	4.0				129	Lebanon	3.2			
56	Guinea	4.0				130	Serbia	3.2			
57	Cambodia	4.0				131	Kuwait	3.1			
58	Germany	4.0				132	Mexico	3.1			
59	Israel	4.0				133	Burundi	3.1			
60	Nicaragua	3.9				134	Russian Federation	3.0			
61	Denmark	3.9				135	Kyrgyz Republic	3.0			
62	Mali	3.9				136	Mauritania	3.0			
63	Lithuania	3.9				137	Zimbabwe	2.9			
64	Ecuador	3.9				138	Moldova	2.9			
65	Kenya	3.9				139	Yemen	2.9			
66	Panama	3.9				140	Argentina	2.9			
67	Turkey	3.9				141	Mozambique	2.9			
68	Cape Verde	3.9				142	Haiti	2.8			
69	Myanmar	3.9				143	Benin	2.8			
70	Peru	3.9				144	Greece	2.8			
71	Cyprus	3.8				145	Japan	2.7			
72	Jamaica	3.8				146	Croatia	2.5			
73	Latvia	3.8				147	Libya	2.5			
74	Jordan	3.8				148	Venezuela	2.4			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.09 Prevalence of trade 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7
1	Hong Kong SAR.....	5.8				75	Peru.....	4.3			
2	New Zealand.....	5.7				76	China.....	4.3			
3	Qatar.....	5.6				77	Senegal.....	4.3			
4	Singapore.....	5.6				78	Burkina Faso.....	4.3			
5	United Arab Emirates.....	5.5				79	Lao PDR.....	4.3			
6	Finland.....	5.4				80	Cambodia.....	4.3			
7	Luxembourg.....	5.2				81	Azerbaijan.....	4.3			
8	Portugal.....	5.2				82	Montenegro.....	4.3			
9	Netherlands.....	5.1				83	Lebanon.....	4.2			
10	Georgia.....	5.1				84	Swaziland.....	4.2			
11	Oman.....	5.0				85	Lesotho.....	4.2			
12	Belgium.....	5.0				86	Cameroon.....	4.2			
13	Estonia.....	5.0				87	Kyrgyz Republic.....	4.2			
14	Ireland.....	4.9				88	Mongolia.....	4.2			
15	Cyprus.....	4.9				89	Poland.....	4.2			
16	Sweden.....	4.9				90	Israel.....	4.2			
17	United Kingdom.....	4.9				91	Mozambique.....	4.2			
18	Greece.....	4.9				92	Pakistan.....	4.2			
19	Bahrain.....	4.9				93	Uganda.....	4.1			
20	Morocco.....	4.9				94	Armenia.....	4.1			
21	Zimbabwe.....	4.8				95	Nigeria.....	4.1			
22	Jamaica.....	4.8				96	Tunisia.....	4.1			
23	Puerto Rico.....	4.8				97	Turkey.....	4.1			
24	Suriname.....	4.8				98	Korea, Rep.....	4.1			
25	Australia.....	4.8				99	Albania.....	4.1			
26	Mauritius.....	4.8				100	Malawi.....	4.1			
27	Austria.....	4.8				101	Ghana.....	4.1			
28	Chile.....	4.8				102	Iceland.....	4.0			
29	Malta.....	4.8				103	Bhutan.....	4.0			
30	Malaysia.....	4.8				104	Vietnam.....	4.0			
31	Barbados.....	4.8				105	Sri Lanka.....	4.0			
32	Taiwan, China.....	4.8				106	Guinea.....	4.0			
33	Latvia.....	4.7				107	Bosnia and Herzegovina.....	4.0			
34	Saudi Arabia.....	4.7				108	Myanmar.....	4.0			
35	France.....	4.7				109	Serbia.....	4.0			
36	South Africa.....	4.7				110	Nepal.....	4.0			
37	Spain.....	4.7				111	Japan.....	4.0			
38	Denmark.....	4.7				112	Côte d'Ivoire.....	3.9			
39	Botswana.....	4.6				113	Iran, Islamic Rep.....	3.9			
40	Sierra Leone.....	4.6				114	Switzerland.....	3.9			
41	Slovak Republic.....	4.6				115	Kuwait.....	3.9			
42	Gambia, The.....	4.6				116	Brazil.....	3.9			
43	Hungary.....	4.6				117	Honduras.....	3.9			
44	Trinidad and Tobago.....	4.5				118	Ukraine.....	3.8			
45	Slovenia.....	4.5				119	Costa Rica.....	3.8			
46	Norway.....	4.5				120	Ecuador.....	3.8			
47	Guatemala.....	4.5				121	Libya.....	3.8			
48	Kazakhstan.....	4.5				122	Gabon.....	3.8			
49	Panama.....	4.5				123	Bulgaria.....	3.8			
50	Thailand.....	4.5				124	Russian Federation.....	3.8			
51	Uruguay.....	4.5				125	Haiti.....	3.8			
52	Rwanda.....	4.5				126	Kenya.....	3.8			
53	United States.....	4.5				127	Cape Verde.....	3.8			
54	Lithuania.....	4.4				128	Romania.....	3.8			
55	Jordan.....	4.4				129	Madagascar.....	3.7			
56	Mexico.....	4.4				130	Angola.....	3.7			
57	Germany.....	4.4				131	Colombia.....	3.7			
58	Croatia.....	4.4				132	Dominican Republic.....	3.7			
59	Seychelles.....	4.4				133	Tanzania.....	3.7			
60	Philippines.....	4.4				134	Ethiopia.....	3.6			
61	India.....	4.4				135	Nicaragua.....	3.6			
62	Bangladesh.....	4.4				136	Egypt.....	3.6			
63	Liberia.....	4.4				137	Mali.....	3.6			
64	Moldova.....	4.4				138	Mauritania.....	3.6			
65	Canada.....	4.4				139	Timor-Leste.....	3.6			
66	Zambia.....	4.3				140	Bolivia.....	3.6			
67	Italy.....	4.3				141	El Salvador.....	3.5			
68	Czech Republic.....	4.3				142	Yemen.....	3.5			
69	Macedonia, FYR.....	4.3				143	Algeria.....	3.4			
70	Brunei Darussalam.....	4.3				144	Benin.....	3.4			
71	Indonesia.....	4.3				145	Burundi.....	3.4			
72	Guyana.....	4.3				146	Venezuela.....	3.3			
73	Paraguay.....	4.3				147	Chad.....	3.1			
74	Namibia.....	4.3				148	Argentina.....	2.5			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.10 Trade tariffs

Trade-weighted average tariff rate | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Hong Kong SAR <sup>7</sup>	0.0	75	Panama <sup>6</sup>	6.0
1	Libya <sup>1</sup>	0.0	76	Yemen	6.0
3	Singapore	0.2	77	Botswana <sup>7</sup>	6.1
4	Austria	0.8	78	Swaziland <sup>7</sup>	6.1
4	Belgium	0.8	79	Lesotho <sup>7</sup>	6.1
4	Bulgaria	0.8	80	Namibia <sup>7</sup>	6.1
4	Cyprus	0.8	81	Lebanon <sup>2</sup>	6.3
4	Czech Republic	0.8	82	Colombia	6.6
4	Denmark	0.8	83	Thailand <sup>1</sup>	6.6
4	Estonia	0.8	84	Paraguay	6.8
4	Finland	0.8	85	Dominican Republic <sup>3</sup>	7.3
4	France	0.8	86	Azerbaijan <sup>7</sup>	7.5
4	Germany	0.8	87	Ecuador	7.5
4	Greece	0.8	88	Mozambique <sup>5</sup>	7.7
4	Hungary	0.8	89	Madagascar	7.8
4	Ireland	0.8	90	Jamaica <sup>6</sup>	7.8
4	Italy	0.8	91	Uruguay	7.9
4	Latvia	0.8	92	Vietnam <sup>5</sup>	8.0
4	Lithuania	0.8	93	Mexico <sup>4</sup>	8.3
4	Luxembourg	0.8	94	Bolivia	8.5
4	Malta	0.8	95	Lao PDR <sup>2</sup>	8.5
4	Netherlands	0.8	96	Korea, Rep. <sup>6</sup>	8.6
4	Poland	0.8	97	Angola <sup>4</sup>	8.9
4	Portugal	0.8	98	Kenya	9.2
4	Romania	0.8	99	Rwanda	9.3
4	Slovak Republic	0.8	100	Burundi	9.3
4	Slovenia	0.8	101	Mauritania <sup>5</sup>	9.3
4	Spain	0.8	102	Uganda	9.3
4	Sweden	0.8	103	Russian Federation <sup>7</sup>	9.4
4	United Kingdom	0.8	104	Kazakhstan <sup>7</sup>	9.5
31	Mauritius <sup>7</sup>	0.9	105	Cambodia <sup>6</sup>	9.7
32	Georgia	1.1	106	Tanzania	9.8
33	United States	1.3	107	Cape Verde <sup>6</sup>	10.1
34	Peru <sup>6</sup>	1.9	108	Jordan <sup>2</sup>	10.1
35	New Zealand <sup>6</sup>	2.0	109	Malawi	10.2
36	Timor-Leste	2.5	110	Ghana <sup>5</sup>	10.4
37	Switzerland <sup>6</sup>	2.6	111	Trinidad and Tobago <sup>3</sup>	10.5
38	Canada	2.6	112	Benin <sup>7</sup>	10.5
39	Albania	2.7	113	Mali <sup>7</sup>	10.5
40	Armenia <sup>7</sup>	2.8	114	Burkina Faso <sup>7</sup>	10.5
41	Ukraine	2.9	115	Senegal <sup>7</sup>	10.5
42	Japan <sup>6</sup>	3.0	116	Côte d'Ivoire <sup>7</sup>	10.5
43	Iceland	3.2	117	Argentina	10.6
44	Croatia	3.3	118	Suriname <sup>2</sup>	10.6
45	Montenegro	3.5	119	Liberia	10.7
46	Philippines	3.6	120	Guyana	10.7
47	Brunei Darussalam <sup>6</sup>	3.6	121	Zambia <sup>7</sup>	10.7
48	Costa Rica <sup>4</sup>	3.6	122	Kyrgyz Republic <sup>7</sup>	10.9
49	Norway	3.6	123	China <sup>6</sup>	11.0
50	Myanmar <sup>2</sup>	3.9	124	Nigeria <sup>6</sup>	11.0
51	Nicaragua <sup>5</sup>	4.0	125	Sri Lanka	11.1
52	Israel <sup>3</sup>	4.0	126	Brazil	11.3
53	Australia <sup>6</sup>	4.1	127	Guinea	11.6
54	Moldova <sup>7</sup>	4.2	128	India <sup>5</sup>	11.7
55	El Salvador	4.4	129	Morocco	12.3
56	Honduras <sup>3</sup>	4.4	130	Venezuela	12.6
57	Kuwait <sup>7</sup>	4.5	131	Ethiopia	12.7
58	United Arab Emirates <sup>7</sup>	4.6	132	Bangladesh <sup>6</sup>	13.5
59	Qatar <sup>7</sup>	4.6	133	Sierra Leone <sup>1</sup>	13.7
60	Oman	4.6	134	Algeria <sup>4</sup>	14.4
61	Bahrain <sup>7</sup>	4.6	135	Gambia, The	14.6
62	Saudi Arabia <sup>7</sup>	4.6	136	Cameroon	14.9
63	Mongolia <sup>6</sup>	4.6	137	Chad <sup>6</sup>	14.9
64	Chile <sup>3</sup>	4.7	138	Gabon <sup>6</sup>	15.2
65	Indonesia <sup>6</sup>	4.7	139	Seychelles <sup>2</sup>	15.5
66	Guatemala	4.8	140	Tunisia <sup>3</sup>	16.3
67	Bosnia and Herzegovina <sup>7</sup>	4.9	141	Nepal	16.3
68	Malaysia <sup>5</sup>	5.0	142	Pakistan <sup>3</sup>	16.7
69	Turkey <sup>6</sup>	5.1	143	Egypt <sup>4</sup>	17.7
70	Serbia <sup>6</sup>	5.2	144	Zimbabwe <sup>2</sup>	19.4
71	Macedonia, FYR	5.3	145	Bhutan <sup>2</sup>	22.3
72	Taiwan, China	5.3	146	Barbados	26.4
73	Haiti <sup>7</sup>	5.9	147	Iran, Islamic Rep. <sup>6</sup>	26.6
74	South Africa	5.9	n/a	Puerto Rico	n/a

SOURCE: International Trade Centre

2006    <sup>2</sup> 2007    <sup>3</sup> 2008    <sup>4</sup> 2009    <sup>5</sup> 2010    <sup>6</sup> 2011    <sup>7</sup> 2013

## 6.11 Prevalence of foreign ownership

In your country, how prevalent is foreign ownership of companies? [1 = extremely rare; 7 = highly prevalent] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.6	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.6	7
1	Luxembourg	6.3				75	Cambodia	4.6			
2	Hong Kong SAR	6.1				76	Indonesia	4.6			
3	Singapore	6.1				77	Argentina	4.6			
4	United Kingdom	6.0				78	Malawi	4.6			
5	Czech Republic	6.0				79	Trinidad and Tobago	4.6			
6	Ireland	5.9				80	Jordan	4.6			
7	Slovak Republic	5.9				81	Cape Verde	4.5			
8	Australia	5.8				82	Madagascar	4.5			
9	New Zealand	5.8				83	Rwanda	4.5			
10	Estonia	5.8				84	Brazil	4.5			
11	Panama	5.7				85	Paraguay	4.5			
12	Canada	5.6				86	Colombia	4.4			
13	Chile	5.6				87	Brunei Darussalam	4.4			
14	Uruguay	5.6				88	Bosnia and Herzegovina	4.4			
15	Barbados	5.6				89	Armenia	4.4			
16	Hungary	5.5				90	Greece	4.4			
17	United Arab Emirates	5.5				91	China	4.4			
18	Belgium	5.5				92	Lithuania	4.3			
19	Costa Rica	5.5				93	Portugal	4.3			
20	Bahrain	5.5				94	India	4.3			
21	France	5.4				95	Kenya	4.3			
22	Côte d'Ivoire	5.4				96	Tanzania	4.3			
23	Gabon	5.4				97	Zimbabwe	4.3			
24	Cameroon	5.4				98	Guyana	4.3			
25	Puerto Rico	5.4				99	Korea, Rep.	4.2			
26	Netherlands	5.4				100	Saudi Arabia	4.2			
27	Sweden	5.4				101	Vietnam	4.2			
28	Botswana	5.3				102	Croatia	4.2			
29	Finland	5.3				103	Burkina Faso	4.1			
30	Ghana	5.3				104	Ecuador	4.1			
31	Liberia	5.3				105	Romania	4.1			
32	Zambia	5.3				106	Georgia	4.1			
33	Switzerland	5.3				107	Nicaragua	4.1			
34	Mexico	5.3				108	Turkey	4.0			
35	South Africa	5.3				109	Macedonia, FYR	4.0			
36	Gambia, The	5.2				110	Lao PDR	4.0			
37	Latvia	5.2				111	Bulgaria	4.0			
38	Peru	5.2				112	El Salvador	4.0			
39	Denmark	5.2				113	Suriname	4.0			
40	Uganda	5.2				114	Kazakhstan	4.0			
41	Morocco	5.2				115	Timor-Leste	4.0			
42	Taiwan, China	5.2				116	Azerbaijan	3.9			
43	Norway	5.2				117	Kyrgyz Republic	3.9			
44	Senegal	5.1				118	Serbia	3.9			
45	Namibia	5.1				119	Moldova	3.9			
46	Germany	5.1				120	Lebanon	3.8			
47	Jamaica	5.1				121	Pakistan	3.8			
48	Malaysia	5.1				122	Guinea	3.8			
49	United States	5.0				123	Bangladesh	3.7			
50	Dominican Republic	5.0				124	Egypt	3.6			
51	Japan	5.0				125	Mali	3.6			
52	Israel	5.0				126	Bolivia	3.6			
53	Austria	5.0				127	Ukraine	3.6			
54	Spain	5.0				128	Albania	3.6			
55	Lesotho	5.0				129	Angola	3.6			
56	Sierra Leone	5.0				130	Italy	3.5			
57	Guatemala	4.9				131	Venezuela	3.4			
58	Sri Lanka	4.9				132	Russian Federation	3.4			
59	Nigeria	4.9				133	Chad	3.4			
60	Mozambique	4.9				134	Ethiopia	3.3			
61	Mongolia	4.9				135	Algeria	3.2			
62	Swaziland	4.8				136	Myanmar	3.2			
63	Oman	4.8				137	Slovenia	3.2			
64	Philippines	4.8				138	Benin	3.2			
65	Poland	4.8				139	Nepal	3.1			
66	Montenegro	4.7				140	Kuwait	3.1			
67	Mauritius	4.7				141	Iceland	3.1			
68	Qatar	4.7				142	Mauritania	3.1			
69	Thailand	4.7				143	Haiti	3.0			
70	Malta	4.7				144	Burundi	2.8			
71	Honduras	4.7				145	Yemen	2.7			
72	Cyprus	4.7				146	Bhutan	2.7			
73	Seychelles	4.7				147	Libya	2.5			
74	Tunisia	4.6				148	Iran, Islamic Rep.	2.2			

SOURCE: World Economic Forum, Executive Opinion Survey



## 6.12 Business impact of rules on FDI

In your country, to what extent do rules and regulations encourage or discourage foreign direct investment (FDI)? [1 = strongly discourage FDI; 7 = strongly encourage FDI]  
| 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.4	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.4	7
1	Ireland.....	6.7				75	Pakistan.....	4.5			
2	Singapore.....	6.3				76	Saudi Arabia.....	4.5			
3	Hong Kong SAR.....	6.1				77	Sierra Leone.....	4.5			
4	Luxembourg.....	5.8				78	Montenegro.....	4.5			
5	Panama.....	5.8				79	Seychelles.....	4.5			
6	Bahrain.....	5.7				80	Dominican Republic.....	4.5			
7	Rwanda.....	5.7				81	Albania.....	4.5			
8	United Arab Emirates.....	5.6				82	Gabon.....	4.5			
9	Mauritius.....	5.6				83	South Africa.....	4.4			
10	Chile.....	5.5				84	Jamaica.....	4.4			
11	United Kingdom.....	5.5				85	Bhutan.....	4.4			
12	Morocco.....	5.4				86	Philippines.....	4.4			
13	Malta.....	5.4				87	Cape Verde.....	4.4			
14	Malaysia.....	5.4				88	Liberia.....	4.4			
15	Taiwan, China.....	5.4				89	Korea, Rep.....	4.4			
16	Uruguay.....	5.4				90	Botswana.....	4.4			
17	Qatar.....	5.3				91	Kazakhstan.....	4.4			
18	Netherlands.....	5.3				92	Bosnia and Herzegovina.....	4.3			
19	Estonia.....	5.3				93	Spain.....	4.3			
20	Sri Lanka.....	5.2				94	Armenia.....	4.3			
21	Thailand.....	5.2				95	Paraguay.....	4.3			
22	Oman.....	5.2				96	Guyana.....	4.3			
23	Lesotho.....	5.1				97	Brazil.....	4.3			
24	Peru.....	5.1				98	Portugal.....	4.2			
25	Costa Rica.....	5.1				99	Poland.....	4.2			
26	Israel.....	5.1				100	Kenya.....	4.2			
27	Belgium.....	5.1				101	Namibia.....	4.2			
28	Tunisia.....	5.0				102	Hungary.....	4.2			
29	Sweden.....	5.0				103	Guatemala.....	4.2			
30	Cambodia.....	5.0				104	Nicaragua.....	4.2			
31	Lao PDR.....	5.0				105	Ethiopia.....	4.1			
32	Finland.....	5.0				106	Malawi.....	4.1			
33	Puerto Rico.....	5.0				107	Mongolia.....	4.1			
34	Barbados.....	5.0				108	Swaziland.....	4.0			
35	Zambia.....	5.0				109	Madagascar.....	4.0			
36	Côte d'Ivoire.....	5.0				110	Suriname.....	4.0			
37	Gambia, The.....	5.0				111	Lithuania.....	4.0			
38	Switzerland.....	5.0				112	Mali.....	3.9			
39	Slovak Republic.....	4.9				113	Timor-Leste.....	3.9			
40	Cameroon.....	4.9				114	Lebanon.....	3.9			
41	Australia.....	4.9				115	Moldova.....	3.9			
42	Uganda.....	4.9				116	Romania.....	3.7			
43	Macedonia, FYR.....	4.9				117	Guinea.....	3.7			
44	Bangladesh.....	4.9				118	Bulgaria.....	3.7			
45	China.....	4.8				119	Honduras.....	3.6			
46	Mexico.....	4.8				120	Nepal.....	3.6			
47	Senegal.....	4.8				121	Russian Federation.....	3.6			
48	Japan.....	4.8				122	Egypt.....	3.6			
49	Georgia.....	4.8				123	Kyrgyz Republic.....	3.6			
50	Turkey.....	4.8				124	Mauritania.....	3.5			
51	Cyprus.....	4.7				125	Bolivia.....	3.5			
52	Germany.....	4.7				126	El Salvador.....	3.5			
53	Vietnam.....	4.7				127	Ecuador.....	3.5			
54	Czech Republic.....	4.7				128	Yemen.....	3.5			
55	United States.....	4.7				129	Serbia.....	3.5			
56	Norway.....	4.7				130	Chad.....	3.4			
57	Trinidad and Tobago.....	4.7				131	Haiti.....	3.4			
58	Canada.....	4.7				132	Myanmar.....	3.3			
59	Austria.....	4.7				133	Ukraine.....	3.3			
60	Brunei Darussalam.....	4.7				134	Algeria.....	3.3			
61	Indonesia.....	4.6				135	Libya.....	3.3			
62	Mozambique.....	4.6				136	Iran, Islamic Rep.....	3.2			
63	Burkina Faso.....	4.6				137	Burundi.....	3.2			
64	New Zealand.....	4.6				138	Benin.....	3.2			
65	Nigeria.....	4.6				139	Italy.....	3.2			
66	Tanzania.....	4.6				140	Croatia.....	3.0			
67	India.....	4.6				141	Greece.....	3.0			
68	Azerbaijan.....	4.6				142	Slovenia.....	2.9			
69	Denmark.....	4.6				143	Kuwait.....	2.9			
70	Latvia.....	4.6				144	Iceland.....	2.7			
71	Ghana.....	4.6				145	Angola.....	2.5			
72	Jordan.....	4.6				146	Zimbabwe.....	2.1			
73	Colombia.....	4.5				147	Argentina.....	2.0			
74	France.....	4.5				148	Venezuela.....	1.7			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.13 Burden of customs procedures

In your country, how efficient are the customs procedures (related to the entry and exit of merchandise)? [1 = not efficient at all; 7 = extremely efficient] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7
1	Singapore	6.2				75	Kazakhstan	4.0			
2	Finland	6.1				76	Mexico	4.0			
3	Hong Kong SAR	6.1				77	Cameroon	4.0			
4	New Zealand	5.9				78	Bulgaria	3.9			
5	United Arab Emirates	5.9				79	Liberia	3.9			
6	Netherlands	5.5				80	Thailand	3.9			
7	Sweden	5.5				81	Greece	3.9			
8	Qatar	5.4				82	Ecuador	3.9			
9	Ireland	5.4				83	Guyana	3.9			
10	Luxembourg	5.4				84	Guatemala	3.9			
11	Rwanda	5.4				85	Tunisia	3.8			
12	Georgia	5.3				86	Mali	3.8			
13	Taiwan, China	5.3				87	Turkey	3.8			
14	Estonia	5.3				88	India	3.8			
15	Iceland	5.3				89	Egypt	3.8			
16	Australia	5.2				90	Colombia	3.7			
17	Austria	5.2				91	Pakistan	3.7			
18	United Kingdom	5.2				92	Uganda	3.7			
19	Oman	5.1				93	Bolivia	3.7			
20	Norway	5.1				94	Kuwait	3.7			
21	Belgium	5.1				95	Lesotho	3.7			
22	Switzerland	5.1				96	Burkina Faso	3.6			
23	Malaysia	5.0				97	Kenya	3.6			
24	Puerto Rico	5.0				98	Gabon	3.6			
25	Japan	5.0				99	Vietnam	3.5			
26	Denmark	4.9				100	Madagascar	3.5			
27	Chile	4.9				101	Cambodia	3.5			
28	Portugal	4.9				102	Honduras	3.5			
29	Bahrain	4.9				103	Iran, Islamic Rep.	3.5			
30	Germany	4.9				104	Nicaragua	3.5			
31	Spain	4.9				105	Jamaica	3.4			
32	Hungary	4.8				106	Suriname	3.4			
33	Slovenia	4.8				107	Mozambique	3.4			
34	Malta	4.8				108	Moldova	3.4			
35	United States	4.8				109	Ghana	3.4			
36	Canada	4.8				110	Côte d'Ivoire	3.4			
37	Cyprus	4.8				111	El Salvador	3.4			
38	Senegal	4.7				112	Serbia	3.4			
39	Panama	4.7				113	Bangladesh	3.4			
40	Gambia, The	4.7				114	Guinea	3.4			
41	Brunei Darussalam	4.7				115	Lebanon	3.4			
42	France	4.7				116	Malawi	3.4			
43	Lithuania	4.6				117	Albania	3.3			
44	Mauritius	4.6				118	Romania	3.3			
45	Macedonia, FYR	4.6				119	Azerbaijan	3.3			
46	Jordan	4.6				120	Cape Verde	3.3			
47	Czech Republic	4.5				121	Yemen	3.3			
48	Saudi Arabia	4.5				122	Mauritania	3.3			
49	Korea, Rep.	4.4				123	Armenia	3.3			
50	Israel	4.4				124	Russian Federation	3.3			
51	Dominican Republic	4.4				125	Nepal	3.3			
52	South Africa	4.3				126	Sierra Leone	3.3			
53	Slovak Republic	4.3				127	Myanmar	3.3			
54	Latvia	4.3				128	Tanzania	3.2			
55	Bosnia and Herzegovina	4.3				129	Nigeria	3.2			
56	Bhutan	4.3				130	Philippines	3.2			
57	Zambia	4.3				131	Kyrgyz Republic	3.2			
58	Morocco	4.3				132	Zimbabwe	3.1			
59	Seychelles	4.2				133	Trinidad and Tobago	3.1			
60	China	4.2				134	Ethiopia	3.1			
61	Uruguay	4.2				135	Mongolia	3.1			
62	Croatia	4.2				136	Timor-Leste	3.1			
63	Lao PDR	4.2				137	Swaziland	3.0			
64	Barbados	4.2				138	Benin	3.0			
65	Botswana	4.2				139	Brazil	3.0			
66	Poland	4.2				140	Ukraine	3.0			
67	Italy	4.1				141	Libya	2.9			
68	Montenegro	4.1				142	Burundi	2.7			
69	Peru	4.1				143	Algeria	2.7			
70	Sri Lanka	4.1				144	Haiti	2.3			
71	Paraguay	4.0				145	Chad	2.2			
72	Costa Rica	4.0				146	Angola	2.2			
73	Namibia	4.0				147	Argentina	2.1			
74	Indonesia	4.0				148	Venezuela	1.8			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.14 Imports as a percentage of GDP

Imports of goods and services as a percentage of gross domestic product | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Hong Kong SAR.....	232.5	75	Haiti.....	44.8
2	Singapore.....	179.6	76	Oman <sup>3</sup> .....	44.2
3	Luxembourg.....	121.4	77	Zambia <sup>3</sup> .....	43.4
4	Lesotho <sup>3</sup> .....	119.8	78	Suriname.....	43.2
5	Seychelles.....	113.3	79	Costa Rica.....	43.1
6	Belgium.....	108.3	80	Germany.....	42.7
7	Kyrgyz Republic.....	107.4	81	Kenya.....	42.6
8	Malta.....	104.3	82	Croatia.....	42.5
9	Estonia.....	98.4	83	Finland.....	41.8
10	Slovak Republic.....	92.2	84	Mali <sup>3</sup> .....	41.6
11	Vietnam.....	91.4	85	Sweden.....	41.3
12	Netherlands.....	91.3	86	Sri Lanka <sup>3</sup> .....	41.0
13	Cambodia.....	88.0	87	Angola <sup>3</sup> .....	40.9
14	Hungary.....	87.2	88	Israel.....	40.1
15	Lebanon <sup>3</sup> .....	86.3	89	Portugal.....	40.0
16	Guyana <sup>3</sup> .....	85.6	90	Burundi <sup>3</sup> .....	40.0
17	Lithuania.....	85.5	91	Madagascar <sup>3</sup> .....	39.6
18	Mongolia.....	85.1	92	Guatemala.....	39.0
19	Liberia <sup>3</sup> .....	85.1	93	Uganda.....	38.9
20	Moldova.....	84.9	94	Ethiopia <sup>3</sup> .....	38.5
21	Ireland.....	82.2	95	Switzerland.....	38.2
22	Thailand.....	82.1	96	Benin.....	38.1
23	Czech Republic.....	81.5	97	South Africa.....	36.4
24	Jordan.....	80.9	98	Yemen <sup>3</sup> .....	36.3
25	Slovenia.....	79.1	99	Rwanda <sup>3</sup> .....	35.9
26	Malaysia.....	78.6	100	Bolivia.....	35.7
27	Macedonia, FYR.....	77.8	101	Ecuador.....	35.2
28	Panama.....	76.6	102	United Kingdom.....	35.1
29	United Arab Emirates <sup>3</sup> .....	74.2	103	Chile.....	34.7
30	Mauritania <sup>3</sup> .....	72.7	104	Mexico.....	34.5
31	Bulgaria.....	72.0	105	Nepal <sup>3</sup> .....	34.4
32	Honduras.....	68.8	106	Burkina Faso <sup>3</sup> .....	33.9
33	Latvia.....	68.8	107	India.....	33.7
34	Swaziland <sup>3</sup> .....	68.5	108	Libya <sup>3</sup> .....	33.4
35	Sierra Leone <sup>3</sup> .....	67.5	109	Egypt.....	33.3
36	Mauritius.....	66.4	110	Dominican Republic.....	33.3
37	Taiwan, China.....	66.0	111	Trinidad and Tobago <sup>2</sup> .....	33.3
38	Montenegro.....	65.3	112	Gabon <sup>3</sup> .....	32.9
39	Nicaragua.....	64.1	113	Lao PDR <sup>3</sup> .....	32.8
40	Zimbabwe <sup>3</sup> .....	61.9	114	Cameroon <sup>3</sup> .....	32.5
41	Bosnia and Herzegovina.....	60.8	115	France.....	32.4
42	Serbia.....	60.7	116	Turkey.....	32.1
43	Tunisia.....	60.4	117	Bangladesh.....	32.0
44	Mozambique.....	60.0	118	Canada.....	31.9
45	Namibia.....	59.8	119	Qatar.....	31.6
46	Georgia.....	58.2	120	Philippines.....	31.5
47	Guinea.....	56.8	121	Spain.....	31.2
48	Jamaica.....	56.5	122	Greece.....	30.4
49	Bahrain <sup>3</sup> .....	56.1	123	Algeria <sup>3</sup> .....	29.8
50	Austria.....	55.6	124	Kazakhstan.....	29.6
51	Ukraine.....	55.4	125	Italy.....	29.3
52	Cape Verde.....	55.4	126	New Zealand.....	29.0
53	Iceland.....	55.2	127	Nigeria.....	28.9
54	Paraguay <sup>3</sup> .....	54.7	128	Uruguay.....	28.1
55	Senegal.....	54.5	129	Brunei Darussalam <sup>3</sup> .....	27.8
56	Chad <sup>1</sup> .....	54.2	130	Norway.....	27.2
57	Barbados.....	54.2	131	Saudi Arabia.....	26.6
58	Korea, Rep. ....	54.0	132	Kuwait <sup>3</sup> .....	26.3
59	Armenia.....	53.3	133	Azerbaijan.....	26.0
60	Albania.....	52.6	134	Indonesia.....	25.6
61	Morocco.....	52.5	135	China.....	25.5
62	Bhutan.....	52.5	136	Timor-Leste <sup>3</sup> .....	25.5
63	Côte d'Ivoire.....	50.5	137	Peru.....	25.0
64	Ghana <sup>3</sup> .....	49.7	138	Pakistan.....	22.1
65	Denmark.....	48.1	139	Russian Federation.....	21.6
66	El Salvador.....	47.7	140	Australia.....	21.2
67	Tanzania.....	47.6	141	Venezuela.....	20.2
68	Botswana <sup>3</sup> .....	47.4	142	Myanmar <sup>3</sup> .....	19.6
69	Cyprus.....	46.8	143	Colombia.....	19.0
70	Malawi <sup>3</sup> .....	46.8	144	Argentina.....	18.1
71	Poland.....	46.7	145	Japan.....	17.8
72	Romania.....	46.5	146	United States.....	17.5
73	Puerto Rico.....	46.1	147	Iran, Islamic Rep. <sup>3</sup> .....	16.2
74	Gambia, The <sup>3</sup> .....	45.6	148	Brazil.....	13.0

SOURCES: World Trade Organization, *Statistical Database: Time Series on Merchandise and Commercial Services* (accessed June 12, 1013); International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

<sup>1</sup> 2009    <sup>2</sup> 2010    <sup>3</sup> 2011

## 6.15 Degree of customer orientation

In your country, how well do companies treat customers? [1 = indifferent to customer satisfaction; 7 = highly responsive to customers and seek customer retention] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7
1	Japan .....	6.3				75	Montenegro .....	4.5			
2	Qatar .....	5.9				76	China .....	4.5			
3	Switzerland .....	5.9				77	Albania .....	4.5			
4	Taiwan, China .....	5.8				78	India .....	4.5			
5	Austria .....	5.8				79	Slovak Republic .....	4.5			
6	New Zealand .....	5.6				80	Kazakhstan .....	4.5			
7	United Arab Emirates .....	5.6				81	Dominican Republic .....	4.5			
8	Sweden .....	5.6				82	Barbados .....	4.5			
9	Denmark .....	5.6				83	Kuwait .....	4.5			
10	Hong Kong SAR .....	5.6				84	Croatia .....	4.5			
11	Korea, Rep. ....	5.5				85	Chile .....	4.4			
12	Belgium .....	5.5				86	Myanmar .....	4.4			
13	United States .....	5.4				87	Tunisia .....	4.4			
14	Singapore .....	5.4				88	Ghana .....	4.4			
15	Thailand .....	5.4				89	Swaziland .....	4.4			
16	Ireland .....	5.4				90	Liberia .....	4.4			
17	Iceland .....	5.4				91	Guyana .....	4.4			
18	Malaysia .....	5.4				92	Paraguay .....	4.3			
19	Brunei Darussalam .....	5.4				93	Hungary .....	4.3			
20	Philippines .....	5.4				94	Uruguay .....	4.3			
21	Germany .....	5.3				95	Seychelles .....	4.3			
22	Norway .....	5.3				96	Côte d'Ivoire .....	4.3			
23	Guatemala .....	5.3				97	Mali .....	4.3			
24	Turkey .....	5.3				98	Uganda .....	4.3			
25	Puerto Rico .....	5.3				99	Kyrgyz Republic .....	4.2			
26	Oman .....	5.3				100	Vietnam .....	4.2			
27	Lithuania .....	5.3				101	Morocco .....	4.2			
28	Canada .....	5.3				102	Honduras .....	4.2			
29	Finland .....	5.2				103	Rwanda .....	4.2			
30	Netherlands .....	5.2				104	Israel .....	4.2			
31	Luxembourg .....	5.2				105	Yemen .....	4.2			
32	United Kingdom .....	5.1				106	Pakistan .....	4.2			
33	Colombia .....	5.1				107	Benin .....	4.2			
34	Estonia .....	5.1				108	Nigeria .....	4.2			
35	Sri Lanka .....	5.1				109	Bangladesh .....	4.2			
36	Australia .....	5.1				110	Malawi .....	4.2			
37	Latvia .....	5.1				111	Tanzania .....	4.1			
38	Gambia, The .....	5.0				112	Burkina Faso .....	4.1			
39	Costa Rica .....	5.0				113	Russian Federation .....	4.1			
40	Cyprus .....	5.0				114	Gabon .....	4.1			
41	Kenya .....	4.9				115	Ecuador .....	4.1			
42	Jordan .....	4.9				116	Romania .....	4.1			
43	El Salvador .....	4.9				117	Cameroon .....	4.1			
44	Egypt .....	4.9				118	Guinea .....	4.0			
45	Poland .....	4.9				119	Bhutan .....	4.0			
46	Mauritius .....	4.9				120	Nepal .....	4.0			
47	Saudi Arabia .....	4.9				121	Botswana .....	3.9			
48	Italy .....	4.9				122	Iran, Islamic Rep. ....	3.9			
49	Portugal .....	4.9				123	Sierra Leone .....	3.9			
50	Indonesia .....	4.8				124	Mongolia .....	3.9			
51	Bulgaria .....	4.8				125	Moldova .....	3.9			
52	Slovenia .....	4.8				126	Jamaica .....	3.9			
53	France .....	4.8				127	Georgia .....	3.8			
54	Mexico .....	4.8				128	Serbia .....	3.8			
55	Brazil .....	4.8				129	Nicaragua .....	3.7			
56	Peru .....	4.8				130	Suriname .....	3.7			
57	South Africa .....	4.8				131	Mozambique .....	3.7			
58	Zambia .....	4.7				132	Libya .....	3.7			
59	Azerbaijan .....	4.7				133	Zimbabwe .....	3.7			
60	Malta .....	4.7				134	Burundi .....	3.7			
61	Cambodia .....	4.6				135	Timor-Leste .....	3.6			
62	Spain .....	4.6				136	Lesotho .....	3.6			
63	Armenia .....	4.6				137	Trinidad and Tobago .....	3.6			
64	Senegal .....	4.6				138	Argentina .....	3.6			
65	Lebanon .....	4.6				139	Cape Verde .....	3.6			
66	Czech Republic .....	4.6				140	Namibia .....	3.6			
67	Bosnia and Herzegovina .....	4.6				141	Bolivia .....	3.5			
68	Madagascar .....	4.6				142	Ethiopia .....	3.4			
69	Bahrain .....	4.6				143	Venezuela .....	3.3			
70	Panama .....	4.6				144	Algeria .....	3.1			
71	Ukraine .....	4.5				145	Mauritania .....	3.1			
72	Greece .....	4.5				146	Haiti .....	2.9			
73	Lao PDR .....	4.5				147	Chad .....	2.6			
74	Macedonia, FYR .....	4.5				148	Angola .....	2.4			

SOURCE: World Economic Forum, Executive Opinion Survey

## 6.16 Buyer sophistication

In your country, how do buyers make purchasing decisions? [1 = based solely on the lowest price; 7 = based on a sophisticated analysis of performance attributes] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.4	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.4	7
1	Japan .....	5.3				75	Czech Republic .....	3.4			
2	Switzerland .....	5.1				76	Tunisia .....	3.4			
3	Qatar .....	4.9				77	Argentina .....	3.3			
4	Finland .....	4.8				78	Jamaica .....	3.3			
5	Hong Kong SAR .....	4.8				79	Jordan .....	3.3			
6	Taiwan, China .....	4.8				80	Rwanda .....	3.3			
7	Luxembourg .....	4.7				81	Bangladesh .....	3.3			
8	Sweden .....	4.6				82	Turkey .....	3.3			
9	United States .....	4.6				83	Portugal .....	3.3			
10	United Kingdom .....	4.6				84	Greece .....	3.3			
11	Malaysia .....	4.6				85	Dominican Republic .....	3.3			
12	Singapore .....	4.5				86	Ukraine .....	3.3			
13	Norway .....	4.5				87	Nigeria .....	3.2			
14	Netherlands .....	4.5				88	Pakistan .....	3.2			
15	Canada .....	4.4				89	Albania .....	3.2			
16	China .....	4.4				90	Kenya .....	3.2			
17	Germany .....	4.4				91	Lesotho .....	3.2			
18	Belgium .....	4.4				92	Kyrgyz Republic .....	3.2			
19	Sri Lanka .....	4.3				93	Poland .....	3.2			
20	United Arab Emirates .....	4.2				94	Georgia .....	3.2			
21	Korea, Rep. ....	4.2				95	Morocco .....	3.1			
22	Ireland .....	4.2				96	Guyana .....	3.1			
23	South Africa .....	4.2				97	Zimbabwe .....	3.1			
24	Bahrain .....	4.2				98	Suriname .....	3.1			
25	Thailand .....	4.2				99	Latvia .....	3.1			
26	Azerbaijan .....	4.1				100	Gambia, The .....	3.1			
27	Puerto Rico .....	4.1				101	Lithuania .....	3.1			
28	New Zealand .....	4.1				102	Honduras .....	3.1			
29	Kazakhstan .....	4.1				103	Moldova .....	3.1			
30	Chile .....	4.0				104	Ghana .....	3.0			
31	Austria .....	4.0				105	Tanzania .....	3.0			
32	Lao PDR .....	4.0				106	Estonia .....	3.0			
33	France .....	4.0				107	Venezuela .....	3.0			
34	Malta .....	3.9				108	Cameroon .....	3.0			
35	Italy .....	3.9				109	Malawi .....	3.0			
36	Mauritius .....	3.9				110	Mongolia .....	2.9			
37	Israel .....	3.8				111	Cape Verde .....	2.9			
38	Costa Rica .....	3.8				112	Bulgaria .....	2.9			
39	Seychelles .....	3.8				113	Nepal .....	2.9			
40	Australia .....	3.8				114	Slovenia .....	2.9			
41	Oman .....	3.8				115	Romania .....	2.9			
42	Iceland .....	3.8				116	Croatia .....	2.9			
43	Cyprus .....	3.8				117	Montenegro .....	2.9			
44	Saudi Arabia .....	3.8				118	Botswana .....	2.8			
45	Panama .....	3.7				119	Algeria .....	2.8			
46	El Salvador .....	3.7				120	Senegal .....	2.8			
47	Peru .....	3.7				121	Paraguay .....	2.8			
48	Bolivia .....	3.7				122	Mozambique .....	2.8			
49	Philippines .....	3.7				123	Madagascar .....	2.7			
50	Indonesia .....	3.7				124	Egypt .....	2.7			
51	Barbados .....	3.7				125	Hungary .....	2.7			
52	Uruguay .....	3.7				126	Bhutan .....	2.7			
53	Denmark .....	3.7				127	Angola .....	2.7			
54	Mexico .....	3.7				128	Gabon .....	2.7			
55	Ecuador .....	3.7				129	Libya .....	2.6			
56	Iran, Islamic Rep. ....	3.6				130	Mali .....	2.6			
57	Russian Federation .....	3.6				131	Slovak Republic .....	2.6			
58	Brazil .....	3.6				132	Myanmar .....	2.6			
59	India .....	3.6				133	Sierra Leone .....	2.6			
60	Vietnam .....	3.5				134	Côte d'Ivoire .....	2.5			
61	Zambia .....	3.5				135	Ethiopia .....	2.5			
62	Cambodia .....	3.5				136	Macedonia, FYR .....	2.5			
63	Spain .....	3.5				137	Mauritania .....	2.5			
64	Lebanon .....	3.5				138	Timor-Leste .....	2.5			
65	Colombia .....	3.5				139	Bosnia and Herzegovina .....	2.5			
66	Namibia .....	3.5				140	Uganda .....	2.4			
67	Guatemala .....	3.5				141	Haiti .....	2.4			
68	Trinidad and Tobago .....	3.5				142	Yemen .....	2.4			
69	Armenia .....	3.5				143	Serbia .....	2.3			
70	Nicaragua .....	3.5				144	Benin .....	2.2			
71	Swaziland .....	3.5				145	Burundi .....	2.1			
72	Kuwait .....	3.4				146	Chad .....	2.0			
73	Brunei Darussalam .....	3.4				147	Burkina Faso .....	2.0			
74	Liberia .....	3.4				148	Guinea .....	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey





## Pillar 7

# Labor market efficiency

## 7.01 Cooperation in labor-employer relations

In your country, how would you characterize labor-employer relations? [1 = generally confrontational; 7 = generally cooperative] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7
1	Switzerland .....	6.0				75	Bhutan .....	4.2			
2	Singapore .....	6.0				76	El Salvador .....	4.2			
3	Denmark .....	5.8				77	Moldova .....	4.2			
4	Norway .....	5.8				78	Liberia .....	4.2			
5	Netherlands .....	5.7				79	Belgium .....	4.2			
6	Sweden .....	5.7				80	Georgia .....	4.2			
7	Qatar .....	5.6				81	Peru .....	4.2			
8	Hong Kong SAR .....	5.6				82	Turkey .....	4.2			
9	Japan .....	5.6				83	Hungary .....	4.2			
10	Austria .....	5.5				84	Lebanon .....	4.2			
11	New Zealand .....	5.5				85	Libya .....	4.2			
12	Iceland .....	5.5				86	Yemen .....	4.2			
13	Ireland .....	5.4				87	Brazil .....	4.1			
14	Costa Rica .....	5.3				88	Poland .....	4.1			
15	Lao PDR .....	5.3				89	Kyrgyz Republic .....	4.1			
16	Oman .....	5.3				90	Nicaragua .....	4.1			
17	United Arab Emirates .....	5.2				91	Morocco .....	4.1			
18	Germany .....	5.2				92	Jamaica .....	4.1			
19	Malaysia .....	5.2				93	Uganda .....	4.1			
20	Barbados .....	5.2				94	Montenegro .....	4.1			
21	Finland .....	5.2				95	Malawi .....	4.1			
22	Luxembourg .....	5.1				96	Bangladesh .....	4.1			
23	Guatemala .....	5.1				97	Portugal .....	4.1			
24	Brunei Darussalam .....	5.1				98	Macedonia, FYR .....	4.1			
25	Taiwan, China .....	5.1				99	Bulgaria .....	4.1			
26	United Kingdom .....	5.0				100	Nigeria .....	4.1			
27	Malta .....	5.0				101	Swaziland .....	4.1			
28	Gambia, The .....	5.0				102	Guinea .....	4.0			
29	Estonia .....	4.9				103	Australia .....	4.0			
30	Bahrain .....	4.9				104	Namibia .....	4.0			
31	Canada .....	4.9				105	Pakistan .....	4.0			
32	Rwanda .....	4.9				106	Slovak Republic .....	4.0			
33	Puerto Rico .....	4.8				107	Spain .....	4.0			
34	Philippines .....	4.8				108	Botswana .....	4.0			
35	Armenia .....	4.8				109	Mongolia .....	4.0			
36	Côte d'Ivoire .....	4.8				110	Burkina Faso .....	4.0			
37	Thailand .....	4.8				111	Timor-Leste .....	3.9			
38	Mauritius .....	4.8				112	Russian Federation .....	3.9			
39	Albania .....	4.7				113	Suriname .....	3.9			
40	Kazakhstan .....	4.7				114	Gabon .....	3.9			
41	Cyprus .....	4.7				115	Bolivia .....	3.9			
42	United States .....	4.7				116	Tanzania .....	3.9			
43	Chile .....	4.6				117	Egypt .....	3.8			
44	Mexico .....	4.6				118	Cape Verde .....	3.8			
45	Seychelles .....	4.6				119	Tunisia .....	3.8			
46	Bosnia and Herzegovina .....	4.6				120	Slovenia .....	3.8			
47	Jordan .....	4.6				121	Ethiopia .....	3.8			
48	Azerbaijan .....	4.6				122	Lesotho .....	3.8			
49	Indonesia .....	4.6				123	Zimbabwe .....	3.7			
50	Dominican Republic .....	4.5				124	Greece .....	3.7			
51	Latvia .....	4.5				125	Ukraine .....	3.7			
52	Saudi Arabia .....	4.5				126	Cameroon .....	3.7			
53	Sri Lanka .....	4.5				127	Benin .....	3.7			
54	Mali .....	4.5				128	Iran, Islamic Rep. ....	3.7			
55	Guyana .....	4.5				129	Haiti .....	3.7			
56	Colombia .....	4.5				130	Mozambique .....	3.6			
57	Senegal .....	4.5				131	Myanmar .....	3.6			
58	Israel .....	4.4				132	Korea, Rep. ....	3.5			
59	Panama .....	4.4				133	Croatia .....	3.5			
60	China .....	4.4				134	Trinidad and Tobago .....	3.5			
61	India .....	4.4				135	France .....	3.4			
62	Kuwait .....	4.4				136	Italy .....	3.4			
63	Sierra Leone .....	4.4				137	Algeria .....	3.4			
64	Vietnam .....	4.4				138	Uruguay .....	3.3			
65	Honduras .....	4.4				139	Romania .....	3.3			
66	Madagascar .....	4.4				140	Argentina .....	3.3			
67	Zambia .....	4.3				141	Chad .....	3.3			
68	Cambodia .....	4.3				142	Mauritania .....	3.3			
69	Ghana .....	4.3				143	Burundi .....	3.2			
70	Ecuador .....	4.3				144	Serbia .....	3.2			
71	Paraguay .....	4.3				145	Angola .....	3.1			
72	Lithuania .....	4.3				146	Nepal .....	3.0			
73	Kenya .....	4.2				147	Venezuela .....	3.0			
74	Czech Republic .....	4.2				148	South Africa .....	2.6			

SOURCE: World Economic Forum, Executive Opinion Survey

## 7.02 Flexibility of wage determination

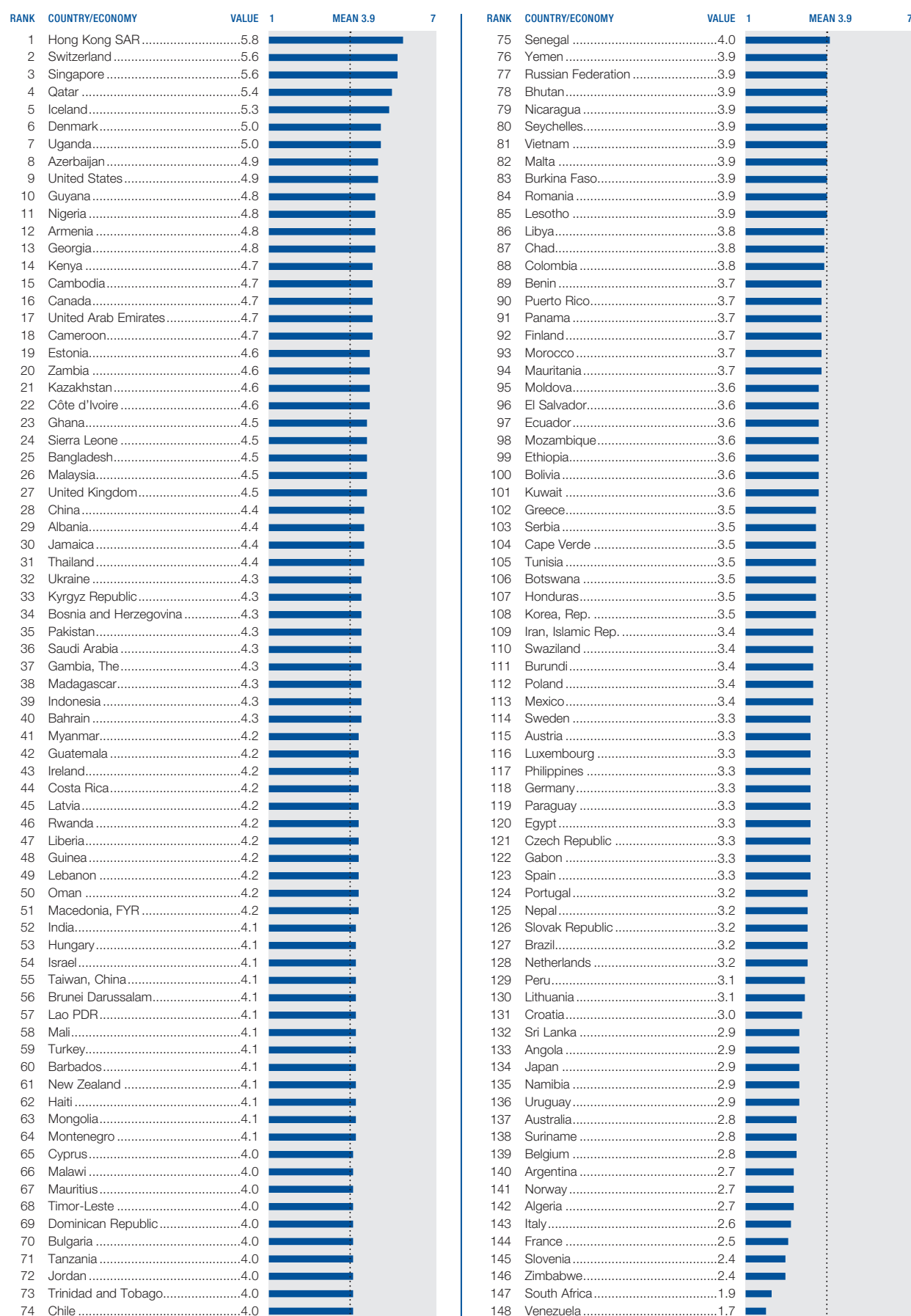
In your country, how are wages generally set? [1 = by a centralized bargaining process; 7 = by each individual company] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7
1	Uganda.....	6.2				75	France .....	5.1			
2	Estonia.....	6.0				76	Slovak Republic .....	5.1			
3	United Arab Emirates.....	6.0				77	Colombia .....	5.1			
4	Hong Kong SAR.....	6.0				78	Costa Rica.....	5.0			
5	Singapore.....	6.0				79	Ukraine .....	5.0			
6	Qatar .....	6.0				80	Mali.....	5.0			
7	Lithuania.....	5.9				81	Mauritania.....	5.0			
8	Bahrain .....	5.9				82	Zambia .....	4.9			
9	Saudi Arabia .....	5.9				83	Suriname .....	4.9			
10	New Zealand .....	5.8				84	Seychelles.....	4.9			
11	Japan .....	5.8				85	Sierra Leone .....	4.9			
12	United Kingdom.....	5.8				86	Montenegro .....	4.9			
13	Latvia.....	5.8				87	Mexico.....	4.9			
14	Brunei Darussalam.....	5.8				88	Hungary.....	4.9			
15	Yemen.....	5.8				89	Namibia .....	4.9			
16	Mongolia.....	5.8				90	Barbados.....	4.9			
17	Switzerland .....	5.7				91	Israel.....	4.8			
18	Lao PDR.....	5.6				92	Liberia.....	4.8			
19	Chile .....	5.6				93	Denmark.....	4.8			
20	Puerto Rico.....	5.6				94	China.....	4.8			
21	Gambia, The.....	5.6				95	Bangladesh.....	4.8			
22	Oman .....	5.6				96	Swaziland .....	4.8			
23	Myanmar.....	5.6				97	Pakistan.....	4.8			
24	Kazakhstan.....	5.6				98	Luxembourg .....	4.7			
25	Guyana.....	5.6				99	Panama .....	4.7			
26	Kyrgyz Republic.....	5.5				100	Tanzania .....	4.7			
27	Guatemala .....	5.5				101	Libya.....	4.7			
28	Macedonia, FYR.....	5.5				102	Ethiopia.....	4.7			
29	United States.....	5.5				103	Ireland.....	4.6			
30	Canada.....	5.5				104	Mauritius .....	4.6			
31	Taiwan, China.....	5.5				105	Portugal.....	4.6			
32	Turkey.....	5.5				106	Indonesia.....	4.6			
33	Malaysia.....	5.5				107	Cameroon.....	4.5			
34	Moldova.....	5.4				108	Trinidad and Tobago.....	4.5			
35	Serbia.....	5.4				109	Philippines .....	4.5			
36	Azerbaijan.....	5.4				110	Senegal .....	4.5			
37	Poland .....	5.4				111	Thailand.....	4.5			
38	Armenia .....	5.4				112	Timor-Leste .....	4.5			
39	Kuwait .....	5.4				113	Gabon .....	4.4			
40	Guinea.....	5.4				114	Nicaragua .....	4.4			
41	Russian Federation .....	5.3				115	El Salvador.....	4.4			
42	Malta .....	5.3				116	Algeria .....	4.4			
43	Morocco .....	5.3				117	Lesotho .....	4.4			
44	Egypt.....	5.3				118	Bosnia and Herzegovina.....	4.4			
45	Croatia.....	5.3				119	Ecuador.....	4.4			
46	Benin .....	5.3				120	Cyprus.....	4.3			
47	Georgia.....	5.3				121	Angola.....	4.3			
48	Haiti.....	5.3				122	Ghana.....	4.3			
49	Bulgaria .....	5.3				123	Albania.....	4.3			
50	India.....	5.3				124	Honduras.....	4.3			
51	Paraguay .....	5.3				125	Slovenia.....	4.2			
52	Dominican Republic.....	5.3				126	Nepal.....	4.1			
53	Peru.....	5.3				127	Brazil.....	4.1			
54	Nigeria.....	5.3				128	Iceland.....	4.1			
55	Botswana .....	5.3				129	Tunisia.....	4.0			
56	Rwanda.....	5.2				130	Bolivia.....	4.0			
57	Cape Verde .....	5.2				131	Spain .....	4.0			
58	Côte d'Ivoire.....	5.2				132	Greece.....	3.9			
59	Jamaica.....	5.2				133	Mozambique.....	3.9			
60	Malawi .....	5.2				134	Belgium.....	3.8			
61	Korea, Rep. ....	5.2				135	Australia.....	3.7			
62	Burkina Faso.....	5.2				136	Norway.....	3.7			
63	Czech Republic .....	5.2				137	Netherlands .....	3.7			
64	Jordan .....	5.2				138	Iran, Islamic Rep. ....	3.6			
65	Sri Lanka .....	5.2				139	Venezuela .....	3.6			
66	Bhutan.....	5.2				140	Sweden .....	3.5			
67	Burundi.....	5.1				141	Germany.....	3.3			
68	Kenya .....	5.1				142	Italy.....	3.1			
69	Vietnam .....	5.1				143	Finland.....	2.8			
70	Chad.....	5.1				144	South Africa.....	2.7			
71	Cambodia.....	5.1				145	Argentina.....	2.7			
72	Lebanon.....	5.1				146	Zimbabwe.....	2.6			
73	Romania.....	5.1				147	Austria.....	2.4			
74	Madagascar.....	5.1				148	Uruguay.....	2.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 7.03 Hiring and firing practices

In your country, how would you characterize the hiring and firing of workers? [1 = heavily impeded by regulations; 7 = extremely flexible] | 2012–13 weighted average



SOURCE: World Economic Forum, Executive Opinion Survey

## 7.04 Redundancy costs

Redundancy costs in weeks of salary | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Denmark.....	0.0	75	Brazil.....	15.4
1	New Zealand.....	0.0	76	India.....	15.8
1	Puerto Rico.....	0.0	76	Kenya.....	15.8
1	United States.....	0.0	78	Burundi.....	15.9
5	Austria.....	2.0	78	Greece.....	15.9
6	Brunei Darussalam.....	3.0	80	Barbados.....	16.0
6	Singapore.....	3.0	81	Nigeria.....	16.2
8	Romania.....	4.0	82	Colombia.....	16.7
9	Bahrain.....	4.3	82	Guyana.....	16.7
9	Japan.....	4.3	82	Malawi.....	16.7
9	Oman.....	4.3	85	Algeria.....	17.3
9	Timor-Leste.....	4.3	85	Kyrgyz Republic.....	17.3
9	United Arab Emirates.....	4.3	85	Russian Federation.....	17.3
14	Georgia.....	4.3	88	Spain.....	17.4
14	Jordan.....	4.3	89	Panama.....	18.1
16	Cyprus.....	5.7	90	Costa Rica.....	18.7
17	Hong Kong SAR.....	5.9	91	Poland.....	18.8
18	Ireland.....	6.8	92	Ethiopia.....	19.1
19	Italy.....	7.2	93	Cambodia.....	19.4
20	Belgium.....	7.2	94	Saudi Arabia.....	19.5
21	Malta.....	7.3	95	Czech Republic.....	20.2
22	Bulgaria.....	7.5	96	Trinidad and Tobago.....	20.5
23	Serbia.....	7.7	97	Morocco.....	20.7
24	Guinea.....	7.9	98	Uruguay.....	20.8
25	Bhutan.....	8.3	99	Albania.....	20.8
26	United Kingdom.....	8.4	100	Germany.....	21.6
27	Kazakhstan.....	8.7	101	Azerbaijan.....	21.7
27	Lebanon.....	8.7	101	Luxembourg.....	21.7
27	Mongolia.....	8.7	103	Botswana.....	21.7
27	Netherlands.....	8.7	104	Mexico.....	22.0
27	Norway.....	8.7	105	Taiwan, China.....	22.6
27	Uganda.....	8.7	106	Moldova.....	22.6
33	Suriname.....	8.8	107	El Salvador.....	22.9
34	Bosnia and Herzegovina.....	9.2	108	Iran, Islamic Rep.....	23.1
35	South Africa.....	9.3	109	Qatar.....	23.2
35	Tanzania.....	9.3	110	Malaysia.....	23.9
37	Latvia.....	9.7	111	Lithuania.....	24.6
37	Namibia.....	9.7	111	Vietnam.....	24.6
39	Canada.....	10.0	113	Liberia.....	25.7
40	Finland.....	10.1	114	Gambia, The.....	26.0
40	Haiti.....	10.1	115	Paraguay.....	26.1
40	Iceland.....	10.1	116	Dominican Republic.....	26.2
40	Switzerland.....	10.1	117	Guatemala.....	27.0
44	Burkina Faso.....	10.5	118	Nepal.....	27.2
44	Mauritania.....	10.5	118	Pakistan.....	27.2
46	Mauritius.....	10.6	120	Chile.....	27.4
47	Armenia.....	11.0	120	China.....	27.4
48	Montenegro.....	11.2	120	Korea, Rep.....	27.4
49	Australia.....	11.3	120	Yemen.....	27.4
50	Slovenia.....	11.4	124	Israel.....	27.4
51	Peru.....	11.4	124	Philippines.....	27.4
52	Slovak Republic.....	11.6	126	Kuwait.....	28.1
53	Benin.....	11.6	127	Cape Verde.....	29.5
54	France.....	11.8	128	Turkey.....	29.8
55	Tunisia.....	12.1	129	Argentina.....	30.3
56	Madagascar.....	12.3	129	Honduras.....	30.3
57	Estonia.....	12.9	131	Bangladesh.....	31.0
58	Rwanda.....	13.0	132	Angola.....	31.0
59	Chad.....	13.0	133	Ecuador.....	31.8
59	Macedonia, FYR.....	13.0	134	Portugal.....	33.9
59	Ukraine.....	13.0	135	Thailand.....	36.0
62	Côte d'Ivoire.....	13.1	136	Egypt.....	36.8
63	Hungary.....	13.4	137	Mozambique.....	37.5
64	Seychelles.....	13.5	138	Lao PDR.....	47.2
65	Mali.....	13.7	139	Ghana.....	49.8
66	Senegal.....	13.7	140	Zambia.....	50.6
67	Jamaica.....	14.0	141	Indonesia.....	57.8
68	Sweden.....	14.4	142	Sri Lanka.....	58.5
69	Swaziland.....	14.6	143	Sierra Leone.....	78.3
70	Gabon.....	14.8	144	Zimbabwe.....	82.3
71	Nicaragua.....	14.9	145	Bolivia.....	not possible
72	Lesotho.....	15.0	145	Venezuela.....	not possible
73	Croatia.....	15.1	n/a	Libya.....	n/a
74	Cameroon.....	15.3	n/a	Myanmar.....	n/a

SOURCE: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*; authors' calculations

## 7.05 Effect of taxation on incentives to work

In your country, to what extent do taxes reduce the incentive to work? [1 = significantly reduce the incentive to work; 7 = do not reduce incentive to work at all] | 2013

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7
1	Qatar .....	6.4				75	Guatemala .....	3.6			
2	Bahrain .....	6.2				76	Japan .....	3.6			
3	United Arab Emirates <sup>1</sup> .....	6.2				77	Taiwan, China .....	3.6			
4	Singapore .....	6.0				78	Armenia .....	3.6			
5	Hong Kong SAR .....	6.0				79	Mongolia .....	3.5			
6	Oman <sup>1</sup> .....	5.6				80	Uganda .....	3.5			
7	Brunei Darussalam .....	5.3				81	Peru .....	3.5			
8	Luxembourg .....	5.2				82	Iran, Islamic Rep. ....	3.5			
9	Kuwait .....	5.2				83	Pakistan .....	3.5			
10	Malaysia .....	5.0				84	Venezuela .....	3.5			
11	Saudi Arabia .....	4.9				85	Nicaragua .....	3.5			
12	Mauritius .....	4.9				86	Bolivia .....	3.5			
13	New Zealand .....	4.8				87	Côte d'Ivoire .....	3.5			
14	Switzerland .....	4.8				88	Tanzania .....	3.5			
15	South Africa .....	4.7				89	Burkina Faso .....	3.5			
16	Chile .....	4.6				90	Ireland .....	3.5			
17	Botswana .....	4.6				91	Puerto Rico .....	3.5			
18	Rwanda .....	4.5				92	Kenya .....	3.5			
19	Paraguay .....	4.4				93	Mozambique .....	3.4			
20	Sweden .....	4.4				94	Zimbabwe .....	3.4			
21	Seychelles .....	4.4				95	Gambia, The .....	3.4			
22	Trinidad and Tobago .....	4.3				96	Haiti .....	3.4			
23	Liberia .....	4.3				97	Cape Verde .....	3.4			
24	Gabon .....	4.3				98	Jordan <sup>1</sup> .....	3.4			
25	Estonia .....	4.3				99	Vietnam .....	3.4			
26	Norway .....	4.3				100	Madagascar .....	3.4			
27	Indonesia .....	4.3				101	Nepal .....	3.3			
28	Canada .....	4.3				102	Mexico .....	3.3			
29	Georgia .....	4.2				103	Cameroon .....	3.3			
30	Cambodia .....	4.2				104	Malawi .....	3.3			
31	Lao PDR .....	4.2				105	Poland .....	3.3			
32	Cyprus .....	4.2				106	Kyrgyz Republic .....	3.3			
33	Zambia .....	4.2				107	Algeria .....	3.3			
34	Senegal .....	4.2				108	Turkey .....	3.3			
35	Barbados .....	4.1				109	Bulgaria .....	3.3			
36	Nigeria .....	4.1				110	Benin .....	3.2			
37	Angola .....	4.1				111	Korea, Rep. ....	3.2			
38	United States .....	4.1				112	Austria .....	3.2			
39	Macedonia, FYR .....	4.1				113	Ethiopia .....	3.2			
40	Philippines .....	4.1				114	El Salvador .....	3.2			
41	United Kingdom .....	4.0				115	Latvia .....	3.1			
42	China .....	4.0				116	Bosnia and Herzegovina <sup>1</sup> .....	3.1			
43	Libya .....	4.0				117	Iceland .....	3.0			
44	Thailand .....	4.0				118	Jamaica .....	3.0			
45	Bhutan .....	4.0				119	Uruguay .....	3.0			
46	Malta .....	4.0				120	Lithuania .....	3.0			
47	Panama .....	4.0				121	Spain .....	3.0			
48	Morocco .....	4.0				122	Russian Federation .....	3.0			
49	Namibia .....	4.0				123	Colombia .....	2.9			
50	Sierra Leone .....	4.0				124	Mali .....	2.9			
51	Guyana .....	3.9				125	Egypt .....	2.8			
52	Lesotho .....	3.9				126	Yemen .....	2.8			
53	Lebanon .....	3.9				127	France .....	2.8			
54	Guinea .....	3.9				128	Denmark .....	2.8			
55	Sri Lanka .....	3.9				129	Burundi .....	2.8			
56	Kazakhstan .....	3.8				130	Serbia .....	2.7			
57	Finland .....	3.8				131	Slovak Republic .....	2.7			
58	Ecuador .....	3.8				132	Hungary .....	2.7			
59	Australia .....	3.8				133	Czech Republic .....	2.7			
60	Netherlands .....	3.8				134	Slovenia .....	2.7			
61	Timor-Leste .....	3.8				135	Dominican Republic .....	2.7			
62	Costa Rica .....	3.8				136	Moldova .....	2.6			
63	Montenegro .....	3.8				137	Greece .....	2.5			
64	Germany .....	3.7				138	Brazil .....	2.5			
65	Swaziland .....	3.7				139	Portugal .....	2.4			
66	Israel .....	3.7				140	Ukraine .....	2.4			
67	India .....	3.7				141	Mauritania .....	2.3			
68	Suriname .....	3.7				142	Belgium .....	2.3			
69	Albania .....	3.7				143	Croatia .....	2.3			
70	Azerbaijan .....	3.7				144	Chad .....	2.2			
71	Tunisia .....	3.7				145	Honduras .....	2.1			
72	Ghana .....	3.7				146	Romania .....	2.1			
73	Myanmar .....	3.6				147	Argentina .....	2.1			
74	Bangladesh .....	3.6				148	Italy .....	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey

<sup>1</sup> For those economies for which the data from the 2012 edition of the Survey are used, the results of the general question on *the extent and effect of taxation* are used for the computation and reported above. 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 worker productivity? [1 = not related to worker productivity; 7 = strongly related to worker productivity] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7
1	Hong Kong SAR	5.5				75	Cyprus	3.9			
2	Malaysia	5.2				76	Peru	3.9			
3	Switzerland	5.2				77	Nigeria	3.8			
4	Singapore	5.2				78	France	3.8			
5	Qatar	5.2				79	Netherlands	3.8			
6	Taiwan, China	5.2				80	Montenegro	3.8			
7	United Arab Emirates	5.0				81	Ecuador	3.8			
8	Estonia	4.9				82	Croatia	3.8			
9	Kazakhstan	4.9				83	Bolivia	3.8			
10	Lao PDR	4.8				84	Norway	3.8			
11	United Kingdom	4.8				85	Hungary	3.8			
12	United States	4.8				86	Pakistan	3.8			
13	Japan	4.7				87	Liberia	3.8			
14	Lithuania	4.7				88	Mexico	3.8			
15	Vietnam	4.7				89	Myanmar	3.7			
16	New Zealand	4.7				90	Nicaragua	3.7			
17	China	4.7				91	Zambia	3.7			
18	Brunei Darussalam	4.6				92	Belgium	3.7			
19	Czech Republic	4.6				93	Swaziland	3.7			
20	Latvia	4.6				94	Romania	3.7			
21	Korea, Rep.	4.6				95	Jamaica	3.6			
22	Slovak Republic	4.6				96	Yemen	3.6			
23	Azerbaijan	4.6				97	Gabon	3.6			
24	Albania	4.5				98	Kuwait	3.6			
25	Saudi Arabia	4.5				99	Brazil	3.6			
26	Ukraine	4.5				100	Côte d'Ivoire	3.6			
27	Puerto Rico	4.5				101	Bangladesh	3.6			
28	Canada	4.5				102	Colombia	3.6			
29	Indonesia	4.4				103	Namibia	3.6			
30	Mongolia	4.4				104	Barbados	3.5			
31	Thailand	4.4				105	Senegal	3.5			
32	Cambodia	4.4				106	Slovenia	3.5			
33	Chile	4.4				107	Dominican Republic	3.5			
34	Moldova	4.4				108	Tunisia	3.5			
35	Kyrgyz Republic	4.3				109	Sierra Leone	3.5			
36	Armenia	4.3				110	Paraguay	3.5			
37	Bahrain	4.3				111	Panama	3.5			
38	Ireland	4.3				112	Suriname	3.5			
39	Sri Lanka	4.3				113	Australia	3.5			
40	Oman	4.3				114	El Salvador	3.4			
41	Gambia, The	4.3				115	Mali	3.4			
42	Germany	4.3				116	Haiti	3.4			
43	Malta	4.3				117	Tanzania	3.4			
44	Philippines	4.2				118	Serbia	3.4			
45	Poland	4.2				119	Timor-Leste	3.4			
46	Russian Federation	4.2				120	Lesotho	3.4			
47	Luxembourg	4.2				121	Portugal	3.4			
48	Bulgaria	4.2				122	Honduras	3.3			
49	Macedonia, FYR	4.2				123	Trinidad and Tobago	3.3			
50	Guatemala	4.2				124	Cameroon	3.3			
51	Bhutan	4.2				125	Ethiopia	3.3			
52	Denmark	4.1				126	Libya	3.3			
53	Costa Rica	4.1				127	Uganda	3.2			
54	Madagascar	4.1				128	Cape Verde	3.2			
55	Jordan	4.1				129	Greece	3.2			
56	Lebanon	4.1				130	Iran, Islamic Rep.	3.1			
57	Finland	4.1				131	Egypt	3.1			
58	India	4.1				132	Spain	3.1			
59	Iceland	4.1				133	Burkina Faso	3.1			
60	Georgia	4.1				134	Benin	3.0			
61	Turkey	4.1				135	Nepal	2.9			
62	Rwanda	4.1				136	Angola	2.9			
63	Kenya	4.1				137	Chad	2.9			
64	Israel	4.0				138	Mozambique	2.8			
65	Mauritius	4.0				139	Guinea	2.8			
66	Malawi	4.0				140	Algeria	2.8			
67	Morocco	4.0				141	Venezuela	2.8			
68	Seychelles	4.0				142	South Africa	2.8			
69	Austria	3.9				143	Italy	2.8			
70	Bosnia and Herzegovina	3.9				144	Argentina	2.8			
71	Guyana	3.9				145	Mauritania	2.6			
72	Ghana	3.9				146	Zimbabwe	2.6			
73	Botswana	3.9				147	Burundi	2.5			
74	Sweden	3.9				148	Uruguay	2.4			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.3	7
1	New Zealand	6.3				75	Namibia	4.2			
2	Finland	6.3				76	Mexico	4.2			
3	Norway	6.2				77	Slovak Republic	4.2			
4	Sweden	6.1				78	Cambodia	4.1			
5	Netherlands	6.1				79	Poland	4.1			
6	Denmark	6.0				80	Suriname	4.1			
7	Switzerland	5.9				81	Montenegro	4.1			
8	Singapore	5.9				82	Georgia	4.1			
9	United Kingdom	5.9				83	Ecuador	4.0			
10	Canada	5.9				84	Madagascar	4.0			
11	Australia	5.7				85	Uruguay	4.0			
12	South Africa	5.7				86	Jordan	4.0			
13	Ireland	5.7				87	Senegal	4.0			
14	Qatar	5.6				88	Bhutan	4.0			
15	United States	5.6				89	El Salvador	4.0			
16	Luxembourg	5.6				90	Morocco	4.0			
17	Japan	5.5				91	Gabon	4.0			
18	Puerto Rico	5.5				92	Guyana	4.0			
19	Germany	5.5				93	Cameroon	3.9			
20	Belgium	5.5				94	Slovenia	3.9			
21	Malaysia	5.4				95	Albania	3.9			
22	Austria	5.4				96	Armenia	3.9			
23	Taiwan, China	5.3				97	Uganda	3.9			
24	Iceland	5.3				98	Tunisia	3.9			
25	United Arab Emirates	5.3				99	Malta	3.9			
26	Estonia	5.2				100	Azerbaijan	3.9			
27	Oman	5.2				101	Croatia	3.8			
28	Hong Kong SAR	5.2				102	Pakistan	3.8			
29	Barbados	5.0				103	Tanzania	3.8			
30	Botswana	5.0				104	Greece	3.8			
31	Zimbabwe	5.0				105	Russian Federation	3.8			
32	Philippines	5.0				106	Bolivia	3.8			
33	Sri Lanka	5.0				107	Lesotho	3.8			
34	Indonesia	4.9				108	Honduras	3.7			
35	Gambia, The	4.9				109	Panama	3.7			
36	Chile	4.8				110	Macedonia, FYR	3.7			
37	France	4.8				111	Moldova	3.7			
38	Brazil	4.8				112	Bulgaria	3.7			
39	Rwanda	4.8				113	Kuwait	3.6			
40	Saudi Arabia	4.8				114	Hungary	3.6			
41	Costa Rica	4.7				115	Dominican Republic	3.6			
42	Latvia	4.7				116	Nicaragua	3.6			
43	Korea, Rep.	4.7				117	Cyprus	3.6			
44	China	4.6				118	Bangladesh	3.6			
45	Peru	4.6				119	Vietnam	3.6			
46	India	4.6				120	Mongolia	3.6			
47	Zambia	4.6				121	Italy	3.5			
48	Lithuania	4.6				122	Liberia	3.5			
49	Bahrain	4.5				123	Lebanon	3.5			
50	Israel	4.5				124	Cape Verde	3.5			
51	Spain	4.5				125	Mozambique	3.4			
52	Jamaica	4.5				126	Nepal	3.4			
53	Mauritius	4.5				127	Iran, Islamic Rep.	3.4			
54	Kenya	4.5				128	Ukraine	3.3			
55	Nigeria	4.4				129	Libya	3.3			
56	Seychelles	4.4				130	Burkina Faso	3.3			
57	Thailand	4.4				131	Romania	3.3			
58	Ghana	4.4				132	Paraguay	3.3			
59	Venezuela	4.4				133	Kyrgyz Republic	3.2			
60	Trinidad and Tobago	4.4				134	Haiti	3.2			
61	Bosnia and Herzegovina	4.4				135	Serbia	3.1			
62	Czech Republic	4.4				136	Timor-Leste	3.1			
63	Argentina	4.4				137	Egypt	3.1			
64	Brunei Darussalam	4.4				138	Ethiopia	3.1			
65	Lao PDR	4.3				139	Benin	3.1			
66	Turkey	4.3				140	Mali	3.1			
67	Sierra Leone	4.3				141	Myanmar	2.9			
68	Swaziland	4.3				142	Guinea	2.8			
69	Colombia	4.3				143	Yemen	2.8			
70	Kazakhstan	4.3				144	Burundi	2.5			
71	Malawi	4.2				145	Algeria	2.3			
72	Côte d'Ivoire	4.2				146	Mauritania	2.3			
73	Portugal	4.2				147	Angola	2.2			
74	Guatemala	4.2				148	Chad	2.1			

SOURCE: World Economic Forum, Executive Opinion Survey

## 7.08 Country capacity to retain talent

Does your country retain talented people? [1 = the best and brightest leave to pursue opportunities in other countries; 7 = the best and brightest stay and pursue opportunities in the country] | 2013

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7
1	Qatar .....	6.0				75	Malawi .....	3.3			
2	Finland .....	5.8				76	Tanzania .....	3.3			
3	Switzerland .....	5.8				77	Uruguay .....	3.3			
4	United States .....	5.7				78	Turkey .....	3.3			
5	Norway .....	5.6				79	New Zealand .....	3.3			
6	United Arab Emirates <sup>1</sup> .....	5.5				80	Kazakhstan .....	3.3			
7	Hong Kong SAR .....	5.4				81	Nicaragua .....	3.3			
8	Singapore .....	5.1				82	Mozambique .....	3.2			
9	Germany .....	5.1				83	Gambia, The .....	3.2			
10	Sweden .....	5.1				84	Argentina .....	3.2			
11	Luxembourg .....	5.1				85	Seychelles .....	3.2			
12	Chile .....	5.0				86	Greece .....	3.1			
13	United Kingdom .....	5.0				87	Libya .....	3.1			
14	Netherlands .....	4.8				88	Côte d'Ivoire .....	3.1			
15	Costa Rica .....	4.8				89	Liberia .....	3.1			
16	Oman <sup>1</sup> .....	4.8				90	Paraguay .....	3.1			
17	Brunei Darussalam .....	4.7				91	Gabon .....	3.1			
18	Saudi Arabia .....	4.6				92	Mauritius .....	3.1			
19	Canada .....	4.6				93	Georgia .....	3.1			
20	Malaysia .....	4.6				94	Lesotho .....	3.1			
21	Panama .....	4.6				95	Vietnam .....	3.0			
22	Bahrain .....	4.6				96	Madagascar .....	3.0			
23	Austria .....	4.5				97	Estonia .....	3.0			
24	Iceland .....	4.4				98	Latvia .....	3.0			
25	Korea, Rep. ....	4.4				99	Zimbabwe .....	3.0			
26	Belgium .....	4.4				100	Jamaica .....	3.0			
27	Thailand .....	4.3				101	Suriname .....	3.0			
28	Rwanda .....	4.3				102	Nigeria .....	2.9			
29	Japan .....	4.3				103	Sri Lanka .....	2.9			
30	Barbados .....	4.3				104	Puerto Rico .....	2.9			
31	China .....	4.3				105	Pakistan .....	2.9			
32	Malta .....	4.2				106	Cameroon .....	2.9			
33	Cyprus .....	4.2				107	Slovenia .....	2.9			
34	Lao PDR .....	4.2				108	Spain .....	2.9			
35	Bhutan .....	4.2				109	Czech Republic .....	2.8			
36	Guyana .....	4.2				110	Guinea .....	2.8			
37	Australia .....	4.1				111	Portugal .....	2.8			
38	Brazil .....	4.1				112	Russian Federation .....	2.8			
39	Indonesia .....	4.1				113	Ethiopia .....	2.8			
40	Ireland .....	4.1				114	Sierra Leone .....	2.7			
41	Ecuador .....	4.0				115	Lebanon .....	2.7			
42	Peru .....	4.0				116	Uganda .....	2.7			
43	Denmark .....	4.0				117	Italy .....	2.7			
44	Cambodia .....	3.9				118	Mongolia .....	2.7			
45	Bolivia .....	3.9				119	Poland .....	2.7			
46	Guatemala .....	3.9				120	Burkina Faso .....	2.6			
47	Kenya .....	3.9				121	Armenia .....	2.6			
48	Taiwan, China .....	3.9				122	Honduras .....	2.6			
49	Israel .....	3.8				123	Macedonia, FYR .....	2.6			
50	India .....	3.8				124	Bangladesh .....	2.6			
51	South Africa .....	3.8				125	Swaziland .....	2.6			
52	Ghana .....	3.7				126	Hungary .....	2.6			
53	Jordan <sup>1</sup> .....	3.7				127	Lithuania .....	2.5			
54	Morocco .....	3.6				128	Benin .....	2.5			
55	Botswana .....	3.6				129	Nepal .....	2.5			
56	Mexico .....	3.6				130	Slovak Republic .....	2.4			
57	France .....	3.6				131	Iran, Islamic Rep. ....	2.3			
58	Timor-Leste .....	3.6				132	Haiti .....	2.3			
59	Cape Verde .....	3.6				133	Egypt .....	2.3			
60	Albania .....	3.5				134	Croatia .....	2.3			
61	Mali .....	3.5				135	Chad .....	2.2			
62	Zambia .....	3.5				136	Mauritania .....	2.1			
63	Colombia .....	3.5				137	Algeria .....	2.1			
64	Azerbaijan .....	3.5				138	Romania .....	2.1			
65	Montenegro .....	3.5				139	Yemen .....	2.1			
66	Kuwait .....	3.5				140	Ukraine .....	2.0			
67	Angola .....	3.5				141	Burundi .....	1.9			
68	Senegal .....	3.5				142	Bulgaria .....	1.9			
69	El Salvador .....	3.5				143	Bosnia and Herzegovina <sup>1</sup> .....	1.9			
70	Namibia .....	3.5				144	Kyrgyz Republic .....	1.9			
71	Philippines .....	3.4				145	Moldova .....	1.9			
72	Dominican Republic .....	3.4				146	Serbia .....	1.8			
73	Trinidad and Tobago .....	3.4				147	Venezuela .....	1.8			
74	Tunisia .....	3.4				148	Myanmar .....	1.7			

SOURCE: World Economic Forum, Executive Opinion Survey

<sup>1</sup> For those economies for which the data from the 2012 edition of the Survey are used, the results of the general question on *the capacity to attract and retain talent* are used for the computation and reported above. For more details, refer to Chapter 1.3 of this Report.

## 7.09 Country capacity to attract talent

Does your country attract talented people from abroad? [1 = not at all; 7 = attracts the best and brightest from around the world] | 2013

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.4	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.4	7
1	Switzerland	6.1				75	Mali	3.4			
2	Singapore	6.0				76	Cyprus	3.4			
3	Qatar	6.0				77	Botswana	3.3			
4	United Kingdom	5.8				78	Nicaragua	3.3			
5	Hong Kong SAR	5.7				79	Mexico	3.3			
6	United States	5.7				80	Japan	3.3			
7	United Arab Emirates <sup>1</sup>	5.5				81	Sierra Leone	3.3			
8	Luxembourg	5.4				82	Bolivia	3.3			
9	Canada	5.1				83	Dominican Republic	3.3			
10	Panama	5.1				84	Lesotho	3.3			
11	Norway	5.1				85	Puerto Rico	3.3			
12	Ireland	5.0				86	Philippines	3.2			
13	Bahrain	5.0				87	Czech Republic	3.2			
14	Saudi Arabia	4.9				88	Portugal	3.2			
15	Oman <sup>1</sup>	4.8				89	Turkey	3.2			
16	Seychelles	4.7				90	Tanzania	3.1			
17	Australia	4.7				91	Colombia	3.1			
18	Netherlands	4.7				92	Montenegro	3.1			
19	Malta	4.7				93	Swaziland	3.1			
20	Germany	4.7				94	Guatemala	3.1			
21	Barbados	4.7				95	Madagascar	3.0			
22	Malaysia	4.6				96	Estonia	3.0			
23	Rwanda	4.6				97	Russian Federation	3.0			
24	Chile	4.5				98	Uganda	3.0			
25	Sweden	4.4				99	Jamaica	3.0			
26	China	4.4				100	Zimbabwe	2.9			
27	Brunei Darussalam	4.4				101	Timor-Leste	2.9			
28	Indonesia	4.3				102	Spain	2.9			
29	New Zealand	4.3				103	Tunisia	2.8			
30	Austria	4.2				104	Cameroon	2.8			
31	Korea, Rep.	4.1				105	Georgia	2.8			
32	Thailand	4.1				106	Guinea	2.7			
33	Trinidad and Tobago	4.1				107	Paraguay	2.7			
34	Azerbaijan	4.1				108	Chad	2.7			
35	Ecuador	4.1				109	Honduras	2.7			
36	Liberia	4.1				110	Haiti	2.7			
37	Peru	4.1				111	Pakistan	2.7			
38	Costa Rica	4.0				112	Latvia	2.7			
39	Guyana	3.9				113	Uruguay	2.6			
40	Ghana	3.9				114	Benin	2.6			
41	Kazakhstan	3.9				115	Hungary	2.6			
42	Mauritius	3.9				116	Armenia	2.6			
43	Morocco	3.9				117	Sri Lanka	2.5			
44	France	3.9				118	Ethiopia	2.5			
45	Kuwait	3.9				119	Slovak Republic	2.5			
46	Belgium	3.9				120	Slovenia	2.5			
47	Angola	3.8				121	Poland	2.4			
48	Nigeria	3.8				122	Myanmar	2.4			
49	El Salvador	3.8				123	Bangladesh	2.4			
50	Kenya	3.8				124	Lebanon	2.4			
51	Cambodia	3.8				125	Argentina	2.4			
52	Denmark	3.8				126	Italy	2.4			
53	Brazil	3.7				127	Greece	2.3			
54	India	3.7				128	Burkina Faso	2.2			
55	South Africa	3.7				129	Libya	2.2			
56	Mozambique	3.7				130	Mongolia	2.2			
57	Jordan <sup>1</sup>	3.7				131	Egypt	2.2			
58	Bhutan	3.7				132	Romania	2.2			
59	Taiwan, China	3.6				133	Yemen	2.2			
60	Malawi	3.6				134	Macedonia, FYR	2.1			
61	Gabon	3.6				135	Lithuania	2.1			
62	Senegal	3.6				136	Ukraine	2.1			
63	Albania	3.6				137	Mauritania	2.1			
64	Gambia, The	3.6				138	Nepal	2.0			
65	Zambia	3.6				139	Algeria	2.0			
66	Suriname	3.5				140	Bosnia and Herzegovina <sup>1</sup>	1.9			
67	Israel	3.5				141	Kyrgyz Republic	1.9			
68	Finland	3.5				142	Burundi	1.9			
69	Vietnam	3.5				143	Croatia	1.9			
70	Côte d'Ivoire	3.5				144	Bulgaria	1.9			
71	Cape Verde	3.5				145	Iran, Islamic Rep.	1.8			
72	Namibia	3.5				146	Moldova	1.7			
73	Iceland	3.4				147	Serbia	1.6			
74	Lao PDR	3.4				148	Venezuela	1.5			

SOURCE: World Economic Forum, Executive Opinion Survey

<sup>1</sup> For those economies for which the data from the 2012 edition of the Survey are used, the results of the general question on *the capacity to attract and retain talent* are used for the computation and reported above. For more details, refer to Chapter 1.3 of this Report.

## 7.10 Female participation in labor force

Ratio of women to men in the labor force\* | 2010

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Malawi .....	1.06	75	Bolivia .....	0.80
2	Mozambique .....	1.05	76	Luxembourg .....	0.79
3	Burundi .....	1.03	77	Romania .....	0.78
4	Rwanda .....	1.02	78	Uruguay .....	0.78
5	Tanzania .....	0.99	79	Czech Republic .....	0.78
6	Lao PDR .....	0.99	80	Montenegro .....	0.77
7	Sierra Leone .....	0.97	80	Serbia .....	0.77
8	Uganda .....	0.96	82	Georgia .....	0.77
9	Madagascar .....	0.95	83	Nigeria .....	0.76
10	Lithuania .....	0.95	84	Singapore .....	0.76
11	Ghana .....	0.95	85	Hong Kong SAR .....	0.76
12	Finland .....	0.95	86	Brazil .....	0.76
13	Iceland .....	0.94	87	Taiwan, China .....	0.75
14	Nepal .....	0.94	88	South Africa .....	0.75
15	Norway .....	0.94	89	Senegal .....	0.75
16	Cambodia .....	0.93	90	Japan .....	0.74
17	Latvia .....	0.93	91	Armenia .....	0.74
18	Sweden .....	0.93	92	Greece .....	0.73
19	Zimbabwe .....	0.93	93	Brunei Darussalam .....	0.73
20	Myanmar .....	0.93	94	Trinidad and Tobago .....	0.73
21	Vietnam .....	0.92	95	Albania .....	0.72
22	Estonia .....	0.92	96	Kyrgyz Republic .....	0.72
23	Azerbaijan .....	0.92	97	Korea, Rep. ....	0.72
24	Denmark .....	0.92	98	Colombia .....	0.72
25	Liberia .....	0.92	99	Italy .....	0.69
26	Kazakhstan .....	0.91	100	Bangladesh .....	0.69
27	Canada .....	0.91	101	Puerto Rico .....	0.68
28	Moldova .....	0.91	102	Paraguay .....	0.68
29	Botswana .....	0.90	103	Argentina .....	0.67
30	Barbados .....	0.90	104	Ecuador .....	0.67
31	Slovenia .....	0.89	105	Dominican Republic .....	0.66
32	Portugal .....	0.89	106	Chile .....	0.66
33	Israel .....	0.89	107	Venezuela .....	0.66
34	Ethiopia .....	0.89	108	Macedonia, FYR .....	0.65
35	France .....	0.88	109	Côte d'Ivoire .....	0.64
36	China .....	0.88	110	Cape Verde .....	0.64
37	Gambia, The .....	0.88	111	Philippines .....	0.63
38	Burkina Faso .....	0.88	112	Bosnia and Herzegovina .....	0.63
39	Bulgaria .....	0.88	113	Swaziland .....	0.63
40	Bhutan .....	0.88	114	El Salvador .....	0.62
41	Russian Federation .....	0.87	115	Indonesia .....	0.62
42	Benin .....	0.87	116	Panama .....	0.62
43	Haiti .....	0.87	117	Suriname .....	0.60
44	Netherlands .....	0.87	118	Mauritius .....	0.60
45	Switzerland .....	0.86	119	Costa Rica .....	0.60
46	Seychelles .....	0.86	120	Nicaragua .....	0.59
47	United States .....	0.86	121	Malaysia .....	0.59
48	Gabon .....	0.86	122	Guatemala .....	0.56
49	New Zealand .....	0.86	123	Mexico .....	0.56
50	Kenya .....	0.86	124	Qatar .....	0.55
51	Austria .....	0.86	125	Malta .....	0.55
52	Germany .....	0.86	126	Mali .....	0.53
53	Ukraine .....	0.86	127	Kuwait .....	0.53
54	Zambia .....	0.85	128	Guyana .....	0.53
55	United Kingdom .....	0.85	129	Timor-Leste .....	0.53
56	Cameroon .....	0.85	130	Honduras .....	0.52
57	Cyprus .....	0.85	131	United Arab Emirates .....	0.48
58	Mongolia .....	0.85	132	Sri Lanka .....	0.47
59	Namibia .....	0.84	133	Bahrain .....	0.46
60	Australia .....	0.84	134	Turkey .....	0.40
61	Croatia .....	0.84	135	Libya .....	0.40
62	Belgium .....	0.84	136	Tunisia .....	0.37
63	Guinea .....	0.84	137	India .....	0.36
64	Hungary .....	0.83	138	Mauritania .....	0.36
65	Thailand .....	0.82	139	Oman .....	0.36
66	Angola .....	0.82	140	Yemen .....	0.35
67	Spain .....	0.82	141	Morocco .....	0.34
68	Jamaica .....	0.82	142	Lebanon .....	0.33
69	Poland .....	0.81	143	Egypt .....	0.32
70	Chad .....	0.81	144	Pakistan .....	0.27
71	Peru .....	0.81	145	Saudi Arabia .....	0.24
72	Slovak Republic .....	0.81	146	Jordan .....	0.24
73	Lesotho .....	0.81	147	Iran, Islamic Rep. ....	0.23
74	Ireland .....	0.80	148	Algeria .....	0.21

SOURCES: International Labour Organization, *Key Indicators of the Labour Markets* (accessed June 27, 2013); 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]  
| 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7
1	Switzerland .....	6.4				75	Kuwait .....	4.4			
2	South Africa .....	6.4				76	Ghana .....	4.4			
3	Hong Kong SAR .....	6.3				77	Zambia .....	4.4			
4	Luxembourg .....	6.1				78	Botswana .....	4.4			
5	Singapore .....	6.1				79	Lao PDR .....	4.4			
6	United Kingdom .....	6.1				80	Paraguay .....	4.3			
7	United States .....	6.1				81	Cambodia .....	4.3			
8	Finland .....	6.1				82	Macedonia, FYR .....	4.3			
9	Canada .....	6.1				83	Gambia, The .....	4.2			
10	Panama .....	6.0				84	Uganda .....	4.2			
11	Norway .....	6.0				85	Croatia .....	4.2			
12	Netherlands .....	6.0				86	Montenegro .....	4.2			
13	Sweden .....	5.8				87	Ecuador .....	4.2			
14	Qatar .....	5.8				88	Pakistan .....	4.1			
15	Belgium .....	5.8				89	Uruguay .....	4.1			
16	Austria .....	5.7				90	Nepal .....	4.1			
17	Germany .....	5.7				91	Russian Federation .....	4.1			
18	New Zealand .....	5.7				92	Korea, Rep. ....	4.0			
19	Bahrain .....	5.7				93	Vietnam .....	4.0			
20	Chile .....	5.6				94	Seychelles .....	4.0			
21	Australia .....	5.6				95	El Salvador .....	4.0			
22	Malaysia .....	5.5				96	Georgia .....	4.0			
23	Puerto Rico .....	5.5				97	Iceland .....	4.0			
24	Taiwan, China .....	5.5				98	Nigeria .....	4.0			
25	United Arab Emirates .....	5.4				99	Serbia .....	3.9			
26	Thailand .....	5.4				100	Tunisia .....	3.9			
27	Malta .....	5.4				101	Bangladesh .....	3.9			
28	Turkey .....	5.4				102	Romania .....	3.9			
29	Sri Lanka .....	5.3				103	Cameroon .....	3.9			
30	Brazil .....	5.3				104	Senegal .....	3.9			
31	Japan .....	5.3				105	Zimbabwe .....	3.8			
32	Guatemala .....	5.3				106	Greece .....	3.8			
33	Mauritius .....	5.2				107	Bulgaria .....	3.8			
34	France .....	5.2				108	Azerbaijan .....	3.8			
35	Dominican Republic .....	5.2				109	Ukraine .....	3.8			
36	Denmark .....	5.1				110	Bosnia and Herzegovina .....	3.8			
37	Spain .....	5.1				111	Suriname .....	3.8			
38	Estonia .....	5.1				112	Egypt .....	3.8			
39	Oman .....	5.1				113	Slovenia .....	3.8			
40	Philippines .....	5.1				114	Liberia .....	3.8			
41	Slovak Republic .....	5.0				115	Bhutan .....	3.8			
42	Israel .....	5.0				116	Malawi .....	3.7			
43	Saudi Arabia .....	5.0				117	Bolivia .....	3.7			
44	Cyprus .....	5.0				118	Moldova .....	3.7			
45	India .....	5.0				119	Tanzania .....	3.7			
46	Honduras .....	5.0				120	Sierra Leone .....	3.7			
47	Latvia .....	5.0				121	Mozambique .....	3.7			
48	Portugal .....	5.0				122	Cape Verde .....	3.7			
49	Peru .....	4.9				123	Venezuela .....	3.7			
50	Barbados .....	4.9				124	Mongolia .....	3.6			
51	Indonesia .....	4.9				125	Côte d'Ivoire .....	3.6			
52	Colombia .....	4.9				126	Madagascar .....	3.6			
53	Poland .....	4.9				127	Mali .....	3.6			
54	Jamaica .....	4.8				128	Nicaragua .....	3.6			
55	Namibia .....	4.8				129	Albania .....	3.5			
56	Kenya .....	4.8				130	Gabon .....	3.5			
57	Brunei Darussalam .....	4.8				131	Kyrgyz Republic .....	3.5			
58	Lithuania .....	4.8				132	Lesotho .....	3.4			
59	Czech Republic .....	4.7				133	Ethiopia .....	3.4			
60	Kazakhstan .....	4.6				134	Benin .....	3.3			
61	Mexico .....	4.6				135	Burkina Faso .....	3.2			
62	Lebanon .....	4.6				136	Argentina .....	3.1			
63	Armenia .....	4.6				137	Iran, Islamic Rep. ....	3.1			
64	Morocco .....	4.6				138	Guinea .....	3.1			
65	Hungary .....	4.6				139	Mauritania .....	3.1			
66	Rwanda .....	4.6				140	Haiti .....	3.1			
67	Ireland .....	4.6				141	Algeria .....	3.0			
68	Jordan .....	4.6				142	Myanmar .....	2.9			
69	Swaziland .....	4.5				143	Yemen .....	2.9			
70	China .....	4.5				144	Timor-Leste .....	2.8			
71	Italy .....	4.5				145	Chad .....	2.6			
72	Trinidad and Tobago .....	4.5				146	Burundi .....	2.5			
73	Guyana .....	4.5				147	Libya .....	2.5			
74	Costa Rica .....	4.4				148	Angola .....	2.4			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	Hong Kong SAR	6.1				75	Jamaica	4.1			
2	Luxembourg	6.0				76	Dominican Republic	4.1			
3	Qatar	5.9				77	Portugal	4.1			
4	Singapore	5.9				78	Montenegro	4.1			
5	Switzerland	5.8				79	Trinidad and Tobago	4.1			
6	Finland	5.8				80	Zambia	4.0			
7	Panama	5.8				81	Paraguay	4.0			
8	Norway	5.7				82	Ecuador	4.0			
9	Bahrain	5.6				83	Georgia	4.0			
10	United States	5.6				84	Macedonia, FYR	4.0			
11	Canada	5.6				85	Mexico	4.0			
12	Taiwan, China	5.5				86	Czech Republic	4.0			
13	South Africa	5.5				87	Tunisia	3.9			
14	New Zealand	5.4				88	Nepal	3.9			
15	Malaysia	5.4				89	Seychelles	3.9			
16	Oman	5.4				90	Croatia	3.9			
17	Puerto Rico	5.3				91	Romania	3.9			
18	United Kingdom	5.3				92	Bhutan	3.9			
19	Belgium	5.3				93	Bolivia	3.8			
20	Germany	5.3				94	Nigeria	3.8			
21	Austria	5.3				95	Russian Federation	3.8			
22	Sweden	5.3				96	Venezuela	3.8			
23	Netherlands	5.3				97	Vietnam	3.8			
24	United Arab Emirates	5.3				98	Suriname	3.8			
25	Japan	5.2				99	Nicaragua	3.8			
26	Saudi Arabia	5.2				100	Pakistan	3.8			
27	Malta	5.1				101	Colombia	3.8			
28	Turkey	5.1				102	Iceland	3.7			
29	Guatemala	5.0				103	El Salvador	3.7			
30	Chile	5.0				104	Mali	3.7			
31	Philippines	5.0				105	Bosnia and Herzegovina	3.7			
32	Thailand	5.0				106	Egypt	3.7			
33	Sri Lanka	5.0				107	Cameroon	3.7			
34	Mauritius	4.9				108	Liberia	3.7			
35	France	4.9				109	Bangladesh	3.7			
36	Australia	4.9				110	Hungary	3.7			
37	Slovak Republic	4.8				111	Senegal	3.6			
38	India	4.8				112	Serbia	3.6			
39	Denmark	4.7				113	Italy	3.6			
40	Brunei Darussalam	4.7				114	Moldova	3.6			
41	Estonia	4.7				115	Mongolia	3.6			
42	Latvia	4.7				116	Uganda	3.6			
43	Indonesia	4.6				117	Cape Verde	3.6			
44	Poland	4.6				118	Greece	3.6			
45	Lao PDR	4.5				119	Slovenia	3.6			
46	Cyprus	4.5				120	Tanzania	3.6			
47	Lithuania	4.5				121	Malawi	3.5			
48	Brazil	4.5				122	Lesotho	3.5			
49	Jordan	4.4				123	Sierra Leone	3.5			
50	Armenia	4.4				124	Bulgaria	3.5			
51	China	4.4				125	Ethiopia	3.4			
52	Swaziland	4.4				126	Ukraine	3.4			
53	Spain	4.4				127	Albania	3.4			
54	Barbados	4.4				128	Côte d'Ivoire	3.3			
55	Kuwait	4.3				129	Mozambique	3.3			
56	Lebanon	4.3				130	Kyrgyz Republic	3.3			
57	Gambia, The	4.3				131	Gabon	3.3			
58	Kazakhstan	4.3				132	Benin	3.2			
59	Peru	4.3				133	Madagascar	3.2			
60	Uruguay	4.2				134	Zimbabwe	3.2			
61	Namibia	4.2				135	Iran, Islamic Rep.	3.1			
62	Costa Rica	4.2				136	Mauritania	3.1			
63	Ireland	4.2				137	Angola	3.1			
64	Guyana	4.2				138	Myanmar	3.0			
65	Rwanda	4.2				139	Guinea	3.0			
66	Honduras	4.2				140	Haiti	3.0			
67	Morocco	4.2				141	Burkina Faso	3.0			
68	Kenya	4.1				142	Argentina	2.9			
69	Korea, Rep.	4.1				143	Timor-Leste	2.8			
70	Botswana	4.1				144	Algeria	2.7			
71	Cambodia	4.1				145	Chad	2.7			
72	Ghana	4.1				146	Yemen	2.6			
73	Azerbaijan	4.1				147	Burundi	2.6			
74	Israel	4.1				148	Libya	2.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 8.03 Financing through local equity market

In your country, how easy is it for companies to raise money by issuing shares on the stock market? [1 = extremely difficult; 7 = extremely easy] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.4	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.4	7
1	Hong Kong SAR.....	5.8				75	Korea, Rep. ....	3.4			
2	South Africa.....	5.6				76	Gambia, The.....	3.4			
3	Taiwan, China.....	5.5				77	Bosnia and Herzegovina.....	3.4			
4	Sri Lanka.....	5.2				78	Azerbaijan.....	3.4			
5	United States.....	5.1				79	Nicaragua.....	3.3			
6	Qatar.....	5.0				80	Bhutan.....	3.3			
7	Singapore.....	5.0				81	Macedonia, FYR.....	3.3			
8	Australia.....	5.0				82	Uganda.....	3.3			
9	Malaysia.....	4.9				83	Swaziland.....	3.2			
10	New Zealand.....	4.9				84	Seychelles.....	3.2			
11	Sweden.....	4.8				85	Trinidad and Tobago.....	3.2			
12	United Kingdom.....	4.8				86	Iran, Islamic Rep.....	3.2			
13	Norway.....	4.8				87	Ireland.....	3.1			
14	Thailand.....	4.7				88	Italy.....	3.1			
15	Canada.....	4.7				89	Tanzania.....	3.1			
16	Japan.....	4.7				90	Russian Federation.....	3.1			
17	Finland.....	4.7				91	Gabon.....	3.1			
18	India.....	4.6				92	Barbados.....	3.1			
19	Saudi Arabia.....	4.6				93	Czech Republic.....	3.0			
20	Switzerland.....	4.5				94	Bulgaria.....	3.0			
21	United Arab Emirates.....	4.5				95	Ethiopia.....	3.0			
22	Panama.....	4.5				96	Cameroon.....	3.0			
23	Oman.....	4.5				97	Cape Verde.....	3.0			
24	Chile.....	4.5				98	Romania.....	3.0			
25	Malta.....	4.4				99	Latvia.....	2.9			
26	Luxembourg.....	4.4				100	Kazakhstan.....	2.9			
27	Philippines.....	4.4				101	Spain.....	2.9			
28	France.....	4.4				102	Senegal.....	2.9			
29	Indonesia.....	4.3				103	Lao PDR.....	2.9			
30	Netherlands.....	4.3				104	Suriname.....	2.8			
31	Jamaica.....	4.3				105	Croatia.....	2.8			
32	Bahrain.....	4.3				106	Dominican Republic.....	2.8			
33	Ghana.....	4.2				107	Cyprus.....	2.8			
34	Germany.....	4.2				108	Portugal.....	2.7			
35	Kenya.....	4.2				109	Mali.....	2.7			
36	Turkey.....	4.2				110	Hungary.....	2.7			
37	Mauritius.....	4.1				111	Burkina Faso.....	2.7			
38	China.....	4.0				112	Slovak Republic.....	2.7			
39	Morocco.....	4.0				113	Cambodia.....	2.6			
40	Tunisia.....	3.9				114	Benin.....	2.6			
41	Bangladesh.....	3.9				115	Armenia.....	2.5			
42	Zambia.....	3.9				116	Mozambique.....	2.5			
43	Jordan.....	3.9				117	Liberia.....	2.5			
44	Kuwait.....	3.9				118	Costa Rica.....	2.5			
45	Austria.....	3.9				119	Moldova.....	2.5			
46	Egypt.....	3.9				120	Lesotho.....	2.5			
47	Belgium.....	3.9				121	Slovenia.....	2.4			
48	Brazil.....	3.8				122	Guatemala.....	2.4			
49	Botswana.....	3.8				123	Mongolia.....	2.4			
50	Israel.....	3.7				124	Brunei Darussalam.....	2.4			
51	Nigeria.....	3.7				125	Mauritania.....	2.4			
52	Malawi.....	3.7				126	Georgia.....	2.4			
53	Nepal.....	3.7				127	Ukraine.....	2.4			
54	Ecuador.....	3.7				128	Madagascar.....	2.3			
55	Colombia.....	3.7				129	Lebanon.....	2.3			
56	Peru.....	3.6				130	Argentina.....	2.3			
57	Vietnam.....	3.6				131	Timor-Leste.....	2.3			
58	Pakistan.....	3.6				132	Sierra Leone.....	2.3			
59	Estonia.....	3.6				133	Kyrgyz Republic.....	2.2			
60	Poland.....	3.6				134	Uruguay.....	2.2			
61	Denmark.....	3.5				135	Greece.....	2.2			
62	Rwanda.....	3.5				136	Serbia.....	2.1			
63	Zimbabwe.....	3.5				137	Chad.....	2.1			
64	Puerto Rico.....	3.5				138	Algeria.....	2.1			
65	Mexico.....	3.5				139	Yemen.....	2.1			
66	Bolivia.....	3.5				140	Haiti.....	2.0			
67	Côte d'Ivoire.....	3.5				141	Honduras.....	2.0			
68	Namibia.....	3.4				142	Libya.....	1.9			
69	Paraguay.....	3.4				143	Guinea.....	1.8			
70	Iceland.....	3.4				144	Burundi.....	1.8			
71	Guyana.....	3.4				145	Venezuela.....	1.8			
72	El Salvador.....	3.4				146	Albania.....	1.7			
73	Lithuania.....	3.4				147	Myanmar.....	1.7			
74	Montenegro.....	3.4				148	Angola.....	1.4			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 2.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 2.8	7
1	Qatar .....	4.9				75	Kuwait .....	2.8			
2	Hong Kong SAR .....	4.7				76	El Salvador .....	2.8			
3	United Arab Emirates .....	4.6				77	Zambia .....	2.7			
4	Singapore .....	4.5				78	Romania .....	2.7			
5	Malaysia .....	4.4				79	Gabon .....	2.7			
6	Oman .....	4.4				80	Cyprus .....	2.7			
7	Bahrain .....	4.4				81	Madagascar .....	2.7			
8	Panama .....	4.4				82	United Kingdom .....	2.7			
9	New Zealand .....	4.2				83	Tanzania .....	2.7			
10	Sweden .....	4.2				84	Uruguay .....	2.7			
11	Norway .....	4.2				85	Honduras .....	2.7			
12	Finland .....	4.2				86	Algeria .....	2.7			
13	Luxembourg .....	4.2				87	Uganda .....	2.6			
14	Taiwan, China .....	4.0				88	Armenia .....	2.6			
15	Malta .....	3.9				89	Barbados .....	2.6			
16	Indonesia .....	3.9				90	Sri Lanka .....	2.6			
17	United States .....	3.9				91	Malawi .....	2.6			
18	Brunei Darussalam .....	3.8				92	Liberia .....	2.5			
19	Bolivia .....	3.8				93	Trinidad and Tobago .....	2.5			
20	Switzerland .....	3.7				94	Mexico .....	2.5			
21	Chile .....	3.6				95	Bhutan .....	2.5			
22	South Africa .....	3.6				96	Latvia .....	2.5			
23	Thailand .....	3.6				97	Poland .....	2.5			
24	Saudi Arabia .....	3.6				98	Georgia .....	2.5			
25	Seychelles .....	3.6				99	Gambia, The .....	2.5			
26	Canada .....	3.6				100	Egypt .....	2.4			
27	Mauritius .....	3.5				101	Cameroon .....	2.4			
28	Australia .....	3.5				102	Côte d'Ivoire .....	2.4			
29	Belgium .....	3.5				103	Ghana .....	2.4			
30	Peru .....	3.5				104	Moldova .....	2.4			
31	Ecuador .....	3.4				105	Croatia .....	2.4			
32	China .....	3.4				106	Costa Rica .....	2.4			
33	Japan .....	3.4				107	Nepal .....	2.4			
34	Jordan .....	3.3				108	Timor-Leste .....	2.4			
35	Montenegro .....	3.3				109	Lithuania .....	2.4			
36	Rwanda .....	3.3				110	Senegal .....	2.4			
37	Philippines .....	3.3				111	Suriname .....	2.4			
38	India .....	3.3				112	Venezuela .....	2.3			
39	Bulgaria .....	3.3				113	Vietnam .....	2.3			
40	Lao PDR .....	3.3				114	Bangladesh .....	2.3			
41	France .....	3.2				115	Cape Verde .....	2.3			
42	Nicaragua .....	3.2				116	Ukraine .....	2.3			
43	Botswana .....	3.2				117	Benin .....	2.2			
44	Kenya .....	3.2				118	Korea, Rep. ....	2.2			
45	Guyana .....	3.2				119	Guinea .....	2.2			
46	Germany .....	3.2				120	Serbia .....	2.2			
47	Netherlands .....	3.2				121	Portugal .....	2.1			
48	Estonia .....	3.1				122	Zimbabwe .....	2.1			
49	Slovak Republic .....	3.1				123	Hungary .....	2.1			
50	Lesotho .....	3.1				124	Ethiopia .....	2.0			
51	Guatemala .....	3.1				125	Bosnia and Herzegovina .....	2.0			
52	Turkey .....	3.1				126	Haiti .....	2.0			
53	Austria .....	3.0				127	Ireland .....	1.9			
54	Azerbaijan .....	3.0				128	Jamaica .....	1.9			
55	Puerto Rico .....	3.0				129	Kyrgyz Republic .....	1.9			
56	Cambodia .....	3.0				130	Libya .....	1.9			
57	Dominican Republic .....	3.0				131	Chad .....	1.9			
58	Czech Republic .....	3.0				132	Mauritania .....	1.9			
59	Paraguay .....	2.9				133	Yemen .....	1.9			
60	Namibia .....	2.9				134	Nigeria .....	1.9			
61	Kazakhstan .....	2.9				135	Albania .....	1.9			
62	Lebanon .....	2.9				136	Sierra Leone .....	1.8			
63	Macedonia, FYR .....	2.9				137	Slovenia .....	1.8			
64	Brazil .....	2.9				138	Spain .....	1.8			
65	Denmark .....	2.9				139	Mozambique .....	1.8			
66	Israel .....	2.9				140	Angola .....	1.7			
67	Tunisia .....	2.9				141	Burundi .....	1.7			
68	Russian Federation .....	2.9				142	Mongolia .....	1.7			
69	Morocco .....	2.8				143	Argentina .....	1.7			
70	Swaziland .....	2.8				144	Burkina Faso .....	1.6			
71	Colombia .....	2.8				145	Italy .....	1.6			
72	Pakistan .....	2.8				146	Greece .....	1.6			
73	Iceland .....	2.8				147	Myanmar .....	1.5			
74	Mali .....	2.8				148	Iran, Islamic Rep. ....	1.5			

SOURCE: World Economic Forum, Executive Opinion Survey

## 8.05 Venture capital availability

In your country, how easy is it for entrepreneurs with innovative but risky projects to find venture capital? [1 = extremely difficult; 7 = extremely easy] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 2.7	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 2.7	7
1	Hong Kong SAR.....	4.6				75	Colombia.....	2.6			
2	Qatar.....	4.5				76	Mexico.....	2.6			
3	United States.....	4.3				77	Pakistan.....	2.6			
4	Norway.....	4.3				78	Vietnam.....	2.6			
5	Sweden.....	4.3				79	Zambia.....	2.5			
6	Singapore.....	4.2				80	Uruguay.....	2.5			
7	Malaysia.....	4.2				81	Lesotho.....	2.5			
8	Israel.....	4.2				82	Honduras.....	2.5			
9	Taiwan, China.....	4.1				83	Turkey.....	2.5			
10	United Arab Emirates.....	4.1				84	Lithuania.....	2.5			
11	Finland.....	4.0				85	Gambia, The.....	2.5			
12	Panama.....	4.0				86	Dominican Republic.....	2.5			
13	Luxembourg.....	4.0				87	Timor-Leste.....	2.5			
14	Oman.....	3.9				88	Namibia.....	2.5			
15	Bahrain.....	3.8				89	Madagascar.....	2.5			
16	China.....	3.8				90	Macedonia, FYR.....	2.5			
17	Indonesia.....	3.7				91	Sri Lanka.....	2.5			
18	New Zealand.....	3.6				92	Romania.....	2.4			
19	Australia.....	3.6				93	Armenia.....	2.4			
20	United Kingdom.....	3.5				94	Uganda.....	2.4			
21	Netherlands.....	3.5				95	Denmark.....	2.4			
22	Switzerland.....	3.4				96	Malawi.....	2.4			
23	Canada.....	3.4				97	Paraguay.....	2.4			
24	Brunei Darussalam.....	3.4				98	Barbados.....	2.4			
25	Saudi Arabia.....	3.4				99	Mali.....	2.3			
26	Belgium.....	3.3				100	Cape Verde.....	2.3			
27	India.....	3.3				101	Nigeria.....	2.3			
28	South Africa.....	3.3				102	Nepal.....	2.3			
29	Nicaragua.....	3.3				103	Costa Rica.....	2.3			
30	Estonia.....	3.3				104	Poland.....	2.3			
31	Chile.....	3.3				105	Spain.....	2.3			
32	Bolivia.....	3.2				106	Georgia.....	2.3			
33	Germany.....	3.2				107	Bhutan.....	2.2			
34	Ecuador.....	3.2				108	Senegal.....	2.2			
35	Rwanda.....	3.2				109	Portugal.....	2.2			
36	Montenegro.....	3.2				110	Croatia.....	2.2			
37	Malta.....	3.2				111	Trinidad and Tobago.....	2.2			
38	Guyana.....	3.2				112	Cameroon.....	2.2			
39	Japan.....	3.1				113	Benin.....	2.2			
40	Philippines.....	3.1				114	Ethiopia.....	2.1			
41	Thailand.....	3.1				115	Korea, Rep.....	2.1			
42	Seychelles.....	3.1				116	Côte d'Ivoire.....	2.1			
43	Cambodia.....	3.0				117	Venezuela.....	2.1			
44	Tunisia.....	3.0				118	Moldova.....	2.1			
45	Jordan.....	3.0				119	Angola.....	2.1			
46	Mauritius.....	3.0				120	Ukraine.....	2.1			
47	Kenya.....	3.0				121	Mozambique.....	2.1			
48	Puerto Rico.....	2.9				122	Hungary.....	2.1			
49	France.....	2.9				123	Algeria.....	2.0			
50	Peru.....	2.9				124	Gabon.....	2.0			
51	Egypt.....	2.9				125	Bangladesh.....	2.0			
52	Azerbaijan.....	2.9				126	Suriname.....	2.0			
53	Swaziland.....	2.8				127	Slovenia.....	2.0			
54	Cyprus.....	2.8				128	Libya.....	2.0			
55	Austria.....	2.8				129	Serbia.....	1.9			
56	Morocco.....	2.8				130	Jamaica.....	1.9			
57	Botswana.....	2.8				131	Bosnia and Herzegovina.....	1.9			
58	Latvia.....	2.8				132	Mauritania.....	1.9			
59	El Salvador.....	2.8				133	Kyrgyz Republic.....	1.9			
60	Guatemala.....	2.8				134	Yemen.....	1.9			
61	Brazil.....	2.7				135	Haiti.....	1.9			
62	Lebanon.....	2.7				136	Albania.....	1.9			
63	Liberia.....	2.7				137	Burundi.....	1.9			
64	Slovak Republic.....	2.7				138	Italy.....	1.8			
65	Bulgaria.....	2.7				139	Iran, Islamic Rep.....	1.8			
66	Lao PDR.....	2.7				140	Zimbabwe.....	1.8			
67	Ghana.....	2.7				141	Guinea.....	1.8			
68	Iceland.....	2.7				142	Argentina.....	1.7			
69	Ireland.....	2.7				143	Chad.....	1.7			
70	Russian Federation.....	2.6				144	Mongolia.....	1.7			
71	Kuwait.....	2.6				145	Sierra Leone.....	1.7			
72	Kazakhstan.....	2.6				146	Greece.....	1.7			
73	Tanzania.....	2.6				147	Burkina Faso.....	1.7			
74	Czech Republic.....	2.6				148	Myanmar.....	1.5			

SOURCE: World Economic Forum, Executive Opinion Survey



## 8.06 Soundness of banks

In your country, how would you assess the soundness of banks? [1 = extremely low—banks may require recapitalization; 7 = extremely high—banks are generally healthy with sound balance sheets] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7
1	Canada.....	6.7				75	Croatia.....	4.9			
2	New Zealand.....	6.7				76	Gabon.....	4.9			
3	South Africa.....	6.6				77	Mozambique.....	4.9			
4	Hong Kong SAR.....	6.6				78	Uganda.....	4.8			
5	Singapore.....	6.5				79	Seychelles.....	4.8			
6	Finland.....	6.5				80	Latvia.....	4.8			
7	Panama.....	6.5				81	Cameroon.....	4.8			
8	Norway.....	6.4				82	Georgia.....	4.8			
9	Australia.....	6.4				83	Rwanda.....	4.8			
10	Chile.....	6.3				84	Cambodia.....	4.8			
11	Barbados.....	6.3				85	Lao PDR.....	4.8			
12	Brazil.....	6.3				86	Bulgaria.....	4.8			
13	Qatar.....	6.3				87	Venezuela.....	4.7			
14	Malta.....	6.3				88	Italy.....	4.7			
15	Saudi Arabia.....	6.1				89	Hungary.....	4.7			
16	Mauritius.....	6.1				90	Ecuador.....	4.7			
17	Guatemala.....	6.1				91	Liberia.....	4.6			
18	Oman.....	6.0				92	Cape Verde.....	4.6			
19	Sweden.....	6.0				93	Bosnia and Herzegovina.....	4.6			
20	Turkey.....	6.0				94	Sierra Leone.....	4.6			
21	Luxembourg.....	6.0				95	Denmark.....	4.5			
22	Israel.....	5.9				96	Benin.....	4.5			
23	Namibia.....	5.9				97	Nicaragua.....	4.5			
24	Costa Rica.....	5.9				98	Ethiopia.....	4.5			
25	Switzerland.....	5.9				99	Argentina.....	4.4			
26	Colombia.....	5.9				100	Kazakhstan.....	4.4			
27	Peru.....	5.8				101	Romania.....	4.4			
28	Sri Lanka.....	5.8				102	El Salvador.....	4.4			
29	Lebanon.....	5.8				103	Bangladesh.....	4.3			
30	Mexico.....	5.8				104	Montenegro.....	4.3			
31	Honduras.....	5.8				105	United Kingdom.....	4.3			
32	Slovak Republic.....	5.8				106	Nigeria.....	4.3			
33	Czech Republic.....	5.8				107	Bhutan.....	4.3			
34	Dominican Republic.....	5.8				108	Madagascar.....	4.3			
35	Estonia.....	5.7				109	Belgium.....	4.3			
36	Philippines.....	5.7				110	Mongolia.....	4.3			
37	Trinidad and Tobago.....	5.7				111	Lithuania.....	4.2			
38	United Arab Emirates.....	5.7				112	Azerbaijan.....	4.2			
39	Thailand.....	5.7				113	Korea, Rep.....	4.2			
40	Malaysia.....	5.7				114	Tanzania.....	4.2			
41	Morocco.....	5.7				115	Lesotho.....	4.2			
42	Paraguay.....	5.6				116	Haiti.....	4.2			
43	Japan.....	5.6				117	Serbia.....	4.2			
44	Bahrain.....	5.6				118	Moldova.....	4.1			
45	Kuwait.....	5.6				119	Mali.....	4.1			
46	Botswana.....	5.5				120	Portugal.....	4.1			
47	Brunei Darussalam.....	5.5				121	Iran, Islamic Rep.....	4.1			
48	Taiwan, China.....	5.5				122	Nepal.....	4.1			
49	India.....	5.5				123	Burkina Faso.....	4.1			
50	Jamaica.....	5.5				124	Russian Federation.....	4.0			
51	Suriname.....	5.4				125	Egypt.....	4.0			
52	Uruguay.....	5.4				126	Bolivia.....	4.0			
53	Armenia.....	5.3				127	Spain.....	4.0			
54	Poland.....	5.3				128	Angola.....	3.9			
55	Macedonia, FYR.....	5.3				129	Albania.....	3.9			
56	Zambia.....	5.3				130	Guinea.....	3.9			
57	Côte d'Ivoire.....	5.3				131	Tunisia.....	3.9			
58	United States.....	5.2				132	Iceland.....	3.9			
59	Jordan.....	5.2				133	Timor-Leste.....	3.8			
60	Austria.....	5.2				134	Vietnam.....	3.7			
61	Guyana.....	5.2				135	Kyrgyz Republic.....	3.6			
62	France.....	5.2				136	Mauritania.....	3.5			
63	Senegal.....	5.2				137	Zimbabwe.....	3.4			
64	Germany.....	5.1				138	Myanmar.....	3.4			
65	Gambia, The.....	5.1				139	Chad.....	3.4			
66	Swaziland.....	5.1				140	Algeria.....	3.3			
67	Kenya.....	5.1				141	Cyprus.....	3.3			
68	Malawi.....	5.1				142	Yemen.....	3.1			
69	Puerto Rico.....	5.1				143	Ukraine.....	3.0			
70	Indonesia.....	5.0				144	Burundi.....	3.0			
71	Pakistan.....	5.0				145	Libya.....	2.8			
72	China.....	5.0				146	Ireland.....	2.5			
73	Ghana.....	5.0				147	Slovenia.....	2.4			
74	Netherlands.....	4.9				148	Greece.....	2.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 8.07 Regulation of securities exchanges

In your country, how effective are the regulation and supervision of securities exchanges? [1 = not at all effective; 7 = extremely effective] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.1	7
1	South Africa	6.6				75	Cyprus	4.0			
2	Finland	6.2				76	Dominican Republic	4.0			
3	Luxembourg	6.0				77	Kuwait	4.0			
4	Hong Kong SAR	6.0				78	Croatia	4.0			
5	Singapore	5.9				79	Trinidad and Tobago	4.0			
6	Qatar	5.8				80	Gambia, The	3.9			
7	Brazil	5.8				81	Malawi	3.9			
8	Norway	5.7				82	Iran, Islamic Rep.	3.9			
9	New Zealand	5.7				83	El Salvador	3.9			
10	Oman	5.6				84	Slovenia	3.9			
11	Australia	5.5				85	Guatemala	3.9			
12	Puerto Rico	5.5				86	Bolivia	3.9			
13	Sweden	5.5				87	Lao PDR	3.9			
14	Taiwan, China	5.4				88	Spain	3.9			
15	Switzerland	5.4				89	Paraguay	3.9			
16	Canada	5.4				90	Kazakhstan	3.8			
17	Malta	5.4				91	Swaziland	3.8			
18	Malaysia	5.3				92	Greece	3.8			
19	United Arab Emirates	5.3				93	Slovak Republic	3.8			
20	Denmark	5.3				94	Korea, Rep.	3.8			
21	Bahrain	5.3				95	Côte d'Ivoire	3.8			
22	Mauritius	5.3				96	Italy	3.7			
23	Netherlands	5.2				97	Bosnia and Herzegovina	3.7			
24	United Kingdom	5.2				98	Azerbaijan	3.7			
25	Barbados	5.2				99	Ethiopia	3.7			
26	Saudi Arabia	5.1				100	Uganda	3.7			
27	India	5.1				101	Guyana	3.6			
28	Jamaica	5.1				102	Russian Federation	3.6			
29	Japan	5.0				103	Cape Verde	3.6			
30	United States	5.0				104	Honduras	3.6			
31	Thailand	5.0				105	Egypt	3.6			
32	Belgium	4.9				106	Bhutan	3.6			
33	France	4.9				107	Lebanon	3.6			
34	Turkey	4.9				108	Brunei Darussalam	3.5			
35	Poland	4.9				109	Senegal	3.5			
36	Chile	4.9				110	Armenia	3.5			
37	Germany	4.8				111	Tanzania	3.5			
38	Philippines	4.8				112	Argentina	3.5			
39	Sri Lanka	4.8				113	Cambodia	3.5			
40	Estonia	4.7				114	Nepal	3.4			
41	Panama	4.7				115	Romania	3.4			
42	Hungary	4.7				116	Bulgaria	3.4			
43	Namibia	4.6				117	Venezuela	3.3			
44	Ghana	4.6				118	Vietnam	3.2			
45	Israel	4.6				119	Georgia	3.2			
46	Morocco	4.6				120	Gabon	3.2			
47	Austria	4.5				121	Serbia	3.2			
48	Pakistan	4.5				122	Sierra Leone	3.2			
49	Zambia	4.4				123	Mozambique	3.1			
50	Czech Republic	4.4				124	Moldova	3.1			
51	Mexico	4.4				125	Bangladesh	3.0			
52	Portugal	4.4				126	Cameroon	3.0			
53	Uruguay	4.4				127	Suriname	3.0			
54	Peru	4.4				128	Burkina Faso	3.0			
55	Kenya	4.4				129	Ukraine	2.9			
56	Ireland	4.4				130	Kyrgyz Republic	2.9			
57	Indonesia	4.4				131	Lesotho	2.8			
58	Jordan	4.4				132	Benin	2.7			
59	Costa Rica	4.3				133	Mongolia	2.7			
60	Iceland	4.3				134	Liberia	2.6			
61	Seychelles	4.3				135	Madagascar	2.6			
62	Botswana	4.3				136	Mauritania	2.6			
63	China	4.3				137	Timor-Leste	2.5			
64	Latvia	4.2				138	Mali	2.5			
65	Lithuania	4.2				139	Guinea	2.2			
66	Macedonia, FYR	4.2				140	Libya	2.1			
67	Montenegro	4.2				141	Chad	2.1			
68	Ecuador	4.1				142	Algeria	2.0			
69	Zimbabwe	4.1				143	Haiti	2.0			
70	Rwanda	4.1				144	Myanmar	2.0			
71	Tunisia	4.1				145	Burundi	1.9			
72	Nigeria	4.0				146	Albania	1.9			
73	Nicaragua	4.0				147	Yemen	1.5			
74	Colombia	4.0				148	Angola	1.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 8.08 Legal rights index

Degree of legal protection of borrowers' and lenders' rights on a 0–10 (best) scale | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Australia.....	10	65	Czech Republic .....	6
1	Hong Kong SAR.....	10	65	Gabon .....	6
1	Kenya .....	10	65	Guinea.....	6
1	Kyrgyz Republic.....	10	65	Lesotho .....	6
1	Latvia.....	10	65	Mali.....	6
1	Malaysia.....	10	65	Mauritius .....	6
1	Montenegro .....	10	65	Mexico.....	6
1	New Zealand .....	10	65	Mongolia.....	6
1	Singapore.....	10	65	Netherlands .....	6
1	South Africa.....	10	65	Norway .....	6
1	United Kingdom.....	10	65	Pakistan.....	6
12	Albania.....	9	65	Senegal .....	6
12	Barbados.....	9	65	Spain .....	6
12	Cyprus.....	9	65	Swaziland .....	6
12	Denmark.....	9	89	Bosnia and Herzegovina.....	5
12	Georgia.....	9	89	Colombia.....	5
12	Ireland.....	9	89	El Salvador.....	5
12	Israel.....	9	89	Gambia, The.....	5
12	Nigeria.....	9	89	Lithuania.....	5
12	Poland.....	9	89	Luxembourg .....	5
12	Puerto Rico.....	9	89	Panama .....	5
12	Romania.....	9	89	Saudi Arabia.....	5
12	Slovak Republic.....	9	89	Sri Lanka .....	5
12	Trinidad and Tobago.....	9	89	Suriname.....	5
12	Ukraine.....	9	89	Taiwan, China.....	5
12	United States.....	9	89	Thailand.....	5
12	Zambia.....	9	101	Argentina.....	4
28	Bulgaria.....	8	101	Bahrain .....	4
28	Cambodia.....	8	101	Ethiopia.....	4
28	Finland.....	8	101	Greece.....	4
28	Ghana.....	8	101	Guyana.....	4
28	Guatemala.....	8	101	Iran, Islamic Rep. ....	4
28	Honduras.....	8	101	Kazakhstan.....	4
28	India.....	8	101	Kuwait .....	4
28	Jamaica.....	8	101	Lao PDR.....	4
28	Korea, Rep. ....	8	101	Oman .....	4
28	Moldova.....	8	101	Philippines .....	4
28	Namibia.....	8	101	Qatar .....	4
28	Sweden.....	8	101	Seychelles.....	4
28	Switzerland.....	8	101	Slovenia.....	4
28	Vietnam.....	8	101	Turkey.....	4
42	Austria.....	7	101	United Arab Emirates.....	4
42	Bangladesh.....	7	101	Uruguay.....	4
42	Botswana .....	7	118	Algeria .....	3
42	Brunei Darussalam.....	7	118	Angola .....	3
42	Canada.....	7	118	Bhutan.....	3
42	Croatia.....	7	118	Brazil.....	3
42	Estonia.....	7	118	Burundi.....	3
42	France.....	7	118	Cape Verde .....	3
42	Germany.....	7	118	Costa Rica.....	3
42	Hungary.....	7	118	Dominican Republic.....	3
42	Iceland.....	7	118	Ecuador.....	3
42	Japan .....	7	118	Egypt.....	3
42	Liberia.....	7	118	Haiti.....	3
42	Macedonia, FYR.....	7	118	Indonesia.....	3
42	Malawi.....	7	118	Italy.....	3
42	Nepal.....	7	118	Lebanon .....	3
42	Peru.....	7	118	Malta .....	3
42	Rwanda.....	7	118	Mauritania.....	3
42	Serbia.....	7	118	Morocco.....	3
42	Sierra Leone .....	7	118	Mozambique.....	3
42	Tanzania.....	7	118	Nicaragua .....	3
42	Uganda.....	7	118	Paraguay .....	3
42	Zimbabwe.....	7	118	Portugal.....	3
65	Armenia.....	6	118	Russian Federation .....	3
65	Azerbaijan.....	6	118	Tunisia.....	3
65	Belgium.....	6	141	Jordan.....	2
65	Benin.....	6	141	Madagascar.....	2
65	Burkina Faso.....	6	141	Timor-Leste .....	2
65	Cameroon.....	6	141	Yemen.....	2
65	Chad.....	6	145	Bolivia.....	1
65	Chile.....	6	145	Venezuela.....	1
65	China.....	6	n/a	Libya.....	n/a
65	Côte d'Ivoire.....	6	n/a	Myanmar.....	n/a

SOURCE: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*; authors' calculations



## Pillar 9

# Technological readiness

## 9.01 Availability of latest technologies

In your country, to what extent are the latest technologies available? [1 = not available at all; 7 = widely available] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.9	7
1	Finland	6.5				75	Thailand	4.9			
2	Sweden	6.5				76	Bosnia and Herzegovina	4.9			
3	Norway	6.5				77	Tunisia	4.8			
4	Switzerland	6.4				78	Cape Verde	4.8			
5	United Kingdom	6.4				79	Pakistan	4.8			
6	United States	6.4				80	Macedonia, FYR	4.7			
7	Iceland	6.4				81	Ghana	4.7			
8	United Arab Emirates	6.4				82	Cambodia	4.7			
9	Netherlands	6.4				83	Montenegro	4.7			
10	Luxembourg	6.3				84	Mali	4.6			
11	Hong Kong SAR	6.3				85	Peru	4.6			
12	Belgium	6.3				86	Lebanon	4.6			
13	Germany	6.3				87	Nigeria	4.6			
14	Japan	6.3				88	Kazakhstan	4.6			
15	Portugal	6.2				89	Ecuador	4.6			
16	Singapore	6.2				90	Mongolia	4.6			
17	Israel	6.2				91	Botswana	4.6			
18	France	6.1				92	Uruguay	4.5			
19	Canada	6.1				93	Honduras	4.5			
20	Qatar	6.1				94	Côte d'Ivoire	4.5			
21	New Zealand	6.1				95	Zambia	4.5			
22	Malta	6.1				96	Colombia	4.5			
23	Australia	6.1				97	Armenia	4.5			
24	Austria	6.1				98	Mauritania	4.5			
25	Puerto Rico	6.0				99	Bulgaria	4.4			
26	Bahrain	6.0				100	Georgia	4.4			
27	Korea, Rep.	5.9				101	Bangladesh	4.4			
28	Barbados	5.9				102	Poland	4.4			
29	Denmark	5.9				103	Zimbabwe	4.4			
30	Ireland	5.9				104	Mozambique	4.4			
31	Panama	5.9				105	China	4.4			
32	Saudi Arabia	5.8				106	Ukraine	4.3			
33	Spain	5.8				107	Romania	4.3			
34	Chile	5.8				108	Uganda	4.3			
35	Estonia	5.8				109	Madagascar	4.3			
36	Jordan	5.7				110	Suriname	4.3			
37	Malaysia	5.7				111	Cameroon	4.2			
38	Lithuania	5.7				112	Lao PDR	4.2			
39	Slovenia	5.6				113	El Salvador	4.1			
40	South Africa	5.6				114	Paraguay	4.1			
41	Cyprus	5.5				115	Venezuela	4.1			
42	Jamaica	5.5				116	Moldova	4.1			
43	Taiwan, China	5.5				117	Egypt	4.1			
44	Turkey	5.4				118	Serbia	4.1			
45	Latvia	5.3				119	Albania	4.1			
46	Mauritius	5.3				120	Nepal	4.0			
47	Philippines	5.3				121	Iran, Islamic Rep.	4.0			
48	Guatemala	5.3				122	Swaziland	4.0			
49	Costa Rica	5.3				123	Argentina	4.0			
50	Brunei Darussalam	5.2				124	Russian Federation	4.0			
51	Dominican Republic	5.2				125	Tanzania	3.9			
52	Namibia	5.2				126	Ethiopia	3.9			
53	Czech Republic	5.2				127	Malawi	3.9			
54	Senegal	5.2				128	Haiti	3.9			
55	Trinidad and Tobago	5.2				129	Gabon	3.9			
56	Oman	5.2				130	Bolivia	3.8			
57	Hungary	5.2				131	Benin	3.8			
58	India	5.2				132	Lesotho	3.7			
59	Croatia	5.1				133	Nicaragua	3.7			
60	Indonesia	5.1				134	Vietnam	3.7			
61	Mexico	5.1				135	Bhutan	3.7			
62	Rwanda	5.1				136	Liberia	3.6			
63	Brazil	5.1				137	Sierra Leone	3.6			
64	Kuwait	5.0				138	Kyrgyz Republic	3.6			
65	Azerbaijan	5.0				139	Angola	3.5			
66	Morocco	5.0				140	Guinea	3.5			
67	Greece	5.0				141	Libya	3.4			
68	Seychelles	5.0				142	Yemen	3.4			
69	Italy	5.0				143	Burundi	3.2			
70	Slovak Republic	5.0				144	Algeria	3.2			
71	Kenya	5.0				145	Burkina Faso	3.2			
72	Sri Lanka	4.9				146	Timor-Leste	3.1			
73	Guyana	4.9				147	Chad	2.9			
74	Gambia, The	4.9				148	Myanmar	2.5			

SOURCE: World Economic Forum, Executive Opinion Survey



## 9.02 Firm-level technology absorption

In your country, to what extent do businesses adopt new technology? [1 = not at all; 7 = adopt extensively] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.7	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.7	7
1	Sweden .....	6.2				75	Trinidad and Tobago.....	4.7			
2	Iceland.....	6.2				76	Croatia.....	4.7			
3	Switzerland.....	6.1				77	Zambia.....	4.6			
4	United Arab Emirates.....	6.1				78	Kazakhstan.....	4.6			
5	Israel.....	6.1				79	Mongolia.....	4.6			
6	Japan.....	6.1				80	Nigeria.....	4.6			
7	Finland.....	6.0				81	Pakistan.....	4.6			
8	Norway.....	6.0				82	Cambodia.....	4.6			
9	United States.....	6.0				83	Peru.....	4.6			
10	Qatar.....	5.9				84	Mali.....	4.5			
11	Luxembourg.....	5.9				85	Cape Verde.....	4.5			
12	Hong Kong SAR.....	5.9				86	Lebanon.....	4.5			
13	Singapore.....	5.8				87	Ecuador.....	4.5			
14	Australia.....	5.8				88	Greece.....	4.5			
15	Saudi Arabia.....	5.8				89	Montenegro.....	4.5			
16	Germany.....	5.8				90	Lao PDR.....	4.5			
17	Austria.....	5.8				91	Ghana.....	4.4			
18	Taiwan, China.....	5.8				92	Uruguay.....	4.4			
19	New Zealand.....	5.7				93	Bosnia and Herzegovina.....	4.4			
20	Denmark.....	5.7				94	Cameroon.....	4.4			
21	Korea, Rep.....	5.7				95	Morocco.....	4.4			
22	Netherlands.....	5.7				96	Gabon.....	4.4			
23	Puerto Rico.....	5.7				97	Colombia.....	4.4			
24	United Kingdom.....	5.7				98	Armenia.....	4.4			
25	Ireland.....	5.6				99	Zimbabwe.....	4.3			
26	Belgium.....	5.6				100	Ukraine.....	4.3			
27	Jordan.....	5.6				101	Botswana.....	4.3			
28	Panama.....	5.6				102	El Salvador.....	4.3			
29	Portugal.....	5.5				103	Paraguay.....	4.3			
30	Bahrain.....	5.5				104	Romania.....	4.3			
31	Malta.....	5.5				105	Suriname.....	4.3			
32	France.....	5.5				106	Madagascar.....	4.3			
33	Malaysia.....	5.5				107	Mozambique.....	4.3			
34	Canada.....	5.4				108	Albania.....	4.2			
35	South Africa.....	5.4				109	Mauritania.....	4.2			
36	Estonia.....	5.4				110	Egypt.....	4.2			
37	Turkey.....	5.3				111	Bangladesh.....	4.2			
38	Cyprus.....	5.2				112	Italy.....	4.2			
39	Senegal.....	5.2				113	Bulgaria.....	4.2			
40	Philippines.....	5.2				114	Poland.....	4.1			
41	Guatemala.....	5.2				115	Argentina.....	4.1			
42	Lithuania.....	5.2				116	Uganda.....	4.1			
43	Costa Rica.....	5.2				117	Georgia.....	4.1			
44	Barbados.....	5.2				118	Venezuela.....	4.1			
45	Chile.....	5.1				119	Yemen.....	4.1			
46	Indonesia.....	5.1				120	Iran, Islamic Rep.....	4.0			
47	Sri Lanka.....	5.1				121	Macedonia, FYR.....	4.0			
48	India.....	5.0				122	Benin.....	4.0			
49	Spain.....	5.0				123	Swaziland.....	4.0			
50	Thailand.....	5.0				124	Moldova.....	4.0			
51	Brazil.....	5.0				125	Bolivia.....	3.9			
52	Mauritius.....	5.0				126	Russian Federation.....	3.9			
53	Oman.....	5.0				127	Tanzania.....	3.9			
54	Czech Republic.....	4.9				128	Nepal.....	3.9			
55	Seychelles.....	4.9				129	Guinea.....	3.9			
56	Dominican Republic.....	4.9				130	Nicaragua.....	3.9			
57	Kuwait.....	4.9				131	Ethiopia.....	3.8			
58	Namibia.....	4.9				132	Haiti.....	3.8			
59	Azerbaijan.....	4.9				133	Malawi.....	3.8			
60	Gambia, The.....	4.9				134	Sierra Leone.....	3.8			
61	Rwanda.....	4.8				135	Vietnam.....	3.8			
62	Slovenia.....	4.8				136	Liberia.....	3.8			
63	Brunei Darussalam.....	4.8				137	Serbia.....	3.7			
64	Mexico.....	4.8				138	Bhutan.....	3.7			
65	Jamaica.....	4.8				139	Kyrgyz Republic.....	3.7			
66	Kenya.....	4.8				140	Burkina Faso.....	3.7			
67	Côte d'Ivoire.....	4.7				141	Lesotho.....	3.7			
68	Latvia.....	4.7				142	Libya.....	3.6			
69	Guyana.....	4.7				143	Burundi.....	3.5			
70	Tunisia.....	4.7				144	Chad.....	3.4			
71	China.....	4.7				145	Angola.....	3.3			
72	Slovak Republic.....	4.7				146	Timor-Leste.....	3.3			
73	Hungary.....	4.7				147	Algeria.....	3.2			
74	Honduras.....	4.7				148	Myanmar.....	2.7			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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—FDI is a key source of new technology] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.5	7
1	Ireland.....	6.3				75	Poland.....	4.6			
2	United Arab Emirates.....	5.9				76	Zambia.....	4.6			
3	Panama.....	5.8				77	Tanzania.....	4.6			
4	Qatar.....	5.8				78	China.....	4.5			
5	Singapore.....	5.8				79	Nigeria.....	4.5			
6	Costa Rica.....	5.7				80	Namibia.....	4.5			
7	Luxembourg.....	5.5				81	Senegal.....	4.5			
8	Saudi Arabia.....	5.5				82	Bosnia and Herzegovina.....	4.5			
9	Lithuania.....	5.3				83	Jamaica.....	4.5			
10	Bahrain.....	5.3				84	Korea, Rep.....	4.5			
11	Dominican Republic.....	5.3				85	Latvia.....	4.5			
12	Hong Kong SAR.....	5.3				86	Finland.....	4.4			
13	Malaysia.....	5.3				87	Ghana.....	4.4			
14	Israel.....	5.3				88	Gabon.....	4.4			
15	Hungary.....	5.3				89	Romania.....	4.4			
16	Mexico.....	5.3				90	Seychelles.....	4.4			
17	Australia.....	5.2				91	Albania.....	4.4			
18	Malta.....	5.2				92	Macedonia, FYR.....	4.4			
19	Uruguay.....	5.2				93	Kazakhstan.....	4.4			
20	Chile.....	5.2				94	Sierra Leone.....	4.3			
21	New Zealand.....	5.2				95	Angola.....	4.3			
22	United Kingdom.....	5.2				96	Guyana.....	4.3			
23	Peru.....	5.2				97	Mali.....	4.3			
24	Belgium.....	5.1				98	Côte d'Ivoire.....	4.2			
25	Brazil.....	5.1				99	Burkina Faso.....	4.2			
26	Slovak Republic.....	5.1				100	Egypt.....	4.2			
27	Czech Republic.....	5.1				101	Georgia.....	4.1			
28	Jordan.....	5.1				102	Botswana.....	4.1			
29	Taiwan, China.....	5.1				103	Vietnam.....	4.1			
30	Portugal.....	5.1				104	Madagascar.....	4.1			
31	Estonia.....	5.1				105	Nicaragua.....	4.1			
32	India.....	5.0				106	Paraguay.....	4.1			
33	Sweden.....	5.0				107	Bulgaria.....	4.1			
34	Rwanda.....	5.0				108	Swaziland.....	4.1			
35	Barbados.....	5.0				109	Moldova.....	4.1			
36	Thailand.....	5.0				110	Pakistan.....	4.0			
37	Puerto Rico.....	5.0				111	Greece.....	4.0			
38	Netherlands.....	5.0				112	Croatia.....	4.0			
39	Indonesia.....	5.0				113	Ecuador.....	4.0			
40	South Africa.....	5.0				114	Guinea.....	3.9			
41	Mauritius.....	4.9				115	Serbia.....	3.9			
42	Philippines.....	4.9				116	Slovenia.....	3.9			
43	Lao PDR.....	4.9				117	Suriname.....	3.9			
44	Cambodia.....	4.9				118	Ethiopia.....	3.9			
45	Mozambique.....	4.9				119	Bangladesh.....	3.9			
46	United States.....	4.9				120	El Salvador.....	3.9			
47	Turkey.....	4.9				121	Brunei Darussalam.....	3.9			
48	Oman.....	4.9				122	Liberia.....	3.8			
49	Honduras.....	4.9				123	Iran, Islamic Rep.....	3.8			
50	Armenia.....	4.9				124	Iceland.....	3.8			
51	Guatemala.....	4.8				125	Russian Federation.....	3.7			
52	Canada.....	4.8				126	Nepal.....	3.7			
53	Spain.....	4.8				127	Italy.....	3.7			
54	Norway.....	4.8				128	Algeria.....	3.6			
55	Japan.....	4.8				129	Lebanon.....	3.6			
56	Switzerland.....	4.8				130	Malawi.....	3.6			
57	Sri Lanka.....	4.8				131	Ukraine.....	3.6			
58	Germany.....	4.8				132	Zimbabwe.....	3.6			
59	Uganda.....	4.8				133	Bolivia.....	3.6			
60	Denmark.....	4.7				134	Haiti.....	3.6			
61	Morocco.....	4.7				135	Timor-Leste.....	3.6			
62	Cape Verde.....	4.7				136	Benin.....	3.6			
63	Austria.....	4.7				137	Kyrgyz Republic.....	3.6			
64	Trinidad and Tobago.....	4.7				138	Myanmar.....	3.5			
65	Azerbaijan.....	4.7				139	Bhutan.....	3.5			
66	Kenya.....	4.7				140	Yemen.....	3.5			
67	Mongolia.....	4.7				141	Lesotho.....	3.4			
68	Cyprus.....	4.7				142	Burundi.....	3.4			
69	Cameroon.....	4.6				143	Venezuela.....	3.3			
70	Tunisia.....	4.6				144	Kuwait.....	3.2			
71	Gambia, The.....	4.6				145	Mauritania.....	3.2			
72	Colombia.....	4.6				146	Chad.....	3.2			
73	France.....	4.6				147	Argentina.....	3.1			
74	Montenegro.....	4.6				148	Libya.....	3.0			

SOURCE: World Economic Forum, Executive Opinion Survey

## 9.04 Internet users

Percentage of individuals using the Internet | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	Iceland.....	96.0	75	Egypt.....	44.1
2	Norway.....	95.0	76	Venezuela.....	44.0
3	Sweden.....	94.0	77	Moldova.....	43.4
4	Denmark.....	93.0	78	China.....	42.3
4	Netherlands.....	93.0	79	Tunisia.....	41.4
6	Luxembourg.....	92.0	80	Mauritius.....	41.4
7	Finland.....	91.0	81	Jordan.....	41.0
8	New Zealand.....	89.5	81	South Africa.....	41.0
9	Qatar.....	88.1	83	Vietnam.....	39.5
10	Bahrain.....	88.0	84	Armenia.....	39.2
11	United Kingdom.....	87.0	85	Mexico.....	38.4
12	Canada.....	86.8	86	Peru.....	38.2
13	Switzerland.....	85.2	87	Philippines.....	36.2
14	United Arab Emirates.....	85.0	88	Ecuador.....	35.1
15	Korea, Rep.....	84.1	89	Cape Verde.....	34.7
16	Germany.....	84.0	90	Suriname.....	34.7
17	France.....	83.0	91	Guyana.....	34.3
18	Australia.....	82.3	92	Bolivia.....	34.2
19	Belgium.....	82.0	93	Ukraine.....	33.7
20	United States.....	81.0	94	Nigeria.....	32.9
21	Austria.....	81.0	95	Kenya.....	32.1
22	Slovak Republic.....	80.0	96	Paraguay.....	27.1
23	Kuwait.....	79.2	97	Thailand.....	26.5
24	Japan.....	79.1	98	Iran, Islamic Rep.....	26.0
25	Estonia.....	79.0	99	El Salvador.....	25.5
25	Ireland.....	79.0	100	Bhutan.....	25.4
27	Taiwan, China.....	76.0	101	Kyrgyz Republic.....	21.7
28	Czech Republic.....	75.0	102	Swaziland.....	20.8
29	Singapore.....	74.2	103	Libya.....	19.9
30	Latvia.....	74.0	104	Senegal.....	19.2
31	Israel.....	73.4	105	Sri Lanka.....	18.3
32	Barbados.....	73.3	106	Honduras.....	18.1
33	Hong Kong SAR.....	72.8	107	Yemen.....	17.4
34	Hungary.....	72.0	108	Ghana.....	17.1
34	Spain.....	72.0	109	Zimbabwe.....	17.1
36	Malta.....	70.0	110	Angola.....	16.9
36	Slovenia.....	70.0	111	Mongolia.....	16.4
38	Lithuania.....	68.0	112	Guatemala.....	16.0
39	Malaysia.....	65.8	113	Indonesia.....	15.4
40	Bosnia and Herzegovina.....	65.4	114	Algeria.....	15.2
41	Poland.....	65.0	115	Uganda.....	14.7
42	Portugal.....	64.0	116	Nicaragua.....	13.5
43	Macedonia, FYR.....	63.1	117	Zambia.....	13.5
44	Croatia.....	63.0	118	Tanzania.....	13.1
45	Chile.....	61.4	119	Namibia.....	12.9
46	Lebanon.....	61.2	120	India.....	12.6
47	Cyprus.....	61.0	121	Gambia, The.....	12.4
48	Brunei Darussalam.....	60.3	122	Botswana.....	11.5
49	Oman.....	60.0	123	Nepal.....	11.1
50	Trinidad and Tobago.....	59.5	124	Haiti.....	10.9
51	Italy.....	58.0	125	Lao PDR.....	10.7
52	Montenegro.....	56.8	126	Pakistan.....	10.0
53	Greece.....	56.0	127	Gabon.....	8.6
54	Argentina.....	55.8	128	Rwanda.....	8.0
55	Bulgaria.....	55.1	129	Bangladesh.....	6.3
56	Uruguay.....	55.1	130	Cameroon.....	5.7
57	Morocco.....	55.0	131	Mauritania.....	5.4
58	Albania.....	54.7	132	Cambodia.....	4.9
59	Azerbaijan.....	54.2	133	Mozambique.....	4.8
60	Saudi Arabia.....	54.0	134	Lesotho.....	4.6
61	Kazakhstan.....	53.3	135	Malawi.....	4.4
62	Russian Federation.....	53.3	136	Benin.....	3.8
63	Puerto Rico.....	51.4	137	Liberia.....	3.8
64	Romania.....	50.0	138	Burkina Faso.....	3.7
65	Brazil.....	49.8	139	Côte d'Ivoire.....	2.4
66	Colombia.....	49.0	140	Mali.....	2.2
67	Serbia.....	48.1	141	Chad.....	2.1
68	Costa Rica.....	47.5	142	Madagascar.....	2.1
69	Seychelles.....	47.1	143	Guinea.....	1.5
70	Jamaica.....	46.5	144	Ethiopia.....	1.5
71	Georgia.....	45.5	145	Sierra Leone.....	1.3
72	Panama.....	45.2	146	Burundi.....	1.2
73	Turkey.....	45.1	147	Myanmar.....	1.1
74	Dominican Republic.....	45.0	148	Timor-Leste.....	0.9

SOURCE: International Telecommunication Union, *World Telecommunication/ICT Indicators 2013* (June 2013 edition)

## 9.05 Fixed broadband Internet subscriptions

Fixed broadband Internet subscriptions per 100 population | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Switzerland .....	41.9		75	Thailand .....	6.2	
2	Netherlands .....	39.4		76	Suriname .....	5.7	
3	Denmark .....	38.2		77	Ecuador .....	5.4	
4	France .....	37.8		78	Albania .....	5.0	
5	Korea, Rep. ....	37.6		79	Vietnam .....	5.0	
6	Norway .....	36.9		80	Brunei Darussalam .....	4.8	
7	Iceland .....	34.5		81	Tunisia .....	4.8	
8	Belgium .....	34.1		82	Peru .....	4.8	
9	Germany .....	34.0		83	Dominican Republic .....	4.4	
10	United Kingdom .....	34.0		84	Jamaica .....	4.3	
11	Canada .....	32.9		85	Iran, Islamic Rep. ....	4.1	
12	Luxembourg .....	32.6		86	El Salvador .....	3.9	
13	Sweden .....	32.2		87	Guyana .....	3.9	
14	Malta .....	31.7		88	Cape Verde .....	3.8	
15	Hong Kong SAR .....	31.6		89	Mongolia .....	3.6	
16	Finland .....	30.4		90	Algeria .....	3.0	
17	United States .....	28.0		91	Jordan .....	3.0	
18	Japan .....	27.9		92	Namibia .....	2.8	
19	New Zealand .....	27.8		93	Egypt .....	2.7	
20	Singapore .....	26.1		94	Kyrgyz Republic .....	2.6	
21	Estonia .....	25.7		95	Oman .....	2.5	
22	Austria .....	25.2		96	Bhutan .....	2.2	
23	Australia .....	25.1		97	Philippines .....	2.2	
24	Slovenia .....	24.6		98	South Africa .....	2.2	
25	Spain .....	24.3		99	Morocco .....	2.1	
26	Taiwan, China .....	23.9		100	Sri Lanka .....	2.0	
27	Barbados .....	23.8		101	Guatemala <sup>2</sup> .....	1.8	
28	Greece .....	23.5		102	Nicaragua .....	1.7	
29	Hungary .....	22.9		103	Kuwait .....	1.6	
30	Ireland .....	22.7		104	Lao PDR .....	1.5	
31	Portugal .....	22.3		105	Indonesia .....	1.2	
32	Israel .....	22.2		106	India .....	1.1	
33	Italy .....	22.1		107	Paraguay .....	1.1	
34	Latvia .....	21.5		108	Bolivia .....	1.1	
35	Croatia .....	20.3		109	Libya .....	1.0	
36	Lithuania .....	19.5		110	Botswana .....	0.8	
37	Cyprus .....	19.2		111	Honduras .....	0.8	
38	Bulgaria .....	17.6		112	Senegal .....	0.7	
39	Poland .....	16.6		113	Yemen .....	0.7	
40	Uruguay .....	16.6		114	Zimbabwe .....	0.5	
41	Czech Republic .....	16.6		115	Pakistan .....	0.5	
42	Romania .....	15.9		116	Nepal .....	0.4	
43	Puerto Rico .....	14.9		117	Bangladesh .....	0.3	
44	Macedonia, FYR .....	14.6		118	Gabon .....	0.3	
45	Slovak Republic .....	14.6		119	Swaziland .....	0.3	
46	Russian Federation .....	14.5		120	Ghana .....	0.3	
47	Azerbaijan .....	13.8		121	Côte d'Ivoire .....	0.2	
48	Trinidad and Tobago .....	13.6		122	Cambodia .....	0.2	
49	China .....	13.0		123	Mauritania .....	0.2	
50	Bahrain .....	12.7		124	Haiti .....	0.2	
51	Chile .....	12.4		125	Chad .....	0.2	
52	Moldova .....	11.9		126	Angola .....	0.2	
53	United Arab Emirates .....	11.7		127	Lesotho .....	0.1	
54	Seychelles .....	11.7		128	Uganda .....	0.1	
55	Lebanon .....	11.7		129	Zambia .....	0.1	
56	Mexico .....	10.9		130	Kenya .....	0.1	
57	Argentina .....	10.9		131	Mozambique .....	0.1	
58	Bosnia and Herzegovina .....	10.8		132	Burkina Faso .....	0.1	
59	Mauritius .....	10.6		133	Benin .....	0.1	
60	Turkey .....	10.5		134	Timor-Leste .....	0.1	
61	Serbia .....	10.2		135	Ethiopia .....	0.0	
62	Costa Rica .....	10.0		136	Madagascar .....	0.0	
63	Kazakhstan .....	9.7		137	Gambia, The .....	0.0	
64	Brazil .....	9.2		138	Rwanda .....	0.0	
65	Georgia .....	9.1		139	Mali .....	0.0	
66	Malaysia .....	8.4		140	Myanmar .....	0.0	
67	Colombia .....	8.4		141	Nigeria .....	0.0	
68	Montenegro .....	8.3		142	Tanzania .....	0.0	
69	Panama .....	8.2		143	Malawi .....	0.0	
70	Qatar .....	8.2		144	Guinea .....	0.0	
71	Ukraine .....	8.1		145	Cameroon .....	0.0	
72	Saudi Arabia .....	6.8		146	Burundi .....	0.0	
73	Venezuela .....	6.7		147	Liberia .....	0.0	
74	Armenia .....	6.6		148	Sierra Leone <sup>1</sup> .....	0.0	

SOURCE: International Telecommunication Union, *World Telecommunication/ICT Indicators 2013* (June 2013 edition)

<sup>1</sup> 2008      <sup>2</sup> 2011

## 9.06 Internet bandwidth

International Internet bandwidth (kb/s) per Internet user | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Luxembourg .....	4,091.4		75	Albania.....	17.0	
2	Hong Kong SAR.....	1,239.8		76	Timor-Leste .....	16.4	
3	Malta .....	638.5		77	Malaysia.....	16.4	
4	Singapore .....	391.1		78	Côte d'Ivoire .....	16.3	
5	Iceland.....	371.2		79	Seychelles.....	16.3	
6	Switzerland .....	322.7		80	Mexico.....	16.3	
7	Sweden .....	279.8		81	Hungary.....	15.4	
8	Portugal.....	193.8		82	Morocco.....	14.8	
9	Norway .....	189.1		83	Mauritius.....	14.6	
10	United Kingdom.....	188.9		84	Ukraine .....	14.3	
11	Belgium .....	184.9		85	Philippines .....	14.3	
12	Denmark.....	175.0		86	Cambodia.....	14.0	
13	Netherlands .....	172.9		87	Vietnam .....	13.5	
14	Finland.....	159.5		88	Peru.....	13.2	
15	Puerto Rico <sup>2</sup> .....	135.4		89	Colombia.....	12.2	
16	Romania .....	116.0		90	Paraguay .....	11.6	
17	Austria .....	108.5		91	Slovak Republic.....	11.4	
18	Canada.....	101.0		92	Dominican Republic.....	11.3	
19	Czech Republic .....	101.0		93	Venezuela.....	10.9	
20	Ireland.....	97.0		94	Myanmar.....	10.2	
21	Slovenia.....	95.9		95	Oman .....	10.2	
22	Bulgaria.....	94.4		96	Lesotho .....	9.8	
23	Moldova.....	94.0		97	Libya.....	9.3	
24	Mongolia.....	91.9		98	Suriname .....	9.2	
25	France .....	84.6		99	Guyana.....	8.5	
26	Spain .....	81.3		100	Algeria .....	8.1	
27	Italy.....	76.2		101	Pakistan.....	7.3	
28	Germany.....	75.5		102	El Salvador.....	6.9	
29	Serbia.....	70.5		103	Rwanda.....	6.7	
30	Poland .....	70.4		104	Guatemala.....	6.6	
31	Lithuania .....	70.1		105	Botswana .....	6.4	
32	Cyprus.....	69.7		106	Cape Verde .....	6.2	
33	Barbados.....	69.5		107	Kuwait <sup>2</sup> .....	6.0	
34	Australia.....	69.5		108	Sri Lanka .....	5.9	
35	United States.....	62.3		109	Gabon .....	5.8	
36	Montenegro .....	59.5		110	Jordan .....	5.7	
37	Israel .....	55.8		111	Senegal .....	5.4	
38	Greece.....	54.7		112	Bolivia .....	5.3	
39	Latvia.....	54.4		113	India.....	5.2	
40	Georgia.....	54.2		114	Ethiopia.....	5.1	
41	Taiwan, China.....	44.3		115	Mali.....	4.8	
42	Uruguay.....	40.7		116	Uganda.....	4.8	
43	Chile .....	40.6		117	Honduras.....	4.2	
44	Turkey.....	40.3		118	China .....	4.2	
45	Azerbaijan.....	40.1		119	Egypt .....	4.1	
46	Brunei Darussalam.....	39.9		120	Burundi.....	3.9	
47	Armenia.....	38.6		121	Kyrgyz Republic.....	3.9	
48	United Arab Emirates.....	36.8		122	Iran, Islamic Rep.....	3.8	
49	Saudi Arabia .....	35.9		123	Benin .....	3.5	
50	Ecuador.....	33.1		124	Namibia .....	3.4	
51	Japan .....	33.0		125	Zimbabwe.....	3.3	
52	Russian Federation .....	32.9		126	Bhutan.....	3.2	
53	Panama.....	32.3		127	Mauritania.....	3.2	
54	Kazakhstan.....	31.8		128	Bangladesh.....	2.9	
55	Macedonia, FYR.....	31.4		129	Malawi .....	2.8	
56	New Zealand .....	31.1		130	Zambia .....	2.8	
57	Costa Rica.....	30.0		131	Yemen .....	2.6	
58	Croatia.....	28.2		132	Guinea.....	2.2	
59	Qatar .....	28.1		133	Gambia, The.....	2.1	
60	Korea, Rep. ....	26.0		134	Swaziland .....	2.0	
61	Brazil.....	25.1		135	Liberia.....	2.0	
62	Thailand.....	25.0		136	Sierra Leone .....	1.9	
63	Nicaragua .....	24.9		137	Lao PDR.....	1.8	
64	Bosnia and Herzegovina.....	24.5		138	Burkina Faso.....	1.7	
65	Kenya .....	24.0		139	Mozambique.....	1.7	
66	Estonia.....	23.6		140	Nepal .....	1.4	
67	Lebanon .....	22.8		141	Tanzania .....	1.2	
68	Argentina .....	22.0		142	Angola .....	0.6	
69	Jamaica .....	20.2		143	Madagascar.....	0.5	
70	Tunisia.....	19.0		144	Chad.....	0.5	
71	South Africa.....	18.7		145	Nigeria.....	0.3	
72	Trinidad and Tobago.....	18.3		146	Cameroon.....	0.3	
73	Bahrain .....	17.6		147	Ghana.....	0.2	
74	Indonesia.....	17.2		148	Haiti <sup>1</sup> .....	0.2	

SOURCE: International Telecommunication Union, *World Telecommunication/ICT Indicators 2013* (June 2013 edition)

<sup>1</sup> 2004      <sup>2</sup> 2010

## 9.07 Mobile broadband subscriptions

Mobile broadband subscriptions per 100 population | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Singapore .....	123.3		75	Panama .....	15.0	
2	Japan .....	113.1		76	Puerto Rico <sup>2</sup> .....	14.7	
3	Finland .....	106.5		77	Costa Rica .....	14.5	
4	Korea, Rep. ....	106.0		78	Libya .....	13.8	
5	Sweden .....	101.3		79	Malaysia .....	13.5	
6	Australia .....	96.2		80	Argentina .....	12.4	
7	Denmark .....	87.5		81	Swaziland .....	12.0	
8	Norway .....	84.6		82	Bosnia and Herzegovina .....	10.9	
9	United States .....	74.7		83	Jordan .....	10.7	
10	Hong Kong SAR .....	73.5		84	Nigeria .....	10.2	
11	Luxembourg .....	72.6		85	Morocco .....	10.0	
12	Estonia .....	72.5		86	Mexico .....	9.7	
13	Qatar .....	72.1		87	Seychelles .....	8.7	
14	United Kingdom .....	72.0		88	Lithuania .....	8.6	
15	Iceland .....	71.7		89	Brunei Darussalam .....	7.6	
16	Bahrain .....	67.1		90	Uganda .....	7.6	
17	Israel .....	65.5		91	Cambodia .....	6.9	
18	New Zealand .....	65.2		92	Bolivia .....	6.7	
19	Ireland .....	64.2		93	El Salvador .....	5.5	
20	Netherlands .....	61.0		94	Ukraine .....	5.5	
21	Malta .....	57.6		95	Paraguay .....	5.5	
22	Oman .....	56.7		96	Tunisia .....	5.2	
23	Austria .....	55.5		97	Moldova .....	5.1	
24	Spain .....	53.2		98	Colombia .....	4.9	
25	Russian Federation .....	52.9		99	India .....	4.9	
26	Croatia .....	52.3		100	Venezuela .....	4.7	
27	France .....	52.2		101	Guatemala .....	4.5	
28	Italy .....	51.8		102	Sri Lanka .....	4.4	
29	Latvia .....	51.2		103	Honduras .....	4.2	
30	United Arab Emirates .....	50.9		104	Philippines .....	3.8	
31	Canada .....	50.0		105	Senegal .....	3.8	
32	Poland .....	49.3		106	Malawi .....	3.5	
33	Taiwan, China .....	46.1		107	Rwanda .....	3.2	
34	Greece .....	44.5		108	Mauritania .....	3.2	
35	Czech Republic .....	44.0		109	Peru .....	2.8	
36	Saudi Arabia .....	42.8		110	Bhutan .....	2.5	
37	Kazakhstan .....	42.0		111	Kenya .....	2.2	
38	Switzerland .....	41.4		112	Mozambique .....	1.8	
39	Germany .....	41.0		113	Lesotho <sup>1</sup> .....	1.7	
40	Bulgaria .....	40.3		114	Jamaica .....	1.6	
41	Serbia .....	40.2		115	Angola .....	1.5	
42	Slovenia .....	37.1		116	Tanzania .....	1.5	
43	Brazil .....	36.6		117	Trinidad and Tobago .....	1.5	
44	Barbados .....	36.4		118	Gambia, The .....	1.2	
45	Slovak Republic .....	34.9		119	Nicaragua .....	1.0	
46	Sierra Leone <sup>2</sup> .....	34.1		120	Lao PDR .....	0.8	
47	Cyprus .....	33.8		121	Mali .....	0.7	
48	Belgium .....	33.7		122	Zambia .....	0.7	
49	Ghana .....	33.3		123	Ethiopia .....	0.4	
50	Azerbaijan .....	33.3		124	Timor-Leste <sup>2</sup> .....	0.4	
51	Portugal .....	32.5		125	Benin .....	0.3	
52	Uruguay .....	32.0		126	Pakistan .....	0.3	
53	Indonesia .....	31.9		127	Lebanon .....	0.3	
54	Zimbabwe .....	29.7		128	Bangladesh .....	0.2	
55	Namibia .....	28.8		129	Yemen .....	0.2	
56	Chile .....	28.0		130	Haiti .....	0.2	
57	Armenia .....	27.6		131	Thailand .....	0.1	
58	Montenegro .....	27.0		132	Nepal <sup>1</sup> .....	0.1	
59	Egypt .....	26.9		133	Madagascar <sup>2</sup> .....	0.1	
60	Mongolia .....	26.7		134	Myanmar .....	0.0	
61	South Africa .....	26.0		135	Liberia <sup>2</sup> .....	0.0	
62	Romania .....	23.7		136	Algeria .....	0.0	
63	Hungary .....	23.1		136	Burkina Faso .....	0.0	
64	Cape Verde .....	22.5		136	Burundi .....	0.0	
65	Georgia .....	22.4		136	Cameroon <sup>2</sup> .....	0.0	
66	Ecuador .....	22.2		136	Chad .....	0.0	
67	Macedonia, FYR .....	21.6		136	Côte d'Ivoire <sup>2</sup> .....	0.0	
68	Mauritius .....	21.5		136	Gabon .....	0.0	
69	Vietnam .....	19.0		136	Guinea .....	0.0	
70	Albania .....	18.4		136	Guyana .....	0.0	
71	China .....	17.2		136	Iran, Islamic Rep. ....	0.0	
72	Botswana .....	16.6		136	Kyrgyz Republic <sup>1</sup> .....	0.0	
73	Turkey .....	16.3		136	Suriname <sup>2</sup> .....	0.0	
74	Dominican Republic .....	15.4		n/a	Kuwait .....	n/a	

SOURCE: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2013* (June 2013 edition)

<sup>1</sup> 2010      <sup>2</sup> 2011



# 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 | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	United States .....	7.0		75	Croatia .....	3.3	
2	China .....	6.8		76	Lebanon .....	3.3	
3	India .....	6.2		77	Azerbaijan .....	3.3	
4	Japan .....	6.2		78	Oman .....	3.2	
5	Germany .....	5.8		79	Lithuania .....	3.2	
6	United Kingdom .....	5.7		80	Libya .....	3.2	
7	Brazil .....	5.7		81	Panama .....	3.2	
8	Russian Federation .....	5.7		82	Costa Rica .....	3.2	
9	France .....	5.7		83	Puerto Rico .....	3.2	
10	Italy .....	5.5		84	Uganda .....	3.2	
11	Mexico .....	5.5		85	Yemen .....	3.2	
12	Korea, Rep. ....	5.4		86	Cameroon .....	3.1	
13	Canada .....	5.4		87	Uruguay .....	3.1	
14	Spain .....	5.3		88	El Salvador .....	3.1	
15	Indonesia .....	5.2		89	Slovenia .....	3.1	
16	Turkey .....	5.2		90	Jordan .....	3.1	
17	Australia .....	5.1		91	Bolivia .....	3.1	
18	Iran, Islamic Rep. ....	5.0		92	Nepal .....	3.0	
19	Taiwan, China .....	5.0		93	Paraguay .....	3.0	
20	Poland .....	4.9		94	Honduras .....	3.0	
21	Argentina .....	4.9		95	Cambodia .....	2.9	
22	Thailand .....	4.8		96	Bosnia and Herzegovina .....	2.9	
23	Saudi Arabia .....	4.8		97	Côte d'Ivoire .....	2.9	
24	South Africa .....	4.8		98	Latvia .....	2.9	
25	Netherlands .....	4.8		99	Nicaragua .....	2.8	
26	Egypt .....	4.8		100	Botswana .....	2.8	
27	Pakistan .....	4.7		101	Senegal .....	2.8	
28	Colombia .....	4.6		102	Georgia .....	2.8	
29	Malaysia .....	4.5		103	Mozambique .....	2.8	
30	Philippines .....	4.5		104	Jamaica .....	2.7	
31	Belgium .....	4.5		105	Albania .....	2.7	
32	Nigeria .....	4.4		106	Estonia .....	2.7	
33	Venezuela .....	4.4		107	Macedonia, FYR .....	2.6	
34	Sweden .....	4.4		108	Luxembourg .....	2.6	
35	Hong Kong SAR .....	4.4		109	Burkina Faso .....	2.6	
36	Ukraine .....	4.4		110	Armenia .....	2.6	
37	Austria .....	4.4		111	Cyprus .....	2.6	
38	Bangladesh .....	4.3		112	Madagascar .....	2.5	
39	Vietnam .....	4.3		113	Chad .....	2.5	
40	Peru .....	4.3		114	Mauritius .....	2.5	
41	Chile .....	4.3		115	Zambia .....	2.5	
42	Switzerland .....	4.3		116	Bahrain .....	2.5	
43	Romania .....	4.2		117	Kyrgyz Republic .....	2.4	
44	Greece .....	4.2		118	Mali .....	2.4	
45	Singapore .....	4.2		119	Mongolia .....	2.4	
46	Czech Republic .....	4.2		120	Trinidad and Tobago .....	2.4	
47	Israel .....	4.1		121	Namibia .....	2.4	
48	Portugal .....	4.1		122	Lao PDR .....	2.4	
49	Algeria .....	4.1		123	Rwanda .....	2.4	
50	United Arab Emirates .....	4.1		124	Benin .....	2.3	
51	Norway .....	4.1		125	Gabon .....	2.3	
52	Morocco .....	4.0		126	Moldova .....	2.3	
53	Finland .....	4.0		127	Malawi .....	2.3	
54	Denmark .....	4.0		128	Haiti .....	2.3	
55	Kazakhstan .....	3.9		129	Guinea .....	2.2	
56	Hungary .....	3.9		130	Timor-Leste .....	2.1	
57	Ecuador .....	3.8		131	Sierra Leone .....	2.1	
58	Sri Lanka .....	3.8		132	Iceland .....	2.1	
59	Ireland .....	3.7		133	Malta .....	2.0	
60	New Zealand .....	3.7		134	Brunei Darussalam .....	1.9	
61	Slovak Republic .....	3.7		135	Montenegro .....	1.9	
62	Ethiopia .....	3.7		136	Zimbabwe .....	1.8	
63	Tunisia .....	3.6		137	Mauritania .....	1.8	
64	Bulgaria .....	3.6		138	Guyana .....	1.8	
65	Qatar .....	3.6		139	Barbados .....	1.7	
66	Dominican Republic .....	3.6		140	Burundi .....	1.7	
67	Angola .....	3.5		141	Swaziland .....	1.7	
68	Serbia .....	3.5		142	Lesotho .....	1.7	
69	Ghana .....	3.5		143	Bhutan .....	1.6	
70	Myanmar .....	3.4		144	Suriname .....	1.6	
71	Guatemala .....	3.4		145	Gambia, The .....	1.3	
72	Kenya .....	3.4		146	Liberia .....	1.2	
73	Tanzania .....	3.4		147	Cape Verde .....	1.0	
74	Kuwait .....	3.4		148	Seychelles .....	1.0	

SOURCE: Authors' calculations. For more details, refer to the appendix of Chapter 1.1 of this Report.

## 10.02 Foreign market size index

Value of exports of goods and services, normalized on a 1–7 (best) scale | 2012

RANK	COUNTRY/ECONOMY	VALUE	RANK	COUNTRY/ECONOMY	VALUE
1	China.....	7.0	75	Croatia.....	4.3
2	United States.....	6.7	76	Serbia.....	4.3
3	Germany.....	6.6	77	Ghana.....	4.3
4	India.....	6.4	78	Bahrain.....	4.3
5	Korea, Rep. ....	6.3	79	Estonia.....	4.3
6	Hong Kong SAR.....	6.2	80	Sri Lanka.....	4.3
7	Russian Federation.....	6.1	81	Cambodia.....	4.2
8	Japan.....	6.1	82	Dominican Republic.....	4.2
9	Netherlands.....	6.1	83	Latvia.....	4.2
10	United Kingdom.....	6.1	84	Bolivia.....	4.1
11	France.....	6.1	85	Costa Rica.....	4.1
12	Taiwan, China.....	6.1	86	Côte d'Ivoire.....	4.1
13	Singapore.....	6.0	87	Tanzania.....	4.1
14	Mexico.....	6.0	88	Yemen.....	4.1
15	Italy.....	6.0	89	Guatemala.....	4.0
16	Thailand.....	5.9	90	Kenya.....	4.0
17	Saudi Arabia.....	5.9	91	Honduras.....	4.0
18	Belgium.....	5.9	92	Brunei Darussalam.....	4.0
19	Spain.....	5.8	93	Ethiopia.....	4.0
20	Malaysia.....	5.8	94	Myanmar.....	4.0
21	Canada.....	5.8	95	Gabon.....	3.9
22	Poland.....	5.7	96	Jordan.....	3.9
23	Indonesia.....	5.6	97	Paraguay.....	3.9
24	Vietnam.....	5.6	98	Trinidad and Tobago.....	3.9
25	Iran, Islamic Rep. ....	5.6	99	Uruguay.....	3.8
26	Brazil.....	5.6	100	El Salvador.....	3.8
27	Turkey.....	5.6	101	Zambia.....	3.7
28	Czech Republic.....	5.5	102	Bosnia and Herzegovina.....	3.7
29	United Arab Emirates.....	5.5	103	Macedonia, FYR.....	3.7
30	Ireland.....	5.4	104	Cameroon.....	3.7
31	Austria.....	5.4	105	Malta.....	3.7
32	Australia.....	5.4	106	Botswana.....	3.7
33	Nigeria.....	5.4	107	Mauritius.....	3.7
34	Hungary.....	5.3	108	Cyprus.....	3.6
35	Sweden.....	5.3	109	Uganda.....	3.6
36	Switzerland.....	5.3	110	Chad.....	3.6
37	Ukraine.....	5.3	111	Mozambique.....	3.6
38	South Africa.....	5.2	112	Nicaragua.....	3.6
39	Argentina.....	5.2	113	Albania.....	3.5
40	Qatar.....	5.2	114	Georgia.....	3.5
41	Slovak Republic.....	5.1	115	Mongolia.....	3.5
42	Philippines.....	5.1	116	Iceland.....	3.5
43	Norway.....	5.1	117	Jamaica.....	3.4
44	Kazakhstan.....	5.1	118	Namibia.....	3.4
45	Denmark.....	5.1	119	Senegal.....	3.4
46	Chile.....	5.0	120	Burkina Faso.....	3.4
47	Romania.....	5.0	121	Kyrgyz Republic.....	3.4
48	Egypt.....	5.0	122	Lao PDR.....	3.4
49	Algeria.....	5.0	123	Madagascar.....	3.3
50	Kuwait.....	5.0	124	Mauritania.....	3.3
51	Venezuela.....	5.0	125	Moldova.....	3.3
52	Israel.....	5.0	126	Mali.....	3.2
53	Portugal.....	4.9	127	Armenia.....	3.2
54	Colombia.....	4.9	128	Suriname.....	3.1
55	Angola.....	4.9	129	Malawi.....	3.1
56	Peru.....	4.9	130	Benin.....	3.1
57	Finland.....	4.8	131	Nepal.....	3.1
58	Greece.....	4.8	132	Guyana.....	3.0
59	Bulgaria.....	4.8	133	Swaziland.....	3.0
60	Luxembourg.....	4.7	134	Guinea.....	3.0
61	Bangladesh.....	4.7	135	Barbados.....	3.0
62	Oman.....	4.7	136	Zimbabwe.....	3.0
63	Pakistan.....	4.7	137	Montenegro.....	2.9
64	Morocco.....	4.7	138	Seychelles.....	2.8
65	Lithuania.....	4.6	139	Lesotho.....	2.7
66	Azerbaijan.....	4.6	140	Rwanda.....	2.7
67	Tunisia.....	4.6	141	Haiti.....	2.6
68	Slovenia.....	4.6	142	Bhutan.....	2.6
69	Ecuador.....	4.6	143	Sierra Leone.....	2.5
70	Lebanon.....	4.5	144	Liberia.....	2.5
71	Puerto Rico.....	4.5	145	Gambia, The.....	2.3
72	Libya.....	4.5	146	Cape Verde.....	2.1
73	Panama.....	4.4	147	Burundi.....	1.7
74	New Zealand.....	4.4	148	Timor-Leste.....	1.0

SOURCE: Authors' calculations. For more details, refer to the appendix of Chapter 1.1 of this Report.

## 10.03 GDP (PPP)

Gross domestic product valued at purchasing power parity in billions of international dollars | 2012

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	United States .....	15,684.8		75	Croatia .....	78.4	
2	China .....	12,405.7		76	Libya .....	77.4	
3	India .....	4,684.4		77	Kenya .....	75.9	
4	Japan .....	4,627.9		78	Tanzania .....	73.9	
5	Germany .....	3,197.1		79	Puerto Rico .....	69.5	
6	Russian Federation .....	2,513.3		80	Lithuania .....	65.0	
7	Brazil .....	2,355.6		81	Lebanon .....	63.2	
8	United Kingdom .....	2,336.3		82	Yemen .....	59.1	
9	France .....	2,254.1		83	Costa Rica .....	58.8	
10	Italy .....	1,832.9		84	Slovenia .....	58.0	
11	Mexico .....	1,758.9		85	Panama .....	57.1	
12	Korea, Rep. ....	1,613.9		86	Bolivia .....	55.2	
13	Canada .....	1,488.3		87	Uruguay .....	53.8	
14	Spain .....	1,410.6		88	Cameroon .....	50.8	
15	Indonesia .....	1,216.7		89	Uganda .....	50.4	
16	Turkey .....	1,123.4		90	El Salvador .....	46.3	
17	Iran, Islamic Rep. ....	999.2		91	Luxembourg .....	42.2	
18	Australia .....	970.8		92	Paraguay .....	40.9	
19	Saudi Arabia .....	906.8		93	Nepal .....	40.6	
20	Taiwan, China .....	903.5		94	Côte d'Ivoire .....	40.3	
21	Poland .....	800.9		95	Jordan .....	38.7	
22	Argentina .....	743.1		96	Honduras .....	37.8	
23	Netherlands .....	707.0		97	Latvia .....	37.3	
24	Thailand .....	651.9		98	Cambodia .....	36.6	
25	South Africa .....	582.4		99	Bahrain .....	33.1	
26	Egypt .....	540.0		100	Bosnia and Herzegovina .....	31.9	
27	Pakistan .....	515.4		101	Botswana .....	31.5	
28	Colombia .....	502.9		102	Estonia .....	29.1	
29	Malaysia .....	498.5		103	Trinidad and Tobago .....	26.7	
30	Nigeria .....	448.1		104	Georgia .....	26.7	
31	Philippines .....	424.4		105	Nicaragua .....	26.7	
32	Belgium .....	420.3		106	Senegal .....	26.6	
33	Venezuela .....	401.9		107	Mozambique .....	26.3	
34	Sweden .....	393.0		108	Albania .....	26.1	
35	Hong Kong SAR .....	369.4		109	Gabon .....	25.5	
36	Switzerland .....	363.4		110	Jamaica .....	25.2	
37	Austria .....	359.0		111	Burkina Faso .....	24.3	
38	Ukraine .....	335.2		112	Zambia .....	24.0	
39	Peru .....	326.7		113	Cyprus .....	23.6	
40	Singapore .....	326.5		114	Macedonia, FYR .....	21.9	
41	Vietnam .....	320.7		115	Brunei Darussalam .....	21.7	
42	Chile .....	320.5		116	Madagascar .....	21.4	
43	Bangladesh .....	306.0		117	Chad .....	20.7	
44	Czech Republic .....	287.0		118	Mauritius .....	20.2	
45	Norway .....	277.1		119	Armenia .....	19.6	
46	Greece .....	276.9		120	Lao PDR .....	19.2	
47	Romania .....	273.4		121	Mali .....	18.0	
48	Algeria .....	272.9		122	Namibia .....	16.8	
49	United Arab Emirates .....	271.3		123	Benin .....	15.6	
50	Israel .....	248.7		124	Rwanda .....	15.5	
51	Portugal .....	246.5		125	Mongolia .....	15.2	
52	Kazakhstan .....	231.8		126	Malawi .....	14.3	
53	Denmark .....	210.1		127	Kyrgyz Republic .....	13.3	
54	Finland .....	197.5		128	Haiti .....	12.9	
55	Hungary .....	195.6		129	Iceland .....	12.8	
56	Ireland .....	192.2		130	Guinea .....	12.2	
57	Qatar .....	187.9		131	Moldova .....	12.2	
58	Morocco .....	171.2		132	Malta .....	11.3	
59	Ecuador .....	153.2		133	Timor-Leste .....	11.0	
60	Kuwait .....	151.0		134	Sierra Leone .....	8.3	
61	New Zealand .....	132.0		135	Mauritania .....	7.7	
62	Slovak Republic .....	131.9		136	Montenegro .....	7.3	
63	Angola .....	128.3		137	Zimbabwe .....	7.2	
64	Sri Lanka .....	126.3		138	Barbados .....	7.1	
65	Tunisia .....	105.3		139	Suriname .....	6.8	
66	Bulgaria .....	103.8		140	Swaziland .....	6.2	
67	Ethiopia .....	103.3		141	Guyana .....	6.2	
68	Dominican Republic .....	98.7		142	Burundi .....	5.5	
69	Azerbaijan .....	96.8		143	Bhutan .....	5.0	
70	Oman .....	90.1		144	Lesotho .....	4.1	
71	Myanmar .....	89.5		145	Gambia, The .....	3.4	
72	Ghana .....	82.4		146	Liberia .....	2.7	
73	Serbia .....	78.7		147	Seychelles .....	2.3	
74	Guatemala .....	78.7		148	Cape Verde .....	2.2	

SOURCES: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## 10.04 Exports as a percentage of GDP

Exports of goods and services as a percentage of gross domestic product | 2012 or most recent year available

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE	
1	Hong Kong SAR.....	235.5		75	Paraguay <sup>3</sup> .....	39.6	
2	Singapore.....	195.8		76	Algeria <sup>3</sup> .....	38.8	
3	Luxembourg.....	158.3		77	Portugal.....	38.7	
4	Belgium.....	111.4		78	Israel.....	38.5	
5	Ireland.....	110.0		79	Montenegro.....	38.3	
6	Seychelles.....	102.0		80	Ghana <sup>3</sup> .....	37.8	
7	Netherlands.....	101.2		81	Costa Rica.....	37.5	
8	Malta.....	100.4		82	Bosnia and Herzegovina.....	36.2	
9	Estonia.....	98.1		83	Botswana <sup>3</sup> .....	35.8	
10	Hungary.....	97.3		84	Yemen <sup>3</sup> .....	35.2	
11	Slovak Republic.....	96.1		85	Morocco.....	35.1	
12	Czech Republic.....	90.9		86	Chile.....	34.1	
13	Vietnam.....	89.7		87	Cape Verde.....	33.3	
14	Bahrain <sup>3</sup> .....	87.7		88	Lao PDR <sup>3</sup> .....	33.0	
15	Malaysia.....	87.4		89	Mexico.....	32.9	
16	United Arab Emirates <sup>3</sup> .....	86.9		90	Mozambique.....	32.8	
17	Slovenia.....	84.7		91	Spain.....	31.9	
18	Brunei Darussalam <sup>3</sup> .....	83.7		92	Albania.....	31.8	
19	Lithuania.....	83.6		93	Ecuador.....	31.7	
20	Cambodia.....	76.2		94	Nicaragua.....	31.5	
21	Thailand.....	76.1		95	Bhutan.....	31.3	
22	Qatar.....	74.6		96	United Kingdom.....	30.6	
23	Taiwan, China.....	73.8		97	Georgia.....	30.2	
24	Oman <sup>3</sup> .....	70.4		98	Italy.....	30.0	
25	Kuwait <sup>3</sup> .....	70.1		99	France.....	29.8	
26	Mauritania <sup>3</sup> .....	68.1		100	Canada.....	29.3	
27	Panama.....	67.3		101	Russian Federation.....	29.1	
28	Bulgaria.....	66.4		102	Tanzania.....	28.8	
29	Latvia.....	65.2		103	Iran, Islamic Rep. <sup>3</sup> .....	28.1	
30	Angola <sup>3</sup> .....	65.1		104	New Zealand.....	27.9	
31	Lebanon <sup>3</sup> .....	65.0		105	Philippines.....	27.8	
32	Gabon <sup>3</sup> .....	64.6		106	Jamaica.....	27.8	
33	Iceland.....	59.0		107	Guinea.....	27.6	
34	Puerto Rico.....	58.3		108	El Salvador.....	27.6	
35	Trinidad and Tobago <sup>2</sup> .....	57.5		109	Greece.....	27.5	
36	Austria.....	57.0		110	Gambia, The <sup>3</sup> .....	27.4	
37	Korea, Rep.....	56.8		111	China.....	27.2	
38	Suriname.....	56.8		112	Malawi <sup>3</sup> .....	26.7	
39	Guyana <sup>3</sup> .....	54.9		113	Burkina Faso <sup>3</sup> .....	26.6	
40	Saudi Arabia.....	54.5		114	South Africa.....	26.6	
41	Denmark.....	54.3		115	Madagascar <sup>3</sup> .....	26.1	
42	Swaziland <sup>3</sup> .....	54.0		116	Mali <sup>3</sup> .....	26.0	
43	Côte d'Ivoire.....	53.6		117	Venezuela.....	25.9	
44	Mauritius.....	53.5		118	Peru.....	25.4	
45	Macedonia, FYR.....	52.6		119	Senegal.....	24.9	
46	Azerbaijan.....	52.3		120	Guatemala.....	24.8	
47	Libya <sup>3</sup> .....	52.0		121	Dominican Republic.....	24.8	
48	Mongolia.....	50.1		122	Kenya.....	24.8	
49	Honduras.....	49.7		123	Turkey.....	24.5	
50	Ukraine.....	49.7		124	Uruguay.....	24.4	
51	Switzerland.....	49.6		125	India.....	24.2	
52	Kazakhstan.....	49.4		126	Indonesia.....	24.0	
53	Germany.....	48.9		127	Benin.....	23.8	
54	Zambia <sup>3</sup> .....	48.8		128	Cameroon <sup>3</sup> .....	22.5	
55	Lesotho <sup>3</sup> .....	48.3		129	Sri Lanka <sup>3</sup> .....	22.5	
56	Kyrgyz Republic.....	48.0		130	Armenia.....	22.1	
57	Tunisia.....	48.0		131	Bangladesh.....	21.7	
58	Liberia <sup>3</sup> .....	47.6		132	Argentina.....	20.1	
59	Sweden.....	47.2		133	Australia.....	20.1	
60	Barbados.....	46.3		134	Egypt.....	19.7	
61	Poland.....	45.4		135	Myanmar <sup>3</sup> .....	19.1	
62	Zimbabwe <sup>3</sup> .....	43.4		136	Uganda.....	18.7	
63	Nigeria.....	43.2		137	Colombia.....	18.0	
64	Chad <sup>1</sup> .....	42.7		138	Sierra Leone <sup>3</sup> .....	17.6	
65	Bolivia.....	42.7		139	Ethiopia <sup>3</sup> .....	17.3	
66	Jordan.....	42.6		140	Japan.....	15.7	
67	Croatia.....	42.2		141	United States.....	13.8	
68	Moldova.....	42.1		142	Haiti.....	12.9	
69	Norway.....	42.0		143	Rwanda <sup>3</sup> .....	12.3	
70	Cyprus.....	41.2		144	Pakistan.....	11.9	
71	Serbia.....	41.0		145	Brazil.....	11.7	
72	Finland.....	40.2		146	Nepal <sup>3</sup> .....	8.9	
73	Namibia.....	40.2		147	Burundi <sup>3</sup> .....	6.1	
74	Romania.....	39.8		148	Timor-Leste <sup>3</sup> .....	0.9	

**SOURCE:** World Trade Organization, *Online Statistics Database* (accessed June 12, 2013); International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

<sup>1</sup> 2009    <sup>2</sup> 2010    <sup>3</sup> 2011





## Pillar 11

# Business sophistication

## 11.01 Local supplier quantity

In your country, how numerous are local suppliers? [1 = largely nonexistent; 7 = extremely numerous] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.6	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.6	7
1	Japan .....	6.2				75	New Zealand .....	4.7			
2	India .....	5.7				76	Bangladesh .....	4.7			
3	Taiwan, China .....	5.7				77	Bosnia and Herzegovina .....	4.7			
4	Belgium .....	5.6				78	Pakistan .....	4.7			
5	Germany .....	5.6				79	Macedonia, FYR .....	4.6			
6	Austria .....	5.5				80	Chile .....	4.6			
7	Hong Kong SAR .....	5.5				81	Ukraine .....	4.6			
8	Switzerland .....	5.5				82	Trinidad and Tobago .....	4.6			
9	United Kingdom .....	5.5				83	Barbados .....	4.6			
10	United States .....	5.5				84	Morocco .....	4.6			
11	Netherlands .....	5.4				85	Egypt .....	4.6			
12	Malta .....	5.4				86	Ghana .....	4.6			
13	United Arab Emirates .....	5.4				87	Cyprus .....	4.6			
14	Italy .....	5.4				88	Azerbaijan .....	4.6			
15	Saudi Arabia .....	5.3				89	Greece .....	4.5			
16	Brazil .....	5.3				90	El Salvador .....	4.5			
17	Malaysia .....	5.3				91	Mauritania .....	4.5			
18	Turkey .....	5.3				92	Sierra Leone .....	4.5			
19	Spain .....	5.3				93	Chad .....	4.5			
20	France .....	5.2				94	Malawi .....	4.5			
21	Sri Lanka .....	5.2				95	Finland .....	4.5			
22	Qatar .....	5.2				96	Panama .....	4.4			
23	Thailand .....	5.2				97	Cameroon .....	4.4			
24	Korea, Rep. ....	5.2				98	Ecuador .....	4.4			
25	Czech Republic .....	5.2				99	Jamaica .....	4.4			
26	Denmark .....	5.1				100	Côte d'Ivoire .....	4.4			
27	Yemen .....	5.1				101	Hungary .....	4.4			
28	Kuwait .....	5.1				102	Romania .....	4.4			
29	Libya .....	5.1				103	Seychelles .....	4.4			
30	Vietnam .....	5.0				104	Suriname .....	4.3			
31	China .....	5.0				105	Kazakhstan .....	4.3			
32	Poland .....	5.0				106	Lao PDR .....	4.3			
33	Colombia .....	5.0				107	Honduras .....	4.3			
34	Guatemala .....	5.0				108	Bulgaria .....	4.3			
35	Lithuania .....	5.0				109	Russian Federation .....	4.3			
36	Canada .....	5.0				110	Luxembourg .....	4.2			
37	Portugal .....	5.0				111	Cambodia .....	4.2			
38	Bahrain .....	4.9				112	Argentina .....	4.2			
39	Kenya .....	4.9				113	Rwanda .....	4.2			
40	Oman .....	4.9				114	Latvia .....	4.2			
41	Mauritius .....	4.9				115	Nepal .....	4.1			
42	South Africa .....	4.9				116	Iceland .....	4.1			
43	Sweden .....	4.9				117	Serbia .....	4.1			
44	Senegal .....	4.9				118	Burkina Faso .....	4.1			
45	Mali .....	4.9				119	Liberia .....	4.1			
46	Tunisia .....	4.9				120	Tanzania .....	4.1			
47	Ireland .....	4.9				121	Kyrgyz Republic .....	4.0			
48	Mexico .....	4.9				122	Swaziland .....	4.0			
49	Israel .....	4.9				123	Algeria .....	4.0			
50	Lebanon .....	4.9				124	Ethiopia .....	4.0			
51	Indonesia .....	4.9				125	Zimbabwe .....	3.9			
52	Jordan .....	4.9				126	Mozambique .....	3.9			
53	Dominican Republic .....	4.8				127	Moldova .....	3.9			
54	Philippines .....	4.8				128	Montenegro .....	3.9			
55	Guyana .....	4.8				129	Uruguay .....	3.9			
56	Brunei Darussalam .....	4.8				130	Botswana .....	3.9			
57	Iran, Islamic Rep. ....	4.8				131	Cape Verde .....	3.9			
58	Singapore .....	4.8				132	Guinea .....	3.8			
59	Zambia .....	4.8				133	Bolivia .....	3.8			
60	Peru .....	4.8				134	Namibia .....	3.7			
61	Norway .....	4.8				135	Albania .....	3.7			
62	Puerto Rico .....	4.8				136	Georgia .....	3.7			
63	Estonia .....	4.8				137	Mongolia .....	3.6			
64	Uganda .....	4.8				138	Bhutan .....	3.6			
65	Madagascar .....	4.7				139	Haiti .....	3.5			
66	Costa Rica .....	4.7				140	Nicaragua .....	3.5			
67	Slovenia .....	4.7				141	Timor-Leste .....	3.5			
68	Croatia .....	4.7				142	Benin .....	3.4			
69	Slovak Republic .....	4.7				143	Lesotho .....	3.3			
70	Gambia, The .....	4.7				144	Gabon .....	3.3			
71	Paraguay .....	4.7				145	Burundi .....	3.2			
72	Australia .....	4.7				146	Myanmar .....	3.2			
73	Nigeria .....	4.7				147	Angola .....	3.0			
74	Armenia .....	4.7				148	Venezuela .....	3.0			

SOURCE: World Economic Forum, Executive Opinion Survey

## 11.02 Local supplier quality

In your country, how would you assess the quality of local suppliers? [1 = extremely poor quality; 7 = extremely high quality] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.4	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.4	7
1	Switzerland .....	6.2				75	Dominican Republic .....	4.4			
2	Japan .....	6.1				76	India .....	4.4			
3	Austria .....	6.1				77	Lebanon .....	4.4			
4	Germany .....	6.0				78	Jamaica .....	4.4			
5	Belgium .....	5.8				79	Ecuador .....	4.3			
6	Netherlands .....	5.8				80	Zambia .....	4.3			
7	Finland .....	5.7				81	Macedonia, FYR .....	4.3			
8	Sweden .....	5.6				82	Honduras .....	4.3			
9	Taiwan, China .....	5.6				83	Namibia .....	4.2			
10	United States .....	5.5				84	Tunisia .....	4.2			
11	New Zealand .....	5.5				85	Armenia .....	4.2			
12	Canada .....	5.5				86	Trinidad and Tobago .....	4.2			
13	Hong Kong SAR .....	5.5				87	Kuwait .....	4.2			
14	Denmark .....	5.5				88	Uruguay .....	4.2			
15	Norway .....	5.5				89	Vietnam .....	4.2			
16	Qatar .....	5.4				90	Mali .....	4.2			
17	France .....	5.4				91	Nigeria .....	4.2			
18	United Kingdom .....	5.4				92	Pakistan .....	4.2			
19	Puerto Rico .....	5.4				93	Ghana .....	4.2			
20	United Arab Emirates .....	5.3				94	Azerbaijan .....	4.2			
21	Czech Republic .....	5.3				95	Bangladesh .....	4.1			
22	Australia .....	5.3				96	Montenegro .....	4.1			
23	Luxembourg .....	5.3				97	Côte d'Ivoire .....	4.1			
24	Ireland .....	5.2				98	Swaziland .....	4.1			
25	Estonia .....	5.1				99	Rwanda .....	4.1			
26	Spain .....	5.1				100	Egypt .....	4.1			
27	Italy .....	5.1				101	Lao PDR .....	4.0			
28	Singapore .....	5.1				102	Kazakhstan .....	4.0			
29	Iceland .....	5.1				103	Madagascar .....	4.0			
30	Korea, Rep. ....	5.0				104	Romania .....	4.0			
31	Malaysia .....	5.0				105	Burkina Faso .....	4.0			
32	South Africa .....	5.0				106	Paraguay .....	4.0			
33	Slovenia .....	5.0				107	Sierra Leone .....	4.0			
34	Lithuania .....	5.0				108	Seychelles .....	4.0			
35	Guatemala .....	4.9				109	Liberia .....	3.9			
36	Oman .....	4.9				110	Cameroon .....	3.9			
37	Sri Lanka .....	4.9				111	Russian Federation .....	3.9			
38	Colombia .....	4.9				112	Argentina .....	3.9			
39	Mexico .....	4.9				113	Cambodia .....	3.9			
40	Portugal .....	4.9				114	Malawi .....	3.9			
41	Slovak Republic .....	4.9				115	Moldova .....	3.8			
42	Thailand .....	4.9				116	Suriname .....	3.8			
43	Costa Rica .....	4.9				117	Serbia .....	3.8			
44	Chile .....	4.8				118	Cape Verde .....	3.8			
45	Barbados .....	4.8				119	Bolivia .....	3.8			
46	Cyprus .....	4.8				120	Tanzania .....	3.8			
47	Israel .....	4.8				121	Gabon .....	3.7			
48	Senegal .....	4.8				122	Nicaragua .....	3.7			
49	Brazil .....	4.8				123	Kyrgyz Republic .....	3.7			
50	Saudi Arabia .....	4.8				124	Botswana .....	3.7			
51	Poland .....	4.8				125	Zimbabwe .....	3.7			
52	Guyana .....	4.8				126	Bhutan .....	3.7			
53	Latvia .....	4.7				127	Albania .....	3.7			
54	Malta .....	4.7				128	Iran, Islamic Rep. ....	3.6			
55	Mauritius .....	4.7				129	Georgia .....	3.6			
56	Turkey .....	4.7				130	Uganda .....	3.6			
57	Bahrain .....	4.6				131	Ethiopia .....	3.6			
58	Peru .....	4.6				132	Benin .....	3.5			
59	Panama .....	4.6				133	Guinea .....	3.5			
60	Gambia, The .....	4.6				134	Mozambique .....	3.4			
61	Bosnia and Herzegovina .....	4.6				135	Venezuela .....	3.4			
62	Croatia .....	4.5				136	Mongolia .....	3.4			
63	Greece .....	4.5				137	Nepal .....	3.4			
64	El Salvador .....	4.5				138	Haiti .....	3.3			
65	Kenya .....	4.5				139	Lesotho .....	3.3			
66	Indonesia .....	4.5				140	Algeria .....	3.3			
67	Brunei Darussalam .....	4.5				141	Mauritania .....	3.2			
68	Philippines .....	4.5				142	Libya .....	3.2			
69	China .....	4.5				143	Timor-Leste .....	3.1			
70	Hungary .....	4.5				144	Myanmar .....	3.0			
71	Morocco .....	4.4				145	Yemen .....	3.0			
72	Bulgaria .....	4.4				146	Chad .....	3.0			
73	Ukraine .....	4.4				147	Burundi .....	2.9			
74	Jordan .....	4.4				148	Angola .....	2.8			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Taiwan, China	5.6				75	Azerbaijan	3.8			
2	Italy	5.5				76	Barbados	3.8			
3	United Arab Emirates	5.5				77	Liberia	3.7			
4	Germany	5.4				78	Tunisia	3.7			
5	Switzerland	5.3				79	Mali	3.7			
6	United States	5.2				80	Estonia	3.7			
7	Japan	5.2				81	Malawi	3.7			
8	Singapore	5.2				82	Namibia	3.6			
9	Netherlands	5.2				83	Ghana	3.6			
10	Qatar	5.2				84	Armenia	3.6			
11	Hong Kong SAR	5.1				85	Swaziland	3.6			
12	Finland	5.1				86	Dominican Republic	3.6			
13	United Kingdom	5.1				87	Lesotho	3.6			
14	Malaysia	5.0				88	Botswana	3.6			
15	Norway	5.0				89	Bolivia	3.5			
16	India	4.9				90	Kuwait	3.5			
17	Austria	4.8				91	Trinidad and Tobago	3.5			
18	Canada	4.8				92	Tanzania	3.5			
19	Sweden	4.8				93	Cameroon	3.5			
20	Belgium	4.8				94	Slovenia	3.5			
21	Ireland	4.8				95	Macedonia, FYR	3.5			
22	Luxembourg	4.7				96	Romania	3.5			
23	Saudi Arabia	4.7				97	Bhutan	3.5			
24	China	4.6				98	Uruguay	3.5			
25	Puerto Rico	4.5				99	Iran, Islamic Rep.	3.4			
26	Brazil	4.5				100	Nicaragua	3.4			
27	Jordan	4.5				101	Mozambique	3.4			
28	Korea, Rep.	4.5				102	Peru	3.4			
29	Indonesia	4.4				103	Latvia	3.4			
30	Turkey	4.4				104	Poland	3.4			
31	France	4.4				105	Senegal	3.4			
32	Bahrain	4.3				106	Uganda	3.4			
33	Thailand	4.3				107	Nepal	3.4			
34	Denmark	4.3				108	Bulgaria	3.3			
35	Mexico	4.3				109	Lithuania	3.3			
36	Oman	4.3				110	Mauritania	3.3			
37	Australia	4.3				111	Hungary	3.3			
38	Lao PDR	4.3				112	Cape Verde	3.3			
39	Brunei Darussalam	4.2				113	Suriname	3.2			
40	Israel	4.2				114	Croatia	3.2			
41	Portugal	4.2				115	Sierra Leone	3.2			
42	Spain	4.2				116	Georgia	3.2			
43	South Africa	4.2				117	Argentina	3.2			
44	Cambodia	4.1				118	Lebanon	3.2			
45	Czech Republic	4.1				119	Algeria	3.2			
46	Guatemala	4.1				120	Guinea	3.2			
47	Costa Rica	4.1				121	Montenegro	3.2			
48	Zambia	4.1				122	Paraguay	3.2			
49	Egypt	4.1				123	Angola	3.1			
50	Chile	4.1				124	Russian Federation	3.1			
51	El Salvador	4.1				125	Ethiopia	3.1			
52	Cyprus	4.1				126	Kazakhstan	3.1			
53	Kenya	4.1				127	Madagascar	3.0			
54	Mauritius	4.0				128	Greece	3.0			
55	Philippines	4.0				129	Serbia	3.0			
56	Iceland	4.0				130	Zimbabwe	3.0			
57	Jamaica	4.0				131	Gabon	2.9			
58	Panama	4.0				132	Côte d'Ivoire	2.9			
59	Guyana	4.0				133	Timor-Leste	2.9			
60	Morocco	4.0				134	Benin	2.9			
61	Sri Lanka	4.0				135	Chad	2.9			
62	Pakistan	3.9				136	Ukraine	2.9			
63	Honduras	3.9				137	Burkina Faso	2.9			
64	Malta	3.9				138	Yemen	2.8			
65	Nigeria	3.9				139	Libya	2.8			
66	Bangladesh	3.9				140	Mongolia	2.8			
67	Seychelles	3.9				141	Burundi	2.8			
68	Vietnam	3.9				142	Kyrgyz Republic	2.7			
69	Ecuador	3.9				143	Venezuela	2.7			
70	Rwanda	3.8				144	Haiti	2.6			
71	Slovak Republic	3.8				145	Albania	2.5			
72	Gambia, The	3.8				146	Myanmar	2.5			
73	New Zealand	3.8				147	Moldova	2.3			
74	Colombia	3.8				148	Bosnia and Herzegovina	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey

## 11.04 Nature of competitive advantage

What is the competitive advantage of your country's companies in international markets based upon? [1 = low-cost labor or natural resources; 7 = unique products and processes] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7
1	Switzerland .....	6.4				75	Azerbaijan .....	3.4			
2	Japan .....	6.3				76	Kenya .....	3.4			
3	Finland .....	6.2				77	Colombia .....	3.4			
4	Germany .....	6.0				78	Guatemala .....	3.4			
5	Denmark .....	6.0				79	Uruguay .....	3.4			
6	Israel .....	6.0				80	India .....	3.4			
7	Austria .....	6.0				81	South Africa .....	3.4			
8	United Kingdom .....	5.9				82	Timor-Leste .....	3.4			
9	Netherlands .....	5.9				83	Liberia .....	3.3			
10	Belgium .....	5.9				84	Pakistan .....	3.3			
11	Italy .....	5.8				85	Namibia .....	3.3			
12	Sweden .....	5.7				86	Bolivia .....	3.3			
13	Singapore .....	5.6				87	Turkey .....	3.3			
14	Luxembourg .....	5.6				88	Hungary .....	3.3			
15	France .....	5.5				89	Nigeria .....	3.3			
16	Korea, Rep. ....	5.5				90	Chile .....	3.3			
17	United States .....	5.4				91	Georgia .....	3.3			
18	Hong Kong SAR .....	5.4				92	Lao PDR .....	3.2			
19	Ireland .....	5.4				93	Lesotho .....	3.2			
20	Taiwan, China .....	5.2				94	Morocco .....	3.2			
21	Puerto Rico .....	5.2				95	Poland .....	3.2			
22	Norway .....	5.1				96	Nicaragua .....	3.2			
23	Barbados .....	4.9				97	Cambodia .....	3.2			
24	Qatar .....	4.7				98	Kuwait .....	3.1			
25	Seychelles .....	4.6				99	Senegal .....	3.1			
26	United Arab Emirates .....	4.6				100	Peru .....	3.1			
27	Malaysia .....	4.6				101	Benin .....	3.1			
28	Costa Rica .....	4.5				102	Russian Federation .....	3.1			
29	Cyprus .....	4.5				103	Romania .....	3.1			
30	Panama .....	4.4				104	Suriname .....	3.1			
31	Malta .....	4.3				105	Mauritania .....	3.0			
32	Jordan .....	4.3				106	Uganda .....	3.0			
33	Spain .....	4.2				107	Dominican Republic .....	3.0			
34	Australia .....	4.2				108	Brazil .....	3.0			
35	Slovenia .....	4.2				109	Nepal .....	3.0			
36	New Zealand .....	4.1				110	Honduras .....	3.0			
37	Mauritius .....	4.1				111	Angola .....	3.0			
38	Czech Republic .....	4.1				112	Ukraine .....	3.0			
39	Brunei Darussalam .....	4.0				113	Bulgaria .....	3.0			
40	Sri Lanka .....	4.0				114	Trinidad and Tobago .....	3.0			
41	Saudi Arabia .....	4.0				115	Malawi .....	3.0			
42	Bhutan .....	4.0				116	Iran, Islamic Rep. ....	3.0			
43	Thailand .....	3.9				117	Madagascar .....	2.9			
44	Oman .....	3.9				118	Kazakhstan .....	2.9			
45	Iceland .....	3.9				119	Mali .....	2.9			
46	Jamaica .....	3.9				120	Tanzania .....	2.9			
47	Lebanon .....	3.9				121	Burundi .....	2.9			
48	Greece .....	3.8				122	Sierra Leone .....	2.9			
49	Croatia .....	3.8				123	Gabon .....	2.9			
50	Ghana .....	3.8				124	Yemen .....	2.9			
51	Zambia .....	3.8				125	Cameroon .....	2.8			
52	Canada .....	3.8				126	Slovak Republic .....	2.8			
53	China .....	3.8				127	Moldova .....	2.8			
54	El Salvador .....	3.8				128	Kyrgyz Republic .....	2.8			
55	Armenia .....	3.8				129	Albania .....	2.8			
56	Guyana .....	3.7				130	Vietnam .....	2.7			
57	Portugal .....	3.7				131	Guinea .....	2.7			
58	Rwanda .....	3.7				132	Algeria .....	2.7			
59	Lithuania .....	3.7				133	Haiti .....	2.6			
60	Estonia .....	3.6				134	Argentina .....	2.6			
61	Indonesia .....	3.6				135	Libya .....	2.6			
62	Cape Verde .....	3.6				136	Ethiopia .....	2.6			
63	Latvia .....	3.6				137	Venezuela .....	2.6			
64	Tunisia .....	3.5				138	Côte d'Ivoire .....	2.6			
65	Ecuador .....	3.5				139	Chad .....	2.5			
66	Egypt .....	3.5				140	Mozambique .....	2.5			
67	Philippines .....	3.5				141	Paraguay .....	2.5			
68	Botswana .....	3.5				142	Burkina Faso .....	2.5			
69	Bahrain .....	3.5				143	Macedonia, FYR .....	2.5			
70	Swaziland .....	3.5				144	Zimbabwe .....	2.5			
71	Montenegro .....	3.5				145	Serbia .....	2.5			
72	Mexico .....	3.5				146	Bosnia and Herzegovina .....	2.4			
73	Mongolia .....	3.5				147	Bangladesh .....	2.3			
74	Gambia, The .....	3.4				148	Myanmar .....	2.1			

SOURCE: World Economic Forum, Executive Opinion Survey

## 11.05 Value chain breadth

In your country, do companies have a narrow or broad 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.)] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Germany	6.1				75	Nigeria	3.7			
2	Japan	6.0				76	Morocco	3.7			
3	Austria	5.7				77	Peru	3.7			
4	Switzerland	5.7				78	Slovenia	3.6			
5	France	5.5				79	Egypt	3.6			
6	Sweden	5.5				80	Benin	3.6			
7	Finland	5.4				81	Honduras	3.6			
8	United States	5.3				82	Rwanda	3.6			
9	Netherlands	5.3				83	Uganda	3.6			
10	Qatar	5.2				84	Greece	3.6			
11	Hong Kong SAR	5.2				85	Montenegro	3.6			
12	United Kingdom	5.2				86	Estonia	3.6			
13	Belgium	5.0				87	Ukraine	3.6			
14	Singapore	5.0				88	Armenia	3.6			
15	Denmark	5.0				89	Gambia, The	3.6			
16	Luxembourg	5.0				90	Bolivia	3.6			
17	Malaysia	5.0				91	Swaziland	3.5			
18	United Arab Emirates	4.9				92	Jamaica	3.5			
19	Ireland	4.9				93	Argentina	3.5			
20	Italy	4.9				94	Uruguay	3.5			
21	Taiwan, China	4.8				95	South Africa	3.5			
22	Korea, Rep.	4.7				96	Georgia	3.5			
23	Spain	4.7				97	Romania	3.5			
24	Czech Republic	4.6				98	Tanzania	3.5			
25	Costa Rica	4.6				99	Liberia	3.5			
26	Israel	4.5				100	Croatia	3.5			
27	Mauritius	4.5				101	Hungary	3.4			
28	Saudi Arabia	4.5				102	Trinidad and Tobago	3.4			
29	Norway	4.4				103	Macedonia, FYR	3.4			
30	Thailand	4.4				104	Nicaragua	3.4			
31	Puerto Rico	4.4				105	Australia	3.4			
32	Indonesia	4.4				106	Bangladesh	3.3			
33	Malta	4.3				107	Madagascar	3.3			
34	Panama	4.3				108	Bhutan	3.2			
35	Sri Lanka	4.3				109	Kazakhstan	3.2			
36	Mexico	4.2				110	Botswana	3.2			
37	Lithuania	4.2				111	Mauritania	3.2			
38	Iceland	4.2				112	Iran, Islamic Rep.	3.2			
39	Cyprus	4.2				113	Yemen	3.2			
40	India	4.2				114	Russian Federation	3.2			
41	Lebanon	4.1				115	Vietnam	3.2			
42	Turkey	4.1				116	Bulgaria	3.2			
43	China	4.1				117	Mali	3.2			
44	Senegal	4.1				118	Moldova	3.2			
45	Guatemala	4.0				119	Suriname	3.1			
46	Brunei Darussalam	4.0				120	Nepal	3.1			
47	Seychelles	4.0				121	Kuwait	3.1			
48	Portugal	4.0				122	Serbia	3.1			
49	Oman	3.9				123	Cape Verde	3.1			
50	El Salvador	3.9				124	Paraguay	3.0			
51	Jordan	3.9				125	Lesotho	3.0			
52	Poland	3.9				126	Malawi	3.0			
53	Bahrain	3.9				127	Ethiopia	3.0			
54	Guyana	3.9				128	Côte d'Ivoire	3.0			
55	Kenya	3.9				129	Burundi	3.0			
56	Barbados	3.9				130	Namibia	3.0			
57	Canada	3.9				131	Myanmar	3.0			
58	New Zealand	3.8				132	Chad	3.0			
59	Chile	3.8				133	Timor-Leste	3.0			
60	Philippines	3.8				134	Kyrgyz Republic	2.9			
61	Tunisia	3.8				135	Mongolia	2.9			
62	Zambia	3.8				136	Bosnia and Herzegovina	2.9			
63	Lao PDR	3.8				137	Zimbabwe	2.8			
64	Dominican Republic	3.8				138	Guinea	2.8			
65	Cameroon	3.8				139	Mozambique	2.8			
66	Ghana	3.8				140	Haiti	2.8			
67	Pakistan	3.8				141	Sierra Leone	2.8			
68	Brazil	3.7				142	Venezuela	2.8			
69	Azerbaijan	3.7				143	Libya	2.7			
70	Ecuador	3.7				144	Angola	2.7			
71	Cambodia	3.7				145	Algeria	2.6			
72	Latvia	3.7				146	Burkina Faso	2.6			
73	Slovak Republic	3.7				147	Albania	2.6			
74	Colombia	3.7				148	Gabon	2.6			

SOURCE: World Economic Forum, Executive Opinion Survey



## 11.06 Control of international distribution

To what extent are international distribution and marketing from your country owned and controlled by domestic companies? [1 = not at all—they take place through foreign companies; 7 = to a great extent—they are primarily owned and controlled by domestic companies] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7
1	Qatar .....	5.6				75	Uruguay .....	4.0			
2	Japan .....	5.6				76	Montenegro .....	3.9			
3	United Arab Emirates .....	5.3				77	Egypt .....	3.9			
4	Germany .....	5.2				78	Greece .....	3.9			
5	Switzerland .....	5.2				79	Tunisia .....	3.9			
6	United States .....	5.2				80	Cambodia .....	3.9			
7	Iceland .....	5.1				81	Rwanda .....	3.9			
8	Austria .....	5.0				82	Paraguay .....	3.9			
9	Saudi Arabia .....	5.0				83	Zambia .....	3.9			
10	Oman .....	5.0				84	Portugal .....	3.9			
11	Malaysia .....	5.0				85	Armenia .....	3.9			
12	Finland .....	5.0				86	Argentina .....	3.9			
13	Hong Kong SAR .....	5.0				87	Vietnam .....	3.9			
14	Sweden .....	4.9				88	Honduras .....	3.9			
15	Lebanon .....	4.9				89	Bangladesh .....	3.8			
16	United Kingdom .....	4.8				90	Jamaica .....	3.8			
17	Cyprus .....	4.8				91	Nigeria .....	3.8			
18	Netherlands .....	4.8				92	Pakistan .....	3.8			
19	Malta .....	4.8				93	Libya .....	3.8			
20	Korea, Rep. ....	4.8				94	Ireland .....	3.8			
21	Taiwan, China .....	4.8				95	Bulgaria .....	3.8			
22	Mauritius .....	4.7				96	Macedonia, FYR .....	3.8			
23	Sri Lanka .....	4.7				97	Croatia .....	3.8			
24	Denmark .....	4.7				98	Uganda .....	3.8			
25	Brunei Darussalam .....	4.6				99	Bolivia .....	3.8			
26	South Africa .....	4.6				100	Poland .....	3.8			
27	Kuwait .....	4.6				101	Kazakhstan .....	3.8			
28	Turkey .....	4.6				102	Ghana .....	3.8			
29	Israel .....	4.6				103	Georgia .....	3.7			
30	Norway .....	4.6				104	Swaziland .....	3.7			
31	Lithuania .....	4.5				105	Russian Federation .....	3.7			
32	Guatemala .....	4.5				106	Venezuela .....	3.7			
33	Bahrain .....	4.5				107	Malawi .....	3.7			
34	Iran, Islamic Rep. ....	4.4				108	Romania .....	3.7			
35	France .....	4.4				109	Suriname .....	3.7			
36	Indonesia .....	4.4				110	Moldova .....	3.7			
37	New Zealand .....	4.4				111	Mali .....	3.7			
38	India .....	4.4				112	Bosnia and Herzegovina .....	3.7			
39	Italy .....	4.4				113	Morocco .....	3.7			
40	Panama .....	4.4				114	Nicaragua .....	3.6			
41	Philippines .....	4.3				115	Senegal .....	3.6			
42	Chile .....	4.3				116	Serbia .....	3.6			
43	Thailand .....	4.3				117	Tanzania .....	3.6			
44	Canada .....	4.3				118	Kyrgyz Republic .....	3.5			
45	Spain .....	4.3				119	Namibia .....	3.5			
46	Jordan .....	4.3				120	Czech Republic .....	3.5			
47	Brazil .....	4.3				121	Hungary .....	3.5			
48	China .....	4.3				122	Botswana .....	3.5			
49	Belgium .....	4.3				123	Mauritania .....	3.5			
50	Puerto Rico .....	4.3				124	Liberia .....	3.5			
51	Slovenia .....	4.3				125	Lao PDR .....	3.5			
52	Singapore .....	4.3				126	Zimbabwe .....	3.4			
53	El Salvador .....	4.3				127	Bhutan .....	3.4			
54	Dominican Republic .....	4.2				128	Haiti .....	3.4			
55	Australia .....	4.2				129	Madagascar .....	3.4			
56	Azerbaijan .....	4.2				130	Cape Verde .....	3.3			
57	Luxembourg .....	4.2				131	Cameroon .....	3.3			
58	Costa Rica .....	4.1				132	Mozambique .....	3.3			
59	Ecuador .....	4.1				133	Myanmar .....	3.3			
60	Ukraine .....	4.1				134	Guinea .....	3.3			
61	Guyana .....	4.1				135	Nepal .....	3.2			
62	Latvia .....	4.1				136	Slovak Republic .....	3.2			
63	Trinidad and Tobago .....	4.1				137	Côte d'Ivoire .....	3.2			
64	Colombia .....	4.1				138	Angola .....	3.2			
65	Ethiopia .....	4.1				139	Lesotho .....	3.2			
66	Kenya .....	4.1				140	Burundi .....	3.1			
67	Peru .....	4.1				141	Timor-Leste .....	3.1			
68	Barbados .....	4.1				142	Sierra Leone .....	3.1			
69	Estonia .....	4.1				143	Burkina Faso .....	3.0			
70	Gambia, The .....	4.0				144	Benin .....	3.0			
71	Mexico .....	4.0				145	Mongolia .....	3.0			
72	Yemen .....	4.0				146	Algeria .....	3.0			
73	Seychelles .....	4.0				147	Chad .....	2.9			
74	Albania .....	4.0				148	Gabon .....	2.7			

SOURCE: World Economic Forum, Executive Opinion Survey

## 11.07 Production process sophistication

In your country, how sophisticated are production processes? [1 = not at all—labor-intensive or old technology; 7 = highly technology- and knowledge-intensive] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.9	7
1	Japan .....	6.5				75	Uruguay .....	3.7			
2	Switzerland .....	6.4				76	Lebanon .....	3.6			
3	Germany .....	6.3				77	Colombia .....	3.6			
4	Finland .....	6.2				78	Swaziland .....	3.6			
5	Netherlands .....	6.0				79	Greece .....	3.6			
6	Austria .....	5.9				80	Iran, Islamic Rep. ....	3.6			
7	United States .....	5.9				81	Namibia .....	3.6			
8	Norway .....	5.9				82	Peru .....	3.6			
9	Sweden .....	5.9				83	Jamaica .....	3.6			
10	Ireland .....	5.8				84	Nigeria .....	3.6			
11	Puerto Rico .....	5.8				85	Zambia .....	3.6			
12	Belgium .....	5.8				86	Pakistan .....	3.6			
13	Qatar .....	5.7				87	Tunisia .....	3.5			
14	United Kingdom .....	5.6				88	Macedonia, FYR .....	3.5			
15	Israel .....	5.5				89	Honduras .....	3.5			
16	Denmark .....	5.5				90	Rwanda .....	3.5			
17	France .....	5.5				91	Gambia, The .....	3.5			
18	Luxembourg .....	5.5				92	Armenia .....	3.5			
19	Singapore .....	5.5				93	Lao PDR .....	3.5			
20	Taiwan, China .....	5.3				94	Montenegro .....	3.5			
21	Korea, Rep. ....	5.3				95	Cambodia .....	3.5			
22	Iceland .....	5.2				96	Ghana .....	3.4			
23	Canada .....	5.1				97	Ukraine .....	3.4			
24	Australia .....	5.1				98	Nicaragua .....	3.4			
25	Hong Kong SAR .....	5.1				99	Bolivia .....	3.4			
26	Malaysia .....	5.0				100	Senegal .....	3.4			
27	Italy .....	4.9				101	Bulgaria .....	3.4			
28	New Zealand .....	4.9				102	Romania .....	3.4			
29	United Arab Emirates .....	4.8				103	Croatia .....	3.4			
30	Saudi Arabia .....	4.8				104	Cameroon .....	3.3			
31	Costa Rica .....	4.7				105	Russian Federation .....	3.3			
32	Czech Republic .....	4.6				106	Kuwait .....	3.3			
33	Turkey .....	4.6				107	Egypt .....	3.3			
34	Malta .....	4.5				108	Benin .....	3.3			
35	Brazil .....	4.5				109	Cape Verde .....	3.3			
36	Spain .....	4.5				110	Bangladesh .....	3.3			
37	Oman .....	4.5				111	Vietnam .....	3.2			
38	South Africa .....	4.4				112	Madagascar .....	3.2			
39	Chile .....	4.4				113	Paraguay .....	3.2			
40	Mauritius .....	4.4				114	Mongolia .....	3.2			
41	Indonesia .....	4.3				115	Suriname .....	3.2			
42	Slovak Republic .....	4.3				116	Tanzania .....	3.2			
43	Portugal .....	4.3				117	Botswana .....	3.2			
44	Bahrain .....	4.2				118	Liberia .....	3.2			
45	Lithuania .....	4.2				119	Georgia .....	3.2			
46	Mexico .....	4.2				120	Mali .....	3.1			
47	Thailand .....	4.2				121	Bhutan .....	3.1			
48	Panama .....	4.2				122	Morocco .....	3.1			
49	Sri Lanka .....	4.1				123	Uganda .....	3.1			
50	Azerbaijan .....	4.1				124	Venezuela .....	3.0			
51	Poland .....	4.1				125	Moldova .....	2.9			
52	India .....	4.1				126	Gabon .....	2.9			
53	Estonia .....	4.1				127	Côte d'Ivoire .....	2.9			
54	Trinidad and Tobago .....	4.1				128	Nepal .....	2.9			
55	Cyprus .....	4.1				129	Malawi .....	2.9			
56	Jordan .....	4.1				130	Serbia .....	2.8			
57	Philippines .....	4.0				131	Mauritania .....	2.8			
58	China .....	4.0				132	Mozambique .....	2.8			
59	Slovenia .....	4.0				133	Yemen .....	2.8			
60	Guatemala .....	4.0				134	Libya .....	2.8			
61	Barbados .....	4.0				135	Kyrgyz Republic .....	2.7			
62	Guyana .....	3.9				136	Ethiopia .....	2.7			
63	Kazakhstan .....	3.8				137	Lesotho .....	2.7			
64	Kenya .....	3.8				138	Angola .....	2.7			
65	Ecuador .....	3.8				139	Sierra Leone .....	2.7			
66	Latvia .....	3.8				140	Zimbabwe .....	2.6			
67	El Salvador .....	3.8				141	Timor-Leste .....	2.5			
68	Bosnia and Herzegovina .....	3.8				142	Algeria .....	2.5			
69	Argentina .....	3.8				143	Guinea .....	2.4			
70	Hungary .....	3.8				144	Myanmar .....	2.3			
71	Seychelles .....	3.7				145	Burkina Faso .....	2.3			
72	Brunei Darussalam .....	3.7				146	Chad .....	2.3			
73	Albania .....	3.7				147	Haiti .....	2.3			
74	Dominican Republic .....	3.7				148	Burundi .....	2.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 11.08 Extent of marketing

In your country, to what extent do companies use sophisticated marketing tools and techniques? [1 = not at all; 7 = to a great extent] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.2	7
1	United Kingdom.....	6.0				75	Montenegro.....	4.1			
2	United States.....	6.0				76	Ecuador.....	4.1			
3	Puerto Rico.....	5.9				77	Ukraine.....	4.1			
4	Netherlands.....	5.8				78	Paraguay.....	4.0			
5	Sweden.....	5.7				79	Cambodia.....	4.0			
6	Germany.....	5.7				80	Lao PDR.....	4.0			
7	Switzerland.....	5.7				81	Albania.....	4.0			
8	Qatar.....	5.6				82	Pakistan.....	4.0			
9	Japan.....	5.6				83	Kenya.....	4.0			
10	Hong Kong SAR.....	5.6				84	Macedonia, FYR.....	4.0			
11	Norway.....	5.6				85	Tunisia.....	4.0			
12	Austria.....	5.5				86	Kuwait.....	4.0			
13	France.....	5.5				87	Colombia.....	4.0			
14	Australia.....	5.4				88	Nigeria.....	4.0			
15	United Arab Emirates.....	5.4				89	Senegal.....	3.9			
16	Finland.....	5.4				90	Russian Federation.....	3.9			
17	Luxembourg.....	5.3				91	Bosnia and Herzegovina.....	3.9			
18	Taiwan, China.....	5.3				92	Seychelles.....	3.9			
19	South Africa.....	5.3				93	Romania.....	3.9			
20	Belgium.....	5.3				94	Croatia.....	3.9			
21	Ireland.....	5.3				95	Gambia, The.....	3.9			
22	Singapore.....	5.2				96	Namibia.....	3.8			
23	Canada.....	5.2				97	Venezuela.....	3.8			
24	New Zealand.....	5.2				98	Honduras.....	3.8			
25	Denmark.....	5.2				99	Zambia.....	3.8			
26	Israel.....	5.2				100	Armenia.....	3.8			
27	Iceland.....	5.1				101	Mongolia.....	3.7			
28	Sri Lanka.....	5.1				102	Kyrgyz Republic.....	3.7			
29	Brazil.....	5.1				103	Côte d'Ivoire.....	3.7			
30	Malaysia.....	5.1				104	Vietnam.....	3.7			
31	Korea, Rep.....	5.0				105	Moldova.....	3.7			
32	Saudi Arabia.....	4.9				106	Bulgaria.....	3.7			
33	Panama.....	4.8				107	Georgia.....	3.6			
34	Indonesia.....	4.8				108	Ghana.....	3.6			
35	Chile.....	4.8				109	Egypt.....	3.6			
36	Spain.....	4.7				110	Morocco.....	3.6			
37	Turkey.....	4.7				111	Cameroon.....	3.6			
38	Lithuania.....	4.7				112	Swaziland.....	3.6			
39	Malta.....	4.6				113	Nicaragua.....	3.6			
40	Lebanon.....	4.6				114	Bolivia.....	3.6			
41	Philippines.....	4.6				115	Cape Verde.....	3.5			
42	Costa Rica.....	4.6				116	Rwanda.....	3.5			
43	Czech Republic.....	4.5				117	Mozambique.....	3.5			
44	Thailand.....	4.5				118	Suriname.....	3.4			
45	Slovak Republic.....	4.5				119	Bangladesh.....	3.4			
46	Poland.....	4.5				120	Iran, Islamic Rep.....	3.4			
47	Cyprus.....	4.5				121	Botswana.....	3.4			
48	Dominican Republic.....	4.5				122	Tanzania.....	3.3			
49	Guatemala.....	4.5				123	Liberia.....	3.3			
50	China.....	4.4				124	Madagascar.....	3.3			
51	Portugal.....	4.4				125	Zimbabwe.....	3.3			
52	India.....	4.4				126	Benin.....	3.2			
53	Argentina.....	4.4				127	Angola.....	3.2			
54	Estonia.....	4.4				128	Malawi.....	3.2			
55	Mauritius.....	4.4				129	Bhutan.....	3.2			
56	Mexico.....	4.4				130	Uganda.....	3.2			
57	Oman.....	4.4				131	Burkina Faso.....	3.1			
58	Barbados.....	4.3				132	Mali.....	3.1			
59	El Salvador.....	4.3				133	Myanmar.....	3.1			
60	Italy.....	4.3				134	Nepal.....	3.1			
61	Bahrain.....	4.3				135	Serbia.....	3.1			
62	Jordan.....	4.3				136	Lesotho.....	2.9			
63	Latvia.....	4.3				137	Gabon.....	2.9			
64	Peru.....	4.3				138	Ethiopia.....	2.9			
65	Hungary.....	4.2				139	Yemen.....	2.8			
66	Jamaica.....	4.2				140	Sierra Leone.....	2.8			
67	Brunei Darussalam.....	4.2				141	Libya.....	2.7			
68	Azerbaijan.....	4.1				142	Mauritania.....	2.7			
69	Trinidad and Tobago.....	4.1				143	Haiti.....	2.7			
70	Greece.....	4.1				144	Guinea.....	2.6			
71	Kazakhstan.....	4.1				145	Timor-Leste.....	2.5			
72	Guyana.....	4.1				146	Algeria.....	2.4			
73	Slovenia.....	4.1				147	Chad.....	2.4			
74	Uruguay.....	4.1				148	Burundi.....	2.3			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Denmark.....	6.0				75	Malta .....	3.7			
2	Sweden .....	5.9				76	France .....	3.7			
3	Norway .....	5.9				77	Azerbaijan.....	3.7			
4	Finland .....	5.7				78	Peru.....	3.7			
5	Netherlands .....	5.6				79	Namibia .....	3.7			
6	New Zealand .....	5.5				80	Bolivia.....	3.7			
7	Qatar .....	5.5				81	Swaziland .....	3.6			
8	Switzerland .....	5.3				82	Ghana.....	3.6			
9	United States .....	5.2				83	Panama .....	3.6			
10	Iceland.....	5.1				84	Turkey.....	3.6			
11	Canada.....	5.0				85	Nigeria .....	3.6			
12	Ireland.....	5.0				86	Honduras.....	3.6			
13	Malaysia.....	5.0				87	Madagascar.....	3.6			
14	United Kingdom.....	4.9				88	Bosnia and Herzegovina.....	3.6			
15	Australia.....	4.9				89	Bhutan.....	3.6			
16	Germany.....	4.9				90	Nicaragua .....	3.6			
17	Belgium .....	4.8				91	Argentina .....	3.5			
18	Puerto Rico.....	4.8				92	Tanzania .....	3.5			
19	United Arab Emirates.....	4.8				93	Jamaica.....	3.5			
20	Luxembourg .....	4.7				94	Slovak Republic.....	3.5			
21	Saudi Arabia.....	4.6				95	Liberia.....	3.5			
22	Hong Kong SAR.....	4.6				96	Russian Federation.....	3.5			
23	Singapore .....	4.6				97	Cameroon.....	3.4			
24	Oman .....	4.6				98	Malawi .....	3.4			
25	Austria.....	4.6				99	Portugal .....	3.4			
26	Philippines .....	4.6				100	Romania .....	3.4			
27	Costa Rica.....	4.5				101	Croatia.....	3.4			
28	South Africa.....	4.5				102	Libya.....	3.4			
29	Estonia.....	4.5				103	Greece.....	3.4			
30	Japan .....	4.5				104	Tunisia .....	3.4			
31	Taiwan, China.....	4.5				105	Vietnam .....	3.4			
32	Indonesia .....	4.4				106	Uruguay .....	3.4			
33	Israel.....	4.4				107	Morocco.....	3.4			
34	Brazil.....	4.3				108	Moldova.....	3.4			
35	Jordan .....	4.2				109	Venezuela .....	3.3			
36	Zambia.....	4.1				110	Uganda.....	3.3			
37	Montenegro .....	4.1				111	Trinidad and Tobago.....	3.3			
38	Kuwait .....	4.1				112	Senegal .....	3.3			
39	Sri Lanka .....	4.1				113	Myanmar.....	3.3			
40	Egypt.....	4.1				114	Sierra Leone .....	3.3			
41	Gambia, The.....	4.0				115	Armenia .....	3.3			
42	Brunei Darussalam.....	4.0				116	Cape Verde .....	3.3			
43	Barbados.....	4.0				117	Lesotho .....	3.3			
44	Guatemala .....	4.0				118	Lebanon .....	3.3			
45	Thailand.....	4.0				119	Timor-Leste .....	3.2			
46	Latvia.....	4.0				120	Suriname .....	3.2			
47	Seychelles.....	3.9				121	Macedonia, FYR.....	3.2			
48	Rwanda .....	3.9				122	Pakistan.....	3.2			
49	Lao PDR.....	3.9				123	Bulgaria .....	3.2			
50	Guyana.....	3.9				124	Ukraine .....	3.1			
51	Slovenia .....	3.9				125	Côte d'Ivoire.....	3.1			
52	Lithuania.....	3.9				126	Mali.....	3.1			
53	Colombia .....	3.9				127	Georgia.....	3.1			
54	Korea, Rep. ....	3.9				128	Mongolia.....	3.1			
55	Kazakhstan.....	3.9				129	Italy.....	3.1			
56	Cyprus.....	3.9				130	Ethiopia.....	3.1			
57	Czech Republic .....	3.9				131	Iran, Islamic Rep. ....	3.1			
58	India.....	3.9				132	Benin .....	3.1			
59	Mauritius.....	3.9				133	Nepal.....	3.0			
60	China.....	3.9				134	Gabon .....	3.0			
61	Kenya .....	3.8				135	Kyrgyz Republic.....	3.0			
62	Ecuador.....	3.8				136	Mozambique.....	3.0			
63	Yemen .....	3.8				137	Hungary.....	2.9			
64	Mexico.....	3.8				138	Paraguay .....	2.9			
65	El Salvador.....	3.8				139	Burundi.....	2.8			
66	Chile .....	3.8				140	Angola .....	2.7			
67	Bahrain .....	3.8				141	Serbia .....	2.7			
68	Poland .....	3.8				142	Bangladesh.....	2.7			
69	Botswana .....	3.8				143	Mauritania.....	2.7			
70	Spain .....	3.8				144	Algeria .....	2.6			
71	Albania.....	3.8				145	Guinea.....	2.6			
72	Dominican Republic.....	3.7				146	Haiti.....	2.4			
73	Cambodia.....	3.7				147	Chad.....	2.3			
74	Zimbabwe.....	3.7				148	Burkina Faso.....	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey

# 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.6	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.6	7
1	Switzerland .....	5.8				75	Mexico .....	3.5			
2	Finland .....	5.7				76	Rwanda .....	3.5			
3	Germany .....	5.6				77	Armenia .....	3.4			
4	Israel .....	5.6				78	Bhutan .....	3.4			
5	United States .....	5.6				79	Nicaragua .....	3.4			
6	Japan .....	5.6				80	Nigeria .....	3.4			
7	Sweden .....	5.5				81	Barbados .....	3.4			
8	United Kingdom .....	5.2				82	Bahrain .....	3.4			
9	Netherlands .....	5.1				83	Colombia .....	3.4			
10	Belgium .....	5.1				84	Namibia .....	3.4			
11	Luxembourg .....	5.1				85	Iran, Islamic Rep. ....	3.4			
12	Norway .....	5.0				86	Vietnam .....	3.4			
13	Denmark .....	5.0				87	Thailand .....	3.4			
14	Austria .....	5.0				88	Uruguay .....	3.4			
15	Malaysia .....	4.9				89	Lebanon .....	3.4			
16	France .....	4.8				90	Romania .....	3.4			
17	Qatar .....	4.8				91	Argentina .....	3.3			
18	Singapore .....	4.8				92	Senegal .....	3.3			
19	Taiwan, China .....	4.8				93	Cyprus .....	3.3			
20	Ireland .....	4.6				94	Macedonia, FYR .....	3.2			
21	New Zealand .....	4.6				95	Swaziland .....	3.2			
22	Korea, Rep. ....	4.5				96	Slovak Republic .....	3.2			
23	Australia .....	4.5				97	Hungary .....	3.2			
24	Indonesia .....	4.4				98	Dominican Republic .....	3.2			
25	Puerto Rico .....	4.4				99	Tunisia .....	3.2			
26	Czech Republic .....	4.3				100	Ukraine .....	3.2			
27	Canada .....	4.3				101	Tanzania .....	3.2			
28	Estonia .....	4.3				102	Botswana .....	3.2			
29	Hong Kong SAR .....	4.2				103	Bulgaria .....	3.2			
30	China .....	4.2				104	Mali .....	3.2			
31	Italy .....	4.2				105	Cameroon .....	3.1			
32	Iceland .....	4.1				106	Peru .....	3.1			
33	South Africa .....	4.1				107	Mongolia .....	3.1			
34	Kenya .....	4.1				108	Bosnia and Herzegovina .....	3.1			
35	Azerbaijan .....	4.1				109	Uganda .....	3.1			
36	Brazil .....	4.0				110	Croatia .....	3.1			
37	Costa Rica .....	4.0				111	Egypt .....	3.1			
38	Guyana .....	4.0				112	Honduras .....	3.1			
39	United Arab Emirates .....	4.0				113	Suriname .....	3.1			
40	Lithuania .....	4.0				114	Benin .....	3.0			
41	India .....	4.0				115	Paraguay .....	3.0			
42	Portugal .....	3.9				116	Malawi .....	3.0			
43	Saudi Arabia .....	3.9				117	Greece .....	3.0			
44	Sri Lanka .....	3.8				118	Georgia .....	3.0			
45	Turkey .....	3.8				119	Burkina Faso .....	3.0			
46	Lao PDR .....	3.8				120	Bangladesh .....	3.0			
47	Malta .....	3.8				121	Albania .....	3.0			
48	Philippines .....	3.8				122	Zimbabwe .....	2.9			
49	Pakistan .....	3.7				123	Trinidad and Tobago .....	2.9			
50	Panama .....	3.7				124	Timor-Leste .....	2.9			
51	Guatemala .....	3.7				125	Nepal .....	2.9			
52	Zambia .....	3.7				126	Cape Verde .....	2.9			
53	Ecuador .....	3.7				127	Côte d'Ivoire .....	2.9			
54	Slovenia .....	3.7				128	Venezuela .....	2.8			
55	Ghana .....	3.7				129	Morocco .....	2.8			
56	El Salvador .....	3.7				130	Lesotho .....	2.8			
57	Spain .....	3.7				131	Sierra Leone .....	2.8			
58	Seychelles .....	3.6				132	Mozambique .....	2.8			
59	Montenegro .....	3.6				133	Serbia .....	2.8			
60	Jamaica .....	3.6				134	Moldova .....	2.7			
61	Oman .....	3.6				135	Myanmar .....	2.7			
62	Poland .....	3.6				136	Kuwait .....	2.6			
63	Chile .....	3.5				137	Mauritania .....	2.6			
64	Russian Federation .....	3.5				138	Kyrgyz Republic .....	2.6			
65	Gambia, The .....	3.5				139	Chad .....	2.6			
66	Latvia .....	3.5				140	Haiti .....	2.6			
67	Brunei Darussalam .....	3.5				141	Ethiopia .....	2.6			
68	Liberia .....	3.5				142	Yemen .....	2.6			
69	Jordan .....	3.5				143	Libya .....	2.5			
70	Bolivia .....	3.5				144	Gabon .....	2.5			
71	Cambodia .....	3.5				145	Guinea .....	2.5			
72	Mauritius .....	3.5				146	Angola .....	2.5			
73	Madagascar .....	3.5				147	Algeria .....	2.3			
74	Kazakhstan .....	3.5				148	Burundi .....	2.2			

SOURCE: World Economic Forum, Executive Opinion Survey



## 12.02 Quality of scientific research institutions

In your country, how would 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.8	7
1	Israel	6.4				75	Pakistan	3.6			
2	Switzerland	6.3				76	Senegal	3.6			
3	United Kingdom	6.2				77	Uganda	3.6			
4	Belgium	6.0				78	Azerbaijan	3.6			
5	United States	6.0				79	Seychelles	3.6			
6	Germany	5.8				80	Gambia, The	3.5			
7	Netherlands	5.8				81	Brunei Darussalam	3.5			
8	Australia	5.7				82	Namibia	3.5			
9	Japan	5.7				83	Guyana	3.5			
10	Finland	5.7				84	Côte d'Ivoire	3.4			
11	Singapore	5.6				85	Ecuador	3.4			
12	Qatar	5.6				86	Macedonia, FYR	3.4			
13	France	5.6				87	Mali	3.4			
14	Ireland	5.6				88	Zambia	3.4			
15	Sweden	5.5				89	Vietnam	3.4			
16	Canada	5.5				90	Tanzania	3.4			
17	Denmark	5.3				91	Philippines	3.4			
18	New Zealand	5.3				92	Mauritius	3.4			
19	Taiwan, China	5.2				93	Cameroon	3.3			
20	Portugal	5.2				94	Tunisia	3.3			
21	Hungary	5.2				95	Colombia	3.3			
22	Norway	5.1				96	Burkina Faso	3.3			
23	Austria	5.0				97	Bolivia	3.3			
24	Korea, Rep.	4.9				98	Botswana	3.3			
25	Estonia	4.9				99	Mongolia	3.3			
26	Czech Republic	4.9				100	Trinidad and Tobago	3.3			
27	Malaysia	4.9				101	Cambodia	3.2			
28	Iceland	4.9				102	Kazakhstan	3.2			
29	Slovenia	4.9				103	Morocco	3.2			
30	Luxembourg	4.9				104	Malawi	3.2			
31	Hong Kong SAR	4.9				105	Madagascar	3.2			
32	Lithuania	4.8				106	Armenia	3.1			
33	Costa Rica	4.8				107	Guatemala	3.1			
34	United Arab Emirates	4.8				108	Ethiopia	3.1			
35	South Africa	4.8				109	Zimbabwe	3.1			
36	Spain	4.6				110	Kuwait	3.1			
37	India	4.5				111	Nigeria	3.1			
38	Puerto Rico	4.5				112	Nicaragua	3.1			
39	Saudi Arabia	4.5				113	Gabon	3.0			
40	Italy	4.4				114	Bahrain	3.0			
41	China	4.3				115	Cape Verde	3.0			
42	Brazil	4.3				116	El Salvador	3.0			
43	Iran, Islamic Rep.	4.2				117	Swaziland	2.9			
44	Panama	4.2				118	Benin	2.9			
45	Barbados	4.2				119	Peru	2.9			
46	Indonesia	4.1				120	Honduras	2.8			
47	Chile	4.1				121	Albania	2.8			
48	Jamaica	4.1				122	Liberia	2.8			
49	Argentina	4.0				123	Mozambique	2.8			
50	Cyprus	4.0				124	Georgia	2.8			
51	Kenya	4.0				125	Venezuela	2.7			
52	Croatia	4.0				126	Dominican Republic	2.7			
53	Sri Lanka	4.0				127	Egypt	2.7			
54	Mexico	4.0				128	Suriname	2.6			
55	Poland	4.0				129	Lebanon	2.6			
56	Montenegro	4.0				130	Bangladesh	2.6			
57	Malta	4.0				131	Bhutan	2.6			
58	Latvia	3.9				132	Moldova	2.6			
59	Bosnia and Herzegovina	3.9				133	Algeria	2.5			
60	Thailand	3.8				134	Mauritania	2.5			
61	Ghana	3.8				135	Sierra Leone	2.5			
62	Jordan	3.8				136	Lesotho	2.4			
63	Turkey	3.7				137	Nepal	2.4			
64	Romania	3.7				138	Burundi	2.4			
65	Russian Federation	3.7				139	Kyrgyz Republic	2.3			
66	Serbia	3.7				140	Guinea	2.3			
67	Rwanda	3.7				141	Timor-Leste	2.3			
68	Bulgaria	3.6				142	Chad	2.2			
69	Ukraine	3.6				143	Myanmar	2.2			
70	Slovak Republic	3.6				144	Libya	2.1			
71	Oman	3.6				145	Haiti	2.1			
72	Greece	3.6				146	Angola	2.1			
73	Uruguay	3.6				147	Paraguay	2.0			
74	Lao PDR	3.6				148	Yemen	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey

## 12.03 Company spending on R&D

In your country, to what extent do companies spend on research and development (R&D)? [1 = do not spend on R&D; 7 = spend heavily on R&D] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.3	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.3	7
1	Switzerland	6.0				75	Pakistan	3.1			
2	Japan	5.7				76	Guatemala	3.1			
3	Finland	5.6				77	Kazakhstan	3.0			
4	Germany	5.5				78	Barbados	3.0			
5	United States	5.4				79	Mauritania	3.0			
6	Israel	5.4				80	Namibia	3.0			
7	Sweden	5.3				81	Rwanda	3.0			
8	Singapore	5.0				82	Albania	3.0			
9	Qatar	4.9				83	Nicaragua	3.0			
10	Denmark	4.8				84	Swaziland	3.0			
11	Taiwan, China	4.8				85	Senegal	3.0			
12	United Kingdom	4.7				86	Bosnia and Herzegovina	3.0			
13	Luxembourg	4.7				87	Jamaica	2.9			
14	Austria	4.7				88	Gambia, The	2.9			
15	France	4.7				89	Cameroon	2.9			
16	Belgium	4.6				90	Jordan	2.9			
17	Malaysia	4.6				91	Macedonia, FYR	2.9			
18	Netherlands	4.6				92	Botswana	2.9			
19	Norway	4.6				93	Nigeria	2.9			
20	Korea, Rep.	4.6				94	Slovak Republic	2.9			
21	Ireland	4.5				95	Liberia	2.9			
22	China	4.2				96	Dominican Republic	2.9			
23	Indonesia	4.1				97	Mali	2.9			
24	United Arab Emirates	4.1				98	Honduras	2.9			
25	Hong Kong SAR	4.0				99	Bahrain	2.9			
26	Panama	3.9				100	Mongolia	2.8			
27	Saudi Arabia	3.9				101	Tunisia	2.8			
28	Kenya	3.8				102	Uganda	2.8			
29	Canada	3.8				103	Poland	2.8			
30	Australia	3.8				104	Romania	2.8			
31	Guyana	3.8				105	Argentina	2.8			
32	Czech Republic	3.8				106	Bhutan	2.8			
33	Lao PDR	3.7				107	Bulgaria	2.8			
34	New Zealand	3.7				108	Hungary	2.8			
35	Iceland	3.7				109	Armenia	2.8			
36	Ecuador	3.6				110	Iran, Islamic Rep.	2.7			
37	Brazil	3.6				111	Paraguay	2.7			
38	Italy	3.6				112	Ukraine	2.7			
39	India	3.6				113	Malawi	2.7			
40	Puerto Rico	3.5				114	Suriname	2.7			
41	Costa Rica	3.5				115	Nepal	2.7			
42	El Salvador	3.5				116	Côte d'Ivoire	2.7			
43	South Africa	3.5				117	Trinidad and Tobago	2.7			
44	Bolivia	3.5				118	Benin	2.7			
45	Estonia	3.5				119	Chad	2.6			
46	Zambia	3.5				120	Burkina Faso	2.6			
47	Oman	3.5				121	Cape Verde	2.6			
48	Portugal	3.5				122	Greece	2.6			
49	Malta	3.4				123	Egypt	2.5			
50	Spain	3.4				124	Peru	2.5			
51	Philippines	3.4				125	Morocco	2.5			
52	Sri Lanka	3.3				126	Kuwait	2.5			
53	Seychelles	3.3				127	Serbia	2.5			
54	Montenegro	3.3				128	Georgia	2.5			
55	Tanzania	3.3				129	Venezuela	2.5			
56	Azerbaijan	3.3				130	Mozambique	2.4			
57	Cambodia	3.2				131	Lesotho	2.4			
58	Chile	3.2				132	Guinea	2.4			
59	Vietnam	3.2				133	Zimbabwe	2.4			
60	Thailand	3.2				134	Bangladesh	2.4			
61	Mexico	3.2				135	Timor-Leste	2.4			
62	Slovenia	3.2				136	Lebanon	2.4			
63	Lithuania	3.1				137	Sierra Leone	2.3			
64	Mauritius	3.1				138	Gabon	2.3			
65	Croatia	3.1				139	Burundi	2.2			
66	Ghana	3.1				140	Myanmar	2.2			
67	Brunei Darussalam	3.1				141	Ethiopia	2.2			
68	Turkey	3.1				142	Moldova	2.1			
69	Russian Federation	3.1				143	Haiti	2.1			
70	Latvia	3.1				144	Kyrgyz Republic	2.1			
71	Madagascar	3.1				145	Angola	2.0			
72	Uruguay	3.1				146	Libya	2.0			
73	Colombia	3.1				147	Algeria	2.0			
74	Cyprus	3.1				148	Yemen	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.7	7
1	Switzerland	5.8				75	Ethiopia	3.5			
2	Finland	5.8				76	Croatia	3.5			
3	United States	5.7				77	Ukraine	3.4			
4	Singapore	5.6				78	Ghana	3.4			
5	United Kingdom	5.6				79	Kazakhstan	3.4			
6	Belgium	5.5				80	Seychelles	3.4			
7	Qatar	5.5				81	Macedonia, FYR	3.4			
8	Israel	5.4				82	Venezuela	3.4			
9	Germany	5.4				83	Lao PDR	3.4			
10	Sweden	5.3				84	Azerbaijan	3.4			
11	Taiwan, China	5.3				85	Jordan	3.4			
12	Netherlands	5.3				86	Honduras	3.3			
13	Ireland	5.2				87	Vietnam	3.3			
14	Norway	5.1				88	Romania	3.3			
15	Australia	5.1				89	Nicaragua	3.3			
16	Malaysia	5.0				90	Iran, Islamic Rep.	3.3			
17	Japan	5.0				91	Dominican Republic	3.3			
18	Canada	4.9				92	Nigeria	3.3			
19	Luxembourg	4.9				93	Slovak Republic	3.3			
20	New Zealand	4.9				94	Mauritius	3.3			
21	Hong Kong SAR	4.9				95	Mozambique	3.3			
22	Denmark	4.8				96	Madagascar	3.3			
23	Austria	4.8				97	El Salvador	3.2			
24	United Arab Emirates	4.8				98	Pakistan	3.2			
25	Iceland	4.8				99	Burkina Faso	3.2			
26	Korea, Rep.	4.7				100	Senegal	3.2			
27	Portugal	4.6				101	Botswana	3.2			
28	Lithuania	4.6				102	Trinidad and Tobago	3.2			
29	South Africa	4.5				103	Cape Verde	3.2			
30	Indonesia	4.5				104	Serbia	3.2			
31	Saudi Arabia	4.5				105	Cambodia	3.2			
32	France	4.5				106	Swaziland	3.2			
33	China	4.4				107	Armenia	3.2			
34	Costa Rica	4.4				108	Suriname	3.2			
35	Czech Republic	4.4				109	Peru	3.1			
36	Estonia	4.4				110	Lebanon	3.1			
37	Bosnia and Herzegovina	4.3				111	Malawi	3.1			
38	Kenya	4.3				112	Zimbabwe	3.1			
39	Barbados	4.3				113	Tunisia	3.1			
40	Chile	4.3				114	Mongolia	3.0			
41	Hungary	4.3				115	Cameroon	3.0			
42	Panama	4.2				116	Morocco	3.0			
43	Puerto Rico	4.2				117	Bulgaria	3.0			
44	Mexico	4.1				118	Sri Lanka	3.0			
45	Oman	4.0				119	Greece	3.0			
46	Montenegro	4.0				120	Kuwait	3.0			
47	India	4.0				121	Bahrain	2.9			
48	Spain	4.0				122	Liberia	2.9			
49	Brazil	4.0				123	Mali	2.9			
50	Ecuador	3.9				124	Côte d'Ivoire	2.8			
51	Thailand	3.9				125	Timor-Leste	2.8			
52	Turkey	3.9				126	Paraguay	2.8			
53	Colombia	3.8				127	Nepal	2.8			
54	Cyprus	3.8				128	Lesotho	2.7			
55	Malta	3.8				129	Moldova	2.7			
56	Slovenia	3.8				130	Bhutan	2.7			
57	Guatemala	3.8				131	Benin	2.7			
58	Uganda	3.7				132	Georgia	2.7			
59	Italy	3.7				133	Egypt	2.6			
60	Rwanda	3.7				134	Bangladesh	2.6			
61	Argentina	3.7				135	Albania	2.6			
62	Guyana	3.7				136	Burundi	2.5			
63	Gambia, The	3.7				137	Sierra Leone	2.5			
64	Russian Federation	3.6				138	Chad	2.5			
65	Brunei Darussalam	3.6				139	Gabon	2.3			
66	Uruguay	3.6				140	Mauritania	2.3			
67	Latvia	3.6				141	Haiti	2.2			
68	Jamaica	3.6				142	Kyrgyz Republic	2.2			
69	Philippines	3.6				143	Guinea	2.2			
70	Zambia	3.5				144	Angola	2.2			
71	Bolivia	3.5				145	Yemen	2.1			
72	Poland	3.5				146	Algeria	2.1			
73	Namibia	3.5				147	Myanmar	2.1			
74	Tanzania	3.5				148	Libya	2.0			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 3.5	7
1	Qatar .....	5.6				75	Mauritius .....	3.5			
2	Singapore .....	5.1				76	Tanzania .....	3.5			
3	United Arab Emirates .....	5.1				77	Nigeria .....	3.4			
4	Malaysia .....	4.8				78	Nicaragua .....	3.4			
5	Rwanda .....	4.7				79	Kenya .....	3.4			
6	Saudi Arabia .....	4.6				80	Dominican Republic .....	3.4			
7	Panama .....	4.5				81	Macedonia, FYR .....	3.4			
8	Taiwan, China .....	4.5				82	Puerto Rico .....	3.4			
9	Israel .....	4.5				83	Malawi .....	3.4			
10	Brunei Darussalam .....	4.5				84	Sierra Leone .....	3.4			
11	Luxembourg .....	4.4				85	Philippines .....	3.4			
12	Oman .....	4.4				86	Madagascar .....	3.4			
13	China .....	4.4				87	Denmark .....	3.4			
14	Azerbaijan .....	4.4				88	Timor-Leste .....	3.4			
15	United States .....	4.3				89	Bosnia and Herzegovina .....	3.4			
16	Sri Lanka .....	4.3				90	Bulgaria .....	3.3			
17	Germany .....	4.3				91	Gabon .....	3.3			
18	Gambia, The .....	4.2				92	India .....	3.3			
19	Hong Kong SAR .....	4.2				93	Uruguay .....	3.2			
20	Norway .....	4.2				94	Burkina Faso .....	3.2			
21	Finland .....	4.2				95	Mozambique .....	3.2			
22	Sweden .....	4.2				96	Morocco .....	3.2			
23	Turkey .....	4.1				97	Namibia .....	3.2			
24	Bahrain .....	4.1				98	Peru .....	3.2			
25	Indonesia .....	4.1				99	Romania .....	3.2			
26	Netherlands .....	4.1				100	Benin .....	3.2			
27	Chile .....	4.0				101	Latvia .....	3.2			
28	Zambia .....	4.0				102	Spain .....	3.2			
29	Ecuador .....	4.0				103	Poland .....	3.1			
30	Vietnam .....	4.0				104	Mauritania .....	3.1			
31	Korea, Rep. ....	4.0				105	Thailand .....	3.1			
32	Montenegro .....	3.9				106	Mongolia .....	3.1			
33	Seychelles .....	3.9				107	Swaziland .....	3.1			
34	Estonia .....	3.9				108	Russian Federation .....	3.1			
35	Malta .....	3.9				109	Lithuania .....	3.0			
36	Switzerland .....	3.9				110	Pakistan .....	3.0			
37	Japan .....	3.9				111	Armenia .....	3.0			
38	Cameroon .....	3.9				112	Guinea .....	3.0			
39	Guyana .....	3.8				113	Guatemala .....	3.0			
40	Liberia .....	3.8				114	Hungary .....	3.0			
41	Cape Verde .....	3.8				115	Tunisia .....	3.0			
42	Senegal .....	3.8				116	Egypt .....	3.0			
43	Côte d'Ivoire .....	3.8				117	Suriname .....	3.0			
44	Lao PDR .....	3.7				118	Ukraine .....	3.0			
45	Belgium .....	3.7				119	South Africa .....	2.9			
46	Cambodia .....	3.7				120	Kuwait .....	2.9			
47	Austria .....	3.7				121	Slovenia .....	2.9			
48	Bhutan .....	3.7				122	Paraguay .....	2.9			
49	Colombia .....	3.7				123	Serbia .....	2.8			
50	Portugal .....	3.7				124	Czech Republic .....	2.8			
51	Jordan .....	3.7				125	Honduras .....	2.8			
52	Albania .....	3.7				126	Chad .....	2.8			
53	Iceland .....	3.7				127	Algeria .....	2.7			
54	Barbados .....	3.6				128	Jamaica .....	2.7			
55	Canada .....	3.6				129	Italy .....	2.7			
56	United Kingdom .....	3.6				130	Trinidad and Tobago .....	2.7			
57	Australia .....	3.6				131	Lesotho .....	2.7			
58	Kazakhstan .....	3.6				132	Nepal .....	2.7			
59	Mali .....	3.6				133	Angola .....	2.6			
60	France .....	3.6				134	Slovak Republic .....	2.6			
61	Ethiopia .....	3.6				135	Haiti .....	2.6			
62	Georgia .....	3.6				136	Croatia .....	2.6			
63	Mexico .....	3.6				137	Zimbabwe .....	2.6			
64	Ghana .....	3.6				138	Burundi .....	2.6			
65	New Zealand .....	3.6				139	Moldova .....	2.5			
66	Costa Rica .....	3.5				140	Argentina .....	2.5			
67	Botswana .....	3.5				141	Greece .....	2.4			
68	Uganda .....	3.5				142	Bangladesh .....	2.4			
69	Brazil .....	3.5				143	Libya .....	2.3			
70	Ireland .....	3.5				144	Kyrgyz Republic .....	2.3			
71	El Salvador .....	3.5				145	Myanmar .....	2.2			
72	Cyprus .....	3.5				146	Lebanon .....	2.2			
73	Iran, Islamic Rep. ....	3.5				147	Yemen .....	2.1			
74	Bolivia .....	3.5				148	Venezuela .....	1.9			

SOURCE: World Economic Forum, Executive Opinion Survey

## 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] | 2012–13 weighted average

RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7	RANK	COUNTRY/ECONOMY	VALUE	1	MEAN 4.0	7
1	Finland.....	6.3				75	Ghana.....	4.0			
2	Qatar.....	5.6				76	Croatia.....	4.0			
3	Puerto Rico.....	5.6				77	Mexico.....	4.0			
4	Japan.....	5.5				78	Montenegro.....	4.0			
5	Greece.....	5.4				79	Kuwait.....	4.0			
6	United States.....	5.3				80	Nigeria.....	4.0			
7	Jordan.....	5.3				81	Rwanda.....	3.9			
8	Israel.....	5.3				82	Slovak Republic.....	3.9			
9	Canada.....	5.2				83	Argentina.....	3.9			
10	Sweden.....	5.2				84	Panama.....	3.9			
11	Spain.....	5.2				85	Serbia.....	3.9			
12	Taiwan, China.....	5.2				86	Brunei Darussalam.....	3.8			
13	United Arab Emirates.....	5.1				87	Philippines.....	3.8			
14	Singapore.....	5.0				88	Vietnam.....	3.8			
15	India.....	5.0				89	Slovenia.....	3.8			
16	Portugal.....	5.0				90	Russian Federation.....	3.8			
17	Germany.....	4.9				91	Bangladesh.....	3.8			
18	Switzerland.....	4.9				92	Macedonia, FYR.....	3.8			
19	Malaysia.....	4.9				93	Bolivia.....	3.8			
20	Ireland.....	4.9				94	Guatemala.....	3.7			
21	Costa Rica.....	4.8				95	Estonia.....	3.7			
22	Tunisia.....	4.8				96	Bulgaria.....	3.7			
23	United Kingdom.....	4.8				97	Colombia.....	3.7			
24	France.....	4.8				98	Kazakhstan.....	3.6			
25	Chile.....	4.7				99	Romania.....	3.6			
26	Sri Lanka.....	4.7				100	Uganda.....	3.6			
27	Bosnia and Herzegovina.....	4.7				101	Malawi.....	3.6			
28	Iceland.....	4.7				102	Mauritius.....	3.6			
29	Italy.....	4.7				103	Jamaica.....	3.6			
30	Belgium.....	4.6				104	Nicaragua.....	3.6			
31	Saudi Arabia.....	4.6				105	Latvia.....	3.5			
32	Hong Kong SAR.....	4.6				106	Albania.....	3.5			
33	Korea, Rep.....	4.6				107	Tanzania.....	3.5			
34	Australia.....	4.6				108	South Africa.....	3.5			
35	Lebanon.....	4.6				109	Zimbabwe.....	3.5			
36	Denmark.....	4.6				110	Cambodia.....	3.4			
37	Iran, Islamic Rep.....	4.6				111	Guinea.....	3.4			
38	Côte d'Ivoire.....	4.5				112	Brazil.....	3.4			
39	Morocco.....	4.5				113	Peru.....	3.4			
40	Indonesia.....	4.5				114	Nepal.....	3.4			
41	Netherlands.....	4.5				115	Burkina Faso.....	3.4			
42	Malta.....	4.5				116	Uruguay.....	3.3			
43	Cyprus.....	4.5				117	Libya.....	3.3			
44	China.....	4.5				118	Chad.....	3.3			
45	Norway.....	4.5				119	Burundi.....	3.3			
46	Ukraine.....	4.5				120	Botswana.....	3.3			
47	Austria.....	4.4				121	Venezuela.....	3.3			
48	Trinidad and Tobago.....	4.4				122	Cape Verde.....	3.3			
49	Azerbaijan.....	4.4				123	Suriname.....	3.3			
50	Senegal.....	4.4				124	El Salvador.....	3.3			
51	Cameroon.....	4.4				125	Dominican Republic.....	3.2			
52	Pakistan.....	4.4				126	Georgia.....	3.2			
53	Turkey.....	4.4				127	Gambia, The.....	3.2			
54	Egypt.....	4.4				128	Honduras.....	3.2			
55	Madagascar.....	4.4				129	Myanmar.....	3.1			
56	Thailand.....	4.4				130	Yemen.....	3.1			
57	Kenya.....	4.3				131	Moldova.....	3.1			
58	New Zealand.....	4.3				132	Gabon.....	3.0			
59	Benin.....	4.3				133	Haiti.....	3.0			
60	Hungary.....	4.3				134	Seychelles.....	3.0			
61	Lithuania.....	4.3				135	Lao PDR.....	3.0			
62	Luxembourg.....	4.3				136	Ethiopia.....	3.0			
63	Barbados.....	4.3				137	Sierra Leone.....	3.0			
64	Czech Republic.....	4.2				138	Bhutan.....	3.0			
65	Mali.....	4.2				139	Mauritania.....	2.9			
66	Poland.....	4.2				140	Namibia.....	2.9			
67	Zambia.....	4.2				141	Lesotho.....	2.9			
68	Algeria.....	4.1				142	Liberia.....	2.8			
69	Bahrain.....	4.1				143	Mozambique.....	2.8			
70	Mongolia.....	4.1				144	Swaziland.....	2.8			
71	Guyana.....	4.1				145	Paraguay.....	2.8			
72	Oman.....	4.1				146	Kyrgyz Republic.....	2.8			
73	Ecuador.....	4.1				147	Timor-Leste.....	2.6			
74	Armenia.....	4.0				148	Angola.....	2.5			

SOURCE: World Economic Forum, Executive Opinion Survey

## 12.07 PCT patent applications

Number of applications filed under the Patent Cooperation Treaty (PCT) per million population | 2009–10 average

RANK	COUNTRY/ECONOMY	VALUE		RANK	COUNTRY/ECONOMY	VALUE
1	Sweden .....	302.7		75	Sri Lanka .....	0.6
2	Switzerland .....	290.1		76	Jamaica .....	0.6
3	Finland .....	283.8		77	Morocco .....	0.6
4	Japan .....	258.4		78	Panama .....	0.5
5	Israel .....	218.8		79	Azerbaijan .....	0.4
6	Germany .....	214.6		80	Bhutan .....	0.4
7	Denmark .....	203.3		81	Moldova .....	0.4
8	Netherlands .....	184.7		82	Libya .....	0.4
9	Korea, Rep. ....	183.4		83	Dominican Republic .....	0.3
10	Austria .....	157.7		84	Philippines .....	0.3
11	Norway .....	149.7		85	Peru .....	0.2
12	United States .....	141.1		86	Kuwait .....	0.2
13	Singapore .....	124.4		87	Jordan .....	0.2
14	Belgium .....	109.6		88	Venezuela .....	0.2
15	France .....	109.2		89	Cameroon .....	0.2
16	Luxembourg .....	101.4		90	Gabon .....	0.2
17	Iceland .....	95.9		91	Albania .....	0.2
18	United Kingdom .....	90.6		92	Vietnam .....	0.1
19	Australia .....	81.7		93	Guatemala .....	0.1
20	Canada .....	81.3		94	Kyrgyz Republic .....	0.1
21	Ireland .....	79.4		95	Paraguay .....	0.1
22	New Zealand .....	74.2		96	Kenya .....	0.1
23	Slovenia .....	63.1		97	Ecuador .....	0.1
24	Italy .....	51.6		98	Zimbabwe .....	0.1
25	Spain .....	39.2		99	Algeria .....	0.1
26	Estonia .....	35.2		100	Bolivia .....	0.1
27	Seychelles .....	31.8		101	Sierra Leone .....	0.1
28	Hungary .....	23.3		102	El Salvador .....	0.1
29	Czech Republic .....	15.3		103	Indonesia .....	0.1
30	Portugal .....	12.7		104	Namibia .....	0.1
31	Malaysia .....	12.1		105	Mauritius .....	0.1
32	Barbados .....	11.3		106	Mongolia .....	0.1
33	Croatia .....	10.2		107	Iran, Islamic Rep. ....	0.1
34	Latvia .....	10.0		108	Botswana .....	0.0
35	Malta .....	9.9		109	Chad .....	0.0
36	China .....	9.2		110	Yemen .....	0.0
37	Greece .....	8.8		111	Senegal .....	0.0
38	Cyprus .....	8.1		112	Benin .....	0.0
39	Slovak Republic .....	7.3		113	Côte d'Ivoire .....	0.0
40	Poland .....	6.9		114	Madagascar .....	0.0
41	Turkey .....	6.6		115	Burkina Faso .....	0.0
42	South Africa .....	6.2		116	Pakistan .....	0.0
43	Russian Federation .....	6.1		117	Ghana .....	0.0
44	Chile .....	5.7		118	Tanzania .....	0.0
45	Lithuania .....	4.7		119	Angola .....	0.0
46	United Arab Emirates .....	4.2		120	Bangladesh .....	0.0
47	Bulgaria .....	3.7		121	Nigeria .....	0.0
48	Saudi Arabia .....	3.3		122	Malawi .....	0.0
49	Montenegro .....	3.2		123	Nepal .....	0.0
50	Brunei Darussalam .....	3.1		124	Uganda .....	0.0
51	Brazil .....	2.9		125	Ethiopia .....	0.0
52	Ukraine .....	2.9		126	Burundi .....	0.0
53	Serbia .....	2.8		126	Cambodia .....	0.0
54	Bosnia and Herzegovina .....	2.0		126	Cape Verde .....	0.0
55	Romania .....	2.0		126	Gambia, The .....	0.0
56	Bahrain .....	1.9		126	Guinea .....	0.0
57	Mexico .....	1.7		126	Guyana .....	0.0
58	Armenia .....	1.7		126	Haiti .....	0.0
59	Costa Rica .....	1.7		126	Honduras .....	0.0
60	Qatar .....	1.6		126	Lao PDR .....	0.0
61	Lebanon .....	1.4		126	Lesotho .....	0.0
62	Georgia .....	1.4		126	Liberia .....	0.0
63	Trinidad and Tobago .....	1.4		126	Mali .....	0.0
64	India .....	1.4		126	Mauritania .....	0.0
65	Oman .....	1.3		126	Mozambique .....	0.0
66	Argentina .....	1.2		126	Myanmar .....	0.0
67	Kazakhstan .....	1.2		126	Nicaragua .....	0.0
68	Tunisia .....	1.1		126	Rwanda .....	0.0
69	Uruguay .....	1.1		126	Swaziland .....	0.0
70	Colombia .....	1.1		126	Timor-Leste .....	0.0
71	Thailand .....	1.0		126	Zambia .....	0.0
72	Macedonia, FYR .....	0.7		n/a	Hong Kong SAR .....	n/a
73	Suriname .....	0.7		n/a	Puerto Rico .....	n/a
74	Egypt .....	0.6		n/a	Taiwan, China .....	n/a

**SOURCE:** Organisation for Economic Co-operation and Development (OECD), *Patent Database*, as of June 2013; World Bank, *World Development Indicators Online* (retrieved April 21, 2013); Authors' calculations. For more details, refer to the section "Technical Notes and Sources."



## Technical Notes and Sources

This section complements the data tables by providing additional information for those indicators that are not derived from the World Economic Forum's Executive Opinion Survey. The number next to the indicator corresponds to the number of the data table that shows the ranks and scores for all countries/economies on this particular indicator. Indicators in Pillars 1 through 12 enter the composition of the Global Competitiveness Index 2013–2014. The data used in this *Report* represent the best available estimates at the time the *Report* was prepared. It is possible that some data will have been updated or revised after publication.

We acknowledge all the organizations that provide us with data listed below. A special thanks goes to Andrea Navares Juanco and Julie Perovic from the International Air Transport Association; Kerfalla Conte, Mondher Mimouni, and Xavier Pichot from the International Trade Centre; H  l  ne Dernis from the Organisation for Economic Co-operation and Development, and Richard E. Cibulskis and Ryan O'Neil Williams from the World Health Organization.

## Key indicators

## 0.01 Gross domestic product

Gross domestic product in billions of current US dollars | 2012

Sources: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## 0.02 Population

Total population in millions | 2011

Sources: The World Bank, *World Development Indicators* (April 2013 edition); national sources

## 0.03 GDP per capita

Gross domestic product per capita in current US dollars | 2012

Sources: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## 0.04 GDP as a share of world GDP

Gross domestic product based on purchasing power parity as a percentage of world GDP | 2012

Sources: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## Pillar 1: Institutions

### 1.21 Strength of investor protection

Strength of Investor Protection Index on a 0-10 (best) scale | 2012

This indicator 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 2013: Smarter Regulations for Small and Medium-Size Enterprises*

## Pillar 2: Infrastructure

## 2.06 Available airline seat kilometers

Scheduled available airline seat kilometers per week originating in country (in millions) | Jan 2013–Jul 2013

This indicator measures the total passenger-carrying capacity of all scheduled flights, including domestic flights, originating in a country. It is computed by taking the number of seats available on each flight multiplied by the flight distance in kilometers, summing the result across all scheduled flights in a week during January (winter schedule) and July (summer schedule) 2013, and taking the average capacity of the two weeks.

Source: International Air Transport Association. SBS Analyser

## 2.08 Mobile telephone subscriptions

Number of mobile telephone subscriptions per 100 population  
| 2012

A *mobile telephone subscription* refers to a subscription to a public mobile telephone service that provides access to the public switched telephone network (PSTN) using cellular technology, including the number of pre-paid SIM cards active during the past three months. This includes both analog and digital cellular systems (IMT-2000, Third Generation, 3G) and 4G subscriptions, but excludes mobile broadband subscriptions via data cards or USB modems. Subscriptions to public mobile data services, private trunked mobile radio, telepoint or radio paging, and telemetry services are also excluded. It includes all mobile cellular subscriptions that offer voice communications.

Source: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2013* (June 2013 edition)

## 2.09 Fixed telephone lines

### Number of active fixed telephone lines per 100 population | 2012

A *fixed telephone line* is an active line connecting the subscriber's terminal equipment to the public switched telephone network (PSTN) that has a dedicated port in the telephone exchange equipment. Active lines are those that have registered an activity in the past three months.

Source: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2013* (June 2013 edition)

## Pillar 3: Macroeconomic environment

### 3.01 Government budget balance

#### General government budget balance as a percentage of GDP | 2012

Net lending (+)/borrowing (–) 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.

Sources: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

### 3.02 Gross national savings

#### Gross national savings as a percentage of GDP | 2012

*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 2013 edition); national sources

### 3.03 Inflation

#### Annual percent change in consumer price index (year average) | 2012

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.

Source: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition)

### 3.04 Government debt

#### Gross general government debt as a percentage of GDP | 2012

*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 2013 edition) and *Public Information Notices* (various issues); national sources

### 3.05 Country credit rating

#### Institutional Investor's Country Credit Ratings™ based on expert assessment of the probability of sovereign debt default on a 0–100 (lowest probability) scale | March 2013

Institutional Investor's Country Credit Ratings™ 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. No further copying or transmission of the Country Credit Ratings data is allowed without the express written permission of Institutional Investor. Contact publisher@institutionalinvestor.com for any further information.

Source: Institutional Investor.

## Pillar 4: Health and basic education

### 4.02 Malaria incidence

#### Number of malaria cases per 100,000 population | 2010

Data are estimates and are provided only for economies in which malaria is considered to be endemic. In the corresponding data table, "(NE)" denotes an economy where malaria is not endemic. For an explanation of the way this indicator is combined with the related Survey question to estimate the impact of malaria, refer to the appendix in Chapter 1.1 of this *Report*.

Source: The World Health Organization, *World Malaria Report 2012*

### 4.04 Tuberculosis incidence

#### Number of tuberculosis cases per 100,000 population | 2011

Incidence of tuberculosis is the estimated number of new pulmonary, smear positive, and extra-pulmonary tuberculosis cases. For an explanation of the way this indicator is combined with the related Survey question to estimate the impact of tuberculosis, refer to the appendix in Chapter 1.1 of this *Report*.

Sources: The World Bank, *World Development Indicators* (April 2013 edition); national sources

### 4.06 HIV prevalence

#### HIV prevalence as a percentage of adults aged 15–49 years | 2011

*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. For an explanation of the way this indicator is combined with the related Survey question to estimate the impact of HIV/AIDS, refer to the appendix in Chapter 1.1 of this *Report*.

Sources: The World Bank, *World Development Indicators* (April 2013 edition); UNAIDS, *Global Report on the Global AIDS Epidemic* (2008 edition); national sources

**4.07 Infant mortality****Infant (children aged 0–12 months) mortality per 1,000 live births | 2011**

*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* (April 2013 edition); national sources

**4.08 Life expectancy****Life expectancy at birth (years) | 2011**

*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* (April 2013 edition); national sources

**4.10 Primary education enrollment rate****Net primary education enrollment rate | 2011**

The reported value corresponds to the ratio of children of official school age (as defined by the national education system) who are enrolled in school to the population of the corresponding official school age. 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 (accessed June 21, 2013); The Asian Development Bank, *Key Indicators for Asia and the Pacific 2012*; The World Bank, *EdStats Database* (accessed June 27, 2012); Organisation for Economic Co-operation and Development (OECD), *UNICEF Education at a Glance 2011*; UNESCO Country Programming Document; national sources

**Pillar 5: Higher education and training****5.01 Secondary education enrollment rate****Gross secondary education enrollment rate | 2011**

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 (accessed June 21, 2013, and April 21, 2013); ChildInfo.org Country Profiles; national sources

**5.02 Tertiary education enrollment rate****Gross tertiary education enrollment rate | 2011**

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 (accessed June 21, 2013); national sources

**Pillar 6: Goods market efficiency****6.05 Total tax rate****This indicator is a combination of profit tax (% of profits), labor tax and contributions (% of profits), and other taxes (% of profits) | 2012**

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, please visit <http://www.doingbusiness.org/methodologysurveys/>.

Source: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*

**6.06 Number of procedures required to start a business****Number of procedures required to start a business | 2012**

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 2013: Smarter Regulations for Small and Medium-Size Enterprises*

**6.07 Time required to start a business****Number of days required to start a business | 2012**

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 2013: Smarter Regulations for Small and Medium-Size Enterprises*

**6.10 Trade tariffs****Trade-weighted average tariff rate | 2012**

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 (2011 data). An *applied tariff* is a customs duty that is levied on imports of merchandise goods.

Source: International Trade Centre

**6.14 Imports as a percentage of GDP****Imports of goods and services as a percentage of gross domestic product | 2012**

*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 June 12, 2013); International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## Pillar 7: Labor market efficiency

### 7.04 Redundancy costs

#### Redundancy costs in weeks of salary | 2012

This indicator 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 2013: Smarter Regulations for Small and Medium-Size Enterprises*; authors' calculations

### 7.10 Female participation in labor force

#### Ratio of women to men in the labor force\* | 2010

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* (accessed June 27, 2013); national sources

## Pillar 8: Financial market development

### 8.08 Legal rights index

#### Degree of legal protection of borrowers' and lenders' rights on a 0–10 (best) scale | 2012

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/>.

Sources: World Bank/International Finance Corporation, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*; authors' calculations

## Pillar 9: Technological readiness

### 9.04 Internet users

#### Percentage of individuals using the Internet | 2012

*Internet users* refers to people using the Internet from any device (including mobile phones) in the last 12 months. Data are based on surveys generally carried out by national statistical offices or estimated based on the number of Internet subscriptions.

Source: International Telecommunication Union, *World Telecommunication/ICT Indicators 2013* (June 2013 edition)

### 9.05 Fixed broadband Internet subscriptions

#### Fixed broadband Internet subscriptions per 100 population | 2012

This refers to total fixed (wired) broadband Internet subscriptions (that is, subscriptions to high-speed access to the public Internet—a TCP/IP connection—at downstream speeds equal to or greater than 256 kb/s).

Source: International Telecommunication Union, *World Telecommunication/ICT Indicators 2013* (June 2013 edition)

### 9.06 Internet bandwidth

#### International Internet bandwidth (kb/s) per Internet user | 2012

*International Internet bandwidth* is the sum of capacity of all Internet exchanges offering international bandwidth measured in kilobits per second (kb/s).

Source: International Telecommunication Union, *World Telecommunication/ICT Indicators 2013* (June 2013 edition)

### 9.07 Mobile broadband subscriptions

#### Mobile broadband subscriptions per 100 population | 2012

*Mobile broadband subscriptions* refers to active SIM cards or, on CDMA networks, connections accessing the Internet at consistent broadband speeds of over 512 kb/s, including cellular technologies such as HSPA, EV-DO, and above. This includes connections being used in any type of device able to access mobile broadband networks, including smartphones, USB modems, mobile hotspots, and other mobile-broadband connected devices.

Source: International Telecommunication Union, *ITU World Telecommunication/ICT Indicators Database 2013* (June 2013 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 | 2012

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. For more details, refer to the appendix in Chapter 1.1 of this *Report*.

Source: Authors' calculations.

### 10.02 Foreign market size index

#### Value of exports of goods and services, normalized on a 1–7 (best) scale | 2012

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. For more details, refer to the appendix in Chapter 1.1 of this *Report*.

Source: Authors' calculations

### 10.03 GDP (PPP)

#### Gross domestic product valued at purchasing power parity in billions of international dollars | 2012

Sources: International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

### 10.04 Exports as a percentage of GDP

#### Exports of goods and services as a percentage of gross domestic product | 2012

*Total exports* is the sum of total exports of merchandise and commercial services.

Sources: World Trade Organization, *Online Statistics Database* (accessed June 12, 2013); International Monetary Fund, *World Economic Outlook Database* (April 2013 edition); national sources

## Pillar 12: Innovation

### 12.07 PCT patent applications

#### Number of applications filed under the Patent Cooperation Treaty (PCT) per million population | 2009-2010

This indicator measures the total count of applications filed under the Patent Cooperation Treaty (PCT) by priority date and inventor nationality, using a fractional count if an application is filed by multiple inventors. The average count of applications filed in 2009 and 2010 is divided by population figures for 2010. For Taiwan (China) and Hong Kong SAR, two advanced economies, we use estimates in the absence of reliable data on PCT applications. First, we compute the average number of all patent applications filed with the United States Patents and Trademarks Office (USPTO) in 2009–10. We then compute the average number of PCT applications for 2009 and 2010, before computing the ratio of the two averages (1.56). Only economies with a two-year average number of at least 100 USPTO applications and 50 PCT are considered for the computation of the two averages, and Taiwan (China) and Hong Kong SAR are excluded. We then divide the average number of applications filed by residents of Taiwan and residents of Hong Kong at the USPTO in 2009 and 2010, respectively, by the ratio above in order to produce an estimate for PCT applications. As a final step, we compute the estimates per million population—that is, 537.5 for Taiwan (China) and 85.3 for Hong Kong SAR. The estimates are used to compute the respective Innovation pillar score of the two economies.

Sources: Organisation for Economic Co-operation and Development (OECD), *Patent Database*, as of June 2013; The World Bank, *World Development Indicators Online* (retrieved April 21, 2013); authors' calculations





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Paola Annoni is the Scientific Officer at the European Commission - Joint Research Centre. She conducts and coordinates methodological activity in the fields of socioeconomic indicators for policymaking and mathematical modeling for impact assessment. She has been involved in various international projects for the assessment of indexes such as the Web Index (World Wide Web Foundation), the Global Competitiveness Index (World Economic Forum), and the Ibrahim Index of African Governance (Mo Ibrahim Foundation and Kennedy School of Government). Her experience is in applied statistics, numerical modeling, sensitivity analysis, and partial order theory for multi-criteria analysis. She has an MSc in Physics and a PhD in Statistics.

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The World Economic Forum would like to thank the Africa Commission for providing invaluable support to this *Report*.



The Africa Commission was launched by the Prime Minister of Denmark in 2008 to help Africa benefit more from globalization. The Commission consisted of Heads of State and governments, politicians, experts, and representatives from international and regional organizations as well as the business community, civil society and the academic world. The majority of the Commissioners were from Africa, which reflected the Commission's overriding commitment to ensure African ownership of its recommendations and initiatives.

The Africa Commission presented its findings in the report *Realising the Potential of Africa's Youth*, which was published in May 2009. Drawing on existing analyses and best practices, the Africa Commission presented specific policy recommendations and launched five international initiatives aimed at creating jobs for young men and women in Africa through private sector-led growth and improved competitiveness of African economies. Special emphasis was given to creating decent jobs, fostering entrepreneurship, and providing greater opportunities through education, skills development and access to finance.





Over more than three decades, *The Global Competitiveness Report* series has evolved into the world's most comprehensive assessment of national competitiveness. This 34th edition is being released at a time when the global economy is undergoing significant shifts. The global financial crisis and the ensuing developments have heightened the role of emerging economies in the global economy. This has accelerated the major economic transformations already underway, which have fueled rapid growth and pulled millions of people out of poverty. Yet, although the global economy's prospects are more positive than they were when we released last year's *Report*, growth has begun to slow across many emerging economies, and advanced economies in Europe and elsewhere continue to struggle.

In the current context, policymakers must avoid complacency and press ahead with the structural reforms and critical investments required to ensure that their countries can continue to strive to provide rising prosperity and employment for their citizens. The current situation highlights how important it is for nations to recognize and strengthen the fundamentals of competitiveness as drivers for economic recovery and growth. *The Global Competitiveness Report 2013–2014* aims to support policymakers, business executives, and academics as well as the public at large in identifying areas of concern that may be addressed in a collaborative approach.

Produced in collaboration with leading academics and a global network of Partner Institutes, *The Global Competitiveness Report 2013–2014* offers users a unique dataset on a broad array of competitiveness indicators for a record number of 148 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 unique source that captures the perspectives of more than 13,000 thousand 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 of competitiveness, providing 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 148 economies featured, as well as an extensive section of data tables displaying relative rankings for more than 100 variables.

The *Report* and an interactive data platform are available at [www.weforum.org/gcr](http://www.weforum.org/gcr).

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# **Submission #3**



**The New York Times** | <http://nyti.ms/1zNhlLu>

Edited by David Leonhardt

The Up hot  
IN THE SLOW LANE

# Why the U.S. Has Fallen Behind in Internet Speed and Affordability

OCT. 30, 2014

**Claire Cain Miller**

*Editor's note: This analysis, first published last fall, is being resurfaced in light of the F.C.C.'s vote on Feb. 26 to regulate broadband Internet service as a public utility.*

America's slow and expensive Internet is more than just an annoyance for people trying to watch "Happy Gilmore" on Netflix. Largely a consequence of monopoly providers, the sluggish service could have long-term economic consequences for American competitiveness.

Downloading a high-definition movie takes about seven seconds in Seoul, Hong Kong, Tokyo, Zurich, Bucharest and Paris, and people pay as little as \$30 a month for that connection. In Los Angeles, New York and Washington, downloading the same movie takes 1.4 minutes for people with the fastest Internet available, and they pay \$300 a month for the privilege, according to The Cost of Connectivity, a report published Thursday by the New America Foundation's Open Technology Institute.

The report compares Internet access in big American cities with access in Europe and Asia. Some surprising smaller American cities — Chattanooga,

Tenn.; Kansas City (in both Kansas and Missouri); Lafayette, La.; and Bristol, Va. — tied for speed with the biggest cities abroad. In each, the high-speed Internet provider is not one of the big cable or phone companies that provide Internet to most of the United States, but a city-run network or start-up service.

The reason the United States lags many countries in both speed and affordability, according to people who study the issue, has nothing to do with technology. Instead, it is an economic policy problem — the lack of competition in the broadband industry.

“It’s just very simple economics,” said Tim Wu, a professor at Columbia Law School who studies antitrust and communications and was an adviser to the Federal Trade Commission. “The average market has one or two serious Internet providers, and they set their prices at monopoly or duopoly pricing.”

For relatively high-speed Internet at 25 megabits per second, 75 percent of homes have one option at most, according to the Federal Communications Commission — usually Comcast, Time Warner, AT&T or Verizon. It’s an issue anyone who has shopped for Internet knows well, and it is even worse for people who live in rural areas. It matters not just for entertainment; an Internet connection is necessary for people to find and perform jobs, and to do new things in areas like medicine and education.

“Stop and let that sink in: Three-quarters of American homes have no competitive choice for the essential infrastructure for 21st-century economics and democracy,” Tom Wheeler, chairman of the F.C.C., said in a speech last month.

The situation arose from this conundrum: Left alone, will companies compete, or is regulation necessary?

In many parts of Europe, the government tries to foster competition by requiring that the companies that own the pipes carrying broadband to people’s homes lease space in their pipes to rival companies. (That policy is based on the work of Jean Tirole, who won the Nobel Prize in economics this month in part for his work on regulation and communications networks.)

In the United States, the Federal Communications Commission in 2002

reclassified high-speed Internet access as an information service, which is unregulated, rather than as telecommunications, which is regulated. Its hope was that Internet providers would compete with one another to provide the best networks. That didn't happen. The result has been that they have mostly stayed out of one another's markets.

When New America ranked cities by the average speed of broadband plans priced between \$35 and \$50 a month, the top three cities, Seoul, Hong Kong and Paris, offered speeds 10 times faster than the United States cities. (In some places, like Seoul, the government subsidizes Internet access to keep prices low.)

The divide is not just with the fastest plans. At nearly every speed, Internet access costs more in the United States than in Europe, according to the report. American Internet users are also much more likely than those in other countries to pay an additional fee, about \$100 a year in many cities, to rent a modem that costs less than \$100 in a store.

"More competition, better technologies and increased quality of service on wireline networks help to drive down prices," said Nick Russo, a policy program associate studying broadband pricing at the Open Technology Institute and co-author of the report.

There is some disagreement about that conclusion, including from Richard Bennett, a visiting fellow at the American Enterprise Institute and a critic of those who say Internet service providers need more regulation. He argued that much of the slowness is caused not by broadband networks but by browsers, websites and high usage.

Yet it is telling that in the cities with the fastest Internet in the United States, according to New America, the incumbent companies are not providing the service. In Kansas City, it comes from Google. In Chattanooga, Lafayette and Bristol, it comes through publicly owned networks.

In each case, the networks are fiber-optic, which transfer data exponentially faster than cable networks. The problem is that installing fiber networks requires a huge investment of money and work, digging up streets and sidewalks, building a new network and competing with the incumbents.

(That explains why super-rich Google has been one of the few private companies to do it.)

The big Internet providers have little reason to upgrade their entire networks to fiber because there has so far been little pressure from competitors or regulators to do so, said Susan Crawford, a visiting professor at Harvard Law School and author of “Captive Audience: Telecom Monopolies in the New Gilded Age.”

There are signs of a growing movement for cities to build their own fiber networks and lease the fiber to retail Internet providers. Some, like San Antonio, already have fiber in place, but there are policies restricting them from using it to offer Internet services to consumers. Other cities, like Santa Monica, Calif., have been laying fiber during other construction projects.

In certain cities, the threat of new Internet providers has spurred the big, existing companies to do something novel: increase the speeds they offer and build up their own fiber networks.

The Upshot provides news, analysis and graphics about politics, policy and everyday life. Follow us on Facebook and Twitter.