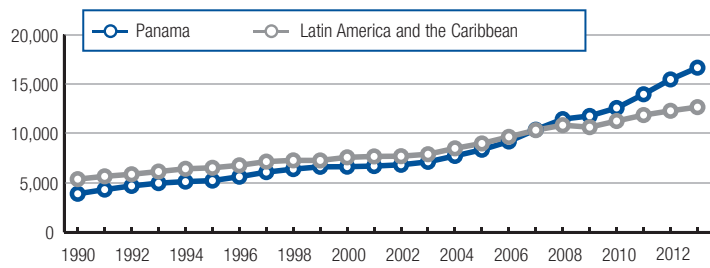


Panama

Key indicators, 2013

| | |
|--|--------|
| Population (millions)..... | 3.7 |
| GDP (US\$ billions)..... | 40.3 |
| GDP per capita (US\$)..... | 10,839 |
| GDP (PPP) as share (%) of world total..... | 0.07 |

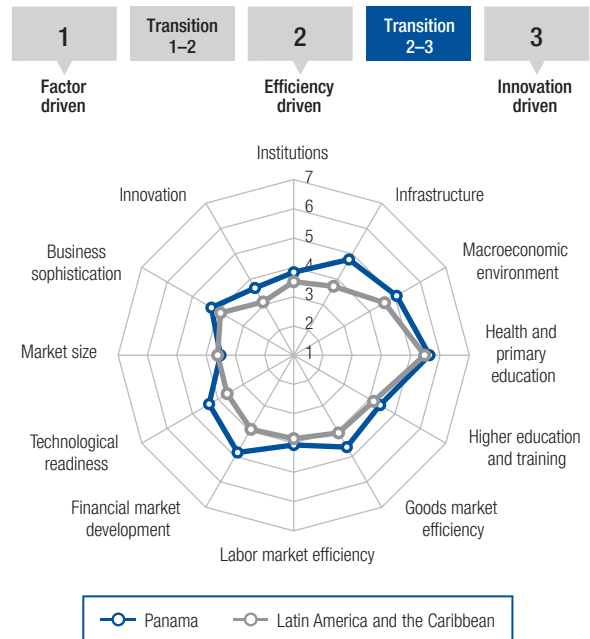
GDP (PPP) per capita (int'l \$), 1990–2013



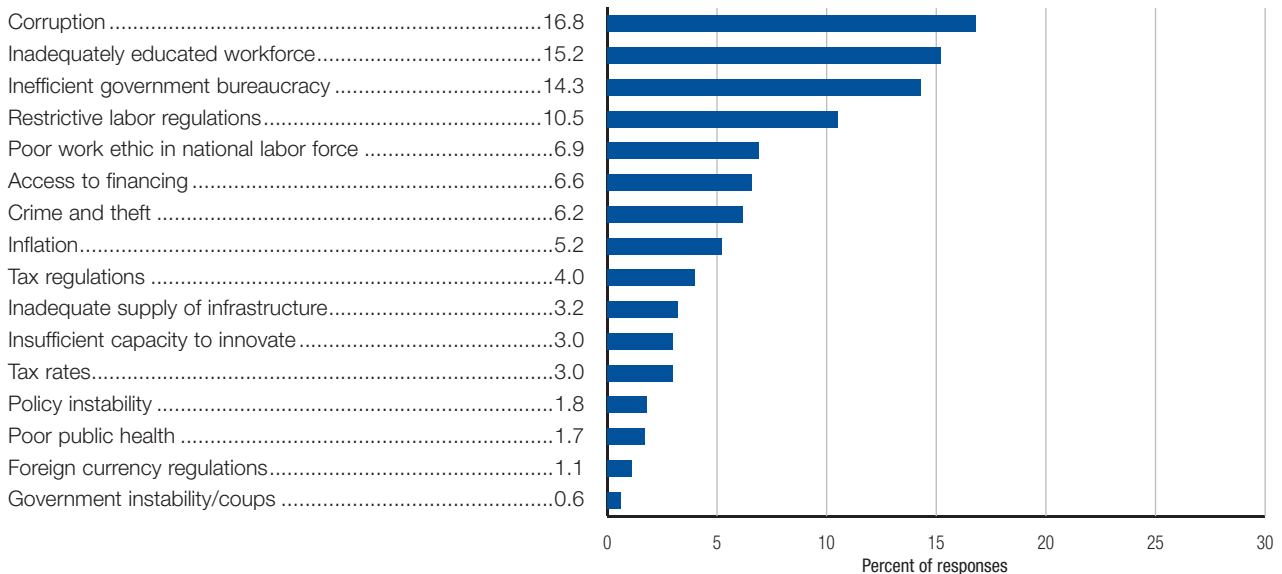
Global Competitiveness Index

| | Rank (out of 144) | Score (1–7) |
|--|----------------------|----------------|
| GCI 2014–2015 | 48 | 4.4 |
| GCI 2013–2014 (out of 148)..... | 40 | 4.5 |
| GCI 2012–2013 (out of 144)..... | 40 | 4.5 |
| GCI 2011–2012 (out of 142)..... | 49 | 4.4 |
| Basic requirements (35.4%) | 53 | 4.8 |
| Institutions..... | 71 | 3.8 |
| Infrastructure..... | 40 | 4.8 |
| Macroeconomic environment..... | 52 | 5.1 |
| Health and primary education..... | 79 | 5.6 |
| Efficiency enhancers (50.0%) | 55 | 4.3 |
| Higher education and training..... | 66 | 4.4 |
| Goods market efficiency..... | 41 | 4.6 |
| Labor market efficiency..... | 87 | 4.1 |
| Financial market development..... | 22 | 4.8 |
| Technological readiness..... | 53 | 4.3 |
| Market size..... | 80 | 3.5 |
| Innovation and sophistication factors (14.6%) | 46 | 3.9 |
| Business sophistication..... | 54 | 4.2 |
| Innovation..... | 40 | 3.6 |

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.

The Global Competitiveness Index in detail

| INDICATOR | VALUE | RANK/144 | INDICATOR | VALUE | RANK/144 | | |
|--|--|----------|--|---|--|------|-----|
| 1st pillar: Institutions | | | 6th pillar: Goods market efficiency (cont'd.) | | | | |
| 1.01 | Property rights | 4.5 | 49 | 6.06 | No. procedures to start a business* | 5 | 32 |
| 1.02 | Intellectual property protection | 4.4 | 38 | 6.07 | No. days to start a business* | 6.0 | 21 |
| 1.03 | Diversion of public funds | 2.8 | 93 | 6.08 | Agricultural policy costs | 3.6 | 92 |
| 1.04 | Public trust in politicians | 2.4 | 102 | 6.09 | Prevalence of trade barriers | 4.5 | 46 |
| 1.05 | Irregular payments and bribes | 3.8 | 79 | 6.10 | Trade tariffs, % duty* | 4.9 | 67 |
| 1.06 | Judicial independence | 2.7 | 116 | 6.11 | Prevalence of foreign ownership | 5.5 | 19 |
| 1.07 | Favoritism in decisions of government officials | 2.8 | 89 | 6.12 | Business impact of rules on FDI | 5.4 | 13 |
| 1.08 | Wastefulness of government spending | 3.3 | 58 | 6.13 | Burden of customs procedures | 4.4 | 50 |
| 1.09 | Burden of government regulation | 4.0 | 24 | 6.14 | Imports as a percentage of GDP* | 64.3 | 40 |
| 1.10 | Efficiency of legal framework in settling disputes | 3.6 | 74 | 6.15 | Degree of customer orientation | 4.2 | 93 |
| 1.11 | Efficiency of legal framework in challenging regs. | 3.4 | 69 | 6.16 | Buyer sophistication | 3.8 | 39 |
| 1.12 | Transparency of government policymaking | 4.2 | 53 | 7th pillar: Labor market efficiency | | | |
| 1.13 | Business costs of terrorism | 5.2 | 73 | 7.01 | Cooperation in labor-employer relations | 4.5 | 51 |
| 1.14 | Business costs of crime and violence | 3.9 | 95 | 7.02 | Flexibility of wage determination | 4.6 | 106 |
| 1.15 | Organized crime | 4.5 | 87 | 7.03 | Hiring and firing practices | 3.7 | 85 |
| 1.16 | Reliability of police services | 4.5 | 52 | 7.04 | Redundancy costs, weeks of salary* | 18.1 | 87 |
| 1.17 | Ethical behavior of firms | 3.9 | 70 | 7.05 | Effect of taxation on incentives to work | 4.0 | 35 |
| 1.18 | Strength of auditing and reporting standards | 5.1 | 44 | 7.06 | Pay and productivity | 3.5 | 101 |
| 1.19 | Efficacy of corporate boards | 4.5 | 71 | 7.07 | Reliance on professional management | 3.8 | 100 |
| 1.20 | Protection of minority shareholders' interests | 4.4 | 54 | 7.08 | Country capacity to retain talent | 4.6 | 19 |
| 1.21 | Strength of investor protection, 0–10 (best)* | 5.3 | 68 | 7.09 | Country capacity to attract talent | 4.9 | 13 |
| 2nd pillar: Infrastructure | | | 7.10 | Women in labor force, ratio to men* | 0.62 | 113 | |
| 2.01 | Quality of overall infrastructure | 5.0 | 39 | 8th pillar: Financial market development | | | |
| 2.02 | Quality of roads | 4.7 | 44 | 8.01 | Availability of financial services | 5.7 | 16 |
| 2.03 | Quality of railroad infrastructure | 3.9 | 35 | 8.02 | Affordability of financial services | 5.5 | 18 |
| 2.04 | Quality of port infrastructure | 6.3 | 7 | 8.03 | Financing through local equity market | 4.2 | 33 |
| 2.05 | Quality of air transport infrastructure | 6.1 | 7 | 8.04 | Ease of access to loans | 4.0 | 13 |
| 2.06 | Available airline seat km/week, millions* | 384.2 | 50 | 8.05 | Venture capital availability | 3.6 | 16 |
| 2.07 | Quality of electricity supply | 4.9 | 68 | 8.06 | Soundness of banks | 6.2 | 12 |
| 2.08 | Mobile telephone subscriptions/100 pop.* | 163.0 | 10 | 8.07 | Regulation of securities exchanges | 5.0 | 29 |
| 2.09 | Fixed telephone lines/100 pop.* | 15.2 | 74 | 8.08 | Legal rights index, 0–10 (best)* | 5 | 85 |
| 3rd pillar: Macroeconomic environment | | | 9th pillar: Technological readiness | | | | |
| 3.01 | Government budget balance, % GDP* | -3.0 | 75 | 9.01 | Availability of latest technologies | 5.6 | 36 |
| 3.02 | Gross national savings, % GDP* | 18.1 | 83 | 9.02 | Firm-level technology absorption | 5.3 | 35 |
| 3.03 | Inflation, annual % change* | 4.0 | 81 | 9.03 | FDI and technology transfer | 5.7 | 4 |
| 3.04 | General government debt, % GDP* | 41.3 | 67 | 9.04 | Individuals using Internet, %* | 42.9 | 81 |
| 3.05 | Country credit rating, 0–100 (best)* | 61.9 | 46 | 9.05 | Fixed broadband Internet subscriptions/100 pop.* | 7.7 | 71 |
| 4th pillar: Health and primary education | | | 9.06 | Int'l Internet bandwidth, kb/s per user* | 54.3 | 49 | |
| 4.01 | Malaria cases/100,000 pop.* | 26.3 | 24 | 9.07 | Mobile broadband subscriptions/100 pop.* | 25.2 | 73 |
| 4.02 | Business impact of malaria | 6.0 | 9 | 10th pillar: Market size | | | |
| 4.03 | Tuberculosis cases/100,000 pop.* | 48.0 | 70 | 10.01 | Domestic market size index, 1–7 (best)* | 3.2 | 83 |
| 4.04 | Business impact of tuberculosis | 5.9 | 59 | 10.02 | Foreign market size index, 1–7 (best)* | 4.4 | 73 |
| 4.05 | HIV prevalence, % adult pop.* | 0.7 | 97 | 10.03 | GDP (PPP\$ billions)* | 62.0 | 81 |
| 4.06 | Business impact of HIV/AIDS | 4.7 | 101 | 10.04 | Exports as a percentage of GDP* | 61.6 | 33 |
| 4.07 | Infant mortality, deaths/1,000 live births* | 15.9 | 79 | 11th pillar: Business sophistication | | | |
| 4.08 | Life expectancy, years* | 77.4 | 38 | 11.01 | Local supplier quantity | 4.5 | 88 |
| 4.09 | Quality of primary education | 3.5 | 93 | 11.02 | Local supplier quality | 4.5 | 61 |
| 4.10 | Primary education enrollment, net %* | 91.2 | 97 | 11.03 | State of cluster development | 4.0 | 52 |
| 5th pillar: Higher education and training | | | 11.04 | Nature of competitive advantage | 4.4 | 31 | |
| 5.01 | Secondary education enrollment, gross %* | 84.0 | 90 | 11.05 | Value chain breadth | 4.3 | 34 |
| 5.02 | Tertiary education enrollment, gross %* | 41.8 | 64 | 11.06 | Control of international distribution | 4.2 | 53 |
| 5.03 | Quality of the education system | 3.5 | 83 | 11.07 | Production process sophistication | 4.2 | 52 |
| 5.04 | Quality of math and science education | 3.3 | 107 | 11.08 | Extent of marketing | 4.6 | 44 |
| 5.05 | Quality of management schools | 4.2 | 71 | 11.09 | Willingness to delegate authority | 3.7 | 74 |
| 5.06 | Internet access in schools | 5.1 | 40 | 12th pillar: Innovation | | | |
| 5.07 | Availability of research and training services | 4.2 | 63 | 12.01 | Capacity for innovation | 4.2 | 42 |
| 5.08 | Extent of staff training | 4.3 | 47 | 12.02 | Quality of scientific research institutions | 4.1 | 46 |
| 6th pillar: Goods market efficiency | | | 12.03 | Company spending on R&D | 3.7 | 34 | |
| 6.01 | Intensity of local competition | 5.1 | 67 | 12.04 | University-industry collaboration in R&D | 4.0 | 41 |
| 6.02 | Extent of market dominance | 4.0 | 49 | 12.05 | Gov't procurement of advanced tech products | 4.3 | 11 |
| 6.03 | Effectiveness of anti-monopoly policy | 4.3 | 51 | 12.06 | Availability of scientists and engineers | 3.9 | 84 |
| 6.04 | Effect of taxation on incentives to invest | 4.4 | 23 | 12.07 | PCT patents, applications/million pop.* | 1.4 | 62 |
| 6.05 | Total tax rate, % profits* | 40.5 | 81 | | | | |

Notes: Values are on a 1-to-7 scale unless otherwise annotated with an asterisk (*). For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" on page 101.