

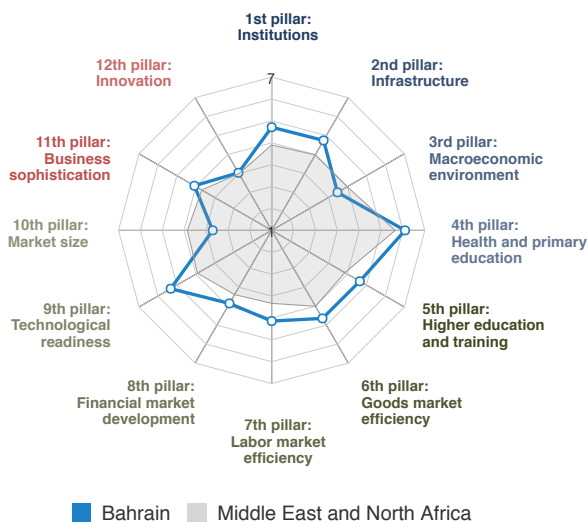
## Key indicators, 2016

Source: International Monetary Fund; World Economic Outlook Database (April 2017)

<b>Population</b> millions	1.3	<b>GDP per capita</b> US\$	24,182.9
<b>GDP</b> US\$ billions	31.9	<b>GDP (PPP)</b> % world GDP	0.06

## Performance overview

Index Component	Rank/137	Score (1-7)	Trend	Distance from best	Edition	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Global Competitiveness Index</b>	<b>44</b>	<b>4.5</b>			Rank	<b>35 / 144</b>	<b>43 / 148</b>	<b>44 / 144</b>	<b>39 / 140</b>	<b>48 / 138</b>	<b>44 / 137</b>
Subindex A: Basic requirements	40	5.1			Score	4.6	4.5	4.5	4.5	4.5	4.5
<b>1st pillar: Institutions</b>	23	5.0									
<b>2nd pillar: Infrastructure</b>	33	5.1									
<b>3rd pillar: Macroeconomic environment</b>	108	4.0									
<b>4th pillar: Health and primary education</b>	37	6.2									
Subindex B: Efficiency enhancers	36	4.6									
<b>5th pillar: Higher education and training</b>	39	5.0									
<b>6th pillar: Goods market efficiency</b>	23	5.0									
<b>7th pillar: Labor market efficiency</b>	37	4.6									
<b>8th pillar: Financial market development</b>	46	4.3									
<b>9th pillar: Technological readiness</b>	31	5.6									
<b>10th pillar: Market size</b>	90	3.3									
Subindex C: Innovation and sophistication factors	43	4.0									
<b>11th pillar: Business sophistication</b>	36	4.5									
<b>12th pillar: Innovation</b>	45	3.6									

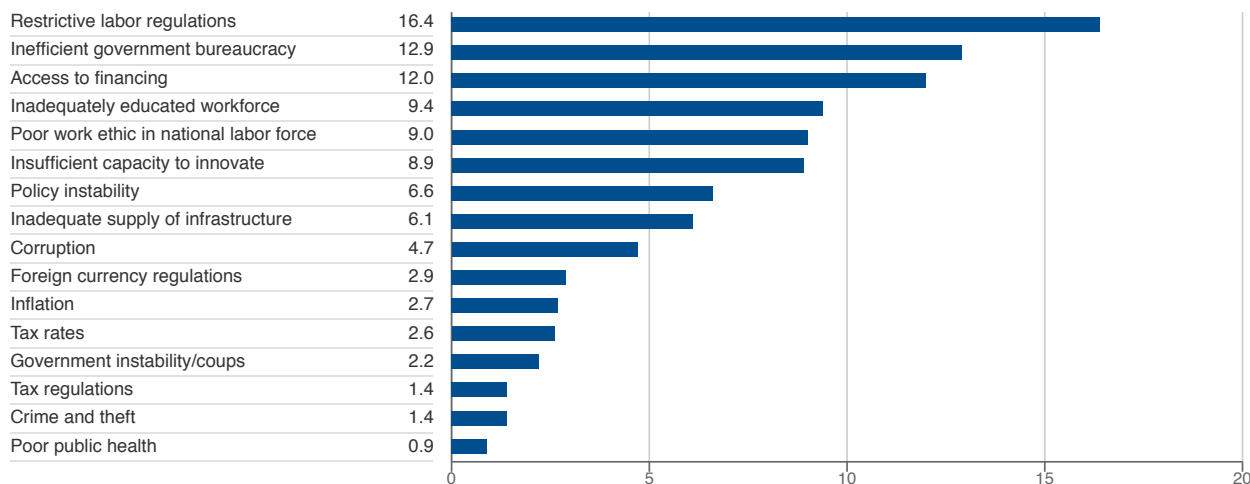


Bahrain ranks 44th overall. The country's business environment remains largely unchanged with persisting challenges related to the macroeconomic environment, and in particular the large fiscal deficit, and also to some aspects of security, innovation and market size. The country improves this year on a number of indicators, in particular

those related to the macroeconomic environment and technological readiness, where some of the changes are also due to a revision of the data previously published by the International Telecommunication Union (ITU).

## Most problematic factors for doing business

Source: World Economic Forum, Executive Opinion Survey 2016



**Note:** From the list of factors, respondents to the World Economic Forum's Executive Opinion Survey were asked to select the five most problematic factors for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

Index Component	Rank/137	Value	Trend
<b>1st pillar: Institutions</b>	<b>23</b>	<b>5.0</b>	
1.01 Property rights	26	5.5	
1.02 Intellectual property protection	29	5.0	
1.03 Diversion of public funds	22	5.2	
1.04 Public trust in politicians	24	4.5	
1.05 Irregular payments and bribes	25	5.6	
1.06 Judicial independence	32	5.1	
1.07 Favoritism in decisions of government officials	25	4.3	
1.08 Efficiency of government spending	22	4.3	
1.09 Burden of government regulation	13	4.7	
1.10 Efficiency of legal framework in settling disputes	21	4.8	
1.11 Efficiency of legal framework in challenging regulations	15	4.7	
1.12 Transparency of government policymaking	26	4.9	
1.13 Business costs of terrorism	90	4.8	
1.14 Business costs of crime and violence	22	5.4	
1.15 Organized crime	17	5.8	
1.16 Reliability of police services	30	5.7	
1.17 Ethical behavior of firms	24	5.1	
1.18 Strength of auditing and reporting standards	29	5.4	
1.19 Efficacy of corporate boards	37	5.2	
1.20 Protection of minority shareholders' interests	23	5.1	
1.21 Strength of investor protection 0-10 (best)	90	5.0	
<b>2nd pillar: Infrastructure</b>	<b>33</b>	<b>5.1</b>	
2.01 Quality of overall infrastructure	25	5.2	
2.02 Quality of roads	25	5.1	
2.03 Quality of railroad infrastructure	n/a	not assessed	
2.04 Quality of port infrastructure	30	5.1	
2.05 Quality of air transport infrastructure	49	4.9	
2.06 Available airline seat kilometers millions/week	71	184.8	
2.07 Quality of electricity supply	31	6.2	
2.08 Mobile-cellular telephone subscriptions /100 pop.	2	216.9	
2.09 Fixed-telephone lines /100 pop.	48	20.8	
<b>3rd pillar: Macroeconomic environment</b>	<b>108</b>	<b>4.0</b>	
3.01 Government budget balance % GDP	135	-17.7	
3.02 Gross national savings % GDP	67	21.1	
3.03 Inflation annual % change	1	2.8	
3.04 Government debt % GDP	113	82.1	
3.05 Country credit rating 0-100 (best)	66	53.3	
<b>4th pillar: Health and primary education</b>	<b>37</b>	<b>6.2</b>	
4.01 Malaria incidence cases/100,000 pop.	n/a	s.l.	
4.02 Business impact of malaria	n/a	6.2	
4.03 Tuberculosis incidence cases/100,000 pop.	43	18.0	
4.04 Business impact of tuberculosis	51	5.9	
4.05 HIV prevalence % adult pop.	1	<0.1	
4.06 Business impact of HIV/AIDS	45	5.9	
4.07 Infant mortality deaths/1,000 live births	38	5.3	
4.08 Life expectancy years	48	76.8	
4.09 Quality of primary education	34	4.7	
4.10 Primary education enrollment rate net %	57	96.4	
<b>5th pillar: Higher education and training</b>	<b>39</b>	<b>5.0</b>	
5.01 Secondary education enrollment rate gross %	40	102.1	
5.02 Tertiary education enrollment rate gross %	68	43.3	
5.03 Quality of the education system	24	4.6	
5.04 Quality of math and science education	31	4.8	
5.05 Quality of management schools	34	4.9	
5.06 Internet access in schools	36	5.0	
5.07 Local availability of specialized training services	36	5.0	
5.08 Extent of staff training	28	4.7	

Index Component	Rank/137	Value	Trend
<b>6th pillar: Goods market efficiency</b>	<b>23</b>	<b>5.0</b>	
6.01 Intensity of local competition	62	5.2	
6.02 Extent of market dominance	35	4.2	
6.03 Effectiveness of anti-monopoly policy	25	4.6	
6.04 Effect of taxation on incentives to invest	2	6.1	
6.05 Total tax rate % profits	4	13.5	
6.06 No. of procedures to start a business	70	7	
6.07 Time to start a business days	57	9.3	
6.08 Agricultural policy costs	29	4.4	
6.09 Prevalence of non-tariff barriers	19	5.0	
6.10 Trade tariffs % duty	54	4.0	
6.11 Prevalence of foreign ownership	18	5.5	
6.12 Business impact of rules on FDI	18	5.5	
6.13 Burden of customs procedures	24	5.2	
6.14 Imports % GDP	95	32.7	
6.15 Degree of customer orientation	38	5.1	
6.16 Buyer sophistication	40	3.8	
<b>7th pillar: Labor market efficiency</b>	<b>37</b>	<b>4.6</b>	
7.01 Cooperation in labor-employer relations	23	5.2	
7.02 Flexibility of wage determination	21	5.6	
7.03 Hiring and firing practices	29	4.4	
7.04 Redundancy costs weeks of salary	16	6.7	
7.05 Effect of taxation on incentives to work	7	5.3	
7.06 Pay and productivity	24	4.7	
7.07 Reliance on professional management	35	4.8	
7.08 Country capacity to retain talent	31	4.4	
7.09 Country capacity to attract talent	22	4.6	
7.10 Female participation in the labor force ratio to men	120	0.47	
<b>8th pillar: Financial market development</b>	<b>46</b>	<b>4.3</b>	
8.01 Availability of financial services	24	5.1	
8.02 Affordability of financial services	25	4.8	
8.03 Financing through local equity market	51	4.0	
8.04 Ease of access to loans	22	4.7	
8.05 Venture capital availability	23	3.8	
8.06 Soundness of banks	46	5.4	
8.07 Regulation of securities exchanges	23	5.5	
8.08 Legal rights index 0-10 (best)	127	1	
<b>9th pillar: Technological readiness</b>	<b>31</b>	<b>5.6</b>	
9.01 Availability of latest technologies	34	5.6	
9.02 Firm-level technology absorption	34	5.1	
9.03 FDI and technology transfer	36	4.9	
9.04 Internet users % pop.	2	98.0	
9.05 Fixed-broadband Internet subscriptions /100 pop.	53	16.8	
9.06 Internet bandwidth kb/s/user	40	112.8	
9.07 Mobile-broadband subscriptions /100 pop.	1	162.1	
<b>10th pillar: Market size</b>	<b>90</b>	<b>3.3</b>	
10.01 Domestic market size index	92	3.0	
10.02 Foreign market size index	79	4.2	
10.03 GDP (PPP) PPP \$ billions	86	66.9	
10.04 Exports % GDP	37	47.4	
<b>11th pillar: Business sophistication</b>	<b>36</b>	<b>4.5</b>	
11.01 Local supplier quantity	58	4.6	
11.02 Local supplier quality	45	4.6	
11.03 State of cluster development	25	4.6	
11.04 Nature of competitive advantage	49	4.0	
11.05 Value chain breadth	41	4.3	
11.06 Control of international distribution	34	4.3	
11.07 Production process sophistication	38	4.5	
11.08 Extent of marketing	41	4.7	
11.09 Willingness to delegate authority	39	4.7	
<b>12th pillar: Innovation</b>	<b>45</b>	<b>3.6</b>	
12.01 Capacity for innovation	67	4.1	
12.02 Quality of scientific research institutions	73	3.7	
12.03 Company spending on R&D	56	3.4	
12.04 University-industry collaboration in R&D	45	3.7	
12.05 Gov't procurement of advanced technology products	22	4.0	
12.06 Availability of scientists and engineers	45	4.4	
12.07 PCT patents applications/million pop.	54	2.9	

**Note:** Values are on a 1-to-7 scale unless indicated otherwise. Trend lines depict evolution in values since the 2012-2013 edition (or earliest edition available). For detailed definitions, sources, and periods, consult the interactive Economy Profiles and Rankings at <http://gcr.weforum.org/>