Brazil

80th / 137

The Global Competitiveness Index 2017-2018 edition

WORLD ECONOMIC FORUM

Key indicators, 2016

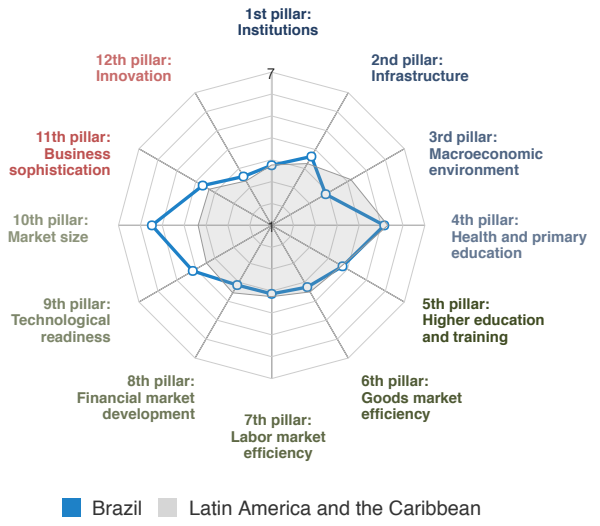
Source: International Monetary Fund; World Economic Outlook Database (April 2017)

Population millions	206.1	**GDP per capita** US$	8,726.9
GDP US$ billions	1,798.6	**GDP (PPP)** % world GDP	2.62

Performance overview

Index Component	Rank/137	Score (1-7)	Trend	Distance from best
Global Competitiveness Index	80	4.1		
Subindex A: Basic requirements	104	4.1		
1st pillar: Institutions	109	3.4		
2nd pillar: Infrastructure	73	4.1		
3rd pillar: Macroeconomic environment	124	3.4		
4th pillar: Health and primary education	96	5.4		
Subindex B: Efficiency enhancers	60	4.3		
5th pillar: Higher education and training	79	4.2		
6th pillar: Goods market efficiency	122	3.8		
7th pillar: Labor market efficiency	114	3.7		
8th pillar: Financial market development	92	3.7		
9th pillar: Technological readiness	55	4.6		
10th pillar: Market size	10	5.7		
Subindex C: Innovation and sophistication factors	65	3.7		
11th pillar: Business sophistication	56	4.1		
12th pillar: Innovation	85	3.2		

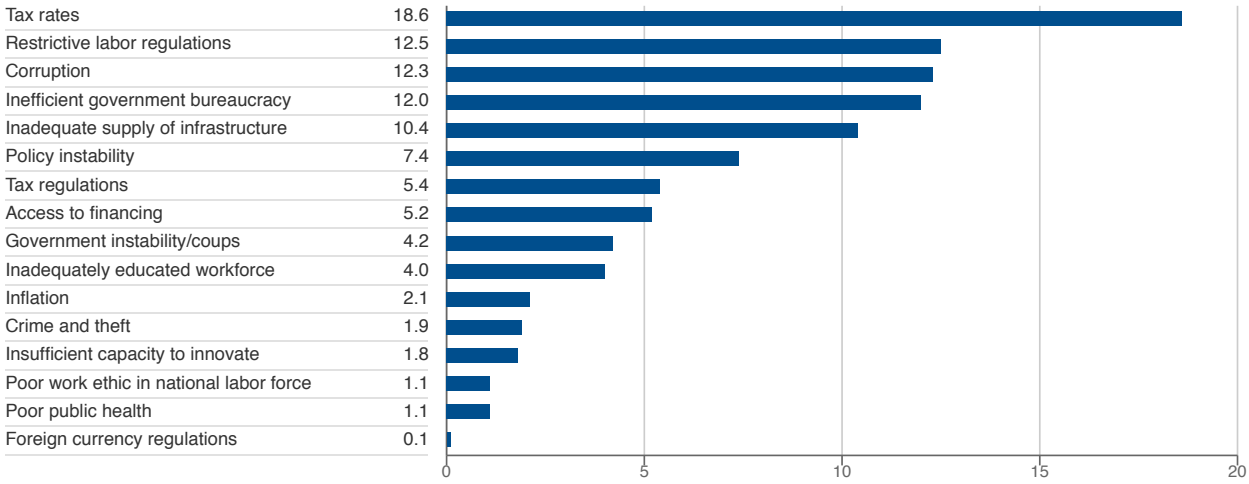
Edition	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Rank	48 / 144	56 / 148	57 / 144	75 / 140	81 / 138	80 / 137
Score	4.4	4.3	4.3	4.1	4.1	4.1



Brazil improves to 80th position, leveling off after several years of falling in the rankings. After being rocked by corruption scandals and political instability, the institutions pillar recovers 11 positions, showing the effects of investigations leading to more transparency and a perception of successful proceedings to curb corruption within the institutional limits of Brazil's constitution. Following two years of falling GDP growth and worsening macroeconomic conditions, Brazil this year improves slightly, bringing inflation and government deficits back under control. Efficiency enhancers also advance this year, with improvements in goods market efficiency. Brazil's largest progress comes in the innovation pillar, with upturns in many of the indicators, indicating an enhanced capacity for innovation, more industry-university-business collaboration, a higher quality of research, and better-trained scientists and engineers.

Most problematic factors for doing business

Source: World Economic Forum, Executive Opinion Survey 2017



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.

The Global Competitiveness Index in detail

Brazil

Index Component	Rank/137	Value	Trend
1st pillar: Institutions	109	3.4	
1.01 Property rights	69	4.3	
1.02 Intellectual property protection	63	4.2	
1.03 Diversion of public funds	134	1.8	
1.04 Public trust in politicians	137	1.3	
1.05 Irregular payments and bribes	107	3.1	
1.06 Judicial independence	59	4.1	
1.07 Favoritism in decisions of government officials	112	2.3	
1.08 Efficiency of government spending	133	1.8	
1.09 Burden of government regulation	136	1.7	
1.10 Efficiency of legal framework in settling disputes	110	2.8	
1.11 Efficiency of legal framework in challenging regulations	98	2.8	
1.12 Transparency of government policymaking	127	3.1	
1.13 Business costs of terrorism	8	6.2	
1.14 Business costs of crime and violence	132	2.7	
1.15 Organized crime	121	3.6	
1.16 Reliability of police services	103	3.6	
1.17 Ethical behavior of firms	126	2.9	
1.18 Strength of auditing and reporting standards	58	4.8	
1.19 Efficacy of corporate boards	75	4.8	
1.20 Protection of minority shareholders' interests	62	4.1	
1.21 Strength of investor protection 0-10 (best)	31	6.5	
2nd pillar: Infrastructure	73	4.1	
2.01 Quality of overall infrastructure	108	3.1	
2.02 Quality of roads	103	3.1	
2.03 Quality of railroad infrastructure	88	2.0	
2.04 Quality of port infrastructure	106	3.1	
2.05 Quality of air transport infrastructure	95	3.9	
2.06 Available airline seat kilometers millions/week	13	3,563.4	
2.07 Quality of electricity supply	84	4.5	
2.08 Mobile-cellular telephone subscriptions /100 pop.	65	118.9	
2.09 Fixed-telephone lines /100 pop.	49	20.4	
3rd pillar: Macroeconomic environment	124	3.4	
3.01 Government budget balance % GDP	124	-9.0	
3.02 Gross national savings % GDP	97	16.1	
3.03 Inflation annual % change	119	8.7	
3.04 Government debt % GDP	110	78.3	
3.05 Country credit rating 0-100 (best)	59	55.5	
4th pillar: Health and primary education	96	5.4	
4.01 Malaria incidence cases/100,000 pop.	38	90.3	
4.02 Business impact of malaria	5	5.9	
4.03 Tuberculosis incidence cases/100,000 pop.	63	41.0	
4.04 Business impact of tuberculosis	44	6.2	
4.05 HIV prevalence % adult pop.	91	0.6	
4.06 Business impact of HIV/AIDS	59	5.5	
4.07 Infant mortality deaths/1,000 live births	79	14.6	
4.08 Life expectancy years	71	74.7	
4.09 Quality of primary education	127	2.6	
4.10 Primary education enrollment rate net %	94	92.7	
5th pillar: Higher education and training	79	4.2	
5.01 Secondary education enrollment rate gross %	50	99.7	
5.02 Tertiary education enrollment rate gross %	56	50.6	
5.03 Quality of the education system	125	2.6	
5.04 Quality of math and science education	131	2.6	
5.05 Quality of management schools	95	3.8	
5.06 Internet access in schools	90	3.7	
5.07 Local availability of specialized training services	118	3.7	
5.08 Extent of staff training	62	4.0	

Index Component	Rank/137	Value	Trend
6th pillar: Goods market efficiency	122	3.8	
6.01 Intensity of local competition	53	5.3	
6.02 Extent of market dominance	48	4.0	
6.03 Effectiveness of anti-monopoly policy	55	3.9	
6.04 Effect of taxation on incentives to invest	136	1.8	
6.05 Total tax rate % profits	134	68.4	
6.06 No. of procedures to start a business	121	11	
6.07 Time to start a business days	133	79.5	
6.08 Agricultural policy costs	36	4.2	
6.09 Prevalence of non-tariff barriers	130	3.4	
6.10 Trade tariffs % duty	121	12.1	
6.11 Prevalence of foreign ownership	95	4.2	
6.12 Business impact of rules on FDI	107	4.0	
6.13 Burden of customs procedures	124	3.0	
6.14 Imports % GDP	136	11.4	
6.15 Degree of customer orientation	87	4.4	
6.16 Buyer sophistication	61	3.5	
7th pillar: Labor market efficiency	114	3.7	
7.01 Cooperation in labor-employer relations	106	4.0	
7.02 Flexibility of wage determination	121	4.1	
7.03 Hiring and firing practices	136	1.8	
7.04 Redundancy costs weeks of salary	65	15.4	
7.05 Effect of taxation on incentives to work	137	2.2	
7.06 Pay and productivity	89	3.7	
7.07 Reliance on professional management	49	4.6	
7.08 Country capacity to retain talent	47	3.8	
7.09 Country capacity to attract talent	98	2.8	
7.10 Female participation in the labor force ratio to men	87	0.75	
8th pillar: Financial market development	92	3.7	
8.01 Availability of financial services	98	3.8	
8.02 Affordability of financial services	130	2.6	
8.03 Financing through local equity market	72	3.5	
8.04 Ease of access to loans	87	3.6	
8.05 Venture capital availability	105	2.5	
8.06 Soundness of banks	26	5.7	
8.07 Regulation of securities exchanges	44	4.9	
8.08 Legal rights index 0-10 (best)	106	2	
9th pillar: Technological readiness	55	4.6	
9.01 Availability of latest technologies	78	4.5	
9.02 Firm-level technology absorption	59	4.6	
9.03 FDI and technology transfer	53	4.6	
9.04 Internet users % pop.	67	59.7	
9.05 Fixed-broadband Internet subscriptions /100 pop.	61	13.0	
9.06 Internet bandwidth kb/s/user	62	66.2	
9.07 Mobile-broadband subscriptions /100 pop.	31	89.5	
10th pillar: Market size	10	5.7	
10.01 Domestic market size index	7	5.7	
10.02 Foreign market size index	27	5.6	
10.03 GDP (PPP) PPP $ billions	7	3,141.3	
10.04 Exports % GDP	127	12.1	
11th pillar: Business sophistication	56	4.1	
11.01 Local supplier quantity	40	4.8	
11.02 Local supplier quality	75	4.3	
11.03 State of cluster development	41	4.1	
11.04 Nature of competitive advantage	110	2.8	
11.05 Value chain breadth	63	3.9	
11.06 Control of international distribution	53	3.8	
11.07 Production process sophistication	62	3.9	
11.08 Extent of marketing	39	4.8	
11.09 Willingness to delegate authority	50	4.5	
12th pillar: Innovation	85	3.2	
12.01 Capacity for innovation	73	4.1	
12.02 Quality of scientific research institutions	77	3.7	
12.03 Company spending on R&D	62	3.4	
12.04 University-industry collaboration in R&D	70	3.4	
12.05 Gov't procurement of advanced technology products	118	2.7	
12.06 Availability of scientists and engineers	90	3.6	
12.07 PCT patents applications/million pop.	53	3.4	

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/