

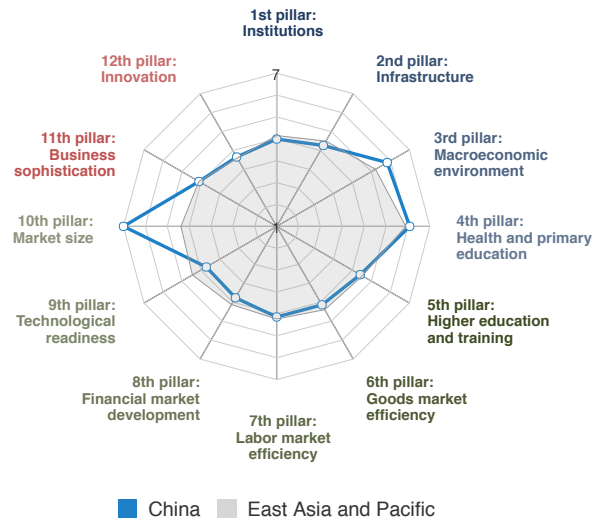
## Key indicators, 2016

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

<b>Population</b> millions	1,382.7	<b>GDP per capita</b> US\$	8,113.3
<b>GDP</b> US\$ billions	11,218.3	<b>GDP (PPP)</b> % world GDP	17.76

## 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>27</b>	<b>5.0</b>			Rank	29 / 144	29 / 148	28 / 144	28 / 140	28 / 138	27 / 137
Subindex A: Basic requirements	31	5.3			Score	4.8	4.8	4.9	4.9	5.0	5.0
<b>1st pillar: Institutions</b>	41	4.4									
<b>2nd pillar: Infrastructure</b>	46	4.7									
<b>3rd pillar: Macroeconomic environment</b>	17	6.0									
<b>4th pillar: Health and primary education</b>	40	6.2									
Subindex B: Efficiency enhancers	28	4.9									
<b>5th pillar: Higher education and training</b>	47	4.8									
<b>6th pillar: Goods market efficiency</b>	46	4.5									
<b>7th pillar: Labor market efficiency</b>	38	4.5									
<b>8th pillar: Financial market development</b>	48	4.2									
<b>9th pillar: Technological readiness</b>	73	4.2									
<b>10th pillar: Market size</b>	1	7.0									
Subindex C: Innovation and sophistication factors	29	4.3									
<b>11th pillar: Business sophistication</b>	33	4.5									
<b>12th pillar: Innovation</b>	28	4.1									

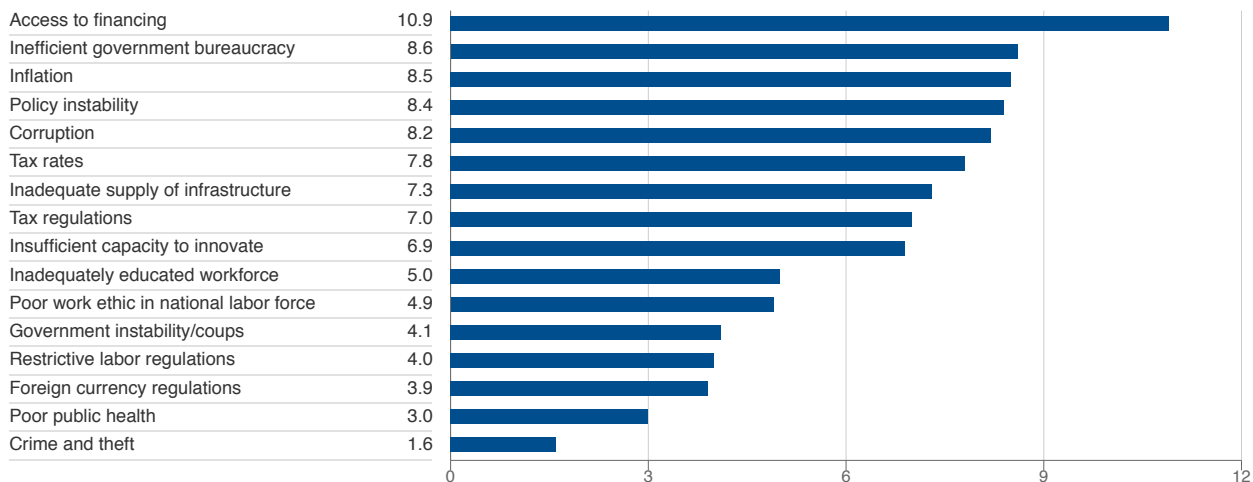


China (27th) has gained one place as a result of steady, albeit incremental, improvements to its overall competitiveness score. Since last year, China has made progress in all pillars except its macroeconomic environment and infrastructure. A decline in the former is explained by a worsening of the government budget deficit, which has been slightly higher than the expected target for 2016. The score for the infrastructure pillar decreases for the second year in a row, the result in part of a decline in the quality of port infrastructure and the reliability of electricity supply as perceived by the business community.

The largest gains are observed in technological readiness, owing to higher ICT penetration and the extent to which foreign direct investments have been bringing new technologies to China. Despite the remarkable progress already made, further improvement on this front would foster the growth of emerging digital industries and create the conditions necessary to kick-start new ones. Other significant advances have been made in the goods market efficiency pillar as a result of a slight reduction in the number of procedures for starting a business compared to last year.

## 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.

Index Component	Rank/137	Value	Trend	Index Component	Rank/137	Value	Trend
<b>1st pillar: Institutions</b>	<b>41</b>	<b>4.4</b>		<b>6th pillar: Goods market efficiency</b>	<b>46</b>	<b>4.5</b>	
1.01 Property rights	53	4.6		6.01 Intensity of local competition	33	5.5	
1.02 Intellectual property protection	49	4.5		6.02 Extent of market dominance	22	4.5	
1.03 Diversion of public funds	43	4.1		6.03 Effectiveness of anti-monopoly policy	30	4.5	
1.04 Public trust in politicians	27	4.5		6.04 Effect of taxation on incentives to invest	27	4.4	
1.05 Irregular payments and bribes	49	4.5		6.05 Total tax rate % profits	132	68.0	
1.06 Judicial independence	46	4.5		6.06 No. of procedures to start a business	104	9	
1.07 Favoritism in decisions of government officials	20	4.5		6.07 Time to start a business days	116	28.9	
1.08 Efficiency of government spending	19	4.6		6.08 Agricultural policy costs	22	4.5	
1.09 Burden of government regulation	18	4.4		6.09 Prevalence of non-tariff barriers	58	4.5	
1.10 Efficiency of legal framework in settling disputes	45	4.1		6.10 Trade tariffs % duty	118	11.6	
1.11 Efficiency of legal framework in challenging regulations	30	4.1		6.11 Prevalence of foreign ownership	71	4.5	
1.12 Transparency of government policymaking	45	4.5		6.12 Business impact of rules on FDI	64	4.6	
1.13 Business costs of terrorism	80	5.0		6.13 Burden of customs procedures	44	4.6	
1.14 Business costs of crime and violence	64	4.8		6.14 Imports % GDP	128	18.2	
1.15 Organized crime	79	4.6		6.15 Degree of customer orientation	69	4.6	
1.16 Reliability of police services	60	4.6		6.16 Buyer sophistication	16	4.5	
1.17 Ethical behavior of firms	49	4.2		<b>7th pillar: Labor market efficiency</b>	<b>38</b>	<b>4.5</b>	
1.18 Strength of auditing and reporting standards	71	4.5		7.01 Cooperation in labor-employer relations	50	4.6	
1.19 Efficacy of corporate boards	126	4.0		7.02 Flexibility of wage determination	89	4.6	
1.20 Protection of minority shareholders' interests	38	4.5		7.03 Hiring and firing practices	24	4.5	
1.21 Strength of investor protection 0-10 (best)	102	4.5		7.04 Redundancy costs weeks of salary	112	27.4	
<b>2nd pillar: Infrastructure</b>	<b>46</b>	<b>4.7</b>		7.05 Effect of taxation on incentives to work	45	4.3	
2.01 Quality of overall infrastructure	47	4.5		7.06 Pay and productivity	26	4.6	
2.02 Quality of roads	42	4.6		7.07 Reliance on professional management	53	4.5	
2.03 Quality of railroad infrastructure	17	4.8		7.08 Country capacity to retain talent	34	4.3	
2.04 Quality of port infrastructure	49	4.6		7.09 Country capacity to attract talent	23	4.5	
2.05 Quality of air transport infrastructure	45	4.9		7.10 Female participation in the labor force ratio to men	59	0.83	
2.06 Available airline seat kilometers millions/week	2	19,341.9		<b>8th pillar: Financial market development</b>	<b>48</b>	<b>4.2</b>	
2.07 Quality of electricity supply	65	5.0		8.01 Availability of financial services	54	4.4	
2.08 Mobile-cellular telephone subscriptions /100 pop.	102	96.9		8.02 Affordability of financial services	30	4.5	
2.09 Fixed-telephone lines /100 pop.	70	14.7		8.03 Financing through local equity market	31	4.5	
<b>3rd pillar: Macroeconomic environment</b>	<b>17</b>	<b>6.0</b>		8.04 Ease of access to loans	34	4.5	
3.01 Government budget balance % GDP	85	-3.7		8.05 Venture capital availability	10	4.4	
3.02 Gross national savings % GDP	2	45.8		8.06 Soundness of banks	82	4.5	
3.03 Inflation annual % change	1	2.0		8.07 Regulation of securities exchanges	60	4.5	
3.04 Government debt % GDP	63	46.2		8.08 Legal rights index 0-10 (best)	85	4	
3.05 Country credit rating 0-100 (best)	26	76.0		<b>9th pillar: Technological readiness</b>	<b>73</b>	<b>4.2</b>	
<b>4th pillar: Health and primary education</b>	<b>40</b>	<b>6.2</b>		9.01 Availability of latest technologies	81	4.5	
4.01 Malaria incidence cases/100,000 pop.	14	0.0		9.02 Firm-level technology absorption	58	4.6	
4.02 Business impact of malaria	35	4.4		9.03 FDI and technology transfer	49	4.7	
4.03 Tuberculosis incidence cases/100,000 pop.	82	67.0		9.04 Internet users % pop.	80	53.2	
4.04 Business impact of tuberculosis	102	4.6		9.05 Fixed-broadband Internet subscriptions /100 pop.	42	22.9	
4.05 HIV prevalence % adult pop.	1	<0.1		9.06 Internet bandwidth kb/s/user	106	14.7	
4.06 Business impact of HIV/AIDS	109	4.3		9.07 Mobile-broadband subscriptions /100 pop.	59	66.8	
4.07 Infant mortality deaths/1,000 live births	56	9.2		<b>10th pillar: Market size</b>	<b>1</b>	<b>7.0</b>	
4.08 Life expectancy years	53	76.0		10.01 Domestic market size index	1	7.0	
4.09 Quality of primary education	38	4.7		10.02 Foreign market size index	1	7.0	
4.10 Primary education enrollment rate net %	1	100.0		10.03 GDP (PPP) PPP \$ billions	1	21,291.8	
<b>5th pillar: Higher education and training</b>	<b>47</b>	<b>4.8</b>		10.04 Exports % GDP	102	20.6	
5.01 Secondary education enrollment rate gross %	66	94.3		<b>11th pillar: Business sophistication</b>	<b>33</b>	<b>4.5</b>	
5.02 Tertiary education enrollment rate gross %	67	43.4		11.01 Local supplier quantity	52	4.7	
5.03 Quality of the education system	29	4.5		11.02 Local supplier quality	56	4.5	
5.04 Quality of math and science education	50	4.5		11.03 State of cluster development	27	4.6	
5.05 Quality of management schools	50	4.5		11.04 Nature of competitive advantage	30	4.4	
5.06 Internet access in schools	50	4.6		11.05 Value chain breadth	29	4.5	
5.07 Local availability of specialized training services	55	4.6		11.06 Control of international distribution	29	4.4	
5.08 Extent of staff training	36	4.5		11.07 Production process sophistication	39	4.5	
				11.08 Extent of marketing	57	4.6	
				11.09 Willingness to delegate authority	47	4.5	
				<b>12th pillar: Innovation</b>	<b>28</b>	<b>4.1</b>	
				12.01 Capacity for innovation	44	4.5	
				12.02 Quality of scientific research institutions	36	4.6	
				12.03 Company spending on R&D	21	4.6	
				12.04 University-industry collaboration in R&D	28	4.4	
				12.05 Gov't procurement of advanced technology products	10	4.5	
				12.06 Availability of scientists and engineers	29	4.7	
				12.07 PCT patents applications/million pop.	30	17.7	

**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/>