

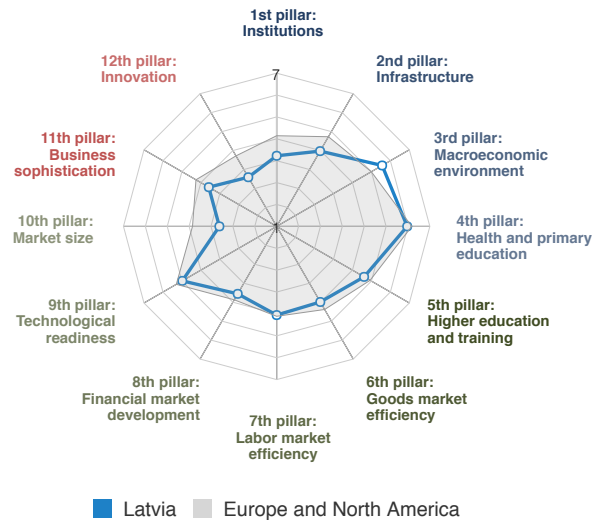
Key indicators, 2016

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

Population millions	2.0	GDP per capita US\$	14,060.4
GDP US\$ billions	27.7	GDP (PPP) % world GDP	0.04

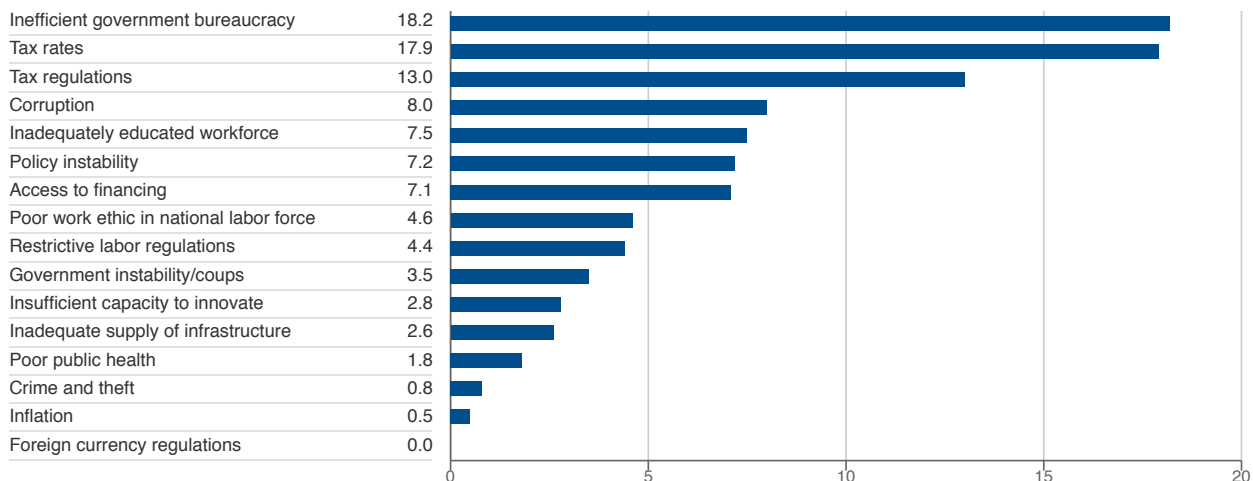
Performance overview

Index Component	Rank/137	Score (1-7)	Trend	Distance from best	Edition	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Global Competitiveness Index	54	4.4			Rank	55 / 144	52 / 148	42 / 144	44 / 140	49 / 138	54 / 137
Subindex A: Basic requirements	43	5.0			Score	4.3	4.4	4.5	4.5	4.4	4.4
1st pillar: Institutions	82	3.8									
2nd pillar: Infrastructure	55	4.4									
3rd pillar: Macroeconomic environment	23	5.8									
4th pillar: Health and primary education	45	6.1									
Subindex B: Efficiency enhancers	49	4.4									
5th pillar: Higher education and training	42	5.0									
6th pillar: Goods market efficiency	59	4.4									
7th pillar: Labor market efficiency	43	4.5									
8th pillar: Financial market development	64	4.1									
9th pillar: Technological readiness	37	5.3									
10th pillar: Market size	92	3.2									
Subindex C: Innovation and sophistication factors	68	3.6									
11th pillar: Business sophistication	62	4.1									
12th pillar: Innovation	83	3.2									



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

Latvia

Index Component	Rank/137	Value	Trend	Index Component	Rank/137	Value	Trend
1st pillar: Institutions	82	3.8		6th pillar: Goods market efficiency	59	4.4	
1.01 Property rights	87	4.0		6.01 Intensity of local competition	28	5.5	
1.02 Intellectual property protection	68	4.1		6.02 Extent of market dominance	79	3.6	
1.03 Diversion of public funds	88	3.2		6.03 Effectiveness of anti-monopoly policy	78	3.6	
1.04 Public trust in politicians	98	2.3		6.04 Effect of taxation on incentives to invest	118	2.9	
1.05 Irregular payments and bribes	54	4.3		6.05 Total tax rate % profits	65	35.9	
1.06 Judicial independence	83	3.6		6.06 No. of procedures to start a business	18	4	
1.07 Favoritism in decisions of government officials	103	2.5		6.07 Time to start a business days	25	5.5	
1.08 Efficiency of government spending	119	2.3		6.08 Agricultural policy costs	99	3.4	
1.09 Burden of government regulation	107	2.9		6.09 Prevalence of non-tariff barriers	22	5.0	
1.10 Efficiency of legal framework in settling disputes	120	2.7		6.10 Trade tariffs % duty	6	1.1	
1.11 Efficiency of legal framework in challenging regulations	123	2.5		6.11 Prevalence of foreign ownership	42	5.0	
1.12 Transparency of government policymaking	103	3.6		6.12 Business impact of rules on FDI	53	4.9	
1.13 Business costs of terrorism	13	6.1		6.13 Burden of customs procedures	60	4.3	
1.14 Business costs of crime and violence	32	5.2		6.14 Imports % GDP	32	60.9	
1.15 Organized crime	33	5.5		6.15 Degree of customer orientation	57	4.8	
1.16 Reliability of police services	79	4.3		6.16 Buyer sophistication	109	2.8	
1.17 Ethical behavior of firms	73	3.7		7th pillar: Labor market efficiency	43	4.5	
1.18 Strength of auditing and reporting standards	88	4.3		7.01 Cooperation in labor-employer relations	47	4.6	
1.19 Efficacy of corporate boards	59	4.9		7.02 Flexibility of wage determination	4	6.1	
1.20 Protection of minority shareholders' interests	128	3.1		7.03 Hiring and firing practices	91	3.5	
1.21 Strength of investor protection 0-10 (best)	41	6.3		7.04 Redundancy costs weeks of salary	49	13.0	
2nd pillar: Infrastructure	55	4.4		7.05 Effect of taxation on incentives to work	117	3.1	
2.01 Quality of overall infrastructure	59	4.3		7.06 Pay and productivity	49	4.3	
2.02 Quality of roads	107	3.0		7.07 Reliance on professional management	74	4.1	
2.03 Quality of railroad infrastructure	29	4.2		7.08 Country capacity to retain talent	118	2.5	
2.04 Quality of port infrastructure	29	5.1		7.09 Country capacity to attract talent	122	2.3	
2.05 Quality of air transport infrastructure	37	5.2		7.10 Female participation in the labor force ratio to men	22	0.92	
2.06 Available airline seat kilometers millions/week	88	85.8		8th pillar: Financial market development	64	4.1	
2.07 Quality of electricity supply	55	5.2		8.01 Availability of financial services	70	4.2	
2.08 Mobile-cellular telephone subscriptions /100 pop.	40	131.2		8.02 Affordability of financial services	64	3.9	
2.09 Fixed-telephone lines /100 pop.	57	18.2		8.03 Financing through local equity market	87	3.2	
3rd pillar: Macroeconomic environment	23	5.8		8.04 Ease of access to loans	93	3.5	
3.01 Government budget balance % GDP	25	-0.4		8.05 Venture capital availability	101	2.5	
3.02 Gross national savings % GDP	65	21.3		8.06 Soundness of banks	73	4.7	
3.03 Inflation annual % change	56	0.1		8.07 Regulation of securities exchanges	96	3.8	
3.04 Government debt % GDP	35	34.3		8.08 Legal rights index 0-10 (best)	12	9	
3.05 Country credit rating 0-100 (best)	38	68.0		9th pillar: Technological readiness	37	5.3	
4th pillar: Health and primary education	45	6.1		9.01 Availability of latest technologies	41	5.3	
4.01 Malaria incidence cases/100,000 pop.	n/a	s.l.		9.02 Firm-level technology absorption	67	4.4	
4.02 Business impact of malaria	n/a	6.8		9.03 FDI and technology transfer	80	4.2	
4.03 Tuberculosis incidence cases/100,000 pop.	63	41.0		9.04 Internet users % pop.	28	79.9	
4.04 Business impact of tuberculosis	41	6.2		9.05 Fixed-broadband Internet subscriptions /100 pop.	34	25.6	
4.05 HIV prevalence % adult pop.	97	0.7		9.06 Internet bandwidth kb/s/user	12	246.7	
4.06 Business impact of HIV/AIDS	35	6.2		9.07 Mobile-broadband subscriptions /100 pop.	44	77.0	
4.07 Infant mortality deaths/1,000 live births	46	6.9		10th pillar: Market size	92	3.2	
4.08 Life expectancy years	80	74.1		10.01 Domestic market size index	93	2.9	
4.09 Quality of primary education	40	4.6		10.02 Foreign market size index	80	4.2	
4.10 Primary education enrollment rate net %	64	96.1		10.03 GDP (PPP) PPP \$ billions	94	50.6	
5th pillar: Higher education and training	42	5.0		10.04 Exports % GDP	23	60.5	
5.01 Secondary education enrollment rate gross %	12	119.5		11th pillar: Business sophistication	62	4.1	
5.02 Tertiary education enrollment rate gross %	34	67.0		11.01 Local supplier quantity	90	4.2	
5.03 Quality of the education system	68	3.7		11.02 Local supplier quality	36	4.9	
5.04 Quality of math and science education	65	4.2		11.03 State of cluster development	98	3.4	
5.05 Quality of management schools	51	4.4		11.04 Nature of competitive advantage	71	3.4	
5.06 Internet access in schools	30	5.2		11.05 Value chain breadth	73	3.8	
5.07 Local availability of specialized training services	64	4.4		11.06 Control of international distribution	50	3.9	
5.08 Extent of staff training	60	4.1		11.07 Production process sophistication	54	4.1	
				11.08 Extent of marketing	64	4.5	
				11.09 Willingness to delegate authority	65	4.4	
				12th pillar: Innovation	83	3.2	
				12.01 Capacity for innovation	57	4.2	
				12.02 Quality of scientific research institutions	51	4.2	
				12.03 Company spending on R&D	73	3.2	
				12.04 University-industry collaboration in R&D	100	3.1	
				12.05 Gov't procurement of advanced technology products	119	2.7	
				12.06 Availability of scientists and engineers	109	3.4	
				12.07 PCT patents applications/million pop.	35	11.8	

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/>