Key indicators, 2014
Population (millions) .............................................. 7.3
GDP (US$ billions) ......................................................... 289.6
GDP per capita (US$) ...................................................... 39,871
GDP (PPP) as share (%) of world total ............... 0.37

Global Competitiveness Index

GCI 2015–2016 ........................................................ 7 ......5.5
GCI 2014–2015 (out of 144) ....................................... 7 ......5.5
GCI 2013–2014 (out of 148) ....................................... 7 ......5.5
GCI 2012–2013 (out of 144) ....................................... 9 ......5.4

Basic requirements (20.0%) .......................................3 ......6.2
1st pillar: Institutions .............................................. 8 ......5.7
2nd pillar: Infrastructure ........................................... 1 ......6.7
3rd pillar: Macroeconomic environment .............. 16 ......6.1
4th pillar: Health and primary education .............. 29 ......6.3

Efficiency enhancers (50.0%) .................................3 ......5.6
5th pillar: Higher education and training .............. 13 ......5.6
6th pillar: Goods market efficiency ...................... 2 ......5.7
7th pillar: Labor market efficiency ...................... 3 ......5.6
8th pillar: Financial market development .......... 3 ......5.5
9th pillar: Technological readiness ...................... 8 ......6.1
10th pillar: Market size ........................................... 32 ......4.9

Innovation and sophistication factors (30.0%) ..........23 ......4.8
11th pillar: Business sophistication .................. 16 ......5.2
12th pillar: Innovation .............................................. 27 ......4.4

The most problematic factors for doing business

<table>
<thead>
<tr>
<th>Factor driven</th>
<th>Efficiency driven</th>
<th>Innovation driven</th>
</tr>
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<tbody>
<tr>
<td>Insufficient capacity to innovate .......... 22.4</td>
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<tr>
<td>Inefficient government bureaucracy .......... 15.6</td>
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<tr>
<td>Inadequately educated workforce ............ 11.6</td>
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<td>Inflation ...................................................... 10.5</td>
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<td>Restrictive labor regulations ............... 8.4</td>
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<td>Policy instability ................................. 8.1</td>
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<tr>
<td>Poor work ethic in labor force ............. 5.3</td>
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<tr>
<td>Inadequate supply of infrastructure ........ 5.1</td>
<td></td>
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<tr>
<td>Access to financing ............................... 3.7</td>
<td></td>
<td></td>
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<tr>
<td>Government instability/coups ................. 3.6</td>
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<tr>
<td>Complexity of tax regulations ............... 1.9</td>
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<tr>
<td>Tax rates ....................................................... 1.5</td>
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<tr>
<td>Foreign currency regulations ................. 1.1</td>
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<tr>
<td>Poor public health ................................. 0.8</td>
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<tr>
<td>Corruption ..................................................... 0.2</td>
<td></td>
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<tr>
<td>Crime and theft ........................................... 0.2</td>
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</tbody>
</table>

* From the list of factors, 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 score corresponds to the responses weighted according to their rankings.

2: Country/Economy Profiles

Hong Kong SAR

The Global Competitiveness Index in detail

INDICATOR | VALUE | RANK/140
--- | --- | ---
1st pillar: Institutions
1.01 Property rights 6.2 6
1.02 Intellectual property protection 6.0 9
1.03 Diversion of public funds 5.9 10
1.04 Public trust in politicians 4.6 19
1.05 Irregular payments and bribes 6.3 10
1.06 Judicial independence 6.3 4
1.07 Favoritism in decisions of government officials 4.6 16
1.08 Wastefulness of government spending 4.5 14
1.09 Burden of government regulation 5.2 3
1.10 Efficiency of legal framework in settling disputes 6.0 2
1.11 Efficiency of legal framework in challenging regs 5.6 4
1.12 Transparency of government policymaking 6.0 3
1.13 Business costs of terrorism 6.2 18
1.14 Business costs of crime and violence 6.1 8
1.15 Organized crime 6.0 21
1.16 Reliability of police services 6.2 6
1.17 Ethical behavior of firms 5.5 16
1.18 Strength of auditing and reporting standards 6.2 6
1.19 Efficacy of corporate boards 5.4 26
1.20 Protection of minority shareholders' interests 5.4 11
1.21 Strength of investor protection, 0-10 (best) 8.1 2

2nd pillar: Infrastructure
2.01 Quality of overall infrastructure 6.4 3
2.02 Quality of roads 6.2 5
2.03 Quality of railroad infrastructure 6.4 2
2.04 Quality of port infrastructure 6.4 5
2.05 Quality of air transport infrastructure 6.6 3
2.06 Available airline seat km/week, millions* 2,643.2 17
2.07 Quality of electricity supply 6.8 2
2.08 Mobile telephone subscriptions/100 pop.* 239.3 1
2.09 Fixed-telephone lines/100 pop.* 61.1 1

3rd pillar: Macroeconomic environment
3.01 Government budget balance, % GDP* 5.3 5
3.02 Gross national savings, % GDP* 25.3 41
3.03 Inflation, annual % change* 4.4 93
3.04 General government debt, % GDP* 6.9 13
3.05 Country credit rating, 0-100 (best)* 82.5 17

4th pillar: Health and primary education
4.01 Malaria cases/100,000 pop.* 0/M.F. n/a
4.02 Business impact of malaria* N/A
4.03 Tuberculosis cases/100,000 pop.* 76.0 83
4.04 Business impact of tuberculosis 6.0 50
4.05 HIV prevalence, % adult pop.* 0.1 1
4.06 Business impact of HIV/AIDS 5.8 58
4.07 Infant mortality, deaths/1,000 live births 1.7 3
4.08 Life expectancy, years* 83.8 1
4.09 Quality of primary education 5.0 24
4.10 Primary education enrollment, net % 93.8 72

5th pillar: Higher education and training
5.01 Secondary education enrollment, gross %* 99.3 37
5.02 Tertiary education enrollment, gross %* 86.8 30
5.03 Quality of the education system 4.8 20
5.04 Quality of math and science education 5.5 8
5.05 Quality of management schools 5.6 10
5.06 Internet access in schools 6.0 10
5.07 Availability of specialized training services 5.5 15
5.08 Extent of staff training 4.8 23

6th pillar: Goods market efficiency
6.01 Intensity of local competition 6.2 2
6.02 Extent of market dominance 6.2 22
6.03 Effectiveness of anti-monopoly policy 4.4 28
6.04 Effect of taxation on incentives to invest 6.0 4
6.05 Total tax rate, % profits* 22.8 18

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 89.

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