

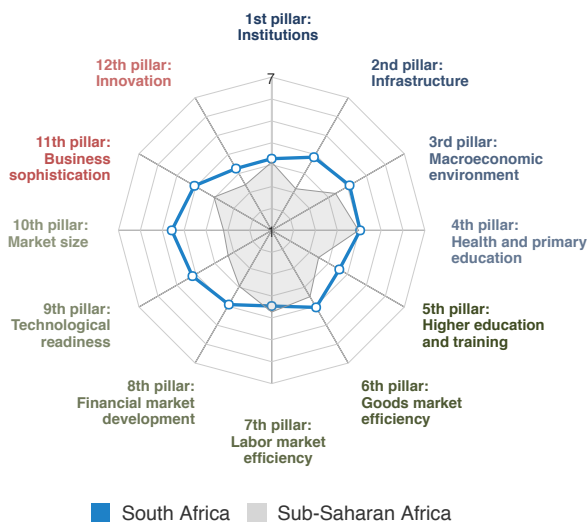
Key indicators, 2016

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

Population millions	55.9	GDP per capita US\$	5,260.9
GDP US\$ billions	294.1	GDP (PPP) % world GDP	0.62

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	61	4.3			Rank	52 / 144	53 / 148	56 / 144	49 / 140	47 / 138	61 / 137
Subindex A: Basic requirements	92	4.3			Score	4.4	4.4	4.4	4.4	4.5	4.3
1st pillar: Institutions	76	3.8									
2nd pillar: Infrastructure	61	4.3									
3rd pillar: Macroeconomic environment	82	4.5									
4th pillar: Health and primary education	121	4.5									
Subindex B: Efficiency enhancers	52	4.4									
5th pillar: Higher education and training	85	4.1									
6th pillar: Goods market efficiency	54	4.5									
7th pillar: Labor market efficiency	93	4.0									
8th pillar: Financial market development	44	4.4									
9th pillar: Technological readiness	54	4.6									
10th pillar: Market size	30	4.9									
Subindex C: Innovation and sophistication factors	39	4.1									
11th pillar: Business sophistication	37	4.5									
12th pillar: Innovation	39	3.8									

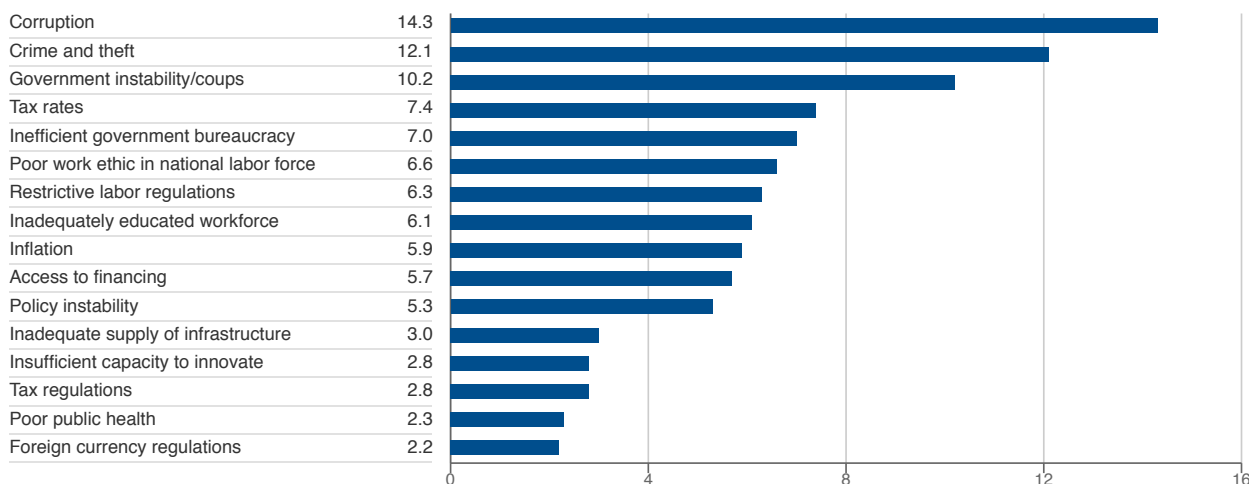


South Africa (61st) remains one of the most competitive countries in sub-Saharan Africa, and among the region's most innovative (39th)—but it drops 14 positions in the overall rankings this year. South Africa's economy is nearly at a standstill, with GDP growth forecast at just 1.0 percent in 2017 and 1.2 percent in 2018—hit by persistently low international demand for its commodities, while its unemployment rate

is currently estimated above 25 percent and rising. Political uncertainty in 2017 has decreased the confidence of South African business leaders: although still relatively good in the African context, the country's institutional environment (76th), financial markets (44th), and goods market efficiency (54th) are all rated as weaker than 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
1st pillar: Institutions	76	3.8		6th pillar: Goods market efficiency	54	4.5	
1.01 Property rights	56	4.5		6.01 Intensity of local competition	44	5.4	
1.02 Intellectual property protection	36	4.8		6.02 Extent of market dominance	52	3.9	
1.03 Diversion of public funds	109	2.6		6.03 Effectiveness of anti-monopoly policy	28	4.5	
1.04 Public trust in politicians	114	2.0		6.04 Effect of taxation on incentives to invest	59	3.7	
1.05 Irregular payments and bribes	91	3.4		6.05 Total tax rate % profits	31	28.8	
1.06 Judicial independence	36	4.9		6.06 No. of procedures to start a business	70	7	
1.07 Favoritism in decisions of government officials	127	2.0		6.07 Time to start a business days	125	43.0	
1.08 Efficiency of government spending	103	2.6		6.08 Agricultural policy costs	78	3.6	
1.09 Burden of government regulation	89	3.2		6.09 Prevalence of non-tariff barriers	69	4.4	
1.10 Efficiency of legal framework in settling disputes	31	4.6		6.10 Trade tariffs % duty	78	6.3	
1.11 Efficiency of legal framework in challenging regulations	36	4.0		6.11 Prevalence of foreign ownership	47	4.9	
1.12 Transparency of government policymaking	74	3.9		6.12 Business impact of rules on FDI	85	4.3	
1.13 Business costs of terrorism	92	4.7		6.13 Burden of customs procedures	66	4.2	
1.14 Business costs of crime and violence	133	2.6		6.14 Imports % GDP	89	36.1	
1.15 Organized crime	122	3.6		6.15 Degree of customer orientation	67	4.6	
1.16 Reliability of police services	118	3.2		6.16 Buyer sophistication	35	3.9	
1.17 Ethical behavior of firms	72	3.8		7th pillar: Labor market efficiency	93	4.0	
1.18 Strength of auditing and reporting standards	30	5.4		7.01 Cooperation in labor-employer relations	137	3.1	
1.19 Efficacy of corporate boards	34	5.3		7.02 Flexibility of wage determination	132	3.4	
1.20 Protection of minority shareholders' interests	30	4.9		7.03 Hiring and firing practices	125	2.9	
1.21 Strength of investor protection 0-10 (best)	21	7.0		7.04 Redundancy costs weeks of salary	27	9.3	
2nd pillar: Infrastructure	61	4.3		7.05 Effect of taxation on incentives to work	83	3.7	
2.01 Quality of overall infrastructure	72	4.1		7.06 Pay and productivity	99	3.5	
2.02 Quality of roads	50	4.4		7.07 Reliance on professional management	43	4.6	
2.03 Quality of railroad infrastructure	47	3.5		7.08 Country capacity to retain talent	78	3.3	
2.04 Quality of port infrastructure	37	4.8		7.09 Country capacity to attract talent	66	3.3	
2.05 Quality of air transport infrastructure	25	5.6		7.10 Female participation in the labor force ratio to men	72	0.80	
2.06 Available airline seat kilometers millions/week	29	1,273.6		8th pillar: Financial market development	44	4.4	
2.07 Quality of electricity supply	97	3.9		8.01 Availability of financial services	32	5.0	
2.08 Mobile-cellular telephone subscriptions /100 pop.	27	142.4		8.02 Affordability of financial services	48	4.1	
2.09 Fixed-telephone lines /100 pop.	93	6.6		8.03 Financing through local equity market	25	4.6	
3rd pillar: Macroeconomic environment	82	4.5		8.04 Ease of access to loans	62	3.9	
3.01 Government budget balance % GDP	81	-3.5		8.05 Venture capital availability	66	2.9	
3.02 Gross national savings % GDP	95	16.2		8.06 Soundness of banks	37	5.5	
3.03 Inflation annual % change	105	6.3		8.07 Regulation of securities exchanges	46	4.8	
3.04 Government debt % GDP	69	50.5		8.08 Legal rights index 0-10 (best)	69	5	
3.05 Country credit rating 0-100 (best)	63	54.0		9th pillar: Technological readiness	54	4.6	
4th pillar: Health and primary education	121	4.5		9.01 Availability of latest technologies	45	5.2	
4.01 Malaria incidence cases/100,000 pop.	30	21.2		9.02 Firm-level technology absorption	38	5.0	
4.02 Business impact of malaria	31	4.7		9.03 FDI and technology transfer	60	4.5	
4.03 Tuberculosis incidence cases/100,000 pop.	137	834.0		9.04 Internet users % pop.	76	54.0	
4.04 Business impact of tuberculosis	132	3.3		9.05 Fixed-broadband Internet subscriptions /100 pop.	98	2.8	
4.05 HIV prevalence % adult pop.	134	18.9		9.06 Internet bandwidth kb/s/user	11	263.0	
4.06 Business impact of HIV/AIDS	128	3.2		9.07 Mobile-broadband subscriptions /100 pop.	71	58.6	
4.07 Infant mortality deaths/1,000 live births	105	33.6		10th pillar: Market size	30	4.9	
4.08 Life expectancy years	129	57.4		10.01 Domestic market size index	30	4.8	
4.09 Quality of primary education	116	3.0		10.02 Foreign market size index	36	5.3	
4.10 Primary education enrollment rate net %	50	97.1		10.03 GDP (PPP) PPP \$ billions	30	739.4	
5th pillar: Higher education and training	85	4.1		10.04 Exports % GDP	83	30.3	
5.01 Secondary education enrollment rate gross %	54	98.8		11th pillar: Business sophistication	37	4.5	
5.02 Tertiary education enrollment rate gross %	99	19.4		11.01 Local supplier quantity	46	4.7	
5.03 Quality of the education system	114	2.8		11.02 Local supplier quality	42	4.7	
5.04 Quality of math and science education	128	2.6		11.03 State of cluster development	29	4.5	
5.05 Quality of management schools	45	4.5		11.04 Nature of competitive advantage	58	3.7	
5.06 Internet access in schools	95	3.6		11.05 Value chain breadth	46	4.2	
5.07 Local availability of specialized training services	54	4.6		11.06 Control of international distribution	38	4.1	
5.08 Extent of staff training	39	4.3		11.07 Production process sophistication	40	4.5	
				11.08 Extent of marketing	30	4.9	
				11.09 Willingness to delegate authority	24	5.0	
				12th pillar: Innovation	39	3.8	
				12.01 Capacity for innovation	30	4.9	
				12.02 Quality of scientific research institutions	42	4.4	
				12.03 Company spending on R&D	32	4.3	
				12.04 University-industry collaboration in R&D	29	4.4	
				12.05 Gov't procurement of advanced technology products	57	3.4	
				12.06 Availability of scientists and engineers	100	3.5	
				12.07 PCT patents applications/million pop.	49	5.8	

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/>