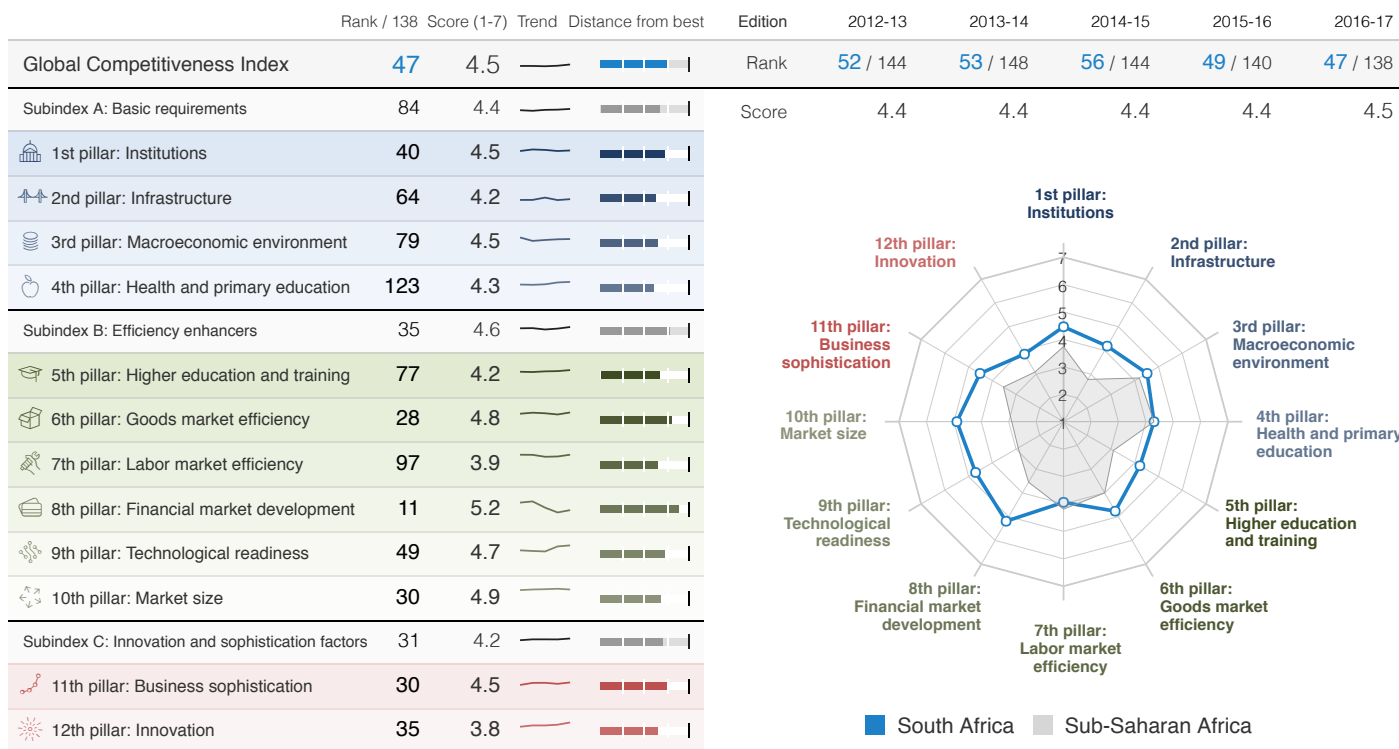


**Key Indicators, 2015** Source: International Monetary Fund; World Economic Outlook Database (April 2016)

<b>Population</b> (millions)	55.0	<b>GDP per capita</b> (US\$)	5694.6
<b>GDP</b> (US\$ billions)	313.0	<b>GDP (PPP) % world GDP</b>	0.64

**Performance overview**

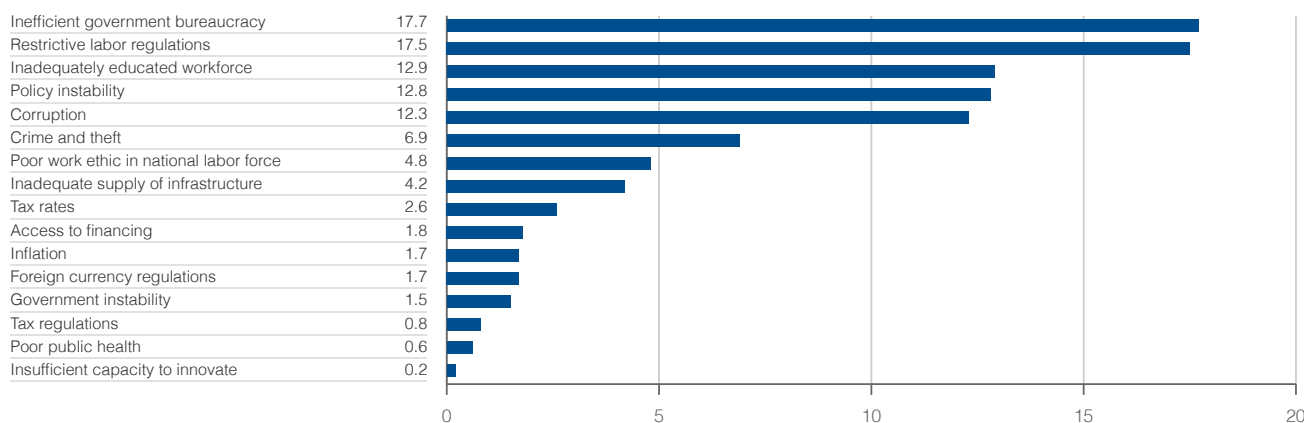


South Africa slightly improves both its score and ranking (47th, up two). It has been relatively less affected by commodity price falls than other economies in the region, and has registered marginal improvements in almost all aspects of competitiveness. Most significant areas of progress include enhanced competition, both locally (up 13 places) and internationally (up 16 places); better use of talent in terms of how pay reflects productivity (98th, up 29 places); and a small but important upgrade in the quality of education (up five places), with primary school enrollment also now passing 97 percent. However, a number of shortcomings may limit South African

competitiveness going forward. Infrastructure development has stalled, both in transport and electricity, with power shortages experienced this year. Institutional quality has diminished, with increased political uncertainty, less transparency, some security concerns, and business leaders having less trust in politicians (down 11 places since last year). The slowdown of the Chinese economy and exchange rate volatility may dampen growth, now forecast at 0.1 percent for 2016. This makes it unlikely that the high unemployment rate will diminish soon, hampering the ability to leverage Africa's demographic dividend.

**Most problematic factors for doing business**

Source: World Economic Forum, Executive Opinion Survey 2016



**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

	Rank / 138	Value	Trend
<b>1st pillar: Institutions</b>	<b>40</b>	<b>4.5</b>	
1.01 Property rights	29	5.4	
1.02 Intellectual property protection	21	5.7	
1.03 Diversion of public funds	96	3.0	
1.04 Public trust in politicians	109	2.2	
1.05 Irregular payments and bribes	53	4.4	
1.06 Judicial independence	16	5.8	
1.07 Favoritism in decisions of government officials	115	2.3	
1.08 Wastefulness of government spending	88	2.8	
1.09 Burden of government regulation	106	3.0	
1.10 Efficiency of legal framework in settling disputes	9	5.6	
1.11 Efficiency of legal framework in challenging regs	10	5.3	
1.12 Transparency of government policymaking	44	4.5	
1.13 Business costs of terrorism	64	5.3	
1.14 Business costs of crime and violence	133	2.4	
1.15 Organized crime	99	4.2	
1.16 Reliability of police services	115	3.3	
1.17 Ethical behavior of firms	36	4.5	
1.18 Strength of auditing and reporting standards	1	6.7	
1.19 Efficacy of corporate boards	3	6.3	
1.20 Protection of minority shareholders' interests	1	6.2	
1.21 Strength of investor protection 0-10 (best)	14	7.2	
<b>2nd pillar: Infrastructure</b>	<b>64</b>	<b>4.2</b>	
2.01 Quality of overall infrastructure	59	4.2	
2.02 Quality of roads	29	5.0	
2.03 Quality of railroad infrastructure	40	3.8	
2.04 Quality of port infrastructure	37	4.9	
2.05 Quality of air transport infrastructure	10	6.0	
2.06 Available airline seat kilometers millions/week	28	1218.6	
2.07 Quality of electricity supply	112	3.0	
2.08 Mobile-cellular telephone subscriptions /100 pop.	15	159.3	
2.09 Fixed-telephone lines /100 pop.	93	7.7	
<b>3rd pillar: Macroeconomic environment</b>	<b>79</b>	<b>4.5</b>	
3.01 Government budget balance % GDP	90	-4.0	
3.02 Gross national savings % GDP	97	15.1	
3.03 Inflation annual % change	95	4.6	
3.04 Government debt % GDP	73	50.1	
3.05 Country credit rating 0-100 (best)	63	-	
<b>4th pillar: Health and primary education</b>	<b>123</b>	<b>4.3</b>	
4.01 Malaria incidence cases/100,000 pop.	25	35.2	
4.02 Business impact of malaria	30	5.1	
4.03 Tuberculosis incidence cases/100,000 pop.	137	834.0	
4.04 Business impact of tuberculosis	130	3.7	
4.05 HIV prevalence % adult pop.	135	18.9	
4.06 Business impact of HIV/AIDS	130	3.4	
4.07 Infant mortality deaths/1,000 live births	107	33.6	
4.08 Life expectancy years	130	57.2	
4.09 Quality of primary education	126	2.7	
4.10 Primary education enrollment rate net %	44	97.1	
<b>5th pillar: Higher education and training</b>	<b>77</b>	<b>4.2</b>	
5.01 Secondary education enrollment rate gross %	67	93.8	
5.02 Tertiary education enrollment rate gross %	99	19.7	
5.03 Quality of the education system	134	2.3	
5.04 Quality of math and science education	138	2.2	
5.05 Quality of management schools	21	5.4	
5.06 Internet access in schools	111	3.5	
5.07 Local availability of specialized training services	33	5.0	
5.08 Extent of staff training	19	5.0	

## South Africa

	Rank / 138	Value	Trend
<b>6th pillar: Goods market efficiency</b>	<b>28</b>	<b>4.8</b>	
6.01 Intensity of local competition	30	5.5	
6.02 Extent of market dominance	30	4.2	
6.03 Effectiveness of anti-monopoly policy	7	5.4	
6.04 Effect of taxation on incentives to invest	41	4.0	
6.05 Total tax rate % profits	31	28.8	
6.06 No. of procedures to start a business	54	6	
6.07 Time to start a business days	125	46.0	
6.08 Agricultural policy costs	70	3.7	
6.09 Prevalence of non-tariff barriers	35	4.7	
6.10 Trade tariffs % duty	78	6.2	
6.11 Prevalence of foreign ownership	31	5.2	
6.12 Business impact of rules on FDI	61	4.7	
6.13 Burden of customs procedures	65	4.2	
6.14 Imports % GDP	78	38.3	
6.15 Degree of customer orientation	36	5.1	
6.16 Buyer sophistication	22	4.2	
<b>7th pillar: Labor market efficiency</b>	<b>97</b>	<b>3.9</b>	
7.01 Cooperation in labor-employer relations	138	2.5	
7.02 Flexibility of wage determination	135	2.8	
7.03 Hiring and firing practices	135	2.3	
7.04 Redundancy costs weeks of salary	28	9.3	
7.05 Effect of taxation on incentives to work	59	4.0	
7.06 Pay and productivity	98	3.6	
7.07 Reliance on professional management	21	5.5	
7.08 Country capacity to retain talent	69	3.5	
7.09 Country capacity to attract talent	53	3.6	
7.10 Female participation in the labor force ratio to men	69	0.81	
<b>8th pillar: Financial market development</b>	<b>11</b>	<b>5.2</b>	
8.01 Financial services meeting business needs	2	6.0	
8.02 Affordability of financial services	27	4.6	
8.03 Financing through local equity market	1	5.9	
8.04 Ease of access to loans	12	5.2	
8.05 Venture capital availability	53	3.0	
8.06 Soundness of banks	2	6.6	
8.07 Regulation of securities exchanges	3	6.2	
8.08 Legal rights index 0-10 (best)	68	5	
<b>9th pillar: Technological readiness</b>	<b>49</b>	<b>4.7</b>	
9.01 Availability of latest technologies	44	5.4	
9.02 Firm-level technology absorption	22	5.4	
9.03 FDI and technology transfer	52	4.6	
9.04 Internet users % pop.	75	51.9	
9.05 Fixed-broadband Internet subscriptions /100 pop.	86	5.3	
9.06 Internet bandwidth kb/s/user	21	147.6	
9.07 Mobile-broadband subscriptions /100 pop.	57	59.5	
<b>10th pillar: Market size</b>	<b>30</b>	<b>4.9</b>	
10.01 Domestic market size index	27	4.8	
10.02 Foreign market size index	34	5.3	
10.03 GDP (PPP) PPP \$ billions	30	723.5	
10.04 Exports % GDP	81	30.8	
<b>11th pillar: Business sophistication</b>	<b>30</b>	<b>4.5</b>	
11.01 Local supplier quantity	39	4.7	
11.02 Local supplier quality	34	4.9	
11.03 State of cluster development	30	4.4	
11.04 Nature of competitive advantage	71	3.4	
11.05 Value chain breadth	52	4.1	
11.06 Control of international distribution	31	4.3	
11.07 Production process sophistication	34	4.6	
11.08 Extent of marketing	16	5.2	
11.09 Willingness to delegate authority	26	4.5	
<b>12th pillar: Innovation</b>	<b>35</b>	<b>3.8</b>	
12.01 Capacity for innovation	25	5.0	
12.02 Quality of scientific research institutions	29	4.9	
12.03 Company spending on R&D	30	4.2	
12.04 University-industry collaboration in R&D	27	4.4	
12.05 Gov't procurement of advanced tech. products	99	2.9	
12.06 Availability of scientists and engineers	112	3.4	
12.07 PCT patent applications applications/million pop.	47	6.5	

**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 Country/Economy Profiles and Rankings at <http://gcr.weforum.org/>