

**World Economic Forum's
Global Competitiveness Report Indicators**

2018

Global Competitiveness Factors, 2018

Pillar 1 INSTITUTIONS

Pillar 2 INFRASTRUCTURE

Pillar 3 ICT ADOPTION

Pillar 4 MACROECONOMIC STABILITY

Pillar 5 HEALTH

Pillar 6 SKILLS

Pillar 7 PRODUCT MARKET

Pillar 8 LABOR MARKET

Pillar 9 FINANCIAL SYSTEM

Pillar 10 MARKET SIZE

Pillar 11 BUSINESS DYNAMISM

Pillar 12 INNOVATION CAPABILITY



Pillar 1: INSTITUTIONS

Subpillars

1. Business costs of organized crime
2. Homicide rate
3. Terrorism incidence
4. Reliability of police services
5. Social capital
6. Budget transparency
7. Judicial independence
8. Efficiency of legal framework in challenging regulations
9. Freedom of the press
10. Burden of government regulation
11. Efficiency of legal framework in setting disputes
12. E-Participation

Pillar 1: INSTITUTIONS

Subpillars

13. Future orientation of government
14. Incidence of corruption
15. Property rights
16. Intellectual property protection
17. Quality of land administration
18. Strength of auditing and reporting standards
19. Conflict of interest regulation
20. Shareholder governance



Pillar 2: INFRASTRUCTURE

Subpillars

1. Quality of road network
2. Quality of road infrastructure
3. Railroad density
4. Efficiency of train services
5. Airport connectivity
6. Efficiency of air transport services
7. Liner shipping connectivity
8. Efficiency of seaport services
9. Electricity access
10. Electricity quality
11. Exposure to unsafe drinking water
12. Reliability of water supply



Pillar 3: ICT ADOPTION

Subpillars

1. Mobile-cellular telephone subscriptions
2. Mobile-broadband subscriptions
3. Fixed-broadband internet subscriptions
4. Fiber internet subscriptions
5. Internet users



Pillar 4: Macroeconomic stability

Subpillars

1. Inflation
2. Debt dynamics



Pillar 5: Health

1. Healthy life expectancy



Pillar 6: SKILLS

Subpillars

1. Mean years of schooling
2. Extent of staff training
3. Quality of vocational training
4. Skillset of graduates
5. Digital skills among active population
6. Ease of finding skilled employees
7. School life expectancy
8. Critical thinking in teaching
9. Pupil-to-teacher ratio in primary education



Pillar 7: PRODUCT MARKET

Subpillars

1. Distortive effect of taxes and subsidies on competition
2. Extent of market dominance
3. Competition in services
4. Prevalence of non-tariff barriers
5. Trade tariffs
6. Complexity of tariffs
7. Border clearance efficiency
8. Service trade openness



Pillar 8: LABOR MARKET

Subpillars

1. Redundancy costs
2. Hiring and firing practices
3. Cooperation in labour-employer relations
4. Flexibility of wage determination
5. Active labour policies
6. Workers' rights
7. Ease of hiring foreign labour
8. Internal labour mobility
9. Reliance on professional management
10. Pay and productivity
11. Female participation in labour force
12. Labour tax rate



Pillar 9: FINANCIAL SYSTEM

Subpillars

1. Domestic credit to private sector
2. Financing of SMEs
3. Venture capital availability
4. Market capitalization
5. Insurance premiums
6. Soundness of banks
7. Non-performing loans
8. Credit gap
9. Banks' regulatory capital ratio



Pillar 10: MARKET SIZE

Subpillars

1. Gross domestic product
2. Imports of goods and services



Pillar 11: BUSINESS DYNAMISM

Subpillars

1. Cost of starting a business
2. Time to start a business
3. Insolvency recovery rate
4. Insolvency regulatory framework
5. Attitudes toward entrepreneurial risk
6. Willingness to delegate authority
7. Growth of innovative companies
8. Companies embracing disruptive ideas



Pillar 12: INNOVATION CAPABILITY

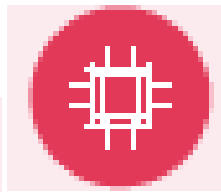
Subpillars

1. Diversity of workforce
2. State of clusters development
3. International co-inventions
4. Multistakeholder collaboration
5. Scientific publications
6. Patent applications
7. R&D expenditures
8. Research institutions prominence index
9. Buyer sophistication
10. Trademark applications

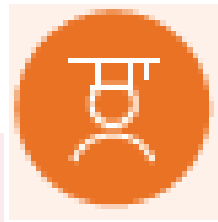
DOST contributes to the following pillars:



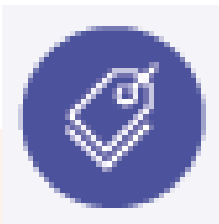
INSTITUTIONS



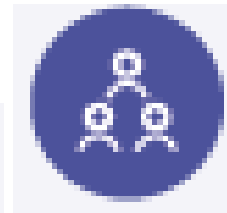
ICT ADOPTION



SKILLS



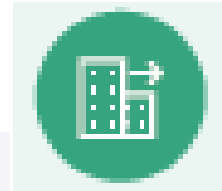
PRODUCT
MARKET



LABOR
MARKET



MARKET SIZE



BUSINESS
DYNAMISM



INNOVATION
CAPABILITY

Pillar 1: INSTITUTIONS

Indicator	Ranking (Raw score/Data)
1) E-Participation	19/140* (0.94)
<ul style="list-style-type: none">❖ Score on the E-Participation Index, which assesses the use of online services to facilitate the provision of information by governments to citizens.❖ The scale ranges from 0 to 1 (best).❖ The index measures the use of online services to facilitate provision of information by governments to citizens (“e-information sharing”), interaction with stakeholders (“e-consultation”) and engagement in decision-making processes (“e-decision making”).	
2) Property rights	65/140* (4.4)
<ul style="list-style-type: none">❖ Executive Opinion Survey with question asked: <i>“In your country, to what extent are property rights, including financial assets, protected?”</i>❖ Experts ranked 1 to 7 according to their perception giving a score of 1 as not at all and 7 as to a great extent.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Indicator	Ranking (Raw score/Data)
3) Intellectual property protection	52/140* (4.4)
<ul style="list-style-type: none">❖ Executive Opinion Survey with question asked: <i>“In your country, to what extent is intellectual property protected?”</i>❖ Experts ranked 1 to 7 according to their perception giving a score of 1 as not at all and 7 as to a great extent.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Pillar 3: ICT ADOPTION

Indicator	Ranking (Raw score/Data)
1) Mobile-cellular telephone subscriptions	84/140* (110.4)
<ul style="list-style-type: none">❖ Number of mobile-cellular telephone subscriptions per 100 population.❖ This indicator includes post-paid subscriptions, active prepaid accounts, and all mobile-cellular subscriptions that offer voice communications.	
2) Mobile-broadband subscriptions	70/140* (68.6)
<ul style="list-style-type: none">❖ Number of active mobile-broadband subscriptions per 100 population❖ This indicator includes standard mobile-broadband subscriptions and dedicated mobile-broadband data subscriptions to the public internet.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Indicator	Ranking (Raw score/Data)
3) Fixed-broadband internet subscriptions	96/140* (3.2)
<ul style="list-style-type: none"> ❖ Number of fixed-broadband internet subscriptions per 100 population. ❖ This indicator refers to the number of subscriptions for high-speed access to the public internet (a TCP/IP connection), including cable modem, DSL, fiber, and other fixed (wired)-broadband technologies – such as Ethernet, LAN and broadband over powerline communications. 	
4) Fiber internet subscriptions	Not available
<ul style="list-style-type: none"> ❖ Fiber-to-the-home/building internet subscriptions per 100 population. ❖ This indicator refers to the number of internet subscriptions using fiber-to-the-home or fiber-to-the-building at downstream speeds equal to or greater than 256 kb/s. 	
5) Internet users	76/140* (55.5)
<ul style="list-style-type: none"> ❖ Percentage of individuals who used the internet from any location and for any purpose, irrespective of the device and network used, in the last three months. 	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Pillar 6: SKILLS

Indicator	Ranking (Raw score/Data)
1) Skillset of graduates	27/140* (4.8)
<ul style="list-style-type: none">❖ Average score of the following two Executive Opinion Survey questions asked: <i>“In your country, to what extent do graduating students from secondary education possess the skills needed by businesses”</i> and <i>“In your country, to what extent do graduating students from university possess the skills needed by businesses?”</i>❖ In each case, experts ranked 1 to 7 according to their perception giving a score of 1 as not at all and 7 as to a great extent.	
2) Ease of finding skilled employees	20/140* (4.9)
<ul style="list-style-type: none">❖ Executive Opinion Survey with question asked: <i>“In your country, to what extent can companies find people with the skills required to fill their vacancies?”</i>❖ Experts ranked 1 to 7 according to their perception give a score of 1 as not at all and 7 as to a great extent.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Pillar 7: PRODUCT MARKET

Indicator	Ranking (Raw score/Data)
1) Prevalence of non-tariff barriers	42/140* (4.6)
<ul style="list-style-type: none">❖ Executive Opinion Survey question asked: <i>“In your country, to what extent do non-tariff barriers (e.g. health and product standards, technical and labelling requirements, etc.) limit the ability of imported goods to compete in the domestic market?”</i>❖ Experts ranked 1 to 7 according to their perception give a score of 1 as strongly limit and 7 as do not limit at all.	
2) Trade tariffs	55/140* (4.39)
<ul style="list-style-type: none">❖ Measured as the weighted average applied tariff rate, expressed in percentage points.❖ The weighted mean applied tariff is the average of effectively applied rates weighted by the product import shares corresponding to each partner country.❖ They are the rates published by national customs authorities for duty administration purposes.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Indicator

Ranking (Raw score/Data)

3) Service trade openness

90/140*
(48.6)

- ❖ Score on the Services Trade Restrictiveness Index (STRI) which assesses the overall openness of the service sector of a country. The STRI measures openness for five major services sectors (financial services, telecommunications, retail distribution, transportation and professional services) and three modes of supply (cross-border supply of services, supply of services through commercial presence or FDI and temporary presence of natural persons).
- ❖ The scale ranges from 0 (completely open) to 100 (completely closed).

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Pillar 8: LABOR MARKET

Indicator	Ranking (Raw score/Data)
1) Ease of hiring foreign labour	91/140* (3.9)
<ul style="list-style-type: none">❖ Executive Opinion Survey question asked: <i>“In your country, how restrictive are regulations related to the hiring of foreign labour?”</i>❖ Experts ranked 1 to 7 according to their perception give a score of 1 as highly restrictive and 7 as not restrictive at all.	
2) Internal labour mobility	9/140* (5.3)
<ul style="list-style-type: none">❖ Executive Opinion Survey question asked: <i>“In your country, to what extent do people move to other parts of the country for professional reasons?”</i>❖ Experts ranked 1 to 7 according to their perception give a score of 1 as not at all and 7 as to great extent.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Indicator

Ranking (Raw score/Data)

3) Reliance on professional management

31/140*
(4.9)

- ❖ Executive Opinion Survey question asked: *“In your country, who holds senior management positions in companies?”*
- ❖ Experts ranked 1 to 7 according to their perception give a score of 1 as usually relatives or friends without regard to merit and 7 as mostly professional managers chosen for merit and qualifications.

4) Pay and productivity

10/140*
(4.9)

- ❖ Executive Opinion Survey question asked: *“In your country, to what extent is pay related to employee productivity?”*
- ❖ Experts ranked 1 to 7 according to their perception give a score of 1 as not at all and 7 as to a great extent.

5) Female participation in labour force

86/140*
(0.61)

- ❖ *Refers to the ratio of the percentage of women aged 15-64 participating in the labour force as wage and salaried workers to the percentage of men aged 15-64 participating in the labour force as wage and salaried workers*

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Pillar 10: MARKET SIZE

Indicator	Ranking (Raw score/Data)
1) Gross domestic product	29/140* (798)
❖ Is valued at purchasing power parity in billions of international dollars (constant 2011 prices).`	
2) Imports of goods and services	83/140* (39.7)
❖ Illustrates the value of all goods and other market services received from the rest of the world, as a percentage of the country's GDP.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Pillar 11: BUSINESS DYNAMISM

Indicator	Ranking (Raw score/Data)
1) Cost of starting a business	97/140* (15.8)
❖ <i>Expressed as a percentage of the economy's income per capita</i>	
2) Growth of innovative companies	15/140* (4.9)
❖ Executive Opinion Survey question asked: <i>"In your country, to what extent do new companies with innovative ideas grow rapidly?"</i>	
❖ Experts ranked 1 to 7 according to their perception give a score of 1 as not at all and 7 as to a great extent.	
3) Companies embracing disruptive ideas	12/140* (4.6)
❖ Executive Opinion Survey question asked: <i>"In your country, to what extent do companies embrace risky or disruptive business ideas?"</i>	
❖ Experts ranked 1 to 7 according to their perception give a score of 1 as not at all and 7 as to a great extent.	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Pillar 12: INNOVATION CAPABILITY

Indicator	Ranking (Raw score/Data)
1) Diversity of workforce	15/140* (5.3)
<ul style="list-style-type: none"> ❖ Executive Opinion Survey question asked: <i>“In your country, to what extent do companies have a diverse workforce (e.g. in terms of ethnicity, religion, sexual orientation, gender)?”</i> ❖ Experts ranked 1 to 7 according to their perception give a score of 1 as not at all and 7 as to a great extent. 	
2) State of clusters development	49/140* (4.0)
<ul style="list-style-type: none"> ❖ Executive Opinion Survey question asked: <i>“In your country, how widespread are well-developed and deep clusters (geographic concentrations of firms, suppliers, producers of related products and services, and specialized institutions in a particular field)?”</i> ❖ Experts ranked 1 to 7 according to their perception give a score of 1 as non-existent and 7 as widespread in many fields. 	
3) International co-inventions	87/140* (0.09)
<ul style="list-style-type: none"> ❖ <i>Number of patent family applications with co-inventions located abroad per million population.</i> 	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Indicator	Ranking (Raw score/Data)
4) Multistakeholder collaboration	27/140* (4.6)
<ul style="list-style-type: none"> ❖ Executive Opinion Survey question asked: <i>“In your country, to what extent do people collaborate and share ideas within a company?”</i> ❖ Experts ranked 1 to 7 according to their perception give a score of 1 as not at all and 7 as to a great extent. 	
5) Scientific publications	55/140* (194.3)
<ul style="list-style-type: none"> ❖ Score on an index measuring the number of publications and their citations, expressed at the country level 	
6) Patent applications	80/140* (0.33)
<ul style="list-style-type: none"> ❖ <i>Total number of patent family applications per million population</i> 	
7) R&D expenditures	99/140* (0.1)
<ul style="list-style-type: none"> ❖ <i>Expenditures on research and development (R&D) expressed as a percentage of GDP</i> 	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

Indicator	Ranking (Raw score/Data)
8) Research institutions prominence index	71/140* (0.1)
❖ <i>Score on an index that measures the prominence and standing of private and public research institutions</i>	
9) Buyer sophistication	57/140* (3.6)
❖ Executive Opinion Survey question asked: <i>“In your country, on what basis do buyers make purchasing decisions?”</i> ❖ Experts ranked 1 to 7 according to their perception give a score of 1 based solely on the lowest price and 7 based on sophisticated performance attributes.	
10) Trademark applications	98/140* (160.02)
❖ <i>Number of trademark applications per million population.</i>	

*Philippine rank over the number of countries

Note: Scores are enclosed in parenthesis

Source: Global Competitiveness Report, World Economic Forum, 2018

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