

# The Global Competitiveness Report 2018



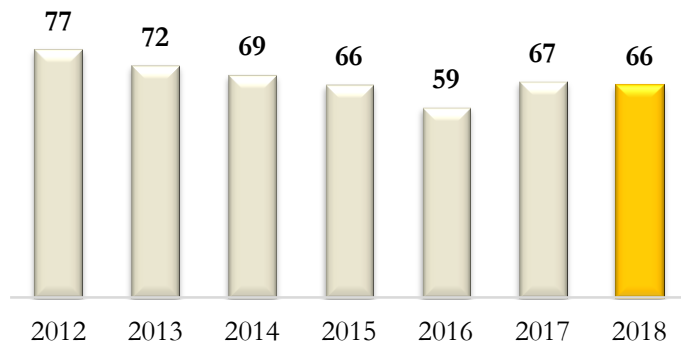
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**COMMITTED TO  
IMPROVING THE  
STATE  
OF THE WORLD**

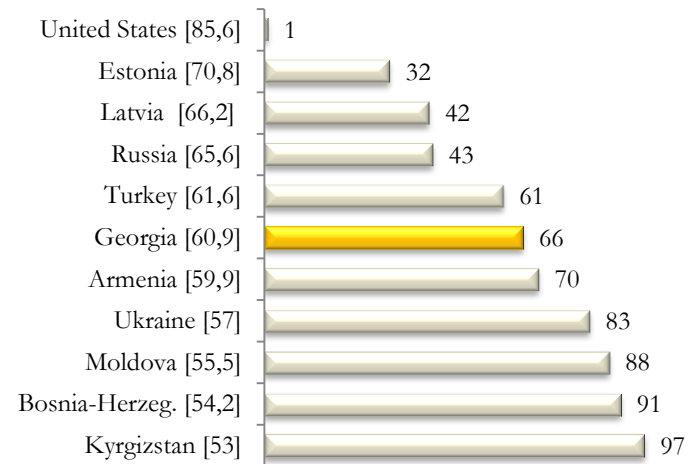
# GCI - Ranking

In 2018, Georgia takes **66<sup>th</sup>** position amongst 140 countries. Its ranking score improved by 1,1 points and amounts to **60,9**

Georgia's Rating by Years



Comparison of Georgia's Rating with other Countries

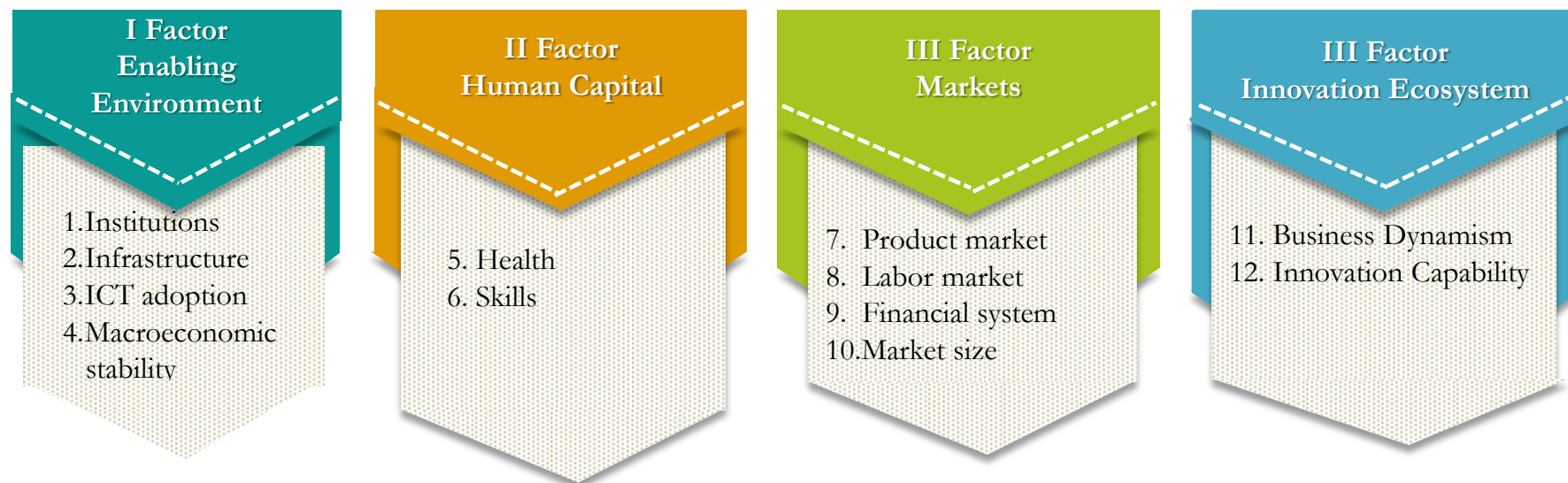


# GCI – Methodological Changes

In 2018, World Economic Forum introduced the new **Global Competitiveness Index**. In the **Global Competitiveness Report 2018** the methodology of the ranking was revised. Due to the methodological changes, some indicators of the ranking were excluded and replaced with new ones.

The **Global Competitiveness Index 2018** introduces a new progress score ranging from 0 to 100.

With the inclusion of new concepts, the **GCI** makes an assessment of the countries based on **4 factors**. The factors are grouped into **12 indicators** of competitiveness. There are a total of 98 indicators in the index, organized into these indicators.



## In 2018 Georgia's position compared to 17

- Enabling Environment – **57<sup>th</sup>** position with the score of **66,8** (improved by 1.4 points)
- Human Capital – **65<sup>th</sup>** position with the score of **72,1** (improved by 0,7 points)
- Markets – **75<sup>th</sup>** position with the score of **55,4** (decreased by 0,1 points)
- Innovation Ecosystem – **72<sup>nd</sup>** position with the score of **47,4** (improved by 2,7 points)

# GCI – Indicators and Scores

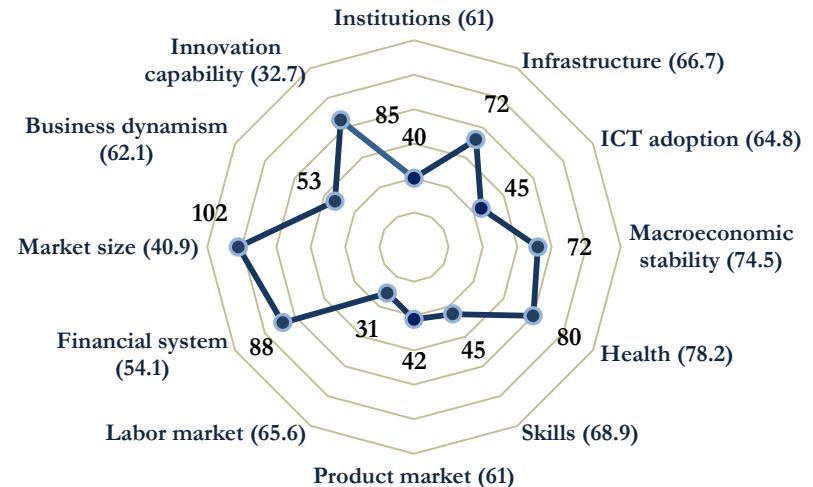
**Four factors** of the ranking are grouped into **12 indicators** of competitiveness, which encompass **98** components. Indicators are measured by the scores from **0 to 100**, where 0 score is the lowest score and 100 score – the highest

Compared to previous year, in 2018 Georgia's ranking score improved in 8 indicators out of 12

- **Institutions** – improved by 1,1 points
- **ICT adoption** – improved by 5 points
- **Health** - improved 0,7 point
- **Skills** – improved by 1,1 points
- **Product market**- improved by 0,7 point
- **Market size** – improved by 0,6 point
- **Business dynamism** – improved by 4,3 points
- **Innovation capability** – improved by 1 point

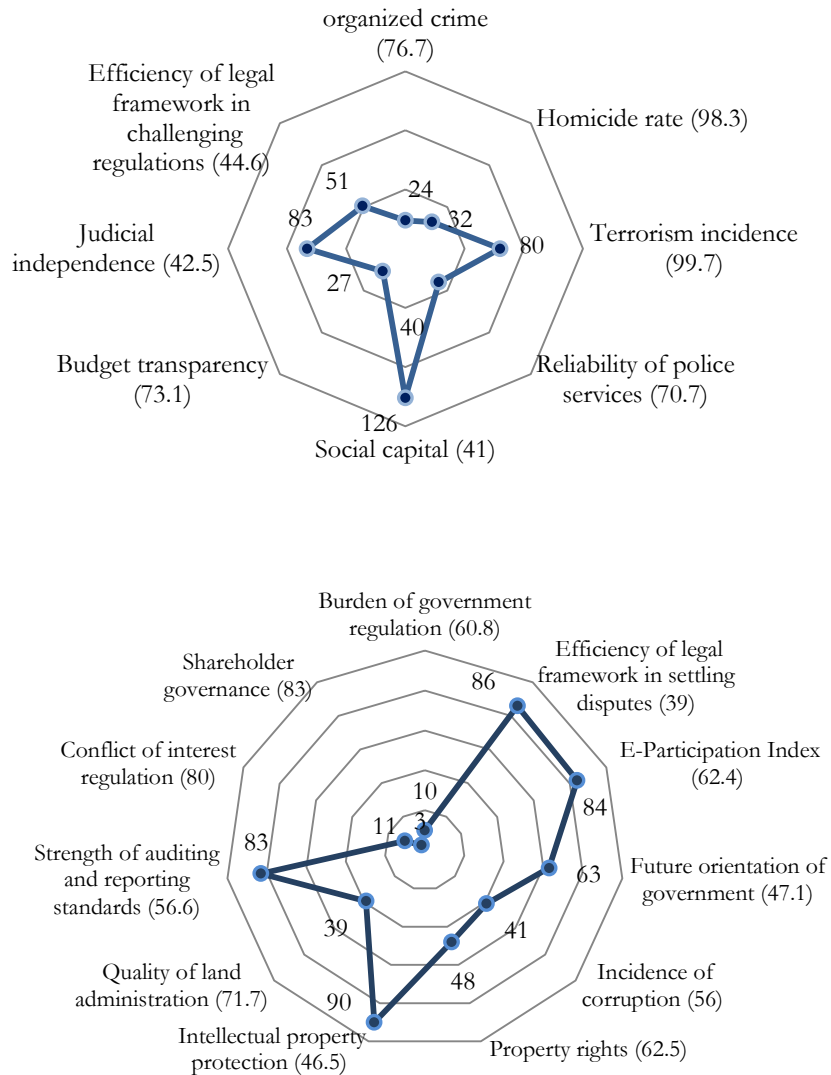
Georgia's ranking score decreased in the following indicators:

- **Infrastructure** – decreased by 0,1 point
- **Macroeconomic stability** – decreased by 0,4 point
- **Labor market** – decreased by 0,3 point
- **Financial system** – decreased by 1,4 point

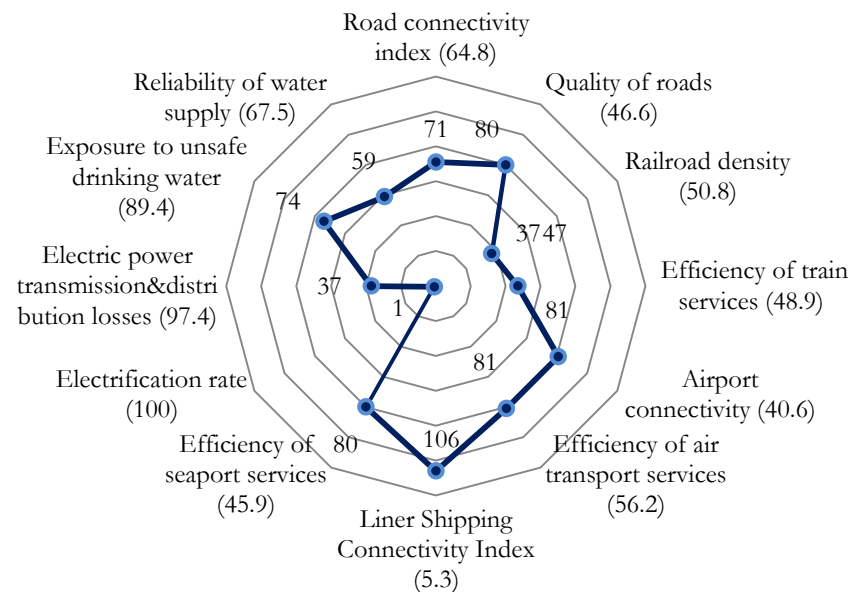


# Enabling Environment

## I. Institutions - score 61 (40<sup>th</sup> position)

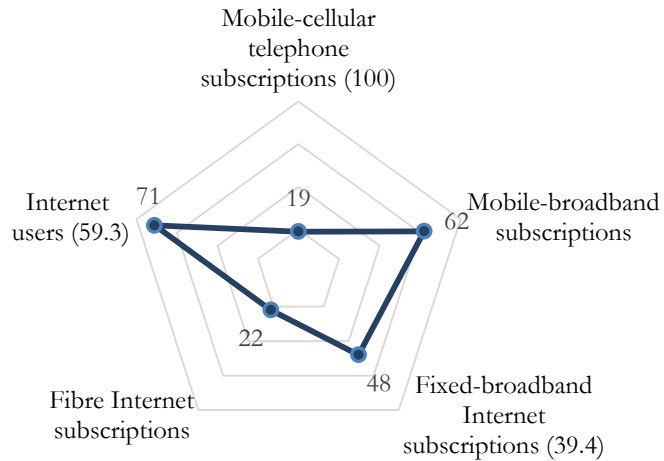


## II. Infrastructure - score 66.7 (72<sup>th</sup> position)



# Enabling Environment & Human Capital

## III. ICT Adoption – score 64.8 (45<sup>th</sup> position)



## IV. Macroeconomic Stability – score 74.5 (72<sup>th</sup> position)

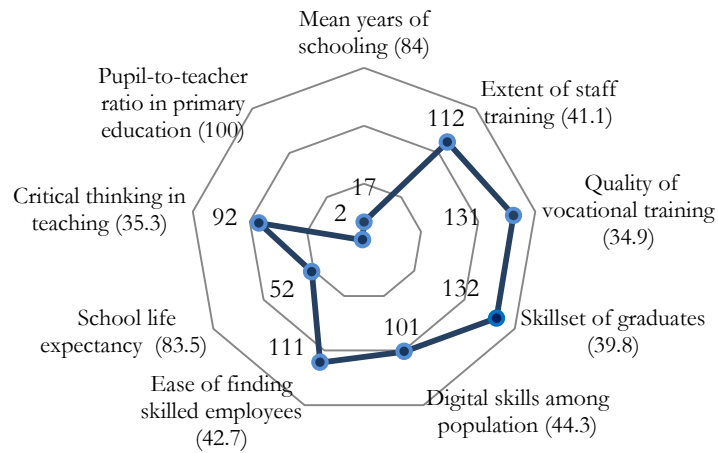
- **Annual inflation, %** - 99.8 score (77<sup>th</sup> position)
- **Debt dynamics** - 49.2 score (85<sup>th</sup> position)

## V. Health - score 78.2 (80<sup>th</sup> position)

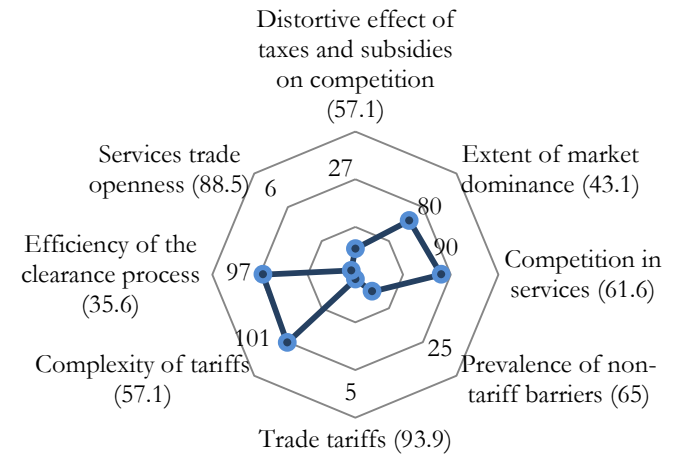
- **Healthy life expectancy** - 78.2 score (79<sup>th</sup> position)

# Human Capital & Market

## VI. Skills – score 68.9 (45<sup>th</sup> position)

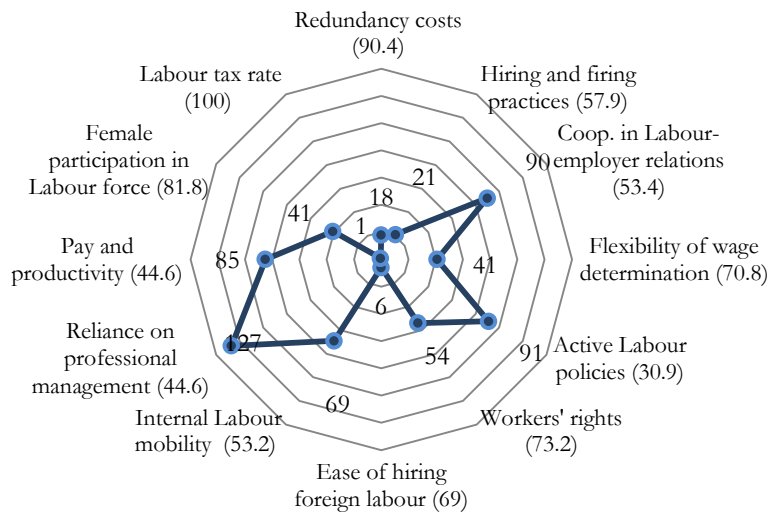


## VII. Product Market – Score 61 (42<sup>nd</sup> position)

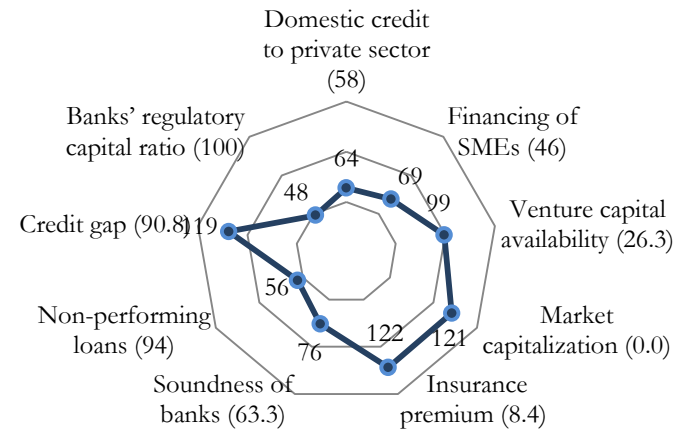


# Market

## VIII. Labor Market – 65.6 score (31<sup>st</sup> position)



## IX. Financial System – score 54.1 (88<sup>th</sup> position)



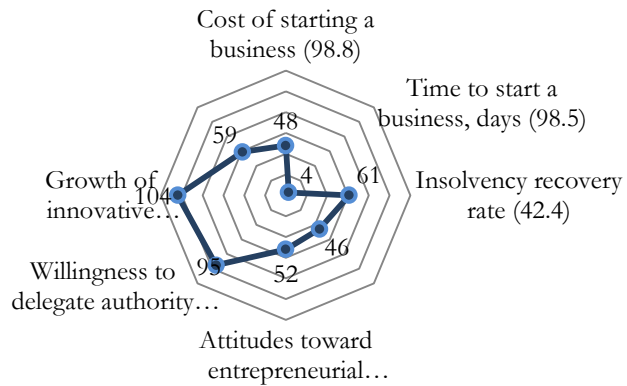
## X. Market Size – score 40.9 (102<sup>nd</sup> position)

- Gross domestic product – 105<sup>th</sup> position
- Imports (% GDP) – 30<sup>th</sup> position

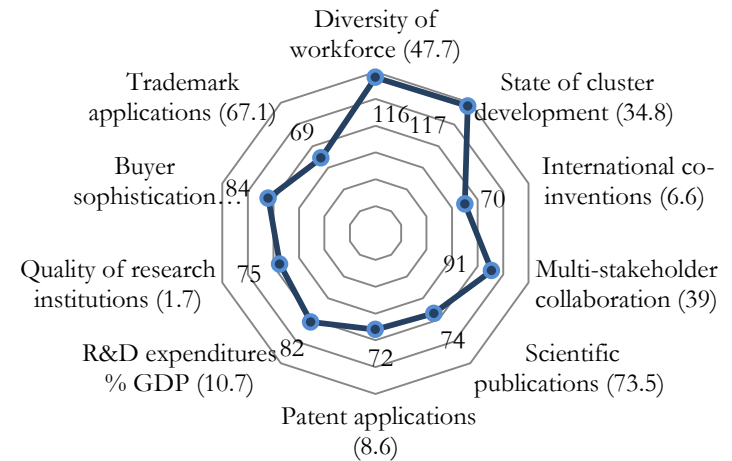


# Innovation Ecosystem

## XI. Business Dynamism – score 62.1 (53<sup>th</sup> position)



## XII. Innovation Capability – score 32.7 (85<sup>th</sup> position)



# The Global Competitiveness Index – What is Measured

## What is Global Competitiveness Index (GCI)

- **GCI** is defined by the World Economic Forum. It is a set of institutions, policies, and factors that determine the level of productivity of a country, conditions of public institutions and technical conditions

## Data used in GCI

- Rating uses public accessible (statistic) datas (**WB, IMF, etc.**) and results of findings made by **World Economic Forum**. These findings are made annually with the support of partner institutions (research institutions and business centers)

## What GCI Report contains

- **GCI** analysis the factors that play significant role in creating favorable business-climate environment in the country and are important for competitiveness and manufacture point of view
- It considers strength and weaknesses of a country, identifies priorities for the facilitation of political reforms implementation

## How many countries GCI Report encompass

- The Global Competitiveness Index 2018 report encompasses **140** countries.