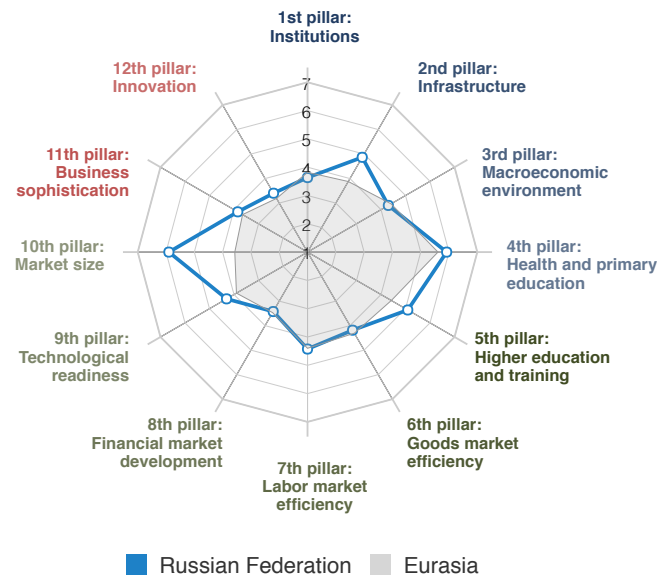


Key Indicators, 2015 Source: International Monetary Fund; World Economic Outlook Database (April 2016)

Population (millions)	146.3	GDP per capita (US\$)	9054.9
GDP (US\$ billions)	1324.7	GDP (PPP) % world GDP	3.27

Performance overview

	Rank / 138	Score (1-7)	Trend	Distance from best	Edition	2012-13	2013-14	2014-15	2015-16	2016-17
Global Competitiveness Index	<b>43</b>	4.5			Rank	<b>67 / 144</b>	<b>64 / 148</b>	<b>53 / 144</b>	<b>45 / 140</b>	<b>43 / 138</b>
Subindex A: Basic requirements	59	4.7			Score	4.2	4.2	4.4	4.4	4.5
1st pillar: Institutions	<b>88</b>	3.6								
2nd pillar: Infrastructure	<b>35</b>	4.9								
3rd pillar: Macroeconomic environment	<b>91</b>	4.3								
4th pillar: Health and primary education	<b>62</b>	5.9								
Subindex B: Efficiency enhancers	38	4.6								
5th pillar: Higher education and training	<b>32</b>	5.1								
6th pillar: Goods market efficiency	<b>87</b>	4.2								
7th pillar: Labor market efficiency	<b>49</b>	4.4								
8th pillar: Financial market development	<b>108</b>	3.4								
9th pillar: Technological readiness	<b>62</b>	4.3								
10th pillar: Market size	<b>6</b>	5.9								
Subindex C: Innovation and sophistication factors	66	3.6								
11th pillar: Business sophistication	<b>72</b>	3.8								
12th pillar: Innovation	<b>56</b>	3.4								

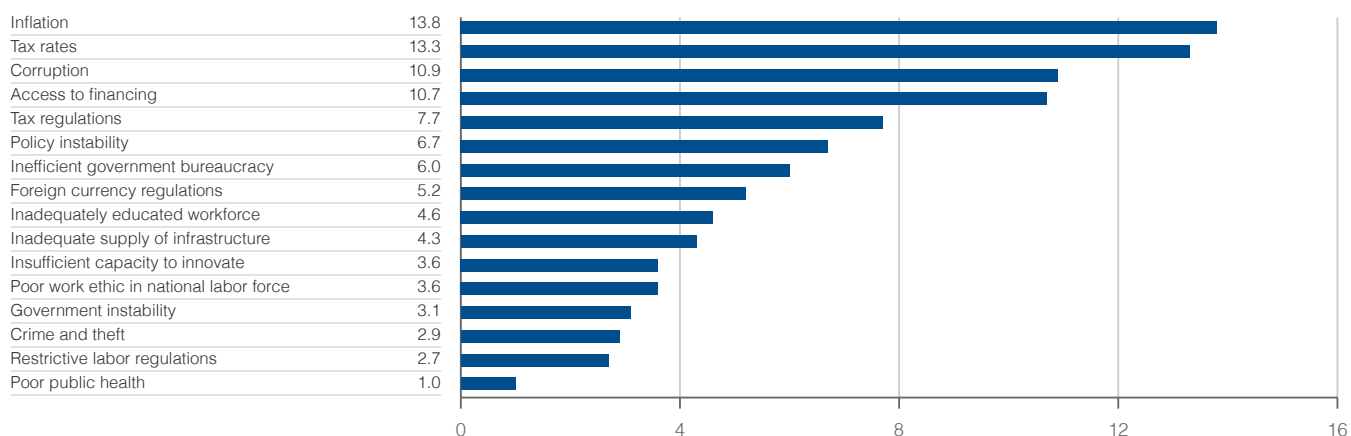


The Russian Federation fell into recession in 2015, with its GDP shrinking by 3.7 percent, but nonetheless remained rather stable in terms of its competitiveness (up two places at 43rd). This is partly the result of strengthened fundamentals, including the quality and quantity of education (up six places) and innovation capacity (up 12, although from a low base), along with an improved domestic business environment, and less negative domestic business sentiment than expected. Low commodities prices are affecting the Russian Federation somewhat less than other Eurasian economies: the level of government debt remains relatively low and gross national savings are almost unchanged. According to the IMF, economic

measures such as exchange rate flexibility, banking sector capital and liquidity injections, limited fiscal stimulus, and regulatory forbearance “cushioned the shocks, and helped restore confidence and stabilized the financial system.”<sup>37</sup> Nonetheless, the commodity price shock is still having a profound impact on the Russian economy: with sharply reduced public revenue and higher inflation, the Russian macroeconomic environment is much less sound, dropping to 51st place. The financial sector is suffering from a lower inflow of capital related to mineral revenues and the quasi-closure of international financial markets to Russian entities, as seen in the reduced availability of loans and venture capital.

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.

	Rank / 138	Value	Trend
<b>1st pillar: Institutions</b>	<b>88</b>	<b>3.6</b>	
1.01 Property rights	123	3.5	
1.02 Intellectual property protection	117	3.3	
1.03 Diversion of public funds	92	3.1	
1.04 Public trust in politicians	56	3.3	
1.05 Irregular payments and bribes	83	3.6	
1.06 Judicial independence	95	3.4	
1.07 Favoritism in decisions of government officials	77	3.0	
1.08 Wastefulness of government spending	86	2.8	
1.09 Burden of government regulation	103	3.0	
1.10 Efficiency of legal framework in settling disputes	82	3.4	
1.11 Efficiency of legal framework in challenging regs	91	3.1	
1.12 Transparency of government policymaking	75	4.0	
1.13 Business costs of terrorism	101	4.6	
1.14 Business costs of crime and violence	75	4.5	
1.15 Organized crime	85	4.4	
1.16 Reliability of police services	109	3.5	
1.17 Ethical behavior of firms	65	3.9	
1.18 Strength of auditing and reporting standards	103	4.0	
1.19 Efficacy of corporate boards	73	4.8	
1.20 Protection of minority shareholders' interests	116	3.5	
1.21 Strength of investor protection 0-10 (best)	63	5.7	
<b>2nd pillar: Infrastructure</b>	<b>35</b>	<b>4.9</b>	
2.01 Quality of overall infrastructure	74	4.0	
2.02 Quality of roads	123	2.8	
2.03 Quality of railroad infrastructure	25	4.4	
2.04 Quality of port infrastructure	72	4.0	
2.05 Quality of air transport infrastructure	65	4.4	
2.06 Available airline seat kilometers millions/week	13	3352.5	
2.07 Quality of electricity supply	62	5.0	
2.08 Mobile-cellular telephone subscriptions /100 pop.	13	160.0	
2.09 Fixed-telephone lines /100 pop.	39	25.7	
<b>3rd pillar: Macroeconomic environment</b>	<b>91</b>	<b>4.3</b>	
3.01 Government budget balance % GDP	78	-3.5	
3.02 Gross national savings % GDP	51	23.4	
3.03 Inflation annual % change	132	15.5	
3.04 Government debt % GDP	10	17.7	
3.05 Country credit rating 0-100 (best)	61	-	
<b>4th pillar: Health and primary education</b>	<b>62</b>	<b>5.9</b>	
4.01 Malaria incidence cases/100,000 pop.	n/a	S.L.	
4.02 Business impact of malaria	N/Appl.	N/Appl.	
4.03 Tuberculosis incidence cases/100,000 pop.	88	84.0	
4.04 Business impact of tuberculosis	75	5.5	
4.05 HIV prevalence % adult pop.	106	1.1	
4.06 Business impact of HIV/AIDS	60	5.8	
4.07 Infant mortality deaths/1,000 live births	52	8.2	
4.08 Life expectancy years	97	70.4	
4.09 Quality of primary education	49	4.4	
4.10 Primary education enrollment rate net %	66	95.2	
<b>5th pillar: Higher education and training</b>	<b>32</b>	<b>5.1</b>	
5.01 Secondary education enrollment rate gross %	43	100.6	
5.02 Tertiary education enrollment rate gross %	18	78.7	
5.03 Quality of the education system	69	3.7	
5.04 Quality of math and science education	52	4.5	
5.05 Quality of management schools	74	4.1	
5.06 Internet access in schools	33	5.1	
5.07 Local availability of specialized training services	54	4.5	
5.08 Extent of staff training	78	3.8	

	Rank / 138	Value	Trend
<b>6th pillar: Goods market efficiency</b>	<b>87</b>	<b>4.2</b>	
6.01 Intensity of local competition	81	5.0	
6.02 Extent of market dominance	59	3.8	
6.03 Effectiveness of anti-monopoly policy	82	3.5	
6.04 Effect of taxation on incentives to invest	106	3.1	
6.05 Total tax rate % profits	98	47.0	
6.06 No. of procedures to start a business	40	4	
6.07 Time to start a business days	65	10.5	
6.08 Agricultural policy costs	110	3.2	
6.09 Prevalence of non-tariff barriers	111	3.9	
6.10 Trade tariffs % duty	73	5.8	
6.11 Prevalence of foreign ownership	126	3.3	
6.12 Business impact of rules on FDI	124	3.5	
6.13 Burden of customs procedures	83	3.8	
6.14 Imports % GDP	128	21.2	
6.15 Degree of customer orientation	85	4.5	
6.16 Buyer sophistication	43	3.7	
<b>7th pillar: Labor market efficiency</b>	<b>49</b>	<b>4.4</b>	
7.01 Cooperation in labor-employer relations	103	4.1	
7.02 Flexibility of wage determination	23	5.6	
7.03 Hiring and firing practices	45	4.1	
7.04 Redundancy costs weeks of salary	77	17.4	
7.05 Effect of taxation on incentives to work	105	3.4	
7.06 Pay and productivity	41	4.4	
7.07 Reliance on professional management	88	3.9	
7.08 Country capacity to retain talent	81	3.3	
7.09 Country capacity to attract talent	82	3.2	
7.10 Female participation in the labor force ratio to men	50	0.86	
<b>8th pillar: Financial market development</b>	<b>108</b>	<b>3.4</b>	
8.01 Financial services meeting business needs	111	3.6	
8.02 Affordability of financial services	102	3.2	
8.03 Financing through local equity market	95	3.1	
8.04 Ease of access to loans	115	3.0	
8.05 Venture capital availability	87	2.6	
8.06 Soundness of banks	121	3.7	
8.07 Regulation of securities exchanges	113	3.5	
8.08 Legal rights index 0-10 (best)	46	6	
<b>9th pillar: Technological readiness</b>	<b>62</b>	<b>4.3</b>	
9.01 Availability of latest technologies	83	4.4	
9.02 Firm-level technology absorption	86	4.3	
9.03 FDI and technology transfer	111	3.7	
9.04 Internet users % pop.	39	73.4	
9.05 Fixed-broadband Internet subscriptions /100 pop.	47	18.8	
9.06 Internet bandwidth kb/s/user	83	26.8	
9.07 Mobile-broadband subscriptions /100 pop.	40	71.3	
<b>10th pillar: Market size</b>	<b>6</b>	<b>5.9</b>	
10.01 Domestic market size index	6	5.8	
10.02 Foreign market size index	5	6.2	
10.03 GDP (PPP) PPP \$ billions	6	3717.6	
10.04 Exports % GDP	90	29.5	
<b>11th pillar: Business sophistication</b>	<b>72</b>	<b>3.8</b>	
11.01 Local supplier quantity	83	4.3	
11.02 Local supplier quality	67	4.3	
11.03 State of cluster development	95	3.4	
11.04 Nature of competitive advantage	73	3.4	
11.05 Value chain breadth	80	3.7	
11.06 Control of international distribution	59	3.7	
11.07 Production process sophistication	74	3.7	
11.08 Extent of marketing	67	4.4	
11.09 Willingness to delegate authority	78	3.6	
<b>12th pillar: Innovation</b>	<b>56</b>	<b>3.4</b>	
12.01 Capacity for innovation	78	4.0	
12.02 Quality of scientific research institutions	46	4.2	
12.03 Company spending on R&D	66	3.3	
12.04 University-industry collaboration in R&D	46	3.7	
12.05 Gov't procurement of advanced tech. products	68	3.3	
12.06 Availability of scientists and engineers	58	4.1	
12.07 PCT patent applications applications/million pop.	43	8.1	

**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/>