Colombia (66th) falls five positions this year in the Global Competitiveness Index. The fall is mainly explained by a deteriorating macroeconomic environment due to rising budget deficit and inflation as well as deterioration in the labor market efficiency pillar. Finally, the efficiency of the country’s institutions is assessed more negatively, falling to 117th and reflecting news of alleged corruption cases currently under investigation. Indicators of government efficiency have also deteriorated affecting the institutions pillar of the Index.

Most problematic factors for doing business


<table>
<thead>
<tr>
<th>Factor</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corruption</td>
<td>17.6</td>
</tr>
<tr>
<td>Tax rates</td>
<td>14.2</td>
</tr>
<tr>
<td>Inefficient government bureaucracy</td>
<td>9.2</td>
</tr>
<tr>
<td>Inadequate supply of infrastructure</td>
<td>8.7</td>
</tr>
<tr>
<td>Policy instability</td>
<td>7.9</td>
</tr>
<tr>
<td>Restrictive labor regulations</td>
<td>7.5</td>
</tr>
<tr>
<td>Crime and theft</td>
<td>5.6</td>
</tr>
<tr>
<td>Inflation</td>
<td>4.5</td>
</tr>
<tr>
<td>Access to financing</td>
<td>4.4</td>
</tr>
<tr>
<td>Government instability/coups</td>
<td>3.7</td>
</tr>
<tr>
<td>Inadequately educated workforce</td>
<td>3.6</td>
</tr>
<tr>
<td>Foreign currency regulations</td>
<td>2.6</td>
</tr>
<tr>
<td>Poor work ethic in national labor force</td>
<td>1.8</td>
</tr>
<tr>
<td>Insufficient capacity to innovate</td>
<td>1.8</td>
</tr>
<tr>
<td>Poor public health</td>
<td>1.3</td>
</tr>
</tbody>
</table>

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

Index Component | Rank/137 | Value | Trend

1st pillar: Institutions | 117 | 3.2
- 1.01 Property rights | 99 | 3.9
- 1.02 Intellectual property protection | 74 | 4.0
- 1.03 Diversion of resources | 131 | 2.1
- 1.04 Public trust in politicians | 124 | 1.7
- 1.05 Irregular payments and bribes | 96 | 3.3
- 1.06 Judicial independence | 111 | 3.0
- 1.07 Favoritism in decisions of government officials | 119 | 2.2
- 1.08 Efficiency of government spending | 129 | 1.9
- 1.09 Burden of government regulation | 123 | 2.6
- 1.10 Efficiency of legal framework in settling disputes | 122 | 2.7
- 1.11 Efficiency of legal framework in challenging regulations | 105 | 2.6
- 1.12 Transparency of government policymaking | 86 | 3.8
- 1.13 Business costs of terrorism | 132 | 3.0
- 1.14 Business costs of crime and violence | 128 | 2.9
- 1.15 Organized crime | 131 | 2.9
- 1.16 Reliability of police services | 114 | 3.4
- 1.17 Ethical behavior of firms | 113 | 3.3
- 1.18 Strength of auditing and reporting standards | 59 | 4.8
- 1.19 Efficacy of corporate boards | 44 | 5.1
- 1.20 Protection of minority shareholders’ interests | 69 | 4.0
- 1.21 Strength of investor protection | 13 | 7.3

2nd pillar: Infrastructure | 87 | 3.8
- 2.01 Quality of overall infrastructure | 109 | 3.1
- 2.02 Quality of roads | 110 | 3.0
- 2.03 Quality of railroad infrastructure | 96 | 1.5
- 2.04 Quality of port infrastructure | 71 | 3.8
- 2.05 Quality of air transport infrastructure | 81 | 4.1
- 2.06 Available airline seat kilometers | 37 | 721.5
- 2.07 Quality of electricity supply | 79 | 4.8
- 2.08 Mobile-cellular telephone subscriptions | 68 | 117.1
- 2.09 Fixed-telephone lines | 74 | 14.2

3rd pillar: Macroeconomic environment | 62 | 4.8
- 3.01 Government budget balance | 79 | 3.4
- 3.02 Gross national savings | 68 | 21.0
- 3.03 Inflation annual % change | 115 | 7.5
- 3.04 Government debt | 65 | 47.6
- 3.05 Country credit rating | 43 | 65.2

4th pillar: Health and primary education | 88 | 5.5
- 4.01 Malaria incidence | 39 | 164.0
- 4.02 Business impact of malaria | 7 | 5.8
- 4.03 Tuberculosis incidence | 59 | 31.0
- 4.04 Business impact of tuberculosis | 71 | 5.4
- 4.05 HIV prevalence | 73 | 0.4
- 4.06 Business impact of HIV/AIDS | 73 | 5.2
- 4.07 Infant mortality | 76 | 13.6
- 4.08 Life expectancy | 79 | 74.2
- 4.09 Quality of primary education | 91 | 3.4
- 4.10 Primary education enrollment rate | 102 | 90.6

5th pillar: Higher education and training | 66 | 4.5
- 5.01 Secondary education enrollment rate | 56 | 98.1
- 5.02 Tertiary education enrollment rate | 49 | 55.7
- 5.03 Quality of the education system | 83 | 3.4
- 5.04 Quality of math and science education | 100 | 3.4
- 5.05 Quality of management schools | 63 | 4.3
- 5.06 Internet access in schools | 71 | 4.1
- 5.07 Local availability of specialized training services | 79 | 4.2
- 5.08 Extent of staff training | 92 | 3.6

6th pillar: Goods market efficiency | 102 | 4.0
- 6.01 Intensity of local competition | 22 | 5.5
- 6.02 Extent of market dominance | 86 | 3.5
- 6.03 Effectiveness of anti-monopoly policy | 71 | 3.7
- 6.04 Effect of taxation on incentives to invest | 131 | 2.5
- 6.05 Total tax rate % profits | 135 | 69.8
- 6.06 No. of procedures to start a business | 53 | 0.7
- 6.07 Time to start a business days | 53 | 9.0
- 6.08 Agricultural policy costs | 125 | 2.9
- 6.09 Prevalence of non-tariff barriers | 98 | 4.0
- 6.10 Trade % duty | 81 | 6.5
- 6.11 Prevalence of foreign ownership | 85 | 4.3
- 6.12 Business impact of rules on FDI | 86 | 4.3
- 6.13 Burden of customs procedures | 89 | 3.8
- 6.14 Imports % GDP | 125 | 19.7
- 6.15 Degree of customer orientation | 46 | 4.9
- 6.16 Buyer sophistication | 90 | 3.1

7th pillar: Labor market efficiency | 88 | 4.0
- 7.01 Cooperation in labor-employer relations | 66 | 4.4
- 7.02 Flexibility of wage determination | 71 | 4.9
- 7.03 Hiring and firing practices | 106 | 3.3
- 7.04 Redundancy costs % weeks of salary | 71 | 16.7
- 7.05 Effect of taxation on incentives to work | 118 | 3.1
- 7.06 Pay and productivity | 94 | 3.6
- 7.07 Reliance on professional management | 86 | 4.0
- 7.08 Country capacity to retain talent | 64 | 3.5
- 7.09 Country capacity to attract talent | 79 | 3.2
- 7.10 Female participation in the labor force ratio to men | 85 | 0.75

8th pillar: Financial market development | 27 | 4.6
- 8.01 Availability of financial services | 69 | 4.2
- 8.02 Affordability of financial services | 99 | 3.4
- 8.03 Financing through local equity market | 77 | 3.4
- 8.04 Ease of access to loans | 61 | 4.0
- 8.05 Venture capital availability | 73 | 2.2
- 8.06 Soundness of banks | 30 | 5.6
- 8.07 Regulation of securities exchanges | 59 | 4.6
- 8.08 Legal rights index | 1 | 12

9th pillar: Technological readiness | 65 | 4.3
- 9.01 Availability of latest technologies | 85 | 4.4
- 9.02 Firm-level technology absorption | 83 | 4.3
- 9.03 FDI and technology transfer | 73 | 4.3
- 9.04 Internet users % pop. | 72 | 58.1
- 9.05 Fixed-broadband Internet subscriptions | 64 | 11.8
- 9.06 Internet bandwidth Mb/second | 32 | 150.9
- 9.07 Mobile-broadband subscriptions | 92 | 45.5

10th pillar: Market size | 37 | 4.8
- 10.01 Domestic market size index | 31 | 4.7
- 10.02 Foreign market size index | 56 | 4.8
- 10.03 GDP (PPP) PPP $ billions | 31 | 688.8
- 10.04 Exports % GDP | 124 | 13.7

11th pillar: Business sophistication | 64 | 4.1
- 11.01 Local supplier quantity | 23 | 4.9
- 11.02 Local supplier quality | 41 | 4.8
- 11.03 State of cluster development | 79 | 3.7
- 11.04 Nature of competitive advantage | 73 | 3.4
- 11.05 Value chain breadth | 55 | 3.9
- 11.06 Control of international distribution | 69 | 3.6
- 11.07 Production process sophistication | 78 | 3.7
- 11.08 Extent of marketing | 76 | 4.4
- 11.09 Willingness to delegate authority | 73 | 4.3

12th pillar: Innovation | 73 | 3.3
- 12.01 Capacity for innovation | 89 | 3.8
- 12.02 Quality of scientific research institutions | 64 | 3.9
- 12.03 Company spending on R&D | 89 | 3.1
- 12.04 University-industry collaboration in R&D | 53 | 3.6
- 12.05 Govt procurement of advanced technology products | 81 | 3.2
- 12.06 Availability of scientists and engineers | 72 | 3.9
- 12.07 PCT patents applications/million pop. | 62 | 2.1

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 Economy Profiles and Rankings at http://gcr.weforum.org/