WORLD COMPETITIVENESS RANKING 2019

All data are available from the World Competitiveness Online.

Visit our eShop
**BASIC FACTS**

<table>
<thead>
<tr>
<th>Capital</th>
<th>Manila</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land area (square km '000)</td>
<td>300&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Exchange Rate (per $)</td>
<td>52.661&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Population - market size (millions)</td>
<td>106.60&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Gross Domestic Product (GDP) (US$ billions)</td>
<td>330.8&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>GDP (PPP) per capita (US$)</td>
<td>8,936&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Real GDP growth (%)</td>
<td>6.2&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Consumer price inflation (%)</td>
<td>5.21&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>5.30&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Labor force (millions)</td>
<td>43.46&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Current account balance (% of GDP)</td>
<td>-2.38&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
<tr>
<td>Direct investment stocks inward ($bn)</td>
<td>78.8&lt;sup&gt;2017&lt;/sup&gt;</td>
</tr>
<tr>
<td>Direct investment flows inward (% of GDP)</td>
<td>2.96&lt;sup&gt;2018&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

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**PHILIPPINES**

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**OVERALL PERFORMANCE** (63 countries)

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>41</td>
<td>42</td>
<td>41</td>
<td>50</td>
<td>46</td>
</tr>
</tbody>
</table>

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**CHALLENGES IN 2019**

- Need to speed up and sustain investments in physical infrastructure.
- Inadequate investment in human capital.
- Poor digital competitiveness and future-readiness.
- Need to sustain investor and consumer confidence.
- Persistent political risks.

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**COMPETITIVENESS LANDSCAPE**

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**PEER GROUPS RANKINGS**

**ASIA - PACIFIC (14 countries)**

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>12</td>
<td>11</td>
<td>13</td>
<td>13</td>
</tr>
</tbody>
</table>

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**POPULATIONS > 20 MILLION (29 countries)**

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>18</td>
<td>16</td>
<td>21</td>
<td>20</td>
</tr>
</tbody>
</table>

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Provided by:
Asian Institute of Management, Rizalino S. Navarro Policy Center for Competitiveness
COMPETITIVENESS EVOLUTION

The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one yearbook to the next.

<table>
<thead>
<tr>
<th>IMPROVEMENTS</th>
<th>WCY 2018</th>
<th>WCY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1.02  Government budget surplus/deficit (%)</td>
<td>-2.22</td>
<td>-0.99</td>
</tr>
<tr>
<td>2.2.07  Effective personal income tax rate</td>
<td>9.68</td>
<td>5.35</td>
</tr>
<tr>
<td>1.1.18  Gross fixed capital formation - real growth</td>
<td>10.30</td>
<td>14.03</td>
</tr>
<tr>
<td>1.2.25  Tourism receipts</td>
<td>1.69</td>
<td>2.23</td>
</tr>
<tr>
<td>2.4.02  Protectionism</td>
<td>3.87</td>
<td>5.04</td>
</tr>
<tr>
<td>2.4.13  Creation of firms</td>
<td>4.60</td>
<td>5.79</td>
</tr>
<tr>
<td>4.3.20  Scientific research legislation</td>
<td>3.94</td>
<td>4.82</td>
</tr>
<tr>
<td>4.2.04  Communications technology</td>
<td>3.89</td>
<td>4.67</td>
</tr>
<tr>
<td>2.4.04  Foreign investors</td>
<td>3.18</td>
<td>3.81</td>
</tr>
<tr>
<td>4.3.02  Total expenditure on R&amp;D (%)</td>
<td>0.14</td>
<td>0.16</td>
</tr>
<tr>
<td>2.4.15  Start-up procedures</td>
<td>16.0</td>
<td>13.0</td>
</tr>
<tr>
<td>2.4.03  Public sector contracts</td>
<td>4.55</td>
<td>5.36</td>
</tr>
<tr>
<td>4.3.22  Knowledge transfer</td>
<td>4.00</td>
<td>4.65</td>
</tr>
<tr>
<td>4.5.01  Total public expenditure on education</td>
<td>3.1</td>
<td>3.5</td>
</tr>
<tr>
<td>4.2.13  Development and application of technology</td>
<td>5.13</td>
<td>5.91</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DECLINES</th>
<th>WCY 2018</th>
<th>WCY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2.02  Current account balance</td>
<td>-0.80</td>
<td>-2.38</td>
</tr>
<tr>
<td>1.5.01  Consumer price inflation</td>
<td>3.18</td>
<td>5.21</td>
</tr>
<tr>
<td>2.2.01  Collected total tax revenues</td>
<td>10.88</td>
<td>15.87</td>
</tr>
<tr>
<td>3.2.01  Compensation levels</td>
<td>0.90</td>
<td>1.23</td>
</tr>
<tr>
<td>2.3.08  Exchange rate stability</td>
<td>0.098</td>
<td>0.129</td>
</tr>
<tr>
<td>4.3.10  Researchers in R&amp;D per capita</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td>4.3.07  Total R&amp;D personnel per capita</td>
<td>0.37</td>
<td>0.26</td>
</tr>
<tr>
<td>3.2.03  Remuneration in services professions</td>
<td>10,815</td>
<td>12,791</td>
</tr>
<tr>
<td>3.3.10  Stock market capitalization (%)</td>
<td>91.73</td>
<td>75.48</td>
</tr>
<tr>
<td>2.3.13  Bribery and corruption</td>
<td>1.54</td>
<td>1.29</td>
</tr>
<tr>
<td>4.1.21  Electricity costs for industrial clients</td>
<td>0.127</td>
<td>0.144</td>
</tr>
<tr>
<td>1.5.06  Gasoline prices</td>
<td>0.92</td>
<td>1.03</td>
</tr>
<tr>
<td>2.5.02  Homicide</td>
<td>9.9</td>
<td>11.0</td>
</tr>
<tr>
<td>2.4.14  Start-up days</td>
<td>28.0</td>
<td>31.0</td>
</tr>
<tr>
<td>4.1.04  Access to water</td>
<td>5.89</td>
<td>5.28</td>
</tr>
</tbody>
</table>

KEY ATTRACTIVENESS INDICATORS

From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skilled workforce</td>
<td>84.9%</td>
</tr>
<tr>
<td>Dynamism of the economy</td>
<td>73.3%</td>
</tr>
<tr>
<td>Cost competitiveness</td>
<td>58.1%</td>
</tr>
<tr>
<td>Open and positive attitudes</td>
<td>57.0%</td>
</tr>
<tr>
<td>High educational level</td>
<td>50.0%</td>
</tr>
<tr>
<td>Quality of corporate governance</td>
<td>31.4%</td>
</tr>
<tr>
<td>Access to financing</td>
<td>27.9%</td>
</tr>
<tr>
<td>Effective labor relations</td>
<td>20.9%</td>
</tr>
<tr>
<td>Business-friendly environment</td>
<td>19.8%</td>
</tr>
<tr>
<td>Reliable infrastructure</td>
<td>9.3%</td>
</tr>
<tr>
<td>Strong R&amp;D culture</td>
<td>9.3%</td>
</tr>
<tr>
<td>Competitive tax regime</td>
<td>9.3%</td>
</tr>
<tr>
<td>Policy stability &amp; predictability</td>
<td>9.3%</td>
</tr>
<tr>
<td>Competency of government</td>
<td>7.0%</td>
</tr>
<tr>
<td>Effective legal environment</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

0% 10% 20% 30% 40% 50% 60% 70% 80% 90%
WORLD COMPETITIVENESS DIGITAL RANKING 2019

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PHILIPPINES

OVERALL PERFORMANCE (63 countries)

OVERALL & FACTORS - 5 years

<table>
<thead>
<tr>
<th>Factors</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>45</td>
<td>46</td>
<td>46</td>
<td>56</td>
<td>55</td>
</tr>
<tr>
<td>Knowledge</td>
<td>49</td>
<td>50</td>
<td>53</td>
<td>50</td>
<td>51</td>
</tr>
<tr>
<td>Technology</td>
<td>50</td>
<td>50</td>
<td>51</td>
<td>58</td>
<td>55</td>
</tr>
<tr>
<td>Future readiness</td>
<td>40</td>
<td>40</td>
<td>43</td>
<td>52</td>
<td>54</td>
</tr>
</tbody>
</table>

COMPETITIVENESS & DIGITAL RANKINGS

PEER GROUPS RANKINGS

ASIA - PACIFIC (14 countries)

POPULATIONS > 20 MILLION (29 countries)
FACTORS BREAKDOWN - STRENGTHS AND WEAKNESSES

PHILIPPINES

KNOWLEDGE

Subfactors | 2015 | 2016 | 2017 | 2018 | 2019
--- | --- | --- | --- | --- | ---
Talent | 32 | 32 | 39 | 48 | 41
Training & education | 57 | 55 | 54 | 52 | 54
Scientific concentration | 46 | 49 | 53 | 50 | 54

Talent Rank
Education assessment PISA - Math -
International experience 31
Foreign highly-skilled personnel 32
Management of cities 53
Digital/Technological skills 48
Net flow of international students 35

Training & education Rank
Employee training 27
Total public expenditure on education 49
Higher education achievement 54
Pupil-teacher ratio (tertiary education) 55
Graduates in Sciences 13
Women with degrees 49

Scientific concentration Rank
Total expenditure on R&D (%) 59
Total R&D personnel per capita 57
Female researchers 7
R&D productivity by publication 34
Scientific and technical employment 48
High-tech patent grants 12
Robots in Education and R&D 52

TECHNOLOGY

Subfactors | 2015 | 2016 | 2017 | 2018 | 2019
--- | --- | --- | --- | --- | ---
Regulatory framework | 58 | 59 | 62 | 61 | 60
Capital | 33 | 28 | 29 | 43 | 40
Technological framework | 47 | 48 | 50 | 52 | 51

Regulatory framework Rank
Starting a business 62
Enforcing contracts 61
Immigration laws 20
Development and application of techn 46
Scientific research legislation 46
Intellectual property rights 56

Capital Rank
IT & media stock market capitalization 40
Funding for technological development 53
Banking and financial services 29
Country credit rating 43
Venture capital 43
Investment in Telecommunications 15

Technological framework Rank
Communications technology 62
Mobile Broadband subscribers 51
Wireless broadband 41
Internet users 58
Internet bandwidth speed 62
High-tech exports (%) 1

FUTURE READINESS

Subfactors | 2015 | 2016 | 2017 | 2018 | 2019
--- | --- | --- | --- | --- | ---
Adaptive attitudes | 48 | 46 | 50 | 60 | 53
Business agility | 23 | 23 | 23 | 31 | 42
IT integration | 56 | 57 | 57 | 57 | 58

Adaptive attitudes Rank
E-Participation 19
Internet retailing 59
Tablet possession 55
Smartphone possession 58
Attitudes toward globalization 25

Business agility Rank
Opportunities and threats 28
World robots distribution 40
Agility of companies 34
Use of big data and analytics 39
Knowledge transfer 41

IT integration Rank
E-Government 54
Public-private partnerships 35
Cyber security 49
Software piracy 55
WORLD TALENT RANKING 2018

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OVERALL PERFORMANCE (63 countries)

The direction of the triangle indicates the performance change from the last year: △ improved or stable ○ declined

Investment & Development
- Total public expenditure on education Percentage of GDP 3.1 % 58
- Government expenditure on education per student Percentage of GDP per capita (secondary education) 9.3 % 53
- Pupil-teacher ratio (primary education) Ratio of students to teaching staff 31.83 ratio 61
- Pupil-teacher ratio (secondary education) Ratio of students to teaching staff 26.98 ratio 60
- Apprenticeships are sufficiently implemented 4.40 Survey [0..10] 40
- Employee training is a high priority in companies 6.13 Survey [0..10] 21
- Female labor force Percentage of total labor force 37.66 % 56
- Health infrastructure meets the needs of society 3.81 Survey [0..10] 48

Appeal
- Cost-of-living index Index of a basket of goods & services in the main city, including housing (New York City = 100) 72.10 index 29
- Attracting and retaining talents is a priority in companies 6.63 Survey [0..10] 31
- Worker motivation in companies is high 6.11 Survey [0..10] 30
- Brain drain (well-educated and skilled people) does not hinder competitiveness in your economy 3.77 Survey [0..10] 46
- Quality of life is high 4.74 Survey [0..10] 50
- Foreign highly-skilled personnel are attracted to your country’s business environment 5.21 Survey [0..10] 33
- Remuneration in services professions Gross annual income including supplements such as bonuses, US$ 10.815 US$ 56
- Remuneration of management Total base salary plus bonuses and long-term incentives, US$ 149,248 US$ 35
- Effective personal income tax rate Percentage of an income equal to GDP per capita 9.68 % 14
- Personal security and private property rights are adequately protected 4.89 Survey [0..10] 50

Readiness
- Labor force growth Percentage change -1.35 % 63
- Skilled labor is readily available 6.70 Survey [0..10] 7
- Finance skills are readily available 6.55 Survey [0..10] 30
- International experience of senior managers is generally significant 5.45 Survey [0..10] 29
- Competent senior managers are readily available 6.02 Survey [0..10] 23
- Educational system meets the needs of a competitive economy 5.24 Survey [0..10] 37
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- Management education meets the needs of the business community 5.79 Survey [0..10] 41
- Language skills are meeting the needs of enterprises 7.41 Survey [0..10] 20
- Student mobility inbound Foreign tertiary-level students per 1000 inhabitants - number -
- Educational assessment - PISA PISA survey of 15-year olds - Average -

IMD World Talent Ranking 2018

PHILIPPINES
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IMD is ranked 1st in open programs worldwide - 8 years in a row.
Financial Times 2012 - 2019

Developing leaders
Transforming organizations
Impacting your future

FURTHER INFORMATION
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