



IMD WORLD
COMPETITIVENESS
CENTER

IMD World Competitiveness Yearbook 2021, Digital 2020, Talent 2020: summaries

COUNTRY
PROFILE

SOUTH AFRICA



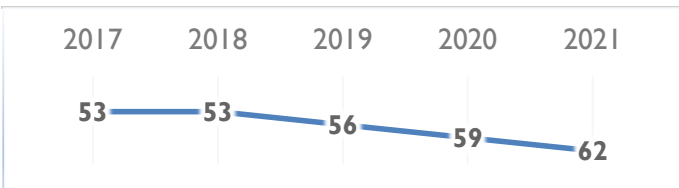
WORLD COMPETITIVENESS RANKING **2021**

All data are available from the
World Competitiveness Online.

Visit our eShop

SOUTH AFRICA

OVERALL PERFORMANCE (64 countries)



CHALLENGES IN 2021

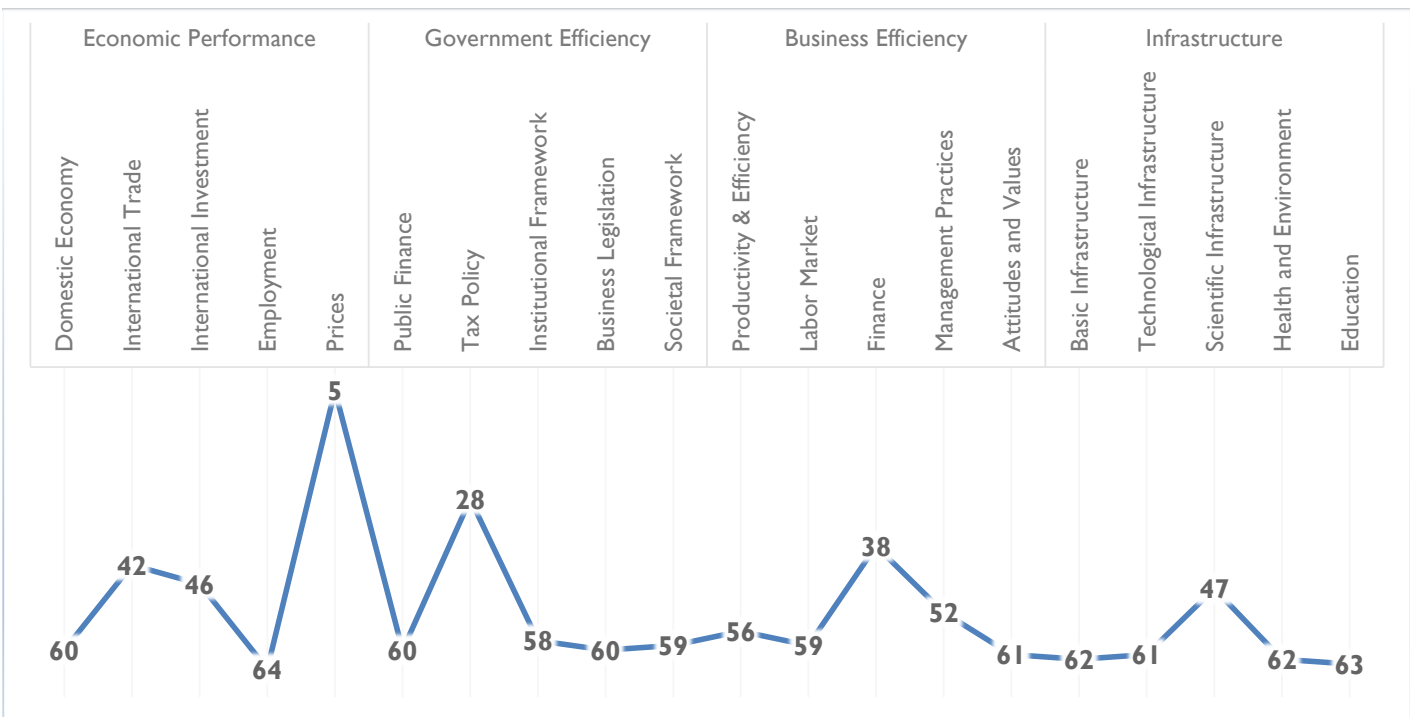
- Deteriorating headline and youth unemployment.
- Rising public debt levels amid a shrinking fiscal space.
- Lack of decisive plans to revive the struggling economy.
- Ongoing electricity supply problems and rolling blackouts.
- Slow vaccination rates to fast track the post COVID-19 recovery.

Provided by:
Productivity SA

BASIC FACTS

		Rank
Capital	Pretoria	
Land area (square km '000)	1,219 ²⁰²⁰	
Exchange Rate (per \$)	16.459 ²⁰²⁰	
Population - market size (millions)	59.62 ²⁰²⁰	16
Gross Domestic Product (GDP) (US\$ billions)	302.2 ²⁰²⁰	37
GDP (PPP) per capita (US\$)	12,032 ²⁰²⁰	60
Real GDP growth (%)	-7.0 ²⁰²⁰	50
Consumer price inflation (%)	3.27 ²⁰²⁰	53
Unemployment rate (%)	32.50 ²⁰²⁰	63
Labor force (millions)	22.26 ²⁰²⁰	19
Current account balance (% of GDP)	2.17 ²⁰²⁰	29
Direct investment stocks inward (\$bn)	151.0 ²⁰¹⁹	38
Direct investment flows inward (% of GDP)	1.46 ²⁰¹⁹	45

COMPETITIVENESS LANDSCAPE



PEER GROUPS RANKINGS

EUROPE - MIDDLE EAST - AFRICA (41 countries)



POPULATIONS > 20 MILLION (29 countries)



SOUTH AFRICA

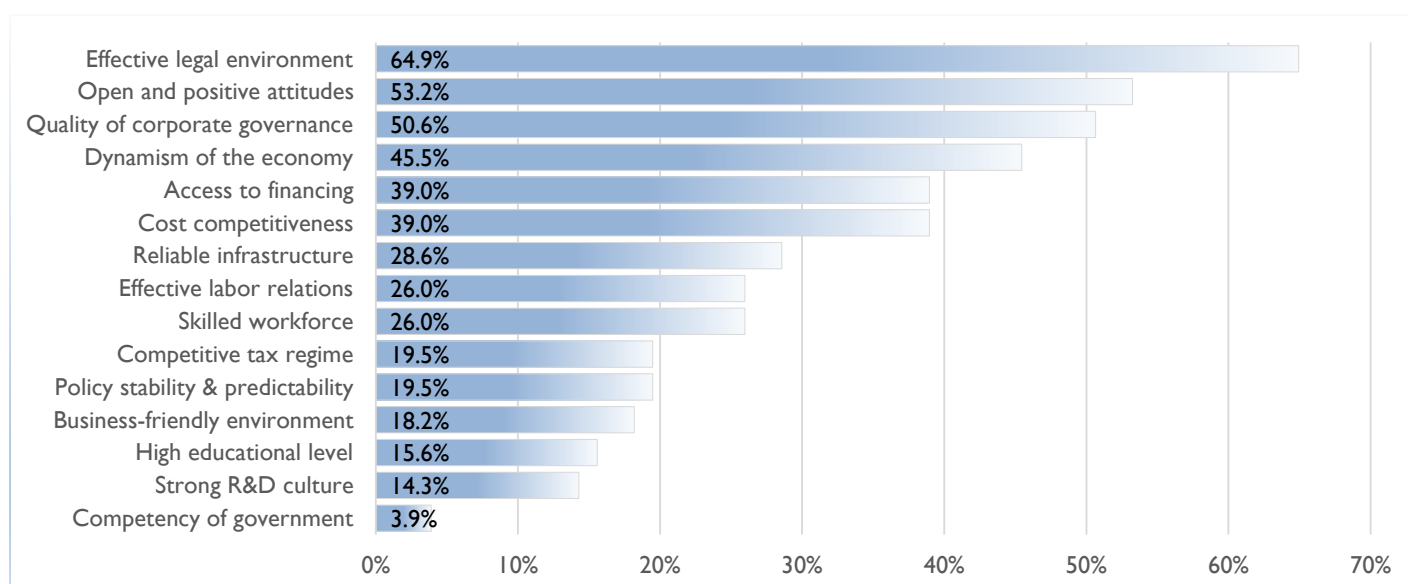
COMPETITIVENESS EVOLUTION

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.

IMPROVEMENTS	WCY	WCY	DECLINES	WCY	WCY
	2020	2021		2020	2021
1.2.02 Current account balance	-3.20	2.17	1.1.14 Real GDP growth	0.2	-7.0
2.4.07 Government subsidies	0.94	0.37	1.1.18 Gross fixed capital formation - real growth	-0.93	-17.45
4.2.07 Internet users	422	511	1.1.15 Real GDP growth per capita	-1.64	-8.28
1.5.01 Consumer price inflation	4.13	3.27	3.2.14 Labor force long-term growth	2.04	-4.48
4.5.03 Total public exp. on education per student	1,473	1,740	1.4.04 Employment - long-term growth	-4.14	-12.32
3.4.09 Entrepreneurship	4.21	4.87	2.3.08 Exchange rate stability	0.081	0.223
1.5.06 Gasoline prices	0.90	0.76	2.1.02 Government budget surplus/deficit (%)	-6.26	-12.25
3.3.01 Banking sector assets	96.94	108.46	1.2.12 Exports of commercial services (\$bn)	14.11	7.76
1.2.09 Exports of goods (%)	25.61	28.40	2.3.12 Bureaucracy	2.04	1.14
1.5.02 Cost-of-living index	61.30	55.10	2.4.09 State ownership of enterprises	3.47	2.10
4.2.10 Digital/Technological skills	5.08	5.51	2.3.13 Bribery and corruption	1.15	0.72
3.4.05 Corporate boards	5.11	5.54	1.2.13 Exports of commercial services (%)	4.01	2.57
3.4.03 Opportunities and threats	5.28	5.67	2.1.07 Public finances	2.55	1.64
3.2.04 Remuneration of management	46,502	43,111	2.3.10 Adaptability of government policy	2.74	1.77
3.3.10 Stock market capitalization (%)	291.18	310.87	2.3.11 Transparency	3.89	2.54

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.



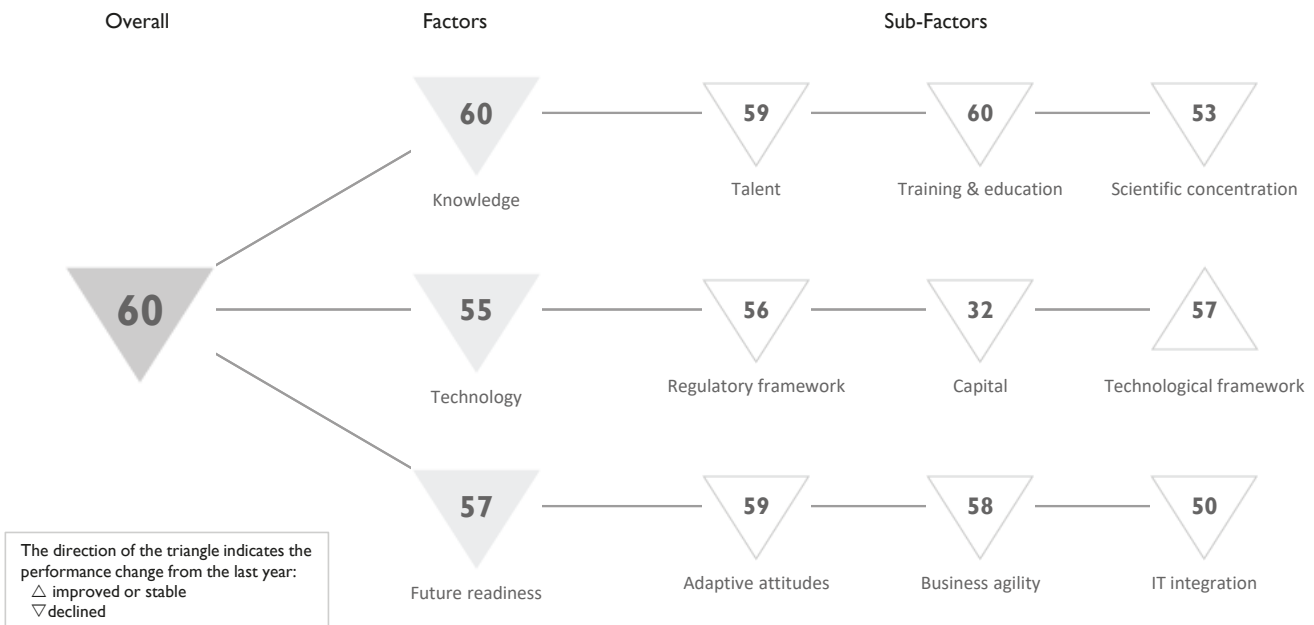
WORLD COMPETITIVENESS DIGITAL RANKING **2020**

All data are available from the
World Competitiveness Online.

Visit our eShop

SOUTH AFRICA

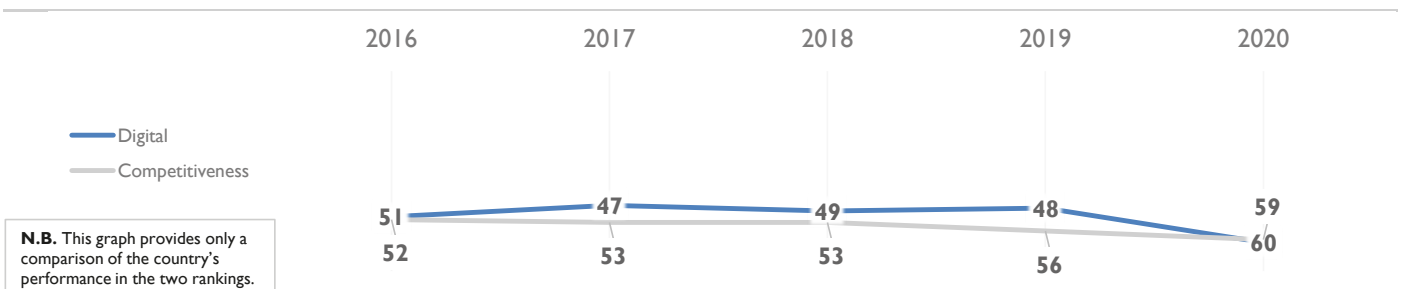
OVERALL PERFORMANCE (63 countries)



OVERALL & FACTORS - 5 years

	2016	2017	2018	2019	2020
OVERALL	51	47	49	48	60
Knowledge	49	49	52	54	60
Technology	51	53	52	51	55
Future readiness	47	42	43	44	57

COMPETITIVENESS & DIGITAL RANKINGS



PEER GROUPS RANKINGS

EUROPE - MIDDLE EAST - AFRICA (40 countries)



POPULATIONS > 20 MILLION (29 countries)



SOUTH AFRICA

- ▶ Overall top strengths
- ▷ Overall top weaknesses

KNOWLEDGE

Subfactors	2016	2017	2018	2019	2020
Talent	53	52	54	49	59
Training & education	38	37	54	58	60
Scientific concentration	50	49	47	48	53

Talent	Rank	Training & education	Rank	Scientific concentration	Rank
Educational assessment PISA - Math	-	Employee training	57	Total expenditure on R&D (%)	44
International experience	55	▶ Total public expenditure on education	1	Total R&D personnel per capita	53
Foreign highly-skilled personnel	44	▷ Higher education achievement	60	▶ Female researchers	16
Management of cities	58	Pupil-teacher ratio (tertiary education)	45	R&D productivity by publication	27
▷ Digital/Technological skills	61	Graduates in Sciences	52	Scientific and technical employment	-
Net flow of international students	30	Women with degrees	54	High-tech patent grants	54
				Robots in Education and R&D	38

TECHNOLOGY

Subfactors	2016	2017	2018	2019	2020
Regulatory framework	54	54	53	53	56
Capital	33	35	27	30	32
Technological framework	56	57	58	59	57

Regulatory framework	Rank	Capital	Rank	Technological framework	Rank
Starting a business	59	▶ IT & media stock market capitalization	7	▷ Communications technology	61
Enforcing contracts	51	Funding for technological development	56	Mobile Broadband subscribers	48
Immigration laws	58	Banking and financial services	50	Wireless broadband	50
Development & application of tech.	53	Country credit rating	54	▷ Internet users	59
Scientific research legislation	43	Venture capital	58	Internet bandwidth speed	56
Intellectual property rights	41	▶ Investment in Telecommunications	2	High-tech exports (%)	54

FUTURE READINESS

Subfactors	2016	2017	2018	2019	2020
Adaptive attitudes	55	54	56	55	59
Business agility	38	37	38	40	58
IT integration	47	42	39	42	50

Adaptive attitudes	Rank	Business agility	Rank	IT integration	Rank
E-Participation	45	Opportunities and threats	56	E-Government	56
▷ Internet retailing	59	World robots distribution	34	Public-private partnerships	57
Tablet possession	57	Agility of companies	58	Cyber security	54
Smartphone possession	45	Use of big data and analytics	44	▶ Software piracy	20
Attitudes toward globalization	52	Knowledge transfer	52		
		Entrepreneurial fear of failure	47		

WORLD TALENT RANKING **2020**

All data are available from the
World Competitiveness Online.

Visit our eShop

SOUTH AFRICA

OVERALL PERFORMANCE (63 countries)

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



- ▶ Overall top strengths
- ▷ Overall top weaknesses

Investment & Development

		Value	2020 Rank
▶ Total public expenditure on education	Percentage of GDP	8.3 %	1
Total public exp. on education per student	Spending per enrolled pupil/student, all levels	2,053 US\$	47
▷ Pupil-teacher ratio (primary education)	Ratio of students to teaching staff	30.33 ratio	60
▷ Pupil-teacher ratio (secondary education)	Ratio of students to teaching staff	27.62 ratio	60
Apprenticeships	are sufficiently implemented	3.31 Survey [0..10]	59
Employee training	is a high priority in companies	4.90 Survey [0..10]	57
▶ Female labor force	Percentage of total labor force	45.43 %	35
Health infrastructure	meets the needs of society	2.70 Survey [0..10]	59

Appeal

		Value	2020 Rank
▶ Cost-of-living index	Index of a basket of goods & services in the main city, including housing (New York City = 100)	61.30 index	2
Attracting and retaining talents	is a priority in companies	5.98 Survey [0..10]	52
▷ Worker motivation	in companies is high	4.00 Survey [0..10]	61
Brain drain	(well-educated and skilled people) does not hinder competitiveness in your economy	3.19 Survey [0..10]	55
Quality of life	is high	4.70 Survey [0..10]	55
Foreign highly-skilled personnel	are attracted to your country's business environment	4.67 Survey [0..10]	44
Remuneration in services professions	Gross annual income including supplements such as bonuses, US\$	17,757 US\$	35
▷ Remuneration of management	Total base salary plus bonuses and long-term incentives, US\$	46,502 US\$	59
▶ Effective personal income tax rate	Percentage of an income equal to GDP per capita	1.68 %	3
Justice	is fairly administered	5.31 Survey [0..10]	37
Exposure to particle pollution	Mean population exposure to PM2.5, Micrograms per cubic metre	24.96 micrograms	52

Readiness

		Value	2020 Rank
▶ Labor force growth	Percentage change	2.11 %	11
Skilled labor	is readily available	4.11 Survey [0..10]	55
Finance skills	are readily available	5.26 Survey [0..10]	54
International experience	of senior managers is generally significant	4.66 Survey [0..10]	55
Competent senior managers	are readily available	4.72 Survey [0..10]	52
▷ Primary and secondary education	meets the needs of a competitive economy	3.23 Survey [0..10]	60
Graduates in Sciences	% of graduates in ICT, Engineering, Math & Natural Sciences	18.28 %	55
University education	meets the needs of a competitive economy	4.83 Survey [0..10]	53
Management education	meets the needs of the business community	5.41 Survey [0..10]	49
Language skills	are meeting the needs of enterprises	6.02 Survey [0..10]	40
Student mobility inbound	Foreign tertiary-level students per 1000 inhabitants	0.73 number	51
Educational assessment - PISA	PISA survey of 15-year olds	- Average	-

About the Institute for Management Development (IMD)

The Institute for Management Development (IMD) is an independent academic institution with Swiss roots and global reach, founded 75 years ago by business leaders for business leaders. Since its creation, IMD has been a pioneering force in developing leaders who transform organizations and contribute to society.

Based in Lausanne (Switzerland) and Singapore, IMD has been ranked in the Top 3 of the annual FT's Executive Education Global Ranking for the last nine consecutive years and in the top five for 17 consecutive years. Our MBA and EMBA programs have repeatedly been singled out among the best in Europe and the world.

We believe that this consistency at the forefront of our industry is grounded in IMD's unique approach to creating "Real Learning. Real Impact". Led by an expert and diverse faculty, we strive to be the trusted learning partner of choice for ambitious individuals and organizations worldwide. Challenging what is and inspiring what could be.

www.imd.org

