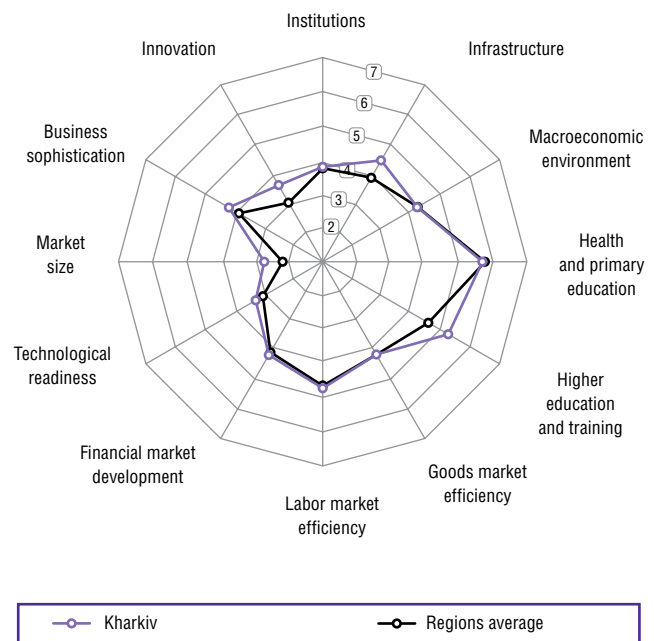


## Key indicators

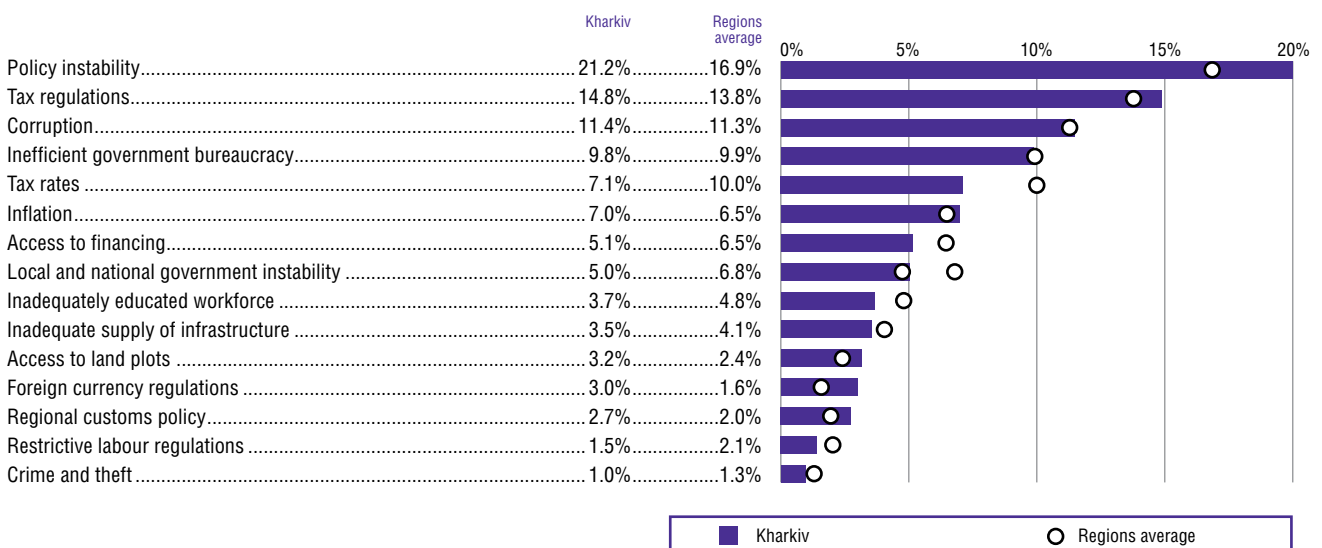
Population (m), 2012.....	2.74
Gross Regional Product (UAH m), 2011.....	76,866
GRP per capita (UAH), 2011.....	27,966
Share in Ukraine's GDP (%), 2011.....	5.9

## Competitiveness Index 2013

	Rank (out of 27)	Score
<b>Competitiveness Index 2013</b> .....	<b>2</b>	<b>4.25</b>
<b>Basic requirements</b> .....	<b>3</b>	<b>4.54</b>
Institutions.....	20	3.77
Infrastructure.....	4	4.46
Macroeconomic environment.....	1	4.20
Health and primary education.....	15	5.73
<b>Efficiency enhancers</b> .....	<b>2</b>	<b>4.08</b>
Higher education and training.....	1	5.28
Goods market efficiency.....	9	4.17
Labor market efficiency.....	3	4.73
Financial market development.....	4	4.22
Technological readiness.....	4	3.33
Market size.....	5	2.75
<b>Innovation and sophistication factors</b> .....	<b>1</b>	<b>3.91</b>
Business sophistication.....	2	4.21
Innovation.....	1	3.60



## The most problematic factors for doing business, number of answers in %



Source: Foundation for Effective Governance, Executive Opinion Survey 2012

Note: From a list of 15 factors, respondents 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 figure shows the responses weighted according to their ratings 2012–2013.

# Kharkiv

## Ukraine National Competitiveness Index 2013

INDICATOR	RANK/27	SCORE	COMPARING TO AVERAGE	REGIONS AVERAGE	BEST PERFORMING REGION
<b>Competitiveness Index 2013</b>	<b>2</b>	<b>4.25</b>	<b>+</b>	<b>4.01</b>	<b>4.40 Kyiv</b>
<b>Subindex A: Basic requirements</b>	<b>3</b>	<b>4.54</b>	<b>+</b>	<b>4.42</b>	<b>4.63 Kyiv</b>
<b>Subindex B: Efficiency enhancers</b>	<b>2</b>	<b>4.08</b>	<b>+</b>	<b>3.79</b>	<b>4.36 Kyiv</b>
<b>Subindex C: Innovation and sophistication factors</b>	<b>1</b>	<b>3.91</b>	<b>+</b>	<b>3.50</b>	<b>3.91 Kharkiv</b>
<b>A.01 1st pillar: Institutions</b>	<b>20</b>	<b>3.77</b>	<b>-</b>	<b>3.83</b>	<b>4.00 Khmelnytsky</b>
1.01 Property rights	13	4.52	+	4.49	4.75 Zakarpattia
1.02 Intellectual property protection <sup>1/2</sup>	5	3.40	+	3.24	3.44 Vinnytsya
1.03 Diversion of public funds	21	3.46	-	3.65	4.20 Poltava
1.04 Public trust in politicians	24	2.39	-	2.54	2.91 Kirovohrad
1.05 Irregular payments and bribes	23	3.82	-	4.02	4.46 Chernihiv
1.06 Judicial independence	22	2.72	-	2.92	3.28 Chernihiv
1.07 Favoritism in decisions of government officials	25	2.72	-	3.05	3.59 Volyn
1.08 Wastefulness of government spending	7	4.13	+	3.95	4.46 Volyn
1.09 Burden of government regulation	21	3.10	-	3.27	3.94 Chernivtsi
1.10 Efficiency of legal framework in settling disputes	11	3.12	+	3.07	3.37 Volyn
1.11 Efficiency of legal framework in challenging regulations	17	3.03	-	3.10	3.47 Chernivtsi
1.12 Transparency of government policymaking	8	4.91	+	4.83	5.13 Khmelnytsky
1.13 Business costs of terrorism	16	6.32	-	6.36	6.62 Kirovohrad
1.14 Business costs of crime and violence	12	4.78	+	4.75	5.18 Ternopil
1.15 Organized crime	25	4.50	-	5.01	5.59 Ternopil
1.16 Reliability of police services	16	4.05	-	4.11	4.50 Ternopil
1.17 Ethical behavior of firms	10	3.67	+	3.58	3.84 Donetsk
1.18 Strength of auditing and reporting standards	1	3.72	=	3.72	3.72 Multiple (27)
1.19 Efficacy of corporate boards	7	5.26	+	5.11	5.44 Donetsk
1.20 Protection of minority shareholders' interests	10	3.50	+	3.43	3.78 Khmelnytsky
1.21 Strength of investor protection, 0–10 (best)*	1	4.70	=	4.70	4.70 Multiple (27)
<b>A.02 2nd pillar: Infrastructure</b>	<b>4</b>	<b>4.46</b>	<b>+</b>	<b>3.90</b>	<b>5.12 Kyiv</b>
2.01 Quality of overall infrastructure	1	4.91	+	4.41	4.91 Kharkiv
2.02 Quality of roads	7	3.78	+	3.39	4.68 Sevastopol
2.03 Quality of railroad infrastructure	1	5.51	+	4.86	5.51 Kharkiv
2.04 Quality of port infrastructure	11	2.62	-	2.80	5.06 Odesa
2.05 Quality of air transport infrastructure	3	5.13	+	3.06	5.73 Kyiv
2.06 Available airline seat kilometers, kms/week, millions*	10	1.00	-	1.03	1.37 Kyiv
2.07 Quality of electricity supply	2	5.20	+	4.74	5.22 Rivne
2.08 Mobile telephone subscriptions/100 pop.* <sup>1/2</sup>	5	141.63	+	126.70	243.17 Kyiv
2.09 Fixed telephone lines/100 pop.* <sup>1/2</sup>	6	26.02	+	24.21	67.97 Odesa
<b>A.03 3rd pillar: Macroeconomic environment</b>	<b>1</b>	<b>4.20</b>	<b>=</b>	<b>4.20</b>	<b>4.20 Multiple (27)</b>
<b>A.04 4th pillar: Health and primary education</b>	<b>15</b>	<b>5.73</b>	<b>-</b>	<b>5.75</b>	<b>5.97 KyivOblast</b>
4.01 Business impact of malaria	n/a	n/a	=	n/a	n/a Multiple (27)
4.02 Malaria incidence/100,000 pop.*	n/e	n/e	=	n/e	n/e Multiple (27)
4.03 Business impact of tuberculosis	6	4.69	+	4.46	4.95 Sevastopol
4.04 Tuberculosis incidence/100,000 pop.*	3	49.80	+	66.91	41.00 Kyiv
4.05 Business impact of HIV/AIDS	8	5.53	+	5.39	5.75 Sumy
4.06 HIV prevalence, % adult pop.*	7	0.16	+	0.43	0.04 Zakarpattia
4.07 Infant mortality, deaths/1,000 live births*	8	7.60	+	8.13	5.20 Sevastopol
4.08 Life expectancy, years*	8	71.60	+	71.13	74.15 Kyiv
4.09 Quality of primary education	10	4.02	+	3.96	4.37 Chernivtsi
4.10 Primary education enrollment rate, net %*	17	92.50	-	94.00	100.00 Multiple (2)
<b>B.05 5th pillar: Higher education and training</b>	<b>1</b>	<b>5.28</b>	<b>+</b>	<b>4.55</b>	<b>5.28 Kharkiv</b>
5.01 Secondary education enrollment rate, gross %*	1	100.00	+	96.07	100.00 Multiple (6)
5.02 Tertiary education enrollment rate, gross %*	2	>100.00	+	65.50	>100.00 Multiple (2)
5.03 Quality of the educational system	1	4.55	+	4.06	4.55 Kharkiv
5.04 Quality of math and science education	5	4.50	+	4.29	4.76 Chernivtsi
5.05 Quality of management schools	2	3.69	+	3.22	3.77 Kyiv
5.06 Internet access in schools	4	4.96	+	4.76	5.22 Sevastopol
5.07 Local availability of specialized research and training services	1	5.51	+	4.62	5.51 Kharkiv
5.08 Extent of staff training	2	3.31	+	3.08	3.44 Donetsk
<b>B.06 6th pillar: Goods market efficiency</b>	<b>9</b>	<b>4.17</b>	<b>+</b>	<b>4.12</b>	<b>4.26 Odesa</b>
6.01 Intensity of local competition	3	4.85	+	4.55	4.90 Kyiv
6.02 Extent of market dominance	6	4.27	+	3.99	4.69 Ivano-Frankivsk
6.03 Effectiveness of anti-monopoly policy	10	3.39	-	3.40	4.01 Sumy
6.04 Effect of taxation on incentives to invest	21	3.19	-	3.32	3.78 Chernihiv
6.05 Total tax rate, % profits <sup>1/2</sup>	1	55.40	=	55.40	55.40 Multiple (27)
6.06 Number of procedures required to start a business (days)*	1	7	=	7	7 Multiple (27)
6.07 Time required to start a business*	1	22	=	22	22 Multiple (27)
6.08 Agricultural policy costs	4	3.71	+	3.43	3.78 Vinnytsya
6.09 Prevalence of trade barriers	24	3.97	-	4.22	4.95 Kherson
6.10 Trade tariffs, % duty*	1	2.87	=	2.87	2.87 Multiple (27)

## Ukraine National Competitiveness Index 2013

INDICATOR	RANK/27	SCORE	COMPARING TO AVERAGE	REGIONS AVERAGE	BEST PERFORMING REGION
6.11 Prevalence of foreign ownership.....	6	3.29	+	2.96	3.98 Kyiv
6.12 Business impact of rules on FDI.....	6	4.21	+	4.10	4.80 Sumy
6.13 Burden of customs procedures.....	19	3.73	-	3.88	4.43 Chernivtsi
6.14 Imports as a percentage of GDP*.....	10	28.39	-	30.38	92.36 Kyiv
6.15 Degree of customer orientation.....	10	4.94	+	4.93	5.42 Chernivtsi
6.16 Buyer sophistication.....	15	3.66	-	3.70	3.99 Odesa
<b>B.07 7th pillar: Labor market efficiency.....</b>	<b>3</b>	<b>4.73</b>	<b>+</b>	<b>4.63</b>	<b>4.80 Khmelnytsky</b>
7.01 Cooperation in labor-employer relations.....	1	5.08	+	4.87	5.08 Kharkiv
7.02 Flexibility of wage determination.....	2	5.48	+	5.17	5.52 Kyiv
7.03 Hiring and firing practices.....	14	4.45	-	4.45	4.68 Ivano-Frankivsk
7.04 Redundancy costs, weeks of salary*.....	1	13	=	13	13 Multiple (27)
7.05 Effect of taxation on incentives to work.....	3	3.32	+	3.11	3.51 Chernihiv
7.06 Pay and productivity.....	6	5.21	+	5.07	5.41 Khmelnytsky
7.07 Reliance on professional management <sup>1/2</sup> .....	8	4.28	+	4.19	4.50 Rivne
7.08 Country capacity to retain talent.....	3	3.10	+	2.72	3.14 Kyiv
7.09 Country capacity to attract talent.....	4	3.31	+	2.67	4.21 Kyiv
7.10 Female participation in labor force, ratio to men.....	24	0.79	-	0.86	0.95 Rivne
<b>B.08 8th pillar: Financial market development.....</b>	<b>4</b>	<b>4.22</b>	<b>+</b>	<b>4.12</b>	<b>4.26 Sumy</b>
8.01 Availability of financial services.....	1	5.26	+	4.98	5.26 Kharkiv
8.02 Affordability of financial services.....	3	4.64	+	4.38	4.68 Sumy
8.03 Financing through local equity market.....	4	3.00	+	2.78	3.12 Dnipropetrovsk
8.04 Ease of access to loans.....	18	2.78	-	2.80	3.09 Lviv
8.05 Venture capital availability.....	22	2.17	-	2.22	2.39 Zaporizhzhya
8.06 Soundness of banks.....	10	4.90	+	4.82	5.18 Khmelnytsky
8.07 Regulation of securities exchanges.....	12	3.28	+	3.22	3.82 Sumy
8.08 Legal rights index, 0–10 (best)*.....	1	9.00	=	9.00	9.00 Multiple (27)
<b>B.09 9th pillar: Technological readiness.....</b>	<b>4</b>	<b>3.33</b>	<b>+</b>	<b>3.11</b>	<b>4.38 Kyiv</b>
9.01 Availability of latest technologies.....	2	4.20	+	3.58	4.21 Donetsk
9.02 Firm-level technology absorption.....	6	4.46	+	4.29	4.72 Donetsk
9.03 FDI and technology transfer.....	16	3.78	-	3.84	4.77 Zakarpattia
9.04 Internet users, %*.....	3	39.31	+	32.13	82.31 Kyiv
9.05 Fixed broadband Internet subscriptions/100 pop.*.....	10	6.21	-	6.83	35.22 Kyiv
9.06 Internet bandwidth, kb/s per user*.....	1	14.33	=	14.33	14.33 Multiple (27)
9.07 Mobile broadband subscriptions/100 pop.*.....	1	5.50	=	5.50	5.50 Multiple (27)
2.08 Mobile telephone subscriptions/100 pop.* <sup>1/2</sup> .....	5	141.63	+	126.70	243.17 Kyiv
2.09 Fixed telephone lines/100 pop.* <sup>1/2</sup> .....	6	26.02	+	24.21	67.97 Odesa
<b>B.10 10th pillar: Market size.....</b>	<b>5</b>	<b>2.75</b>	<b>+</b>	<b>2.21</b>	<b>3.71 Kyiv</b>
10.01 Domestic market size index, 1–7 (best)*.....	5	2.60	+	1.99	3.51 Kyiv
10.02 Foreign market size index, 1–7 (best)*.....	10	3.19	+	2.86	4.30 Kyiv
<b>C.11 11th pillar: Business sophistication.....</b>	<b>2</b>	<b>4.21</b>	<b>+</b>	<b>3.96</b>	<b>4.25 Donetsk</b>
11.01 Local supplier quantity.....	4	5.04	+	4.71	5.20 Donetsk
11.02 Local supplier quality.....	6	4.30	+	4.19	4.39 Donetsk
11.03 State of cluster development.....	10	4.16	+	3.93	5.28 Donetsk
11.04 Nature of competitive advantage.....	6	3.72	+	3.51	3.99 Sumy
11.05 Value chain breadth.....	1	4.17	+	3.43	4.17 Kharkiv
11.06 Control of international distribution.....	9	4.77	+	4.63	5.14 Sumy
11.07 Production process sophistication.....	5	3.67	+	3.43	3.80 Rivne
11.08 Extent of marketing.....	4	4.35	+	4.08	4.66 Donetsk
11.09 Willingness to delegate authority.....	8	3.72	+	3.61	3.98 Sumy
7.07 Reliance on professional management <sup>1/2</sup> .....	8	4.28	+	4.19	4.50 Rivne
<b>C.12 12th pillar: Innovation.....</b>	<b>1</b>	<b>3.60</b>	<b>+</b>	<b>3.04</b>	<b>3.60 Kharkiv</b>
12.01 Capacity for innovation.....	6	4.13	+	4.03	4.25 Volyn
12.02 Quality of scientific research institutions.....	1	4.83	+	3.63	4.83 Kharkiv
12.03 Company spending on R&D.....	3	3.26	+	2.85	3.33 Sumy
12.04 University-industry collaboration in R&D.....	1	3.95	+	3.01	3.95 Kharkiv
12.05 Government procurement of advanced technology products.....	5	3.31	+	3.07	3.53 Volyn
12.06 Availability of scientists and engineers.....	1	4.62	+	3.56	4.62 Kharkiv
12.07 PCT patent applications/million pop.*.....	3	6.00	+	2.12	13.90 Kyiv
1.02 Intellectual property protection <sup>1/2</sup> .....	5	3.40	+	3.24	3.44 Vinnytsya

Notes: n/e – data are not available for a region, n/a – data are not applicable for a region, 'Multiple' means that more than one region get the maximum score, \* statistical data, + better than Ukraine's average, - worse than Ukraine's average, = the same for all regions, <sup>1/2</sup> is used in two different pillars