

Press Release: Zurich/Seoul, December 12, 2019. SolAbility releases the 8<sup>th</sup> edition of the Global Sustainable Competitiveness Index (GSCI).

## The Global Sustainable Competitiveness Index 2019

- **Scandinavia dominates top spots, Sweden tops for a 4<sup>th</sup> consecutive year**
- **UK is ranked 17, US is ranked 34, China 38**
- **Conventional credit ratings do not reflect real risks and need to be adjusted (e.g. US -2, Saudi Arabia -,**

GDP and other economic measurements do not fully reflect a country's development stage and future potential. The Global Sustainable Competitiveness Index is of 116 quantitative performance indicators across 5 areas that shape national competitiveness:

- Natural Capital,
- Resource Intensity,
- Intellectual Capital,
- Social Cohesion,
- Governance.

All data is derived from renowned sources (the World Bank, various UN databases, IEA, OECD). All data sets are scored for the latest available data as well as the development of trends (positive/negative) over the last 10 years to reflect both current standing and the future potential.

The Sustainable Competitiveness Model:



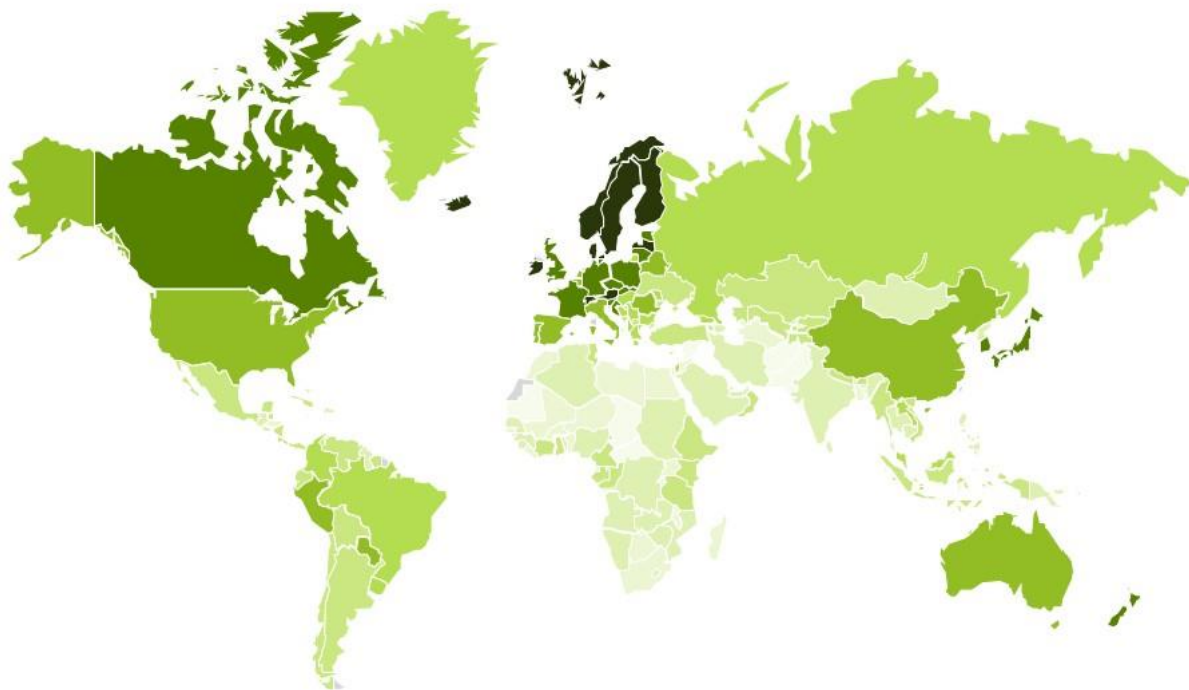
## Key Index Results 2019:

The top rankings of the 2019 Index are dominated by Scandinavia and other Northern-European nations, including the Baltic states. The only non-European contenders in the top 20 are New Zealand (12), and Canada (19), followed by Japan (25) and South Korea (27). The World's largest economies show a mixed picture: Germany is ranked 15, Japan 20, the UK 17, the US 34, and China 37. The US is scoring particularly low in social issues, and resource intensity – indicating not only development potential, but also cost reduction opportunities. Brazil is ranked 49, Russia 51, and India 130.

China is amongst the leading Nations (together with other Asian nations, such as South Korea, Singapore, Japan) when it comes to Intellectual capital and investments; however, the combination of limited natural resources, depletion, low resource efficiency and growing inequality could possibly jeopardise the future development of the country in the absence of a rigorous strategy to reverse the negative environmental impacts.

There is a certain correlation between the rankings in the GSCI and current wealth levels as expressed in the GDP. However, some of the World's richest countries - particularly the oil-rich countries of the Middle East - score significantly lower on the GSCI than their current GDP output would suggest – reflecting the real danger of rapidly reducing wealth should fossil resources diminish or be substituted by cheaper or cleaner alternatives. Some of the nominally poorest countries, on the other hand (e.g. Peru, Bolivia, Ethiopia, Laos) are ranked considerably higher than their current GDP would indicate.

The Sustainable Competitiveness World Map



Dark areas indicate high sustainable competitiveness; lighter shades lower competitiveness

### Analysis & breakdowns:

- **Natural Capital:** countries with high abundance of water, regardless of location and climatic zones, in general possess higher levels of natural capital, underlying the over-arching importance of the availability of clean and sufficient fresh-water resources
- **Resource Intensity:** lesser developed economies tend to rank higher on resource intensity. However, modern economies trimmed on efficiency paired with high percentage of renewable energy usage are lower in intensity when measured per economic output: high wealth levels and low resource intensity are not mutually exclusive outcomes.
- **Intellectual Capital:** Asian nations (South Korea, Japan, Singapore, and China) lead the Intellectual Capital ranking. However, achieving sustained prosperity in these countries might be compromised by Natural Capital constraints and current high resource intensity/low resource efficiency
- **Social Cohesion:** the Social Cohesion ranking is headed by Scandinavian and Northern European countries, indicating that Social Cohesion is the result of economic growth combined with social consensus
- **Governance:** the GSCI evaluates governance through measurable quantitative outcomes, not qualitative assessment of structures or policies. It is dominated many by European countries.

A detailed Report as well as individual country scores for 180 nations can be [downloaded here](#).

---

### About the Global Sustainable Competitiveness Index

The Index is developed, calculated and published by SolAbility. In order to guarantee objectiveness, the index is based only on measurable quantitative indicators.

The Global Sustainable Competitiveness Index is a non-commercial project. Results and other materials related to the Index are free to use and re-distribute.

### About SolAbility

SolAbility is Swiss-Korean sustainable intelligence think-tank. Previously, we provided sustainable management consulting and ESG research to institutional investors. SolAbility clients have been recognised as global sustainability leaders in their respective industry sectors.

For further information, please visit our [website](#) or contact us:

[www.solability.com](http://www.solability.com)

[contact@solability.com](mailto:contact@solability.com)