GLOBAL INNOVATION INDEX 2020

HONDURAS

103rd Honduras ranks 103rd among the 131 economies featured in the GII 2020.

The Global Innovation Index (GII) ranks world economies according to their innovation capabilities. Consisting of roughly 80 indicators, grouped into innovation inputs and outputs, the GII aims to capture the multi-dimensional facets of innovation.

The following table shows the rankings of Honduras over the past three years, noting that data availability and changes to the GII model framework influence year-on-year comparisons of the GII rankings. The statistical confidence interval for the ranking of Honduras in the GII 2020 is between ranks 99 and 105.

Rankings of Honduras (2018–2020)

	GII	Innovation inputs	Innovation outputs
2020	103	100	102
2019	104	101	104
2018	105	99	106

- Honduras performs better in innovation inputs than innovation outputs in 2020.
- This year Honduras ranks 100th in innovation inputs, higher than last year and lower compared to 2018.
- As for innovation outputs, Honduras ranks 102nd. This position is higher than last year and higher compared to 2018.

17th Honduras ranks 17th among the 29 lower middle-income group economies.

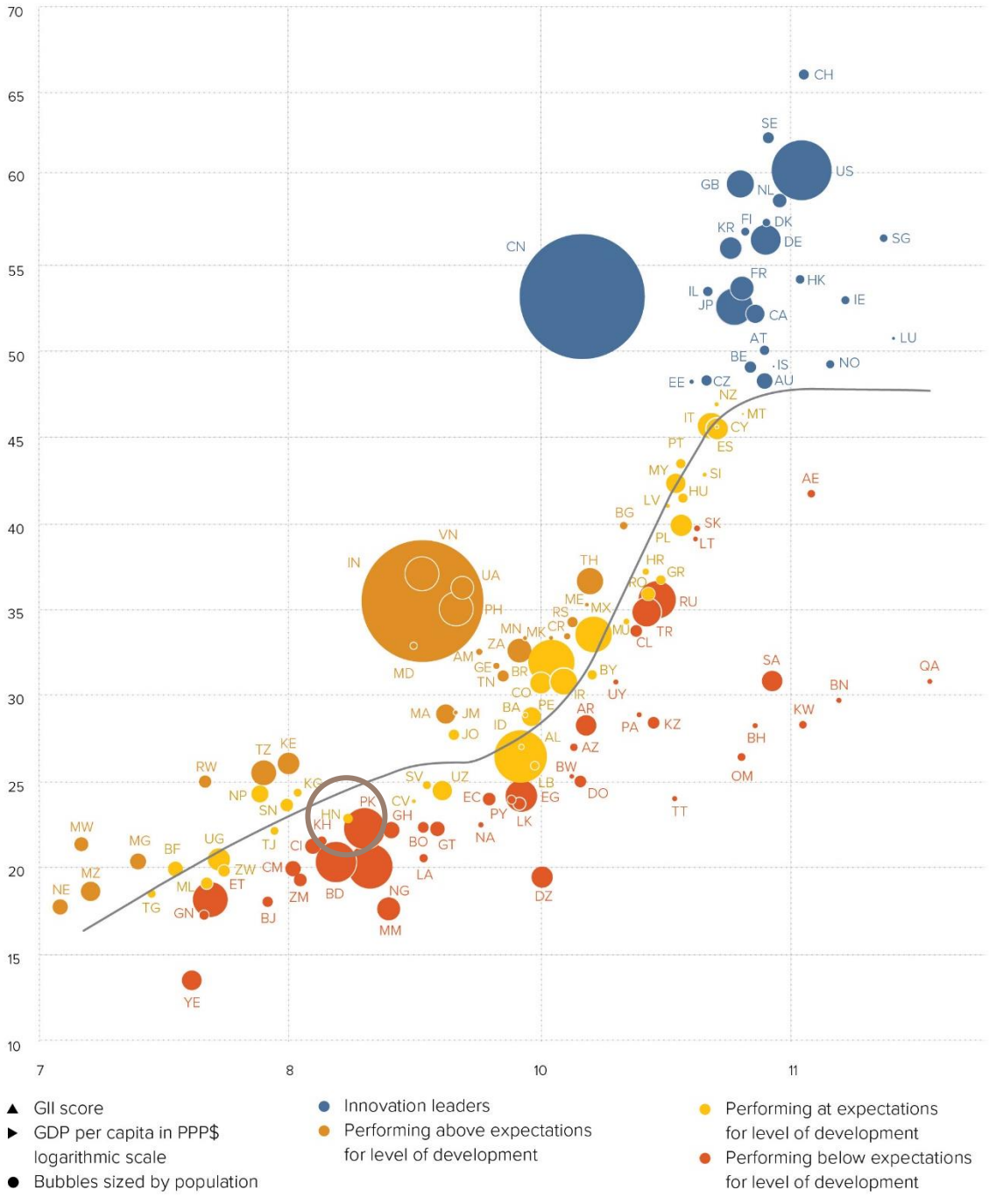
16th Honduras ranks 16th among the 18 economies in Latin America and the Caribbean.

EXPECTED VS. OBSERVED INNOVATION PERFORMANCE

The bubble chart below shows the relationship between income levels (GDP per capita) and innovation performance (GII score). The trend line gives an indication of the expected innovation performance according to income level. Economies appearing above the trend line are performing better than expected and those below are performing below expectations.

Relative to GDP, Honduras's performance matches expectations for its level of development.

The positive relationship between innovation and development

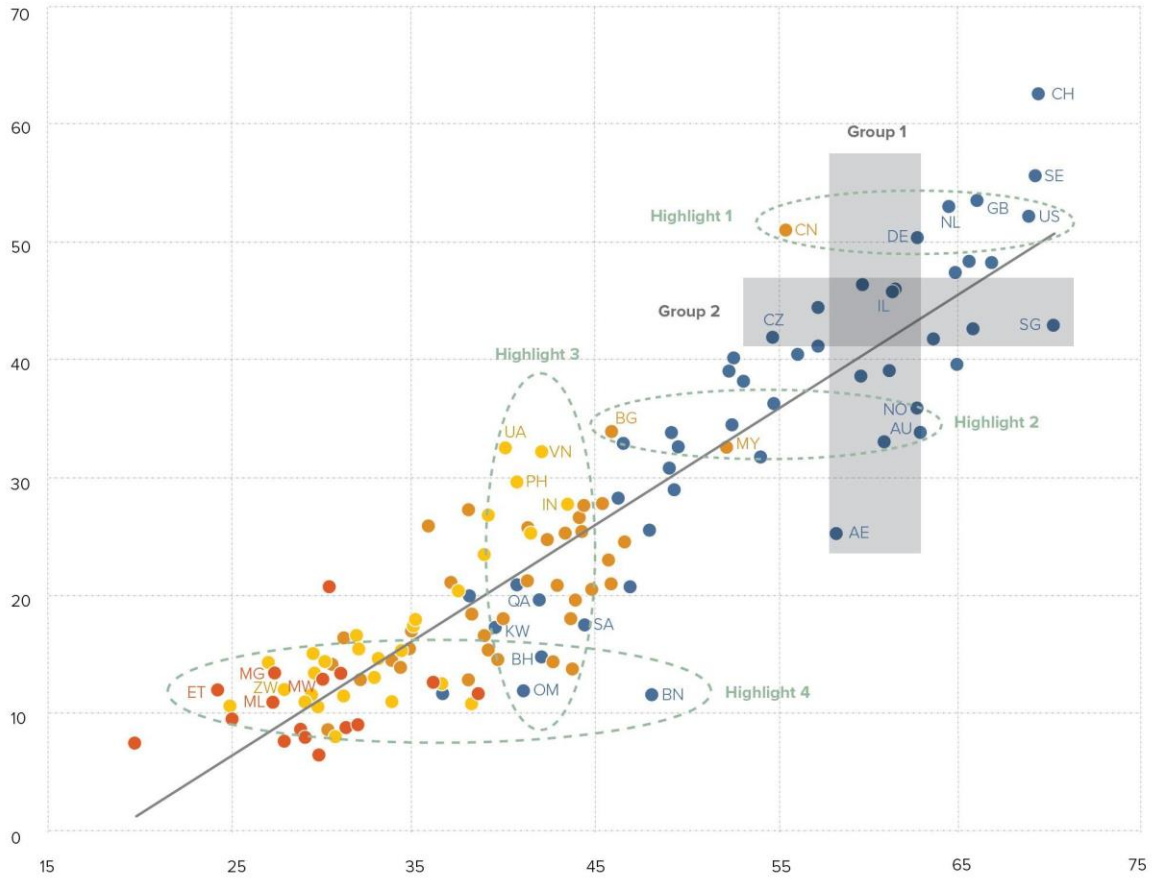


EFFECTIVELY TRANSLATING INNOVATION INVESTMENTS INTO INNOVATION OUTPUTS

The chart below shows the relationship between innovation inputs and innovation outputs. Economies above the line are effectively translating costly innovation investments into more and higher-quality outputs.

Honduras produces less innovation outputs relative to its level of innovation investments.

Innovation input to output performance, 2020



▲ Output score
► Input score

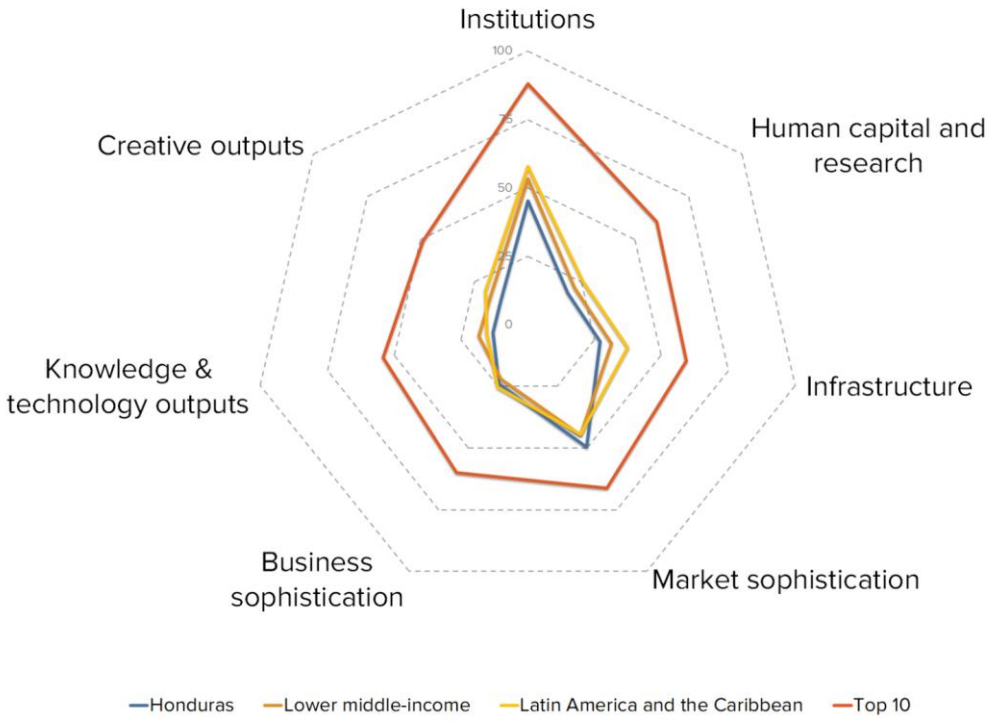
● High income group
● Upper middle-income group
● Lower middle-income group
● Low income group

— Fitted values

AU	Australia	IN	India	NL	Netherlands	CH	Switzerland
BH	Bahrain	IL	Israel	NO	Norway	UA	Ukraine
BN	Brunei Darussalam	KW	Kuwait	OM	Oman	AE	United Arab Emirates
BG	Bulgaria	MG	Madagascar	PH	Philippines	GB	United Kingdom
CN	China	MW	Malawi	QA	Qatar	US	United States of America
CZ	Czech Republic	ML	Mali	SA	Saudi Arabia	VN	Viet Nam
ET	Ethiopia	MY	Malaysia	SG	Singapore	ZW	Zimbabwe
DE	Germany			SE	Sweden		

BENCHMARKING HONDURAS AGAINST OTHER LOWER MIDDLE-INCOME GROUP ECONOMIES AND LATIN AMERICA AND THE CARIBBEAN

Honduras's scores in the seven GII pillars



Lower middle-income group

Honduras has high scores in two out of the seven GII pillars: Market sophistication and Business sophistication, which are above average for the lower middle-income group.

Conversely, Honduras scores below average for its income group in five pillars: Institutions, Human capital & research, Infrastructure, Knowledge & technology outputs and Creative outputs.

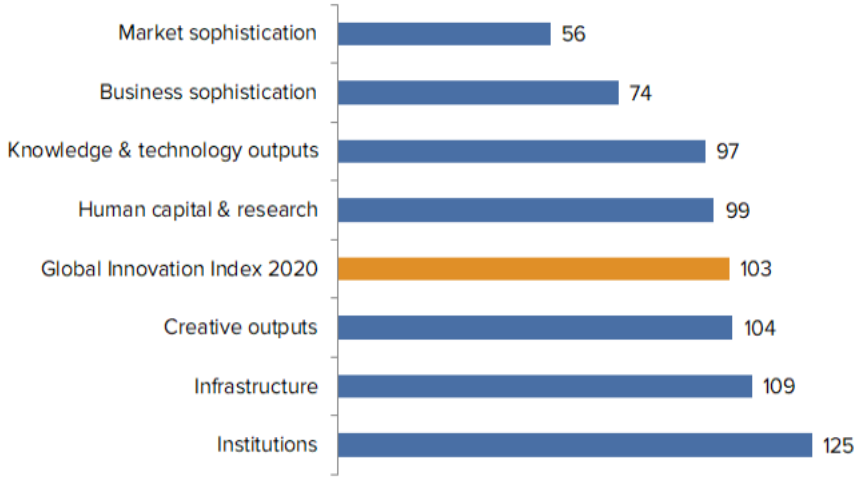
Latin America and the Caribbean

Compared to other economies in Latin America and the Caribbean, Honduras performs:

- above average in one of the seven GII pillars: Market sophistication; and
- below average in six out of the seven GII pillars: Institutions, Human capital & research, Infrastructure, Business sophistication, Knowledge & technology outputs and Creative outputs.

OVERVIEW OF HONDURAS RANKINGS IN THE SEVEN GII AREAS

Honduras performs best in Market sophistication and its weakest performance is in Institutions.



*The highest possible ranking in each pillar is 1.

INNOVATION STRENGTHS AND WEAKNESSES

The table below gives an overview of the strengths and weaknesses of Honduras in the GII 2020.

Strengths

Code	Indicator name	Rank
2.1.1	Expenditure on education, % GDP	14
3.2.3	Gross capital formation, % GDP	49
4.1	Credit	43
4.1.1	Ease of getting credit*	23
4.1.2	Domestic credit to private sector, % GDP	52
4.1.3	Microfinance gross loans, % GDP	15
5.1.2	Firms offering formal training, %	19
5.3.3	ICT services imports, % total trade	39
5.3.4	FDI net inflows, % GDP	26
6.3.3	ICT services exports, % total trade	43
7.1.1	Trademarks by origin/bn PPP$ GDP	44

Weaknesses

Code	Indicator name	Rank
1	Institutions	125
1.3	Business environment	123
1.3.1	Ease of starting a business*	123
2.3.2	Gross expenditure on R&D, % GDP	112
2.3.3	Global R&D companies, top 3, mn US$	42
2.3.4	QS university ranking, average score top 3*	77
5.2.5	Patent families 2+ offices/bn PPP$ GDP	101
6.1	Knowledge creation	127
6.1.2	PCT patents by origin/bn PPP$ GDP	100
6.1.4	Scientific & technical articles/bn PPP$ GDP	122
6.1.5	Citable documents H-index	125
7.1.2	Global brand value, top 5,000, % GDP	80
7.1.3	Industrial designs by origin/bn PPP$ GDP	112

NOTES: * indicates an index; † indicates a survey question.

STRENGTHS

GII strengths for Honduras are found in six of the seven GII pillars.

- Human capital & research (99): the indicator Expenditure on education (14) displays a strength.
- Infrastructure (109): demonstrates a strength in the indicator Gross capital formation GDP (49).
- Market sophistication (56): shows strengths in the sub-pillar Credit (43) and in the indicators Ease of getting credit (23), Domestic credit to private sector (52) and Microfinance gross loans (15).
- Business sophistication (74): displays strengths in the indicators Firms offering formal training (19), ICT services imports (39) and FDI net inflows (26).
- Knowledge & technology outputs (97): the indicator ICT services exports (43) reveals a strength.
- In Creative outputs (104), demonstrates strength in the indicator Trademarks by origin (44).

WEAKNESSES

GII weaknesses for Honduras are found in five of the seven GII pillars.

- Institutions (125): exhibits weaknesses in the sub-pillar Business environment (123) and in the indicator Ease of starting a business (123).
- Human capital & research (99): shows weaknesses in the indicators Gross expenditure on R&D (112), Global R&D companies (42) and QS university ranking (77).
- Business sophistication (74): the indicator Patent families (101) reveals a weakness.
- Knowledge & technology outputs (97): displays weaknesses in the sub-pillar Knowledge creation (127) and in the indicators PCT patents by origin (100), Scientific & technical articles (122) and Citable documents H-index (125).
- Creative outputs (104): demonstrates weaknesses in the indicators Global brand value (80) and Industrial designs by origin (112).

HONDURAS

GII 2020 rank

103

Output rank	Input rank	Income	Region	Population (mn)	GDP, PPP$	GDP per capita, PPP$	GII 2019 rank
102	100	Lower middle	LCN	9.7	51.8	4,709.8	104

		Score/Value	Rank	
INSTITUTIONS		**45.3**	**125**	○ ◇
1.1	**Political environment**	**43.8**	**108**	
1.1.1	Political and operational stability*	58.9	104	
1.1.2	Government effectiveness*	36.3	111	
1.2	**Regulatory environment**	**40.2**	**119**	
1.2.1	Regulatory quality*	29.4	103	
1.2.2	Rule of law*	20.0	120	◇
1.2.3	Cost of redundancy dismissal, salary weeks	30.3	118	
1.3	**Business environment**	**52.0**	**123**	○
1.3.1	Ease of starting a business*	71.4	123	○ ◇
1.3.2	Ease of resolving insolvency*	32.6	116	
HUMAN CAPITAL & RESEARCH		**18.6**	**99**	
2.1	**Education**	**41.2**	**77**	
2.1.1	Expenditure on education, % GDP	6.1	14	● ◆
2.1.2	Government funding/pupil, secondary, % GDP/cap	20.3	48	
2.1.3	School life expectancy, years	10.1	108	
2.1.4	PISA scales in reading, maths, & science	n/a	n/a	
2.1.5	Pupil-teacher ratio, secondary	16.7	80	
2.2	**Tertiary education**	**14.4**	**107**	
2.2.1	Tertiary enrolment, % gross	26.2	87	
2.2.2	Graduates in science & engineering, %	15.2	95	
2.2.3	Tertiary inbound mobility, %	0.9	88	
2.3	**Research & development (R&D)**	**0.2**	**116**	
2.3.1	Researchers, FTE/mn pop.	34.7	99	
2.3.2	Gross expenditure on R&D, % GDP	0.0	112	○ ◇
2.3.3	Global R&D companies, avg. exp. top 3, mn $US	0.0	42	○ ◇
2.3.4	QS university ranking, average score top 3*	0.0	77	○ ◇
INFRASTRUCTURE		**27.2**	**109**	
3.1	**Information & communication technologies (ICTs)**	**42.2**	**104**	
3.1.1	ICT access*	39.5	105	
3.1.2	ICT use*	23.3	111	◇
3.1.3	Government's online service*	51.4	105	
3.1.4	E-participation*	54.5	99	
3.2	**General infrastructure**	**19.9**	**99**	
3.2.1	Electricity output, kWh/mn pop	1,008.1	94	
3.2.2	Logistics performance*	25.1	89	
3.2.3	Gross capital formation, % GDP	25.5	49	●
3.3	**Ecological sustainability**	**19.4**	**106**	
3.3.1	GDP/unit of energy use	6.8	92	
3.3.2	Environmental performance*	37.8	96	
3.3.3	ISO 14001 environmental certificates/bn PPP$ GDP	0.4	87	
MARKET SOPHISTICATION		**49.6**	**56**	
4.1	**Credit**	**48.2**	**43**	●
4.1.1	Ease of getting credit*	80.0	23	●
4.1.2	Domestic credit to private sector, % GDP	62.7	52	●
4.1.3	Microfinance gross loans, % GDP	1.9	15	●
4.2	**Investment**	**42.0**	**[47]**	
4.2.1	Ease of protecting minority investors*	42.0	102	
4.2.2	Market capitalization, % GDP	n/a	n/a	
4.2.3	Venture capital deals/bn PPP$ GDP	n/a	n/a	
4.3	**Trade, competition, and market scale**	**58.5**	**84**	
4.3.1	Applied tariff rate, weighted avg., %	3.4	70	
4.3.2	Intensity of local competition+	69.5	63	
4.3.3	Domestic market scale, bn PPP$	51.8	99	

		Score/Value	Rank	
BUSINESS SOPHISTICATION		**23.9**	**74**	
5.1	**Knowledge workers**	**26.6**	**80**	
5.1.1	Knowledge-intensive employment, %	13.0	99	
5.1.2	Firms offering formal training, %	47.7	19	● ◆
5.1.3	GERD performed by business, % GDP	n/a	n/a	
5.1.4	GERD financed by business, %	10.4	75	
5.1.5	Females employed w/advanced degrees, %	4.0	94	
5.2	**Innovation linkages**	**16.8**	**96**	
5.2.1	University/industry research collaboration+	37.9	84	
5.2.2	State of cluster development+	46.0	72	
5.2.3	GERD financed by abroad, % GDP	0.0	94	
5.2.4	JV-strategic alliance deals/bn PPP$ GDP	0.0	53	
5.2.5	Patent families 2+ offices/bn PPP$ GDP	0.0	101	○ ◇
5.3	**Knowledge absorption**	**28.3**	**65**	
5.3.1	Intellectual property payments, % total trade	0.7	58	
5.3.2	High-tech imports, % total trade	7.6	68	
5.3.3	ICT services imports, % total trade	1.6	39	● ◆
5.3.4	FDI net inflows, % GDP	5.1	26	●
5.3.5	Research talent, % in business enterprise	n/a	n/a	
KNOWLEDGE & TECHNOLOGY OUTPUTS		**13.1**	**97**	
6.1	**Knowledge creation**	**1.5**	**127**	○
6.1.1	Patents by origin/bn PPP$ GDP	0.2	108	
6.1.2	PCT patents by origin/bn PPP$ GDP	0.0	100	○ ◇
6.1.3	Utility models by origin/bn PPP$ GDP	0.0	63	
6.1.4	Scientific & technical articles/bn PPP$ GDP	1.3	122	○
6.1.5	Citable documents H-index	2.6	125	○
6.2	**Knowledge impact**	**15.0**	**[101]**	
6.2.1	Growth rate of PPP$ GDP/worker, %	n/a	n/a	
6.2.2	New businesses/th pop. 15-64	n/a	n/a	
6.2.3	Computer software spending, % GDP	0.0	60	
6.2.4	ISO 9001 quality certificates/bn PPP$ GDP	3.4	68	
6.2.5	High- and medium-high-tech manufacturing, %	n/a	n/a	
6.3	**Knowledge diffusion**	**22.7**	**67**	
6.3.1	Intellectual property receipts, % total trade	n/a	n/a	
6.3.2	High-tech net exports, % total trade	0.5	79	
6.3.3	ICT services exports, % total trade	2.5	43	●
6.3.4	FDI net outflows, % GDP	1.0	55	
CREATIVE OUTPUTS		**12.9**	**104**	
7.1	**Intangible assets**	**22.3**	**86**	
7.1.1	Trademarks by origin/bn PPP$ GDP	51.9	44	●
7.1.2	Global brand value, top 5,000, % GDP	0.0	80	○ ◇
7.1.3	Industrial designs by origin/bn PPP$ GDP	0.1	112	○
7.1.4	ICTs & organizational model creation+	55.3	59	
7.2	**Creative goods and services**	**2.0**	**[119]**	
7.2.1	Cultural & creative services exports, % total trade	0.0	102	
7.2.2	National feature films/mn pop. 15-69	2.0	68	
7.2.3	Entertainment & Media market/th pop. 15-69	n/a	n/a	
7.2.4	Printing and other media, % manufacturing	n/a	n/a	
7.2.5	Creative goods exports, % total trade	0.1	107	
7.3	**Online creativity**	**4.9**	**110**	
7.3.1	Generic top-level domains (TLDs)/th pop. 15-69	0.5	107	
7.3.2	Country-code TLDs/th pop. 15-69	0.4	102	
7.3.3	Wikipedia edits/mn pop. 15-69	22.9	102	
7.3.4	Mobile app creation/bn PPP$ GDP	0.1	85	

NOTES: ● indicates a strength; ○ a weakness; ◆ an income group strength; ◇ an income group weakness; * an index; + a survey question. ⏲ indicates that the economy's data are older than the base year; see Appendix II for details, including the year of the data, at http://globalinnovationindex.org. Square brackets [ ] indicate that the data minimum coverage (DMC) requirements were not met at the sub-pillar or pillar level.

DATA AVAILABILITY

The following tables list data that are either missing or outdated for Honduras.

Missing data

Code	Indicator name	Country year	Model year	Source
2.1.4	PISA scales in reading, maths & science	n/a	2018	OECD Programme for International Student Assessment (PISA)
4.2.2	Market capitalization, % GDP	n/a	2018	World Federation of Exchanges
4.2.3	Venture capital deals/bn PPP$ GDP	n/a	2019	Thomson Reuters
5.1.3	GERD performed by business, % GDP	n/a	2018	UNESCO Institute for Statistics; Eurostat; OECD – Main Science and Technology Indicators
5.3.5	Research talent, % in business enterprise	n/a	2018	UNESCO Institute for Statistics; Eurostat; OECD – Main Science and Technology Indicators
6.2.1	Growth rate of PPP$ GDP/worker, %	n/a	2019	The Conference Board
6.2.2	New businesses/th pop. 15–64	n/a	2018	World Bank
6.2.5	High- & medium-high-tech manufacturing, %	n/a	2017	United Nations Industrial Development Organization
6.3.1	Intellectual property receipts, % total trade	n/a	2018	World Trade Organization
7.2.3	Entertainment & Media market/th pop. 15–69	n/a	2018	PwC
7.2.4	Printing & other media, % manufacturing	n/a	2017	United Nations Industrial Development Organization

Outdated data

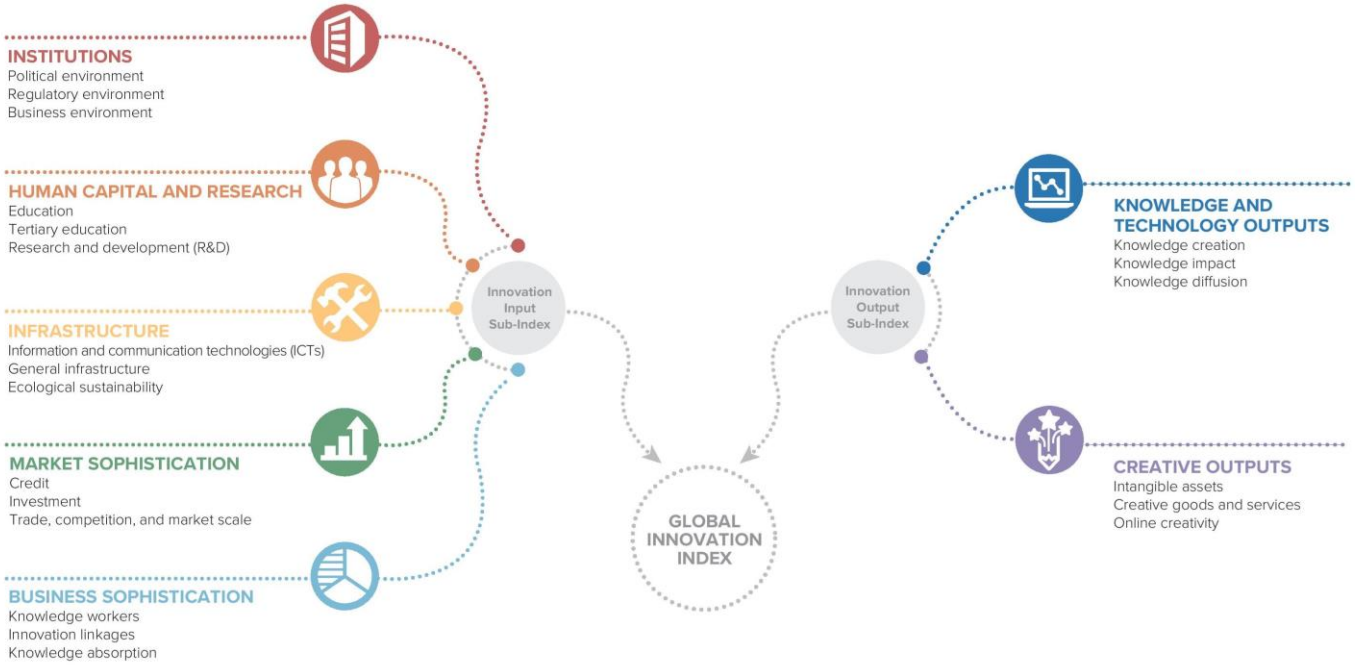
Code	Indicator name	Country year	Model year	Source
2.1.2	Government funding/pupil, secondary, % GDP/cap	2013	2016	UNESCO Institute for Statistics
2.1.5	Pupil-teacher ratio, secondary	2017	2018	UNESCO Institute for Statistics
2.3.1	Researchers, FTE/mn pop.	2017	2018	UNESCO Institute for Statistics; Eurostat; OECD – Main Science and Technology Indicators
2.3.2	Gross expenditure on R&D, % GDP	2017	2018	UNESCO Institute for Statistics; Eurostat; OECD – Main Science and Technology Indicators
5.1.2	Firms offering formal training, %	2015	2018	World Bank
5.2.1	University/industry research collaboration†	2018	2019	World Economic Forum
5.2.2	State of cluster development†	2018	2019	World Economic Forum
5.3.2	High-tech imports, % total trade	2017	2018	United Nations, COMTRADE
6.3.2	High-tech net exports, % total trade	2017	2018	United Nations, COMTRADE
7.2.5	Creative goods exports, % total trade	2017	2018	United Nations, COMTRADE

ABOUT THE GLOBAL INNOVATION INDEX

The Global Innovation Index (GII) is co-published by Cornell University, INSEAD, and the World Intellectual Property Organization (WIPO), a specialized agency of the United Nations. In 2020, the GII presents its 13th edition devoted to the theme *Who Will Finance Innovation?*

Recognizing that innovation is a key driver of economic development, the GII aims to provide an innovation ranking and rich analysis referencing around 130 economies. Over the last decade, the GII has established itself as both a leading reference on innovation and a "tool for action" for economies that incorporate the GII into their innovation agendas.

Framework of the Global Innovation Index 2020



The Index is a ranking of the innovation capabilities and results of world economies. It measures innovation based on criteria that include institutions, human capital and research, infrastructure, credit, investment, linkages; the creation, absorption and diffusion of knowledge; and creative outputs.

The GII has two sub-indices: the Innovation Input Sub-Index and the Innovation Output Sub-Index, and seven pillars, each consisting of three sub-pillars.