

Iceland - Country Brief

Global Talent Competitiveness Index (GTCI) 2025

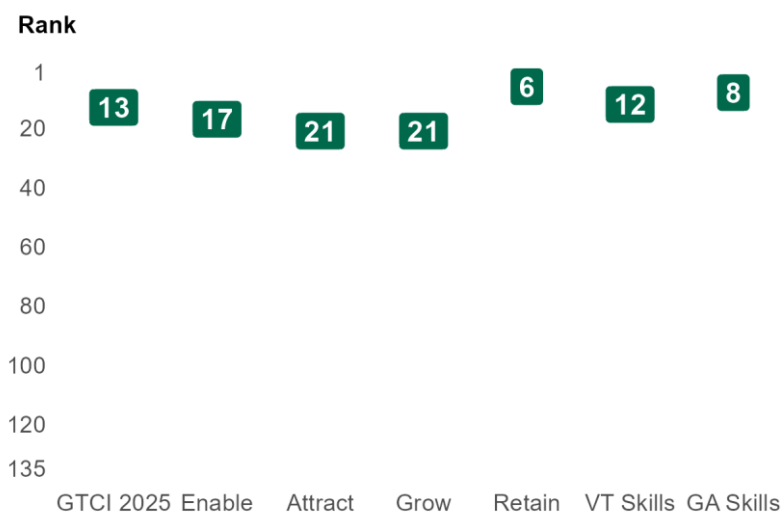


Total population:	0.40 million
GDP:	US\$ 33.463 billion
GDP (PPP) per capita:	US\$ 79,049 (11 out of 135 countries)
Country income level:	High income
GTCI 2025 ranking:	13 (out of 135)

Global GTCI position

In GTCI 2025, Iceland is ranked 13th out of a sample of 135 countries (Figure 1). When it comes to sub-pillars, the strongest showings of Iceland relate to Internal Openness, Access to Growth Opportunities and Lifestyle, among others. Still, more could be done to improve the economy's performances in the Lifelong Learning, Formal Education and External Openness sub-pillars.

Figure 1: Iceland global ranking (GTCI sample of 135 countries)



Note: VT Skills = Vocational and Technical Skills; GA Skills = Generalist Adaptive Skills.

Comparison with different groups of countries

Iceland is situated in Europe and is classified as High income. Within its region, the country is ranked 10th out of 39 countries (Table 1).

Iceland is ranked 13th within the group of High income countries (implying that 75 percent of countries rank lower).

Table 1: Iceland performance vs. income groups and regions

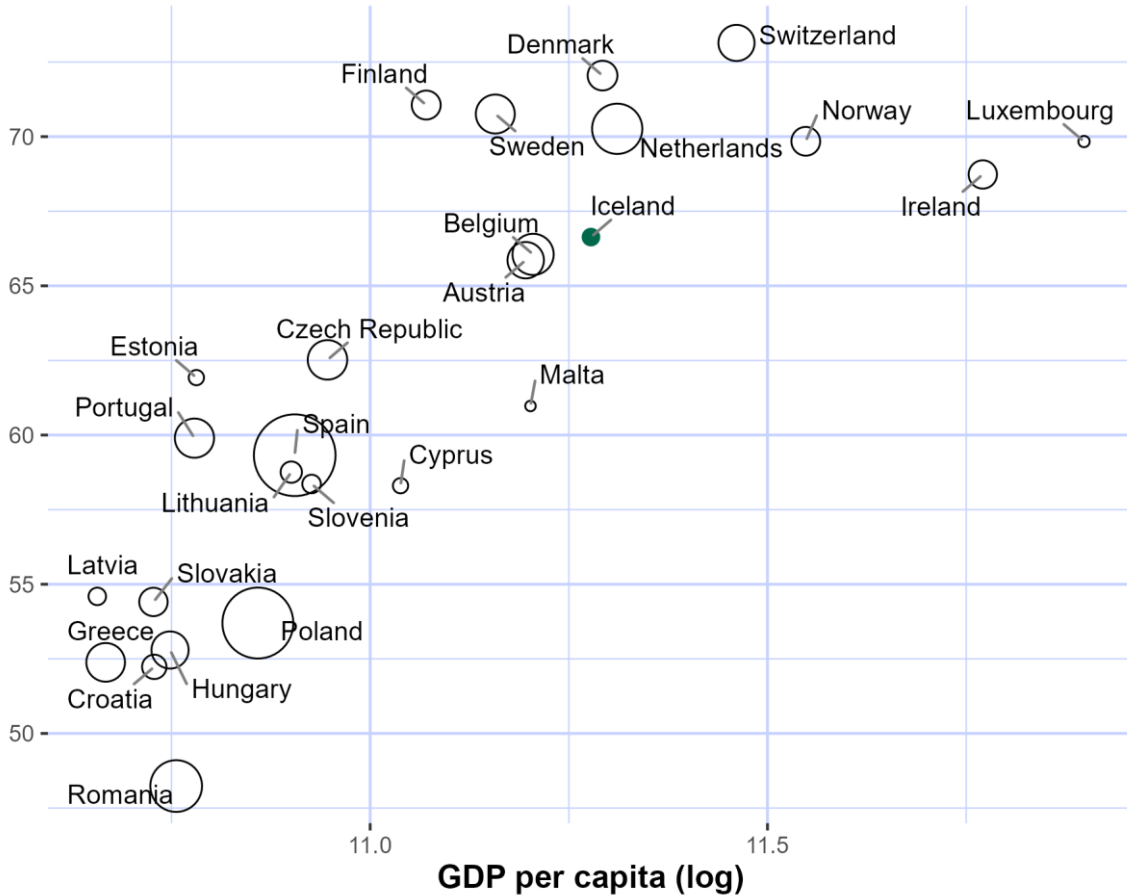
Comparison group	Top 3 scorers of the group	Score GAP: Iceland score minus group highest score	Share of countries in the group ranked below Iceland
Region			
Central and Southern Asia	Uzbekistan, Kazakhstan, Kyrgyzstan	23.3	100%
Eastern, Southeastern Asia and Oceania	Singapore, Australia, New Zealand	-6.7	88%
Europe	Switzerland, Denmark, Finland	-6.5	74%
Latin America and the Caribbean	Chile, Uruguay, Costa Rica	14.0	100%
Northern Africa and Western Asia	Israel, United Arab Emirates, Cyprus	6.5	100%
Northern America	United States of America, Canada	-2.8	50%
Sub-Saharan Africa	Mauritius, Seychelles, South Africa	16.9	100%
Income group			
High income	Singapore, Switzerland, Denmark	-6.7	75%
Upper-middle income	Georgia, Malaysia, Mauritius	15.7	100%
Lower-middle income	Uzbekistan, Jordan, Philippines	23.3	100%
Low income	Rwanda, Malawi, Gambia	32.7	100%

Comparison with group of competitors

Iceland's group of competitors is defined as high-income countries located in Europe (incl Cyprus). It comprises a group of 26 economies. Figure 2 plots how Iceland fares against each competitor in terms of GTCI score and GDP per capita.

As can be seen, Iceland's GTCI score and GDP per capita are both greater than the corresponding medians of its group of competitors. Thus, the country's talent competitiveness is in line with what would be expected given its income level.

Figure 2: GTCI score and GDP per capita (log) of Iceland and its identified competitors
GTCI score



Note: Bubble size indicates country population.

Performance against its income group and region

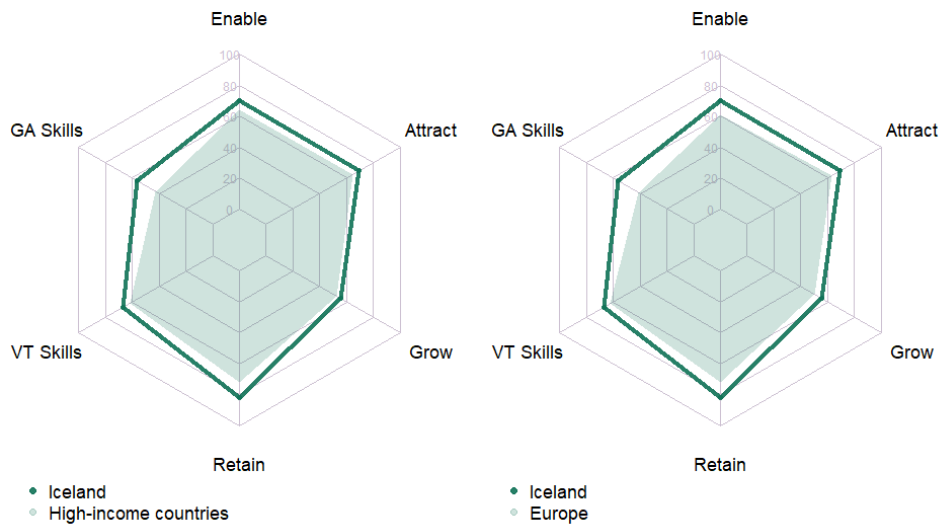
High-income countries

Iceland is ranked 13th in the group of high-income countries (Figure 3, left panel). In terms of pillar performance, it has a higher score than the income group average in each of the six pillars. At the sub-pillar level, it outperforms high-income countries in ten of the fourteen sub-pillars: Regulatory Landscape, Business Labour Landscape, Internal Openness, Access Growth Opportunities, Sustainability, Lifestyle, Midlevel Skills, Employability, Highlevel Skills and Talent Impact.

Europe

Iceland is ranked 10th within Europe (Figure 3, right panel). It outperforms its region in each of the six pillars. With regard to sub-pillars, it outperforms the average in Europe in eleven of the fourteen sub-pillars: Regulatory Landscape, Market Landscape, Business Labour Landscape, Internal Openness, Access Growth Opportunities, Sustainability, Lifestyle, Midlevel Skills, Employability, Highlevel Skills and Talent Impact.

Figure 3: Iceland pillar scores vs. averages of relevant income group and region



Note: VT Skills = Vocational and Technical Skills; GA Skills = Generalist Adaptive Skills.

Longer-term trends in talent competitiveness

Across all GTCI editions from 2015 to 2025, Iceland’s ranking ranges from 10th to 17th place (see Figure 4). During GTCI 2020-GTCI 2025, Iceland ranks 13 out of a total 134 countries (on average), which is better than the average rank of 15 in GTCI 2015-GTCI 2019.

Figure 4: Evolution of GTCI rank for Iceland, 2015-2025





Sources

- Berry, B. (2019). berryFunctions: Function Collection Related to Plotting and Hydrology. R package version 1.18.2. URL: <https://CRAN.R-project.org/package=berryFunctions>
- Gohel, D. (2019). officer: Manipulation of Microsoft Word and PowerPoint Documents. R package version 0.3.6. URL: <https://CRAN.R-project.org/package=officer>
- Gohel, D. (2019). flextable: Functions for Tabular Reporting. R package version 0.5.6. URL: <https://CRAN.R-project.org/package=flextable>
- Lanvin, B., & Monteiro, F. (eds.) (2020). The Global Talent Competitiveness Index 2020: Global Talent in the Age of Artificial Intelligence. Fontainebleau: INSEAD.
- Lanvin, B., & Monteiro, F. (eds.) (2021). The Global Talent Competitiveness Index 2021: Talent Competitiveness in Times of COVID Fontainebleau: INSEAD.
- Lanvin, B., & Monteiro, F. (eds.) (2022). The Global Talent Competitiveness Index 2022: The Tectonics of Talent: Is the World Drifting Towards Increased Talent Inequalities? Fontainebleau: INSEAD.
- Lanvin, B., & Monteiro, F. (eds.) (2023). The Global Talent Competitiveness Index 2023: What a Difference Ten Years Make What to Expect for the Next Decade. Fontainebleau: INSEAD.
- Milton Bache, S. & Wickham, H. (2014). magrittr: A Forward-Pipe Operator for R. R package version 1.5. URL: <https://CRAN.R-project.org/package=magrittr>
- Nakazawa, M. (2019). fmsb: Functions for Medical Statistics Book with some Demographic Data. R package version 0.7.0. URL: <https://CRAN.R-project.org/package=fmsb>
- R Core Team (2018). R: A language and environment for statistical computing. R Foundation for Statistical Computing, Vienna, Austria. URL: <https://www.R-project.org/>.
- Slowikowski, K. (2019). ggrepel: Automatically Position Non-Overlapping Text Labels with 'ggplot2'. R package version 0.8.1. URL: <https://CRAN.R-project.org/package=ggrepel>
- Wickham, H. (2007). Reshaping Data with the reshape Package. Journal of Statistical Software, 21(12), 1-20. URL: <http://www.jstatsoft.org/v21/i12/>.
- Wickham, H. (2016). ggplot2: Elegant Graphics for Data Analysis. Springer-Verlag. New York.
- Wickham et al., (2019). Welcome to the tidyverse. Journal of Open Source Software, 4(43), 1686, URL: <https://doi.org/10.21105/joss.01686>