

SUSTAINABLE TRADE INDEX 2022



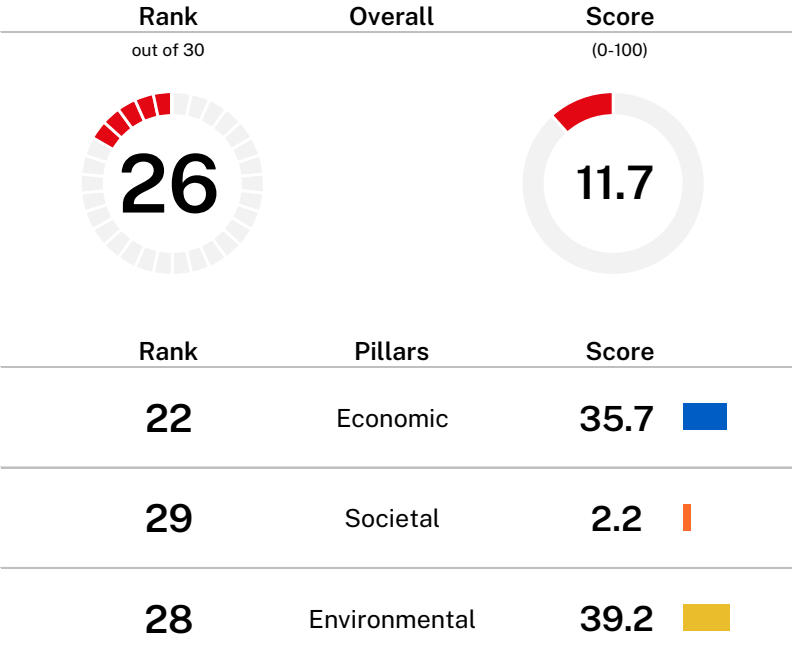
India

India

Sustainable Trade Index

The Hinrich-IMD Sustainable Trade Index measures each economy’s readiness and capacity to participate in the global trading system in a manner that supports the long-term goals of economic growth, environmental protection, and societal development.

OVERALL AND PILLARS



BACKGROUND INFORMATION

Population, millions	1,392.01	Large
Income, GDP per Capita US\$	2,165	Low
Membership	-	

Economic pillar

The Economic pillar measures an economy's ability to ensure and promote economic growth through international trade. In this category, economies receive scores for indicators that demonstrate a link between the trading system and economic growth.

Some indicators capture the quality of trade infrastructure, while others measure the ease of conducting international trade. We measure export diversification by evaluating an economy's bilateral trade destinations and how heavily its exports are concentrated by sector. Furthermore, we consider the technological infrastructure and innovation capabilities of an economy by assessing its emphasis on research and development investments and digital technologies.

INDICATORS

		Rank	Value	Year	Score	
1.01	Consumer price inflation	25	5.52	2021	37.0	
1.02	Real GDP Growth per capita, % GDP	05	7.90	2021	95.3	
1.03	Growth in labor force, %	05	2.95	2021	31.2	
1.04	Foreign direct investment, net inflows, % GDP	09	2.42	2020	16.5	
1.05	Gross fixed capital formation, % GDP	06	27.09	2020	63.2	
1.06	Tariff & non-tariff barriers	28	-	-	9.9	
1.06.01	Tariff barriers	27	-	-	6.4	
1.06.01.a	Tariff barriers in force	27	2,434	2021	8.4	
1.06.01.b	New tariff barriers 2021	25	51.00	2021	35.6	
1.06.01.c	Percentage of trade affected by tariff barrier (up to 2018)	22	49.23	2018	4.8	
1.06.02	Non-tariff barriers	22	-	-	28.5	
1.06.02.a	Non-tariff barriers in force	23	8,212	2021	20.5	
1.06.02.b	New non-tariff barriers 2021	27	1,869	2021	13.9	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	09	44.75	2018	51.1	
1.07	Trade liberalization	24	-	-	22.1	
1.07.01	Regional Trade Agreements, number in force	08	17.00	2022	36.4	
1.07.02	Capital account liberalization, Index	22	-1.23	2019	16.4	
1.07.03	Investment Freedom, Index	22	40.00	2022	30.8	
1.08	Exchange rate stability, parity change from national currency to SDR, 2020/2018	24	0.08	2021	62.4	
1.09	Domestic credit to private sector, % of GDP	17	54.80	2020	15.6	
1.10	Foreign trade and payments risk	23	-	-	42.0	
1.10.01	Country credit rating	20	43.00	2022	48.5	
1.10.02	Gross debt, % GDP	23	86.76	2021	67.5	
1.11	Trade costs	16	-	-	41.4	
1.11.01	Logistics performance, index	15	3.18	2018	54.3	
1.11.02	Corruption perceptions, index	15	40.00	2021	26.2	
1.11.03	Rule of law, index	15	54.33	2020	49.5	
1.12	Monetary policy intervention	12	-	-	39.3	
1.12.01	Current account balance, % GDP	11	-1.62	2021	48.6	
1.12.02	Total reserves (includes gold)1 year change, % GDP	11	-1.14	2021	47.0	
1.13	Export concentration	01	-	-	100.0	
1.13.01	Export market concentration, Top 5 as % total	01	37.89	2021	100.0	
1.13.02	Export product concentration, Top 5 as % total	04	44.21	2021	88.6	
1.14	Exports of goods and services	06	-	-	49.1	
1.14.01	Merchandise exports, US\$	12	395,408	2021	60.7	
1.14.02	Commercial services exports, US\$	04	236,300	2021	31.6	
1.15	Technological innovation	21	-	-	8.5	
1.15.01	R&D expenditure, % GDP	15	0.66	2018	13.0	
1.15.02	Researchers in R&D, per capita	19	0.25	2018	2.5	
1.15.03	Patent applications, per million inhabitants	15	27.49	2020	0.5	
1.15.04	High-technology exports, % of manufactured exports	17	11.03	2020	14.3	
1.15.05	Scientific articles, per million people	21	108.23	2020	4.3	
1.16	Technological infrastructure	25	-	-	20.1	
1.16.01	Fixed internet speed, Mbps	17	40.46	2021	18.6	
1.16.02	Internet users, % population	23	43.00	2020	37.1	
1.16.03	Fixed broadband subscriptions	26	1.66	2020	3.3	
1.16.04	Mobile subscriptions (per 100 people)	27	83.60	2020	14.7	

Societal pillar

The Societal pillar captures social factors that contribute to an economy's long-term capacity to conduct trade. Economies are measured against yardsticks for the development of human capital, such as education levels and labor standards.

This pillar also captures factors that support a population's tolerance for trade expansion given the costs and benefits of economic growth. These include inequality, political stability, and exploitative practices such as child labor, forced labor, and human trafficking used in an economy's imports and exports.

INDICATORS

		Rank	Value	Year	Score	
2.01	Inequality (Gini coefficient)	-	-	-	-	
2.02	Educational attainment	24	-	-	19.71	
2.02.01	Mean years of schooling	24	6.50	2019	21.02	
2.02.02	University education Index	08	20.68	2021	16.14	
2.02.03	Tertiary enrollment	20	29.44	2020	16.89	
2.03	Labor standards	15	-	-	70.75	
2.03.01	Gender non-discrimination in hiring	01	100.00	2022	100.00	
2.03.02	Freedom of association and assembly	18	0.50	2021	41.49	
2.04	Political stability and absence of violence	27	16.98	2020	12.76	
2.05	Goods produced by forced labor or child labor	30	-	-	0.00	
2.05.01	Goods produced by forced labor	26	-	-	41.72	
2.05.01.a	Goods produced by forced labor, number of goods categories	28	8.00	2021	52.94	
2.05.01.b	% population in forced labor	21	6.10	2018	64.82	
2.05.02	Goods produced by child labor, number of goods categories	30	24.00	2021	0.00	
2.06	Government response to human trafficking	29	-	-	4.00	
2.06.01	Government response to human trafficking, Criminalization	15	5.00	2021	60.00	
2.06.02	Government response to human trafficking, Strategy	14	45.65	2018	50.95	
2.06.03	Government response to human trafficking, Action	09	2.00	2021	66.67	
2.07	Trade in goods at risk of modern slavery	29	-	-	18.19	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	19	7,705	2020	24.41	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	28	18,606	2020	25.00	
2.08	Social mobility, Index	22	42.70	2020	15.23	
2.09	Life expectancy at birth	27	67.20	2021	8.96	

Environmental pillar

The Environmental pillar measures the extent to which an economy's trade supports sustainable resources. The factors include measurements of non-renewable natural resources in trade and the management of externalities that arise from economic growth and participation in the global trading system.

While an economy's capacity to participate in the global trading system is dependent on economic development, achieving sustainable trade requires prudent stewardship of natural resources and limiting externalities in an economy's economic calculus to promote its overall environmental capital. The indicators chosen in this section measure an economy's environmental capital and include indicators for air and water pollution. In terms of future impact, we measure national environmental standards, carbon emissions, and share of natural resources in exports.

INDICATORS

		Rank	Value	Year	Score	
3.01	Air pollution, PM2.5 micrograms per cubic metre	30	83.30	2019	0.00	
3.02	Deforestation, Index	20	0.00	2020	16.05	
3.03	% of wastewater treated	20	26.56	2020	25.36	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	25	222.43	2019	29.84	
3.05	Ecological footprint	03	1.21	2018	94.03	
3.06	Renewable energy, %	11	23.13	2019	39.58	
3.07	Environmental standards in trade, count	08	-	-	75.00	
3.07.01	Convention: Hazardous Wastes	01	2	2021	100.00	
3.07.02	Convention: Prevention of Marine Pollution	15	0	2021	0.00	
3.07.03	Convention: Protection of the Ozone Layer (Vienna)	01	2	2021	100.00	
3.07.04	Convention on Climate Change (Kyoto)	01	2	2021	100.00	
3.07.05	The International Timber Agreement	01	2	2021	100.00	
3.07.06	Convention: International Trade in Endangered Species	01	2	2021	100.00	
3.07.07	Convention: Prior Informed Consent - Hazardous Chemicals (Rotterdam)	01	2	2021	100.00	
3.08	Transfer emissions, export emissions % of total	26	58.81	2019	14.83	
3.09	Share of natural resources in trade, %	20	15.08	2020	64.56	
3.10	Carbon	20	-	-	50.57	
3.10.1	Carbon pricing	11	0	2022	0.00	
3.10.2	CO2 emissions per capita	10	1.90	2019	91.53	

About us

Global trade has helped lift hundreds of millions of people around the world out of poverty, but the benefits of trade do not come without their risks. If an economy is unprepared for the consequences of trade growth, it may result in labor disruption, environmental degradation, and worsening inequality. Proactive and responsible government policy and farsighted corporate decision-making can harness the benefits of trade and mitigate its excesses.

The Hinrich Foundation and the IMD World Competitiveness Center have combined their expertise to build the Hinrich-IMD Sustainable Trade Index, a framework for policy makers, business executives, and civil society leaders to understand and advance sustainable global trade.

hinrich foundation

advancing sustainable global trade

The Hinrich Foundation is a unique Asia-based philanthropic organization that works to advance mutually beneficial and sustainable global trade.

We believe sustainable global trade strengthens relationships between nations and improves people's lives. We support original research and education programs that build understanding and leadership in global trade. Our approach is independent, fact-based and objective. We are an authoritative source of knowledge, sharp analysis and fresh thinking for policymakers, business, media and scholars engaged in global trade.

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IMD / World Competitiveness
Center

IMD is an independent academic institution with Swiss roots and global reach, founded over 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.

The IMD World Competitiveness Center is dedicated to the advancement of knowledge on world competitiveness and offers benchmarking services for countries and companies using the latest and most relevant data on the subject. The Center has pioneered research on how nations and enterprises compete to lay the foundations for future prosperity.

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