

SUSTAINABLE TRADE INDEX 2022



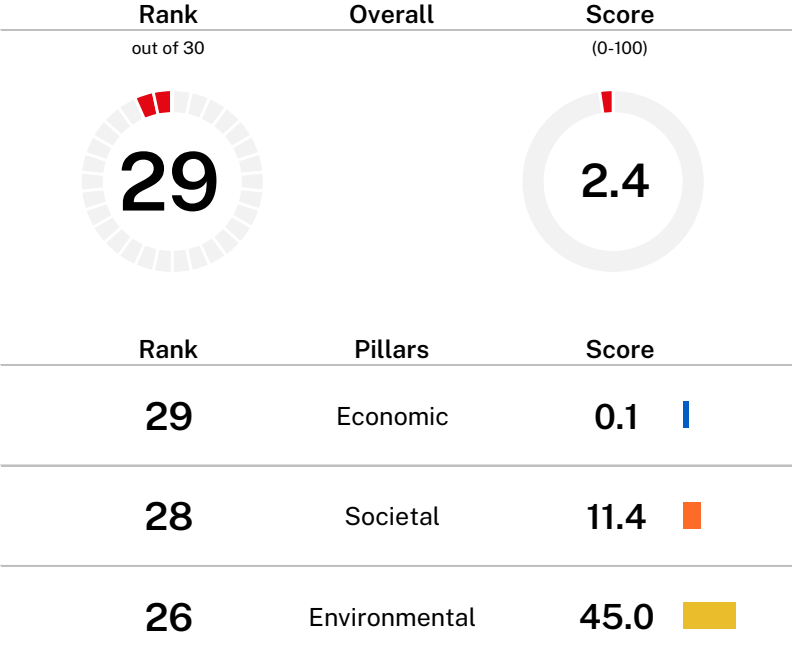
Pakistan

Pakistan

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	222.59	Large
Income, GDP per Capita US\$	1,532	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	30	8.90	2021	0.0	
1.02	Real GDP Growth per capita, % GDP	18	3.50	2021	89.7	
1.03	Growth in labor force, %	06	2.74	2021	30.0	
1.04	Foreign direct investment, net inflows, % GDP	24	0.80	2020	12.2	
1.05	Gross fixed capital formation, % GDP	27	13.73	2020	32.0	
1.06	Tariff & non-tariff barriers	26	-	-	19.8	
1.06.01	Tariff barriers	28	-	-	0.0	
1.06.01.a	Tariff barriers in force	23	933	2021	19.6	
1.06.01.b	New tariff barriers 2021	27	253.00	2021	9.8	
1.06.01.c	Percentage of trade affected by tariff barrier (up to 2018)	23	50.54	2018	2.3	
1.06.02	Non-tariff barriers	14	-	-	53.1	
1.06.02.a	Non-tariff barriers in force	19	1,437	2021	35.9	
1.06.02.b	New non-tariff barriers 2021	19	227	2021	38.0	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	03	20.44	2018	85.4	
1.07	Trade liberalization	22	-	-	25.6	
1.07.01	Regional Trade Agreements, number in force	20	10.00	2022	15.2	
1.07.02	Capital account liberalization, Index	22	-1.23	2019	16.4	
1.07.03	Investment Freedom, Index	13	60.00	2022	61.5	
1.08	Exchange rate stability, parity change from national currency to SDR, 2020/2018	27	0.12	2021	42.5	
1.09	Domestic credit to private sector, % of GDP	27	17.20	2020	0.0	
1.10	Foreign trade and payments risk	27	-	-	21.9	
1.10.01	Country credit rating	27	22.00	2022	16.7	
1.10.02	Gross debt, % GDP	22	73.96	2021	72.4	
1.11	Trade costs	27	-	-	8.4	
1.11.01	Logistics performance, index	27	2.42	2018	13.4	
1.11.02	Corruption perceptions, index	27	28.00	2021	7.7	
1.11.03	Rule of law, index	25	25.48	2020	16.8	
1.12	Monetary policy intervention	19	-	-	31.7	
1.12.01	Current account balance, % GDP	14	-0.55	2021	46.4	
1.12.02	Total reserves (includes gold)1 year change, % GDP	22	0.37	2021	38.4	
1.13	Export concentration	13	-	-	52.9	
1.13.01	Export market concentration, Top 5 as % total	05	45.99	2021	84.3	
1.13.02	Export product concentration, Top 5 as % total	27	77.02	2021	30.0	
1.14	Exports of goods and services	23	-	-	8.8	
1.14.01	Merchandise exports, US\$	23	28,320	2021	15.9	
1.14.02	Commercial services exports, US\$	20	5,432	2021	0.7	
1.15	Technological innovation	25	-	-	2.8	
1.15.01	R&D expenditure, % GDP	22	0.20	2019	3.5	
1.15.02	Researchers in R&D, per capita	17	0.38	2019	4.0	
1.15.03	Patent applications, per million inhabitants	25	1.72	2020	0.0	
1.15.04	High-technology exports, % of manufactured exports	25	1.89	2020	0.9	
1.15.05	Scientific articles, per million people	25	78.07	2020	3.1	
1.16	Technological infrastructure	29	-	-	8.5	
1.16.01	Fixed internet speed, Mbps	30	5.97	2021	0.0	
1.16.02	Internet users, % population	28	25.00	2020	16.1	
1.16.03	Fixed broadband subscriptions	29	1.14	2020	2.1	
1.16.04	Mobile subscriptions (per 100 people)	28	79.51	2020	13.1	

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)	02	29.60	2018	89.53	
2.02	Educational attainment	26	-	-	4.04	
2.02.01	Mean years of schooling	27	5.16	2019	5.70	
2.02.02	University education Index	16	6.88	2021	5.37	
2.02.03	Tertiary enrollment	27	12.22	2019	0.00	
2.03	Labor standards	13	-	-	76.96	
2.03.01	Gender non-discrimination in hiring	01	100.00	2022	100.00	
2.03.02	Freedom of association and assembly	16	0.57	2021	53.92	
2.04	Political stability and absence of violence	30	5.19	2020	0.00	
2.05	Goods produced by forced labor or child labor	27	-	-	23.63	
2.05.01	Goods produced by forced labor	29	-	-	4.12	
2.05.01.a	Goods produced by forced labor, number of goods categories	27	6.00	2021	64.71	
2.05.01.b	% population in forced labor	30	16.82	2018	0.00	
2.05.02	Goods produced by child labor, number of goods categories	21	6.00	2021	75.00	
2.06	Government response to human trafficking	28	-	-	6.27	
2.06.01	Government response to human trafficking, Criminalization	21	4.00	2021	40.00	
2.06.02	Government response to human trafficking, Strategy	30	18.57	2018	0.00	
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	16	-	-	48.36	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	09	1,347	2020	39.14	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	15	87	2020	65.81	
2.08	Social mobility, Index	24	36.70	2020	0.00	
2.09	Life expectancy at birth	28	66.10	2021	3.48	

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	29	63.86	2019	25.17	
3.02	Deforestation, Index	30	0.00	2020	0.00	
3.03	% of wastewater treated	19	27.90	2020	26.73	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	27	289.84	2019	6.20	
3.05	Ecological footprint	01	0.77	2018	100.00	
3.06	Renewable energy, %	06	35.68	2019	61.06	
3.07	Environmental standards in trade, count	17	-	-	50.00	
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	20	0	2021	0.00	
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	16	-1.45	2019	22.75	
3.09	Share of natural resources in trade, %	02	3.35	2020	92.76	
3.10	Carbon	16	-	-	53.21	
3.10.1	Carbon pricing	11	0	2022	0.00	
3.10.2	CO2 emissions per capita	06	1.09	2019	96.32	

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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