

SUSTAINABLE TRADE INDEX 2022



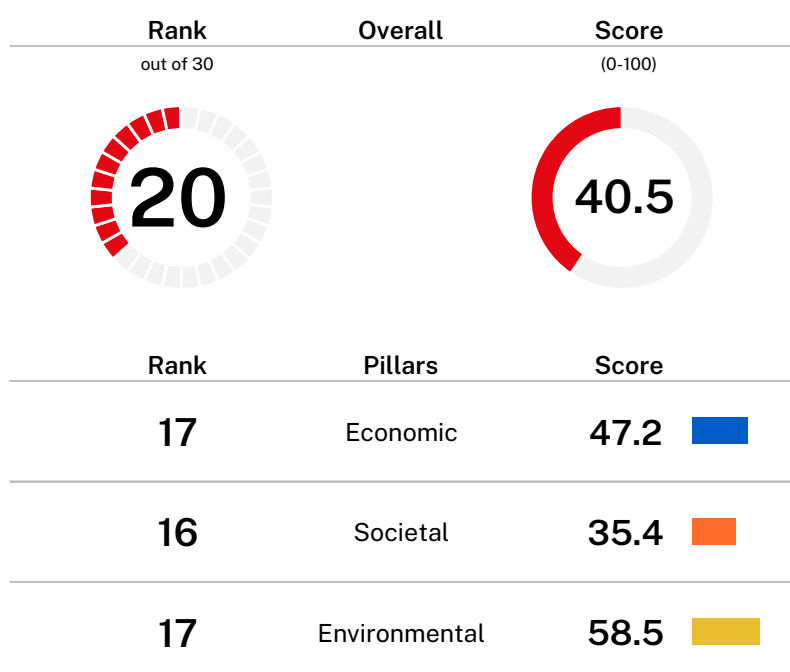
Vietnam

Vietnam

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	98.32	Large
Income, GDP per Capita US\$	3,691	Medium
Membership	APEC, CPTPP, RCEP	

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	09	1.87	2021	76.8	
1.02	Real GDP Growth per capita, % GDP	24	1.62	2021	86.9	
1.03	Growth in labor force, %	19	0.48	2021	16.6	
1.04	Foreign direct investment, net inflows, % GDP	04	5.83	2020	25.5	
1.05	Gross fixed capital formation, % GDP	10	24.36	2020	56.8	
1.06	Tariff & non-tariff barriers	18	-	-	43.0	
1.06.01	Tariff barriers	19	-	-	56.6	
1.06.01.a	Tariff barriers in force	19	462	2021	27.9	
1.06.01.b	New tariff barriers 2021	01	0.00	2021	100.0	
1.06.01.c	Percentage of trade affected by tariff barrier (up to 2018)	20	22.99	2018	55.6	
1.06.02	Non-tariff barriers	18	-	-	38.9	
1.06.02.a	Non-tariff barriers in force	15	360	2021	48.1	
1.06.02.b	New non-tariff barriers 2021	16	79	2021	49.9	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	21	67.71	2018	18.8	
1.07	Trade liberalization	20	-	-	29.2	
1.07.01	Regional Trade Agreements, number in force	12	15.00	2022	30.3	
1.07.02	Capital account liberalization, Index	17	-0.15	2019	41.7	
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	10	0.04	2021	87.2	
1.09	Domestic credit to private sector, % of GDP	08	147.67	2020	54.1	
1.10	Foreign trade and payments risk	19	-	-	51.9	
1.10.01	Country credit rating	21	40.00	2022	43.9	
1.10.02	Gross debt, % GDP	08	40.18	2021	85.3	
1.11	Trade costs	17	-	-	40.2	
1.11.01	Logistics performance, index	13	3.27	2018	59.1	
1.11.02	Corruption perceptions, index	16	39.00	2021	24.6	
1.11.03	Rule of law, index	18	48.56	2020	42.9	
1.12	Monetary policy intervention	26	-	-	24.3	
1.12.01	Current account balance, % GDP	15	-0.48	2021	46.2	
1.12.02	Total reserves (includes gold)1 year change, % GDP	29	2.21	2021	27.9	
1.13	Export concentration	15	-	-	50.0	
1.13.01	Export market concentration, Top 5 as % total	19	62.71	2021	52.0	
1.13.02	Export product concentration, Top 5 as % total	16	61.45	2021	57.8	
1.14	Exports of goods and services	15	-	-	31.0	
1.14.01	Merchandise exports, US\$	14	335,929	2021	57.7	
1.14.02	Commercial services exports, US\$	23	3,688	2021	0.5	
1.15	Technological innovation	16	-	-	19.9	
1.15.01	R&D expenditure, % GDP	16	0.53	2019	10.5	
1.15.02	Researchers in R&D, per capita	14	0.76	2019	8.3	
1.15.03	Patent applications, per million inhabitants	20	11.63	2020	0.2	
1.15.04	High-technology exports, % of manufactured exports	05	41.74	2020	59.2	
1.15.05	Scientific articles, per million people	22	84.32	2020	3.3	
1.16	Technological infrastructure	17	-	-	46.1	
1.16.01	Fixed internet speed, Mbps	16	46.04	2021	21.6	
1.16.02	Internet users, % population	18	70.30	2020	68.9	
1.16.03	Fixed broadband subscriptions	14	17.16	2020	39.1	
1.16.04	Mobile subscriptions (per 100 people)	07	142.73	2020	39.0	

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)	10	35.70	2018	57.59	
2.02	Educational attainment	23	-	-	21.56	
2.02.01	Mean years of schooling	20	8.32	2019	41.81	
2.02.02	University education Index	21	1.56	2021	1.22	
2.02.03	Tertiary enrollment	21	28.64	2019	16.10	
2.03	Labor standards	18	-	-	63.62	
2.03.01	Gender non-discrimination in hiring	01	100.00	2022	100.00	
2.03.02	Freedom of association and assembly	24	0.41	2021	27.24	
2.04	Political stability and absence of violence	16	44.81	2020	42.86	
2.05	Goods produced by forced labor or child labor	25	-	-	43.83	
2.05.01	Goods produced by forced labor	16	-	-	77.75	
2.05.01.a	Goods produced by forced labor, number of goods categories	17	1.00	2021	94.12	
2.05.01.b	% population in forced labor	18	4.50	2018	74.49	
2.05.02	Goods produced by child labor, number of goods categories	29	16.00	2021	33.33	
2.06	Government response to human trafficking	20	-	-	25.25	
2.06.01	Government response to human trafficking, Criminalization	15	5.00	2021	60.00	
2.06.02	Government response to human trafficking, Strategy	12	48.10	2018	55.54	
2.06.03	Government response to human trafficking, Action	24	4.00	2021	0.00	
2.07	Trade in goods at risk of modern slavery	28	-	-	19.32	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	14	3,871	2020	30.23	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	29	30,371	2020	21.27	
2.08	Social mobility, Index	13	57.80	2020	53.55	
2.09	Life expectancy at birth	18	73.60	2021	40.80	

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	18	20.19	2019	81.69	
3.02	Deforestation, Index	04	0.02	2020	70.68	
3.03	% of wastewater treated	24	18.50	2020	17.17	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	23	187.88	2019	41.96	
3.05	Ecological footprint	12	2.27	2018	79.58	
3.06	Renewable energy, %	16	15.82	2019	27.06	
3.07	Environmental standards in trade, count	23	-	-	25.00	
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)	28	0	2021	0.00	
3.07.05	The International Timber Agreement	01	2	2021	100.00	
3.07.06	Convention: International Trade in Endangered Species	23	0	2021	0.00	
3.07.07	Convention: Prior Informed Consent - Hazardous Chemicals (Rotterdam)	01	2	2021	100.00	
3.08	Transfer emissions, export emissions % of total	24	7.38	2019	21.33	
3.09	Share of natural resources in trade, %	04	3.54	2020	92.30	
3.10	Carbon	22	-	-	46.50	
3.10.1	Carbon pricing	11	0	2022	0.00	
3.10.2	CO2 emissions per capita	13	3.13	2019	84.18	

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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