

SUSTAINABLE TRADE INDEX 2022



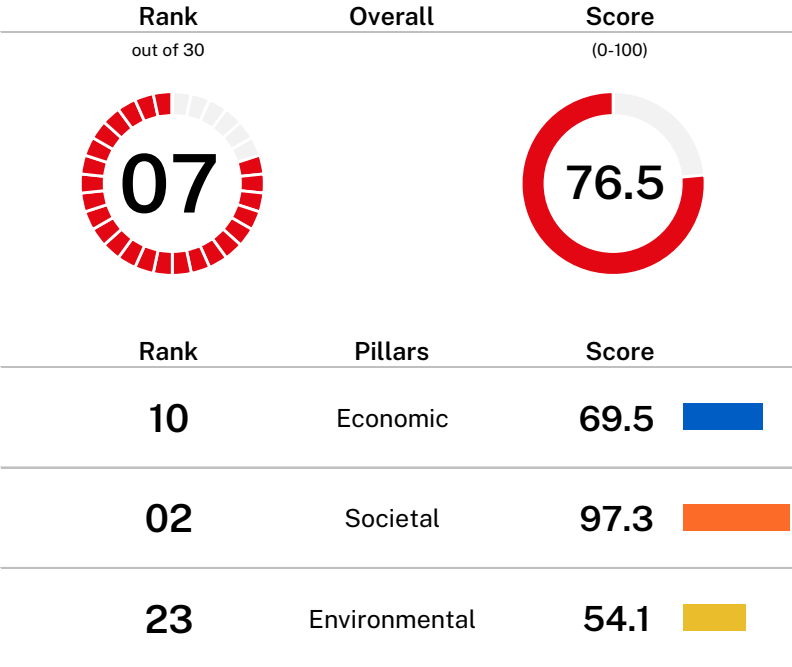
Canada

Canada

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	38.23	Medium
Income, GDP per Capita US\$	51,450	High
Membership	APEC, CPTPP	

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	16	3.40	2021	60.1	
1.02	Real GDP Growth per capita, % GDP	16	3.93	2021	90.3	
1.03	Growth in labor force, %	07	2.74	2021	30.0	
1.04	Foreign direct investment, net inflows, % GDP	14	1.61	2020	14.3	
1.05	Gross fixed capital formation, % GDP	13	23.26	2020	54.2	
1.06	Tariff & non-tariff barriers	21	-	-	38.2	
1.06.01	Tariff barriers	10	-	-	67.2	
1.06.01.a	Tariff barriers in force	13	302	2021	32.8	
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)	11	10.82	2018	79.2	
1.06.02	Non-tariff barriers	27	-	-	19.4	
1.06.02.a	Non-tariff barriers in force	25	10,150	2021	18.7	
1.06.02.b	New non-tariff barriers 2021	25	890	2021	22.4	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	22	68.85	2018	17.2	
1.07	Trade liberalization	07	-	-	74.0	
1.07.01	Regional Trade Agreements, number in force	12	15.00	2022	30.3	
1.07.02	Capital account liberalization, Index	01	2.32	2019	100.0	
1.07.03	Investment Freedom, Index	03	80.00	2022	92.3	
1.08	Exchange rate stability, parity change from national currency to SDR, 2020/2018	06	0.03	2021	92.7	
1.09	Domestic credit to private sector, % of GDP	-	-	-	-	
1.10	Foreign trade and payments risk	08	-	-	68.6	
1.10.01	Country credit rating	04	73.00	2022	93.9	
1.10.02	Gross debt, % GDP	27	112.06	2021	57.8	
1.11	Trade costs	06	-	-	86.4	
1.11.01	Logistics performance, index	08	3.73	2018	83.9	
1.11.02	Corruption perceptions, index	05	74.00	2021	78.5	
1.11.03	Rule of law, index	03	92.79	2020	92.9	
1.12	Monetary policy intervention	18	-	-	32.9	
1.12.01	Current account balance, % GDP	17	0.06	2021	45.1	
1.12.02	Total reserves (includes gold)1 year change, % GDP	16	-0.14	2021	41.4	
1.13	Export concentration	18	-	-	42.4	
1.13.01	Export market concentration, Top 5 as % total	28	85.64	2021	7.6	
1.13.02	Export product concentration, Top 5 as % total	03	43.32	2021	90.2	
1.14	Exports of goods and services	09	-	-	41.9	
1.14.01	Merchandise exports, US\$	06	503,373	2021	65.1	
1.14.02	Commercial services exports, US\$	08	102,749	2021	13.7	
1.15	Technological innovation	10	-	-	47.0	
1.15.01	R&D expenditure, % GDP	09	1.70	2020	34.8	
1.15.02	Researchers in R&D, per capita	08	4.52	2018	51.7	
1.15.03	Patent applications, per million inhabitants	08	627.85	2020	12.5	
1.15.04	High-technology exports, % of manufactured exports	16	15.30	2020	20.5	
1.15.05	Scientific articles, per million people	05	1,732.37	2020	73.0	
1.16	Technological infrastructure	07	-	-	76.5	
1.16.01	Fixed internet speed, Mbps	07	130.49	2021	67.1	
1.16.02	Internet users, % population	01	96.97	2020	100.0	
1.16.03	Fixed broadband subscriptions	02	41.93	2020	96.3	
1.16.04	Mobile subscriptions (per 100 people)	26	85.74	2020	15.6	

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)	05	33.30	2017	70.16	
2.02	Educational attainment	04	-	-	68.07	
2.02.01	Mean years of schooling	02	13.37	2019	99.46	
2.02.02	University education Index	05	31.98	2021	24.95	
2.02.03	Tertiary enrollment	10	75.70	2019	62.25	
2.03	Labor standards	01	-	-	100.00	
2.03.01	Gender non-discrimination in hiring	01	100.00	2022	100.00	
2.03.02	Freedom of association and assembly	01	0.84	2021	100.00	
2.04	Political stability and absence of violence	04	90.09	2020	91.84	
2.05	Goods produced by forced labor or child labor	02	-	-	99.47	
2.05.01	Goods produced by forced labor	02	-	-	99.16	
2.05.01.a	Goods produced by forced labor, number of goods categories	01	0.00	2021	100.00	
2.05.01.b	% population in forced labor	02	0.48	2018	98.82	
2.05.02	Goods produced by child labor, number of goods categories	01	0.00	2021	100.00	
2.06	Government response to human trafficking	05	-	-	84.91	
2.06.01	Government response to human trafficking, Criminalization	04	6.00	2021	80.00	
2.06.02	Government response to human trafficking, Strategy	05	58.63	2018	75.36	
2.06.03	Government response to human trafficking, Action	01	1.00	2021	100.00	
2.07	Trade in goods at risk of modern slavery	13	-	-	55.23	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	25	17,286	2020	17.59	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	01	0	2020	100.00	
2.08	Social mobility, Index	01	76.10	2020	100.00	
2.09	Life expectancy at birth	06	82.70	2021	86.07	

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	03	7.09	2019	98.65	
3.02	Deforestation, Index	17	0.00	2020	21.11	
3.03	% of wastewater treated	10	77.06	2020	76.69	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	17	117.99	2019	66.48	
3.05	Ecological footprint	27	8.07	2018	0.78	
3.06	Renewable energy, %	15	16.15	2019	27.64	
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	01	2	2021	100.00	
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	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	22	1.91	2019	22.19	
3.09	Share of natural resources in trade, %	23	17.79	2020	58.03	
3.10	Carbon	10	-	-	60.46	
3.10.1	Carbon pricing	01	2	2022	100.00	
3.10.2	CO2 emissions per capita	28	15.69	2019	9.44	

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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