

SUSTAINABLE TRADE INDEX 2022



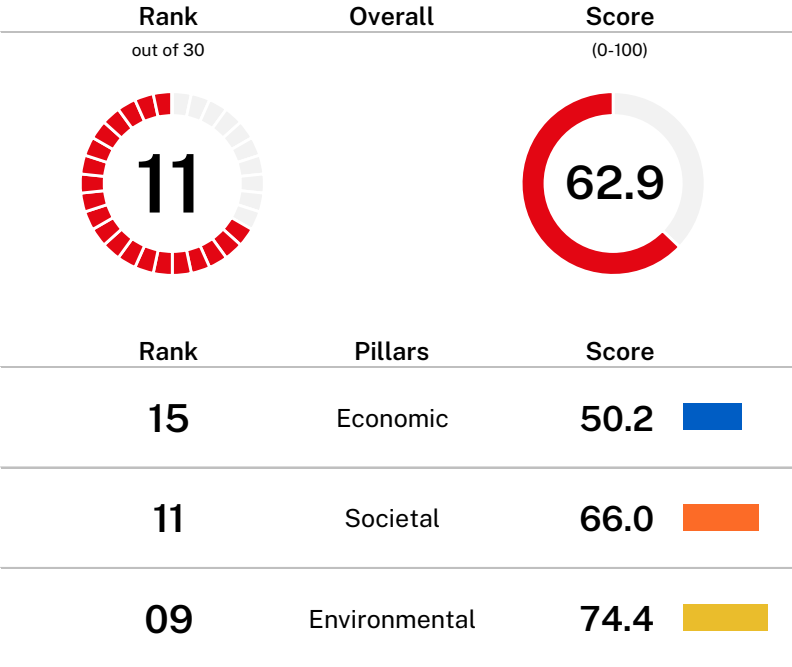
Chile

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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	19.72	Medium
Income, GDP per Capita US\$	15,904	Medium
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	23	4.52	2021	47.8	
1.02	Real GDP Growth per capita, % GDP	03	10.22	2021	97.9	
1.03	Growth in labor force, %	27	-0.43	2021	11.2	
1.04	Foreign direct investment, net inflows, % GDP	07	3.37	2020	19.0	
1.05	Gross fixed capital formation, % GDP	22	20.90	2020	48.7	
1.06	Tariff & non-tariff barriers	08	-	-	65.5	
1.06.01	Tariff barriers	13	-	-	65.4	
1.06.01.a	Tariff barriers in force	07	30	2021	59.6	
1.06.01.b	New tariff barriers 2021	20	24.00	2021	47.6	
1.06.01.c	Percentage of trade affected by tariff barrier (up to 2018)	01	0.10	2018	100.0	
1.06.02	Non-tariff barriers	07	-	-	71.3	
1.06.02.a	Non-tariff barriers in force	03	8	2021	80.6	
1.06.02.b	New non-tariff barriers 2021	01	0	2021	100.0	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	15	57.35	2018	33.4	
1.07	Trade liberalization	06	-	-	75.1	
1.07.01	Regional Trade Agreements, number in force	02	31.00	2022	78.8	
1.07.02	Capital account liberalization, Index	12	1.05	2019	70.0	
1.07.03	Investment Freedom, Index	09	70.00	2022	76.9	
1.08	Exchange rate stability, parity change from national currency to SDR, 2020/2018	26	0.11	2021	45.8	
1.09	Domestic credit to private sector, % of GDP	14	124.47	2020	44.5	
1.10	Foreign trade and payments risk	07	-	-	76.7	
1.10.01	Country credit rating	11	61.00	2022	75.8	
1.10.02	Gross debt, % GDP	06	36.28	2021	86.8	
1.11	Trade costs	11	-	-	71.1	
1.11.01	Logistics performance, index	12	3.32	2018	61.8	
1.11.02	Corruption perceptions, index	09	67.00	2021	67.7	
1.11.03	Rule of law, index	11	84.13	2020	83.2	
1.12	Monetary policy intervention	11	-	-	39.4	
1.12.01	Current account balance, % GDP	02	-6.68	2021	58.9	
1.12.02	Total reserves (includes gold)1 year change, % GDP	25	0.66	2021	36.8	
1.13	Export concentration	27	-	-	26.1	
1.13.01	Export market concentration, Top 5 as % total	23	70.74	2021	36.4	
1.13.02	Export product concentration, Top 5 as % total	24	73.87	2021	35.6	
1.14	Exports of goods and services	18	-	-	19.2	
1.14.01	Merchandise exports, US\$	18	94,705	2021	35.3	
1.14.02	Commercial services exports, US\$	19	6,559	2021	0.9	
1.15	Technological innovation	17	-	-	13.0	
1.15.01	R&D expenditure, % GDP	17	0.34	2019	6.5	
1.15.02	Researchers in R&D, per capita	15	0.51	2019	5.5	
1.15.03	Patent applications, per million inhabitants	14	44.30	2020	0.9	
1.15.04	High-technology exports, % of manufactured exports	15	15.80	2020	21.3	
1.15.05	Scientific articles, per million people	15	461.50	2020	19.3	
1.16	Technological infrastructure	13	-	-	60.7	
1.16.01	Fixed internet speed, Mbps	10	103.84	2021	52.7	
1.16.02	Internet users, % population	13	88.30	2020	89.9	
1.16.03	Fixed broadband subscriptions	13	19.69	2020	44.9	
1.16.04	Mobile subscriptions (per 100 people)	13	131.14	2020	34.2	

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)	21	44.40	2017	12.04	
2.02	Educational attainment	12	-	-	55.25	
2.02.01	Mean years of schooling	13	10.58	2019	67.66	
2.02.02	University education Index	17	5.79	2021	4.52	
2.02.03	Tertiary enrollment	03	93.10	2019	79.32	
2.03	Labor standards	14	-	-	74.45	
2.03.01	Gender non-discrimination in hiring	20	75.00	2022	66.67	
2.03.02	Freedom of association and assembly	08	0.73	2021	82.24	
2.04	Political stability and absence of violence	13	49.06	2020	47.45	
2.05	Goods produced by forced labor or child labor	05	-	-	98.67	
2.05.01	Goods produced by forced labor	05	-	-	97.89	
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	06	0.78	2018	97.03	
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	01	-	-	100.00	
2.06.01	Government response to human trafficking, Criminalization	01	7.00	2021	100.00	
2.06.02	Government response to human trafficking, Strategy	04	62.32	2018	82.31	
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	08	-	-	61.26	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	16	4,638	2020	28.70	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	01	0	2020	100.00	
2.08	Social mobility, Index	12	60.30	2020	59.90	
2.09	Life expectancy at birth	10	78.90	2021	67.16	

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	22	23.68	2019	77.18	
3.02	Deforestation, Index	15	0.01	2020	25.56	
3.03	% of wastewater treated	06	90.53	2020	90.38	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	11	101.68	2019	72.20	
3.05	Ecological footprint	19	4.29	2018	52.09	
3.06	Renewable energy, %	08	27.40	2019	46.88	
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	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)	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	15	-2.05	2019	22.85	
3.09	Share of natural resources in trade, %	25	32.59	2020	22.45	
3.10	Carbon	02	-	-	95.93	
3.10.1	Carbon pricing	01	2	2022	100.00	
3.10.2	CO2 emissions per capita	16	4.90	2019	73.64	

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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