

SUSTAINABLE TRADE INDEX 2022



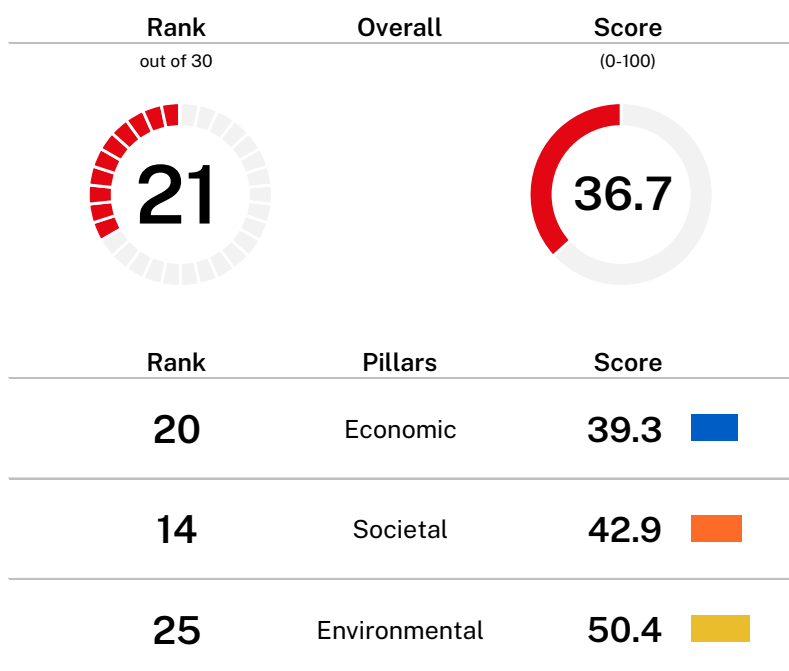
Peru

Peru

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	33.83	Medium
Income, GDP per Capita US\$	6,577	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	21	3.98	2021	53.8	
1.02	Real GDP Growth per capita, % GDP	02	12.18	2021	100.0	
1.03	Growth in labor force, %	01	14.60	2021	100.0	
1.04	Foreign direct investment, net inflows, % GDP	16	1.48	2020	14.0	
1.05	Gross fixed capital formation, % GDP	23	19.69	2020	45.9	
1.06	Tariff & non-tariff barriers	07	-	-	72.7	
1.06.01	Tariff barriers	05	-	-	87.8	
1.06.01.a	Tariff barriers in force	05	14	2021	68.2	
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)	03	0.62	2018	99.0	
1.06.02	Non-tariff barriers	09	-	-	62.2	
1.06.02.a	Non-tariff barriers in force	05	26	2021	70.9	
1.06.02.b	New non-tariff barriers 2021	10	13	2021	69.8	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	11	48.55	2018	45.8	
1.07	Trade liberalization	03	-	-	77.9	
1.07.01	Regional Trade Agreements, number in force	05	21.00	2022	48.5	
1.07.02	Capital account liberalization, Index	01	2.32	2019	100.0	
1.07.03	Investment Freedom, Index	07	75.00	2022	84.6	
1.08	Exchange rate stability, parity change from national currency to SDR, 2020/2018	30	0.20	2021	0.0	
1.09	Domestic credit to private sector, % of GDP	16	55.15	2020	15.7	
1.10	Foreign trade and payments risk	12	-	-	65.5	
1.10.01	Country credit rating	16	51.00	2022	60.6	
1.10.02	Gross debt, % GDP	05	35.93	2021	86.9	
1.11	Trade costs	20	-	-	24.4	
1.11.01	Logistics performance, index	23	2.69	2018	28.0	
1.11.02	Corruption perceptions, index	19	36.00	2021	20.0	
1.11.03	Rule of law, index	20	41.35	2020	34.8	
1.12	Monetary policy intervention	28	-	-	7.9	
1.12.01	Current account balance, % GDP	07	-2.76	2021	50.9	
1.12.02	Total reserves (includes gold)1 year change, % GDP	30	7.11	2020	0.0	
1.13	Export concentration	16	-	-	47.4	
1.13.01	Export market concentration, Top 5 as % total	15	60.10	2021	57.0	
1.13.02	Export product concentration, Top 5 as % total	19	66.61	2021	48.6	
1.14	Exports of goods and services	20	-	-	15.3	
1.14.01	Merchandise exports, US\$	20	63,106	2021	28.4	
1.14.02	Commercial services exports, US\$	24	2,815	2021	0.4	
1.15	Technological innovation	24	-	-	3.4	
1.15.01	R&D expenditure, % GDP	23	0.17	2020	2.9	
1.15.02	Researchers in R&D, per capita	-	-	-	-	
1.15.03	Patent applications, per million inhabitants	21	6.51	2020	0.1	
1.15.04	High-technology exports, % of manufactured exports	21	4.79	2020	5.2	
1.15.05	Scientific articles, per million people	24	80.66	2020	3.2	
1.16	Technological infrastructure	19	-	-	36.6	
1.16.01	Fixed internet speed, Mbps	19	33.59	2021	14.9	
1.16.02	Internet users, % population	19	65.25	2020	63.0	
1.16.03	Fixed broadband subscriptions	20	9.23	2020	20.8	
1.16.04	Mobile subscriptions (per 100 people)	12	133.45	2020	35.2	

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)	19	41.60	2021	26.70	
2.02	Educational attainment	14	-	-	42.17	
2.02.01	Mean years of schooling	15	9.70	2019	57.54	
2.02.02	University education Index	23	0.92	2021	0.72	
2.02.03	Tertiary enrollment	11	70.74	2017	57.39	
2.03	Labor standards	06	-	-	91.93	
2.03.01	Gender non-discrimination in hiring	01	100.00	2022	100.00	
2.03.02	Freedom of association and assembly	06	0.74	2021	83.86	
2.04	Political stability and absence of violence	18	38.68	2020	36.22	
2.05	Goods produced by forced labor or child labor	17	-	-	72.77	
2.05.01	Goods produced by forced labor	17	-	-	77.74	
2.05.01.a	Goods produced by forced labor, number of goods categories	23	3.00	2021	82.35	
2.05.01.b	% population in forced labor	13	2.56	2018	86.23	
2.05.02	Goods produced by child labor, number of goods categories	20	5.00	2021	79.17	
2.06	Government response to human trafficking	08	-	-	66.77	
2.06.01	Government response to human trafficking, Criminalization	04	6.00	2021	80.00	
2.06.02	Government response to human trafficking, Strategy	08	52.50	2018	63.83	
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	22	-	-	28.19	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	12	2,204	2020	34.98	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	26	6,663	2020	32.84	
2.08	Social mobility, Index	19	49.90	2020	33.50	
2.09	Life expectancy at birth	19	72.40	2021	34.83	

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	26	31.06	2019	67.63	
3.02	Deforestation, Index	23	0.00	2020	14.23	
3.03	% of wastewater treated	18	28.30	2020	27.13	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	08	89.71	2019	76.40	
3.05	Ecological footprint	14	2.36	2018	78.42	
3.06	Renewable energy, %	09	24.46	2019	41.85	
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	13	-2.22	2019	22.88	
3.09	Share of natural resources in trade, %	29	37.96	2020	9.54	
3.10	Carbon	19	-	-	51.19	
3.10.1	Carbon pricing	11	0	2022	0.00	
3.10.2	CO2 emissions per capita	09	1.71	2019	92.65	

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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