

Sustainable Trade Index 2023

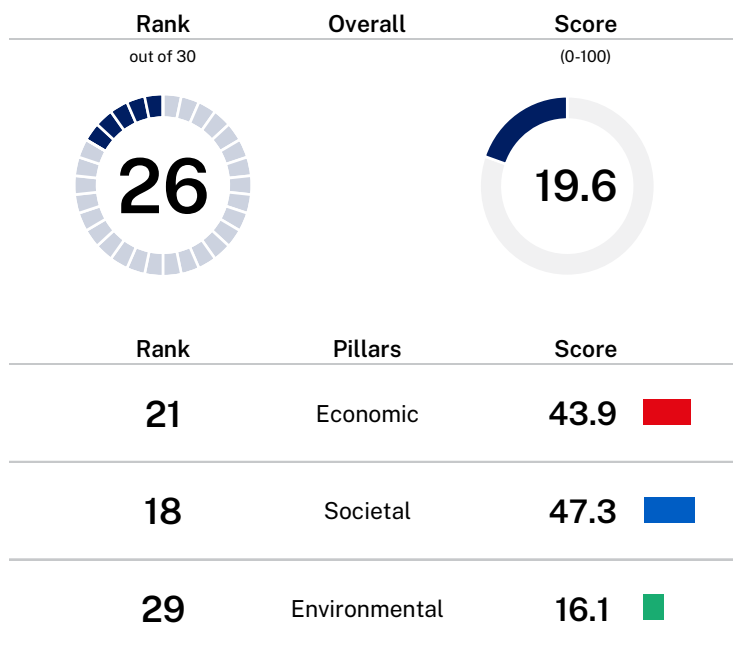
Brunei



Sustainable Trade Index

The Hinrich-IMD Sustainable Trade Index measures 30 economies' 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	0.44 (2022)	Small
Income, GDP per Capita US\$	31,789 (2021)	High
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	08	3.70	2021	86.5	
1.02	Real GDP Growth per capita, % GDP	28	-1.74	2021	46.6	
1.03	Growth in labor force, %	18	1.45	2021	53.4	
1.04	Foreign direct investment, net inflows, % GDP	20	1.46	2020	4.0	
1.05	Gross fixed capital formation, % GDP	04	31.08	2020	62.7	
1.06	Tariff & non-tariff barriers	02	-	-	100.0	
1.06.01	Tariff barriers	03	-	-	99.9	
1.06.01.a	Tariff barriers in force	04	8	-	99.9	
1.06.01.b	New tariff barriers 2022	01	0.00	-	100.0	
1.06.01.c	Percentage of trade affected by tariff barrier (up to 2018)	-	-	-	-	
1.06.02	Non-tariff barriers	01	-	-	100.0	
1.06.02.a	Non-tariff barriers in force	-	-	-	-	
1.06.02.b	New non-tariff barriers 2022	-	-	-	-	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	01	10.07	2018	100.0	
1.07	Trade liberalization	14	-	-	40.0	
1.07.01	Regional Trade Agreements, number in force	20	10.00	2022	16.1	
1.07.02	Capital account liberalization, Index	-	-	-	-	
1.07.03	Investment Freedom, Index	12	65.00	2022	69.2	
1.08	Exchange rate stability, parity change from national currency to SDR, 2022/2020	13	0.04	2021	91.2	
1.09	Domestic credit to private sector, % of GDP	24	36.27	2020	8.6	
1.10	Foreign trade and payments risk	01	-	-	100.0	
1.10.01	Country credit rating	-	-	-	-	
1.10.02	Gross debt, % GDP	01	2.10	2021	100.0	
1.11	Trade costs	11	-	-	70.0	
1.11.01	Logistics performance, index	-	-	2018	-	
1.11.02	Corruption perceptions, index	12	60.00	2021	57.8	
1.11.03	Rule of law, index	12	79.33	2020	79.3	
1.12	Monetary policy intervention	29	-	-	9.1	
1.12.01	Current account balance, % GDP	29	26.50	2021	12.3	
1.12.02	Change (1-year) in total reserves (includes gold), % GDP	29	2.26	2020	3.2	
1.13	Export concentration	30	-	-	0.0	
1.13.01	Export market concentration, Top 5 as % total	27	80.09	2021	18.2	
1.13.02	Export product concentration, Top 5 as % total	30	97.19	2021	0.0	
1.14	Exports of goods and services	29	-	-	2.5	
1.14.01	Merchandise exports, US\$	28	14,039	2021	6.0	
1.14.02	Commercial services exports, US\$	29	194	2021	0.1	
1.15	Technological innovation	20	-	-	9.4	
1.15.01	R&D expenditure, % GDP	21	0.28	2018	3.2	
1.15.02	Researchers in R&D, per capita	-	-	-	-	
1.15.03	Patent applications, per million inhabitants	20	11.34	2020	0.2	
1.15.04	High-technology exports, % of manufactured exports	26	1.34	2020	0.4	
1.15.05	Scientific articles, per million people	12	647.49	2020	27.1	
1.16	Technological infrastructure	16	-	-	57.0	
1.16.01	Fixed internet speed, Mbps	22	32.59	2021	13.8	
1.16.02	Internet users, % population	01	98.08	2020	100.0	
1.16.03	Fixed broadband subscriptions (per 100 people)	16	17.83	2021	40.0	
1.16.04	Mobile subscriptions (per 100 people)	12	135.50	2020	47.9	

Societal pillar

Social factors matter in an economy's capacity to trade internationally over the long term. Economies are measured on the environment that encourages and supports the development of human capital, such as the extent of education and labor standards.

This pillar also captures factors that influence public support for trade expansion. These include income inequality, political stability, goods produced by forced and child labor, and the government response to human trafficking.

Indicators

		Rank	Value	Year	Score	
2.01	Inequality (Gini coefficient)	-	-	-	-	
2.02	Educational attainment	16	-	-	33.54	
2.02.01	Mean years of schooling	17	9.18	2019	49.94	
2.02.02	University education Index	06	29.17	2021	24.17	
2.02.03	Tertiary enrollment	22	31.99	2020	19.39	
2.03	Labor standards	30	-	-	0.00	
2.03.01	Gender non-discrimination in hiring	29	25.00	2022	0.00	
2.03.02	Freedom of association and assembly	-	-	-	-	
2.04	Political stability and absence of violence	03	92.92	2020	94.92	
2.05	Goods produced by forced labor or child labor	01	-	-	100.00	
2.05.01	Goods produced by forced labor	01	-	-	100.00	
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	-	-	2018	-	
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	30	-	-	0.00	
2.06.01	Government response to human trafficking, Criminalization	29	2.00	2021	0.00	
2.06.02	Government response to human trafficking, Strategy	27	34.62	2018	23.53	
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	03	-	-	79.97	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	04	93	2020	62.49	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	01	0	2020	100.00	
2.08	Social mobility, Index	-	-	-	-	
2.09	Life expectancy at birth	15	74.64	2021	46.18	
2.10	Uneven Economic Development	26	6.90	2023	22.81	

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	7.62	2019	97.30	
3.02	Deforestation, Index	25	0.00	2020	11.18	
3.03	% of wastewater treated	22	21.20	2020	19.92	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	15	113.00	2019	73.41	
3.05	Ecological footprint	23	5.42	2018	36.82	
3.06	Renewable energy, %	29	0.00	2019	0.00	
3.07	Environmental standards in trade, count	27	-	-	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)	01	2	2021	100.00	
3.07.05	The International Timber Agreement	21	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)	26	0	2021	0.00	
3.08	Transfer emissions, million tonnes carbon	20	0.16	2019	19.20	
3.09	Share of natural resources in trade, %	30	85.01	2020	0.00	
3.10	Carbon	30	-	-	0.00	
3.10.1	Carbon pricing	13	0	2022	0.00	
3.10.2	CO2 emissions per capita	30	16.05	2019	0.00	

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 an 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
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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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