

## Sustainable Trade Index 2023

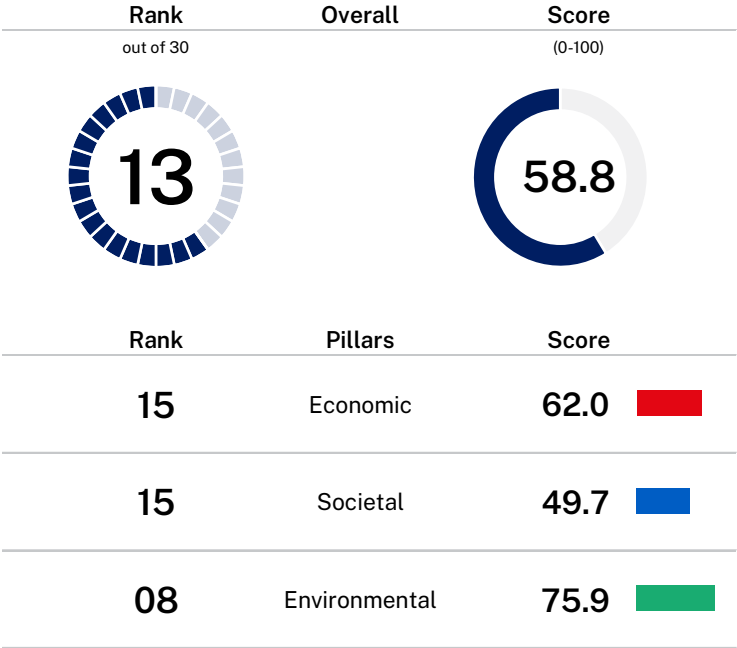
# Vietnam



# 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	99.46 (2022)	Large
Income, GDP per Capita US\$	3,549 (2020)	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	05	3.20	2021	89.8	
1.02	Real GDP Growth per capita, % GDP	02	6.98	2021	97.9	
1.03	Growth in labor force, %	15	1.66	2021	56.4	
1.04	Foreign direct investment, net inflows, % GDP	07	4.28	2020	11.6	
1.05	Gross fixed capital formation, % GDP	02	31.68	2020	64.8	
1.06	<b>Tariff &amp; non-tariff barriers</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>68.8</b>	
1.06.01	Tariff barriers	18	-	-	79.0	
1.06.01.a	Tariff barriers in force	15	160	2021	96.9	
1.06.01.b	New tariff barriers 2022	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	16	-	-	61.2	
1.06.02.a	Non-tariff barriers in force	12	476	2021	99.7	
1.06.02.b	New non-tariff barriers 2022	06	37	2021	75.5	
1.06.02.c	Percentage of trade affected by non-tariff barrier (up to 2018)	21	67.71	2018	18.8	
1.07	<b>Trade liberalization</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>27.3</b>	
1.07.01	Regional Trade Agreements, number in force	12	15.00	2022	32.3	
1.07.02	Capital account liberalization, Index	16	-0.16	2019	30.3	
1.07.03	Investment Freedom, Index	22	40.00	2022	30.8	
1.08	Exchange rate stability, parity change from national currency to SDR, 2022/2020	08	0.04	2021	91.9	
1.09	Domestic credit to private sector, % of GDP	13	124.40	2020	44.7	
1.10	<b>Foreign trade and payments risk</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>46.1</b>	
1.10.01	Country credit rating	20	26.00	2022	37.3	
1.10.02	Gross debt, % GDP	07	37.10	2021	86.5	
1.11	<b>Trade costs</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>41.9</b>	
1.11.01	Logistics performance, index	15	3.30	2018	47.4	
1.11.02	Corruption perceptions, index	15	42.00	2021	29.7	
1.11.03	Rule of law, index	18	48.56	2020	46.1	
1.12	<b>Monetary policy intervention</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>53.8</b>	
1.12.01	Current account balance, % GDP	15	-0.90	2021	57.3	
1.12.02	Change (1-year) in total reserves (includes gold), % GDP	04	-8.29	2021	11.6	
1.13	<b>Export concentration</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>55.1</b>	
1.13.01	Export market concentration, Top 5 as % total	16	62.47	2021	51.6	
1.13.02	Export product concentration, Top 5 as % total	13	57.83	2021	63.3	
1.14	<b>Exports of goods and services</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>53.4</b>	
1.14.01	Merchandise exports, US\$	14	371,374	2021	58.5	
1.14.02	Commercial services exports, US\$	18	11,197	2021	43.7	
1.15	<b>Technological innovation</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>19.3</b>	
1.15.01	R&D expenditure, % GDP	16	0.53	2019	8.6	
1.15.02	Researchers in R&D, per capita	13	0.76	2019	8.5	
1.15.03	Patent applications, per million inhabitants	19	12.23	2020	0.2	
1.15.04	High-technology exports, % of manufactured exports	05	41.74	2020	58.6	
1.15.05	Scientific articles, per million people	22	84.32	2020	3.3	
1.16	<b>Technological infrastructure</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>53.5</b>	
1.16.01	Fixed internet speed, Mbps	16	58.09	2021	27.6	
1.16.02	Internet users, % population	18	74.21	2020	69.0	
1.16.03	Fixed broadband subscriptions (per 100 people)	14	19.83	2021	44.5	
1.16.04	Mobile subscriptions (per 100 people)	10	138.87	2020	49.3	

# 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)	08	36.80	2020	48.91	
2.02	Educational attainment	23	-	-	23.03	
2.02.01	Mean years of schooling	22	8.37	2019	41.23	
2.02.02	University education Index	20	1.54	2021	1.28	
2.02.03	Tertiary enrollment	21	35.40	2019	22.73	
2.03	Labor standards	19	-	-	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	15	44.81	2020	43.15	
2.05	Goods produced by forced labor or child labor	13	-	-	81.62	
2.05.01	Goods produced by forced labor	13	-	-	81.62	
2.05.01.a	Goods produced by forced labor, number of goods categories	17	1.00	2021	94.44	
2.05.01.b	% population in forced labor	13	4.07	2018	75.35	
2.05.02	Goods produced by child labor, number of goods categories	29	16.00	2021	36.00	
2.06	Government response to human trafficking	23	-	-	34.86	
2.06.01	Government response to human trafficking, Criminalization	15	5.00	2021	60.00	
2.06.02	Government response to human trafficking, Strategy	15	47.44	2018	52.94	
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	-	-	17.71	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	18	10,857	2020	23.28	
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	26	29,394	2020	22.59	
2.08	Social mobility, Index	13	57.80	2020	53.55	
2.09	Life expectancy at birth	17	73.62	2021	41.09	
2.10	Uneven Economic Development	07	3.50	2023	82.46	

# 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	19	20.63	2019	66.18	
3.02	Deforestation, Index	04	0.02	2020	70.68	
3.03	% of wastewater treated	18	39.92	2020	38.94	
3.04	Energy intensity, energy consumed for each 1'000 US\$ of GDP in MTOE	23	206.00	2019	45.32	
3.05	Ecological footprint	12	2.27	2018	79.58	
3.06	Renewable energy, %	16	15.10	2020	19.97	
3.07	Environmental standards in trade, count	09	-	-	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, million tonnes carbon	25	34.16	2019	15.09	
3.09	Share of natural resources in trade, %	05	8.03	2020	91.63	
3.10	Carbon	09	-	-	70.09	
3.10.1	Carbon pricing	11	1	2022	50.00	
3.10.2	CO2 emissions per capita	14	3.24	2019	83.06	

# 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  
Center

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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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