

Sustainable Trade Index **2026**

Japan

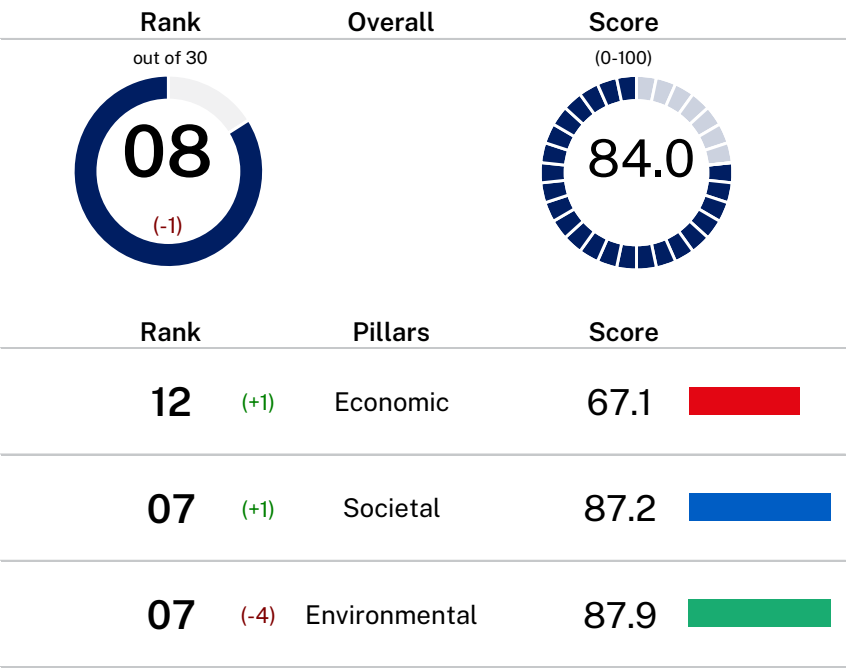


Sustainable Trade Index

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

Japan



The values in (parentheses) indicate the one year ranking change

Background information

Population, millions (2025)	123.29	Large
Income level, GDP per Capita US\$ (2025)	35,973	High
Membership	APEC, RCEP, 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

1 Economic Pillar		Rank	Rank +/-	Value	Year	Score and 30 country average
1.01	Consumer price inflation	20	(-3)	3.20	2025	80.14
1.02	Real GDP Growth per capita, % GDP	18	(+5)	1.69	2025	36.42
1.03	Growth in labor force, %	27	(-1)	-0.17	2025	31.53
1.04	Foreign direct investment, net inflows, % GDP	20	(+3)	1.03	2025	8.76
1.05	Gross fixed capital formation, % GDP	08	(+1)	27.81	2024	56.28
1.06	Tariff & non-tariff barriers	23	(+1)	-	-	55.20
1.06.01	Tariff barriers	23	(+2)	-	-	78.24
1.06.01.a	Tariff barriers in force	28	(-1)	4,159	2025	37.68
1.06.01.b	New tariff barriers 2025	01	(0)	0	2025	100.00
1.06.01.c	Net percentage of imports affected by new tariff barriers (2025)	02	(+18)	0.000	2025	94.27
1.06.02	Non-tariff barriers	24	(0)	-	-	48.57
1.06.02.a	Non-tariff barriers in force	24	(0)	10,066	2025	72.45
1.06.02.b	New non-tariff barriers 2025	27	(-2)	2,316	2025	46.86
1.06.02.c	Net percentage of imports affected by new non-tariff barriers (2025)	21	(-3)	0.43	2025	31.83
1.07	Trade liberalization	10	(0)	-	-	70.45
1.07.01	Regional Trade Agreements, number in force	10	(0)	18	2025	40.00
1.07.02	Capital account liberalization, Index	01	(0)	2.28	2023	100.00
1.07.03	Investment Freedom, Index	10	(-1)	60.00	2026	57.14
1.08	Exchange rate stability, parity change from national currency to SDR, 2025/2023	19	(+3)	0.08	2025	85.87
1.09	Domestic credit to private sector, % of GDP	04	(-1)	187.41	2025	83.37
1.10	Foreign trade and payments risk	29	(-1)	-	-	6.60
1.10.01	Country credit rating	10	(+1)	47.00	2025	77.19
1.10.02	Gross debt, % GDP	30	(0)	206.50	2025	0.00
1.11	Trade costs	09	(-4)	-	-	82.56
1.11.01	Logistics performance indicators	13	(-9)	-	-	78.94
1.11.01.a	Aviation import dwell time (days)	13	(NEW)	1.80	2024	91.97
1.11.01.b	Number of aviation partner economies	07	(NEW)	138.5	2024	85.43
1.11.01.c	Container import dwell time (days)	24	(NEW)	8.00	2024	44.77
1.11.01.d	Number of maritime partner economies	12	(NEW)	48.0	2024	82.01
1.11.01.e	Business-to-business postal delivery time (days)	03	(NEW)	1.90	2024	97.59
1.11.01.f	Number of business-to-business postal partner economies	05	(NEW)	135.5	2024	91.97
1.11.02	Corruption perceptions, index	06	(0)	71	2025	80.88
1.11.03	Rule of law, index	02	(+1)	82.98	2024	95.52
1.12	Monetary policy intervention	22	(0)	-	-	44.63
1.12.01	Current account balance, % GDP	21	(+1)	4.80	2025	59.72
1.12.02	Change (1-year) in total reserves (includes gold), % GDP	21	(-7)	0.002	2025	26.95
1.13	Export concentration	07	(+2)	-	-	68.17
1.13.01	Export market concentration, Top 5 as % total	10	(+2)	54.86	2025	71.19
1.13.02	Export product concentration, Top 5 as % total	10	(0)	55.60	2025	70.27
1.14	Exports of goods and services	06	(0)	-	-	37.39
1.14.01	Merchandise exports, US\$ millions	04	(-1)	738,337	2025	41.14
1.14.02	Commercial services exports, US\$ millions	06	(0)	242,521	2025	24.23
1.15	Technological innovation	05	(0)	-	-	64.63
1.15.01	R&D expenditure, % GDP	03	(+1)	3.44	2024	69.51
1.15.02	Researchers in R&D, per 1,000 inhabitants	06	(-2)	5.61	2023	59.09
1.15.03	Patent applications, per million inhabitants	02	(0)	3,400.52	2024	78.77
1.15.04	High-technology exports, % of manufactured exports	15	(-1)	17.55	2024	22.13
1.15.05	Scientific articles, per million people	11	(0)	776.38	2023	24.72
1.16	Technological infrastructure	04	(+1)	-	-	81.42
1.16.01	Fixed internet speed, Mbps	08	(0)	208.56	2025	63.33
1.16.02	Internet users, % population	16	(-2)	85.54	2024	84.25
1.16.03	Fixed broadband subscriptions (per 100 people)	07	(-1)	38.63	2023	80.72
1.16.04	Mobile subscriptions (per 100 people)	03	(0)	178.43	2023	61.18
1.17	Digital readiness (e-commerce legislations)	11	(NEW)	82.0	2025	80

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

2 Societal Pillar		Rank	Rank +/-	Value	Year	Score and 30 country average
2.01	Inequality (Gini coefficient)	05	(+3)	32.30	2020	66.67
2.02	Educational attainment	12	(-1)	-	-	54.93
2.02.01	Mean years of schooling	08	(0)	12.68	2023	87.22
2.02.02	University education Index	09	(+3)	20.83	2026	12.54
2.02.03	Tertiary enrollment	13	(-1)	64.49	2023	49.10
2.03	Labor standards	19	(-2)	-	-	66.67
2.03.01	Gender non-discrimination in hiring	24	(0)	50	2024	33.33
2.03.02	Freedom of association and assembly	01	(0)	0.85	2025	100.00
2.04	Political stability and absence of violence	04	(0)	85.27	2024	97.06
2.05	Goods produced by forced labor or child labor	01	(0)	-	-	100.00
2.05.01	Goods produced by forced labor	01	(0)	-	-	100.00
2.05.01.a	Goods produced by forced labor, number of goods categories	01	(0)	0	2024	100.00
2.05.01.b	% population in forced labor	01	(0)	0.11	2023	100.00
2.05.02	Goods produced by child labor, number of goods categories	01	(0)	0	2024	100.00
2.06	Government response to human trafficking	22	(0)	-	-	58.83
2.06.01	Government response to human trafficking, Criminalization	15	(0)	6	2025	60.00
2.06.02	Government response to human trafficking, Strategy	21	(0)	43.59	2023	44.12
2.06.03	Government response to human trafficking, Action	10	(0)	2	2025	66.67
2.07	Trade in goods at risk of modern slavery	21	(+3)	-	-	71.75
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	28	(0)	27,640	2025	66.63
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	01	(0)	0.0	2025	100.00
2.08	Legatum prosperity index	05	(NEW)	78.22	2023	93.89
2.09	Life expectancy at birth	02	(0)	84.71	2023	95.88
2.10	Uneven economic development	05	(0)	3.20	2024	87.04
2.11	Universal Health Coverage Index	08	(0)	86	2023	90.00
2.12	Equal distribution of resources index	01	(NEW)	0.97	2025	100.00

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

3 Environmental Pillar		Rank	Rank +/-	Value	Year	Score and 30 country average
3.01	Air pollution, PM2.5 micrograms per cubic metre	07	(+1)	11.50	2025	91.91
3.02	Deforestation, Index	26	(0)	0.0019	2024	9.69
3.03	% of wastewater treated	03	(0)	98.58	2024	98.47
3.04	Energy intensity (Energy use (kg of oil equivalent) per \$1,000 GDP)	08	(-2)	65.19	2024	62.81
3.05	Ecological footprint	17	(+1)	3.94	2025	49.23
3.06	Renewable energy, %	23	(0)	8.80	2021	13.99
3.07	Environmental standards in trade, count	01	(0)	-	-	100.00
3.07.01	Convention: Hazardous Wastes	01	(0)	2	2025	100.00
3.07.02	Convention: Prevention of Marine Pollution	01	(0)	2	2025	100.00
3.07.03	Convention: Protection of the Ozone Layer (Vienna)	01	(0)	2	2025	100.00
3.07.04	Convention on Climate Change (Kyoto)	01	(0)	2	2025	100.00
3.07.05	The International Timber Agreement	01	(0)	2	2025	100.00
3.07.06	Convention: International Trade in Endangered Species	01	(0)	2	2025	100.00
3.07.07	Convention: Prior Informed Consent - Hazardous Chemicals (Rotterdam)	01	(0)	2	2025	100.00
3.08	Transfer emissions, million tonnes carbon	03	(0)	-42.41	2023	65.15
3.09	Share of natural resources in trade, %	13	(-1)	15.75	2025	81.15
3.10	Carbon	08	(-2)	-	-	85.12
3.10.1	Carbon pricing	01	(0)	2	2025	100.00
3.10.2	CO2 emissions per capita	20	(0)	7.79	2024	63.14

About us

Global trade has helped lift hundreds of millions of people around the world out of poverty. It is a powerful driver of economic growth and job creation. Yet its benefits are not self-sustaining. Without responsible stewardship, trade can widen income inequalities, disrupt labor markets, and impose significant environmental costs. Sustainable trade means striking a durable balance by expanding the economic opportunities that open markets generate while ensuring those gains are broadly shared and maintained. This requires sound public policy, responsible business leadership, and evidence-based frameworks to guide decision-making.

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 independent Asia-based philanthropic organization dedicated to advancing mutually beneficial and sustainable global trade.

We believe that mutually beneficial and sustainable global trade is a powerful force for shared prosperity, technological progress, sustainability and peaceful international cooperation. Our work is grounded in rigorous fact-based research and the development of innovative trade education programs.

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IMD / World Competitiveness
Center

IMD is an independent academic institution with close ties to business and a strong focus on impact. Challenging what is and inspiring what could be, it develops leaders who transform organizations for a more prosperous, sustainable, and inclusive world. Through its Executive Education, MBA, Executive MBA, and advisory work IMD helps leaders and policymakers navigate complexity and change.

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 data. The Center has pioneered research on how nations and enterprises compete to lay the foundations for future prosperity.

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