

Sustainable Trade Index **2026**

Laos

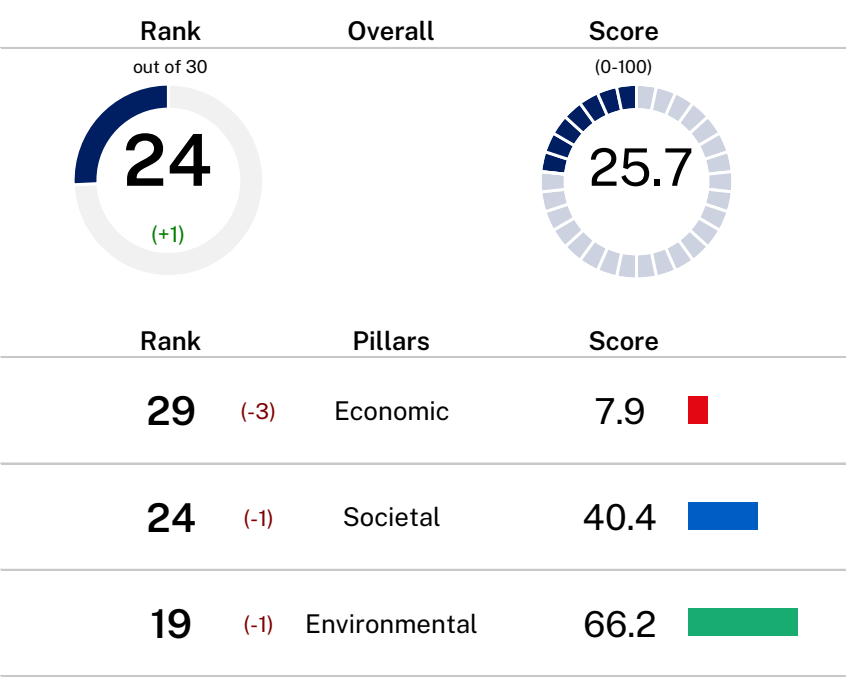


Sustainable Trade Index

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

Laos



The values in parentheses indicate the one year ranking change

Background information

Population, millions (2025)	7.79	Small
Income level, GDP per Capita US\$ (2025)	2,288	Low
Membership	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

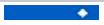
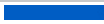
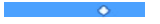
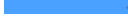
1 Economic Pillar		Rank	Rank +/-	Value	Year	Score and 30 country average
1.01	Consumer price inflation	27	(+1)	7.70	2025	54.62
1.02	Real GDP Growth per capita, % GDP	11	(+2)	3.40	2025	51.00
1.03	Growth in labor force, %	03	(+1)	2.00	2025	87.40
1.04	Foreign direct investment, net inflows, % GDP	04	(-1)	5.99	2025	34.67
1.05	Gross fixed capital formation, % GDP	-	-	-	-	-
1.06	Tariff & non-tariff barriers	05	(+6)	-	-	93.29
1.06.01	Tariff barriers	05	(+9)	-	-	99.23
1.06.01.a	Tariff barriers in force	04	(0)	8	2025	99.88
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	(+19)	0.000	2025	94.27
1.06.02	Non-tariff barriers	05	(+9)	-	-	89.81
1.06.02.a	Non-tariff barriers in force	04	(-2)	12	2025	98.14
1.06.02.b	New non-tariff barriers 2025	01	(0)	0	2025	100.00
1.06.02.c	Net percentage of imports affected by new non-tariff barriers (2025)	07	(+13)	0.20	2025	68.74
1.07	Trade liberalization	26	(0)	-	-	13.85
1.07.01	Regional Trade Agreements, number in force	21	(0)	10	2025	17.14
1.07.02	Capital account liberalization, Index	21	(0)	-1.25	2023	16.24
1.07.03	Investment Freedom, Index	23	(0)	35.00	2026	21.43
1.08	Exchange rate stability, parity change from national currency to SDR, 2025/2023	27	-	0.43	2024	15.79
1.09	Domestic credit to private sector, % of GDP	-	-	-	-	-
1.10	Foreign trade and payments risk	26	(+4)	-	-	12.83
1.10.01	Country credit rating	23	(+4)	16.66	2025	23.96
1.10.02	Gross debt, % GDP	22	(+2)	80.60	2025	61.41
1.11	Trade costs	23	(+4)	-	-	44.31
1.11.01	Logistics performance indicators	17	(+9)	-	-	67.86
1.11.01.a	Aviation import dwell time (days)	-	(NEW)	-	-	-
1.11.01.b	Number of aviation partner economies	-	(NEW)	-	-	-
1.11.01.c	Container import dwell time (days)	-	(NEW)	-	-	-
1.11.01.d	Number of maritime partner economies	-	(NEW)	-	-	-
1.11.01.e	Business-to-business postal delivery time (days)	13	(NEW)	4.20	2024	87.06
1.11.01.f	Number of business-to-business postal partner economies	26	(NEW)	46.0	2024	64.03
1.11.02	Corruption perceptions, index	18	(0)	34	2025	26.47
1.11.03	Rule of law, index	23	(+3)	44.19	2024	30.73
1.12	Monetary policy intervention	27	(-3)	-	-	22.96
1.12.01	Current account balance, % GDP	25	(-4)	11.40	2025	28.44
1.12.02	Change (1-year) in total reserves (includes gold), % GDP	23	(+1)	0.002	2024	23.70
1.13	Export concentration	24	(-3)	-	-	32.71
1.13.01	Export market concentration, Top 5 as % total	29	(-1)	88.95	2025	4.46
1.13.02	Export product concentration, Top 5 as % total	08	(0)	49.20	2025	81.02
1.14	Exports of goods and services	29	(-1)	-	-	0.35
1.14.01	Merchandise exports, US\$ millions	29	(+1)	12,377	2025	0.48
1.14.02	Commercial services exports, US\$ millions	27	(+1)	1,710	2025	0.17
1.15	Technological innovation	25	(+1)	-	-	2.83
1.15.01	R&D expenditure, % GDP	-	-	-	-	-
1.15.02	Researchers in R&D, per 1,000 inhabitants	-	-	-	-	-
1.15.03	Patent applications, per million inhabitants	29	(-2)	0.39	2024	0.00
1.15.04	High-technology exports, % of manufactured exports	23	(-1)	7.42	2023	8.53
1.15.05	Scientific articles, per million people	28	(0)	9.41	2023	0.16
1.16	Technological infrastructure	27	(+1)	-	-	23.93
1.16.01	Fixed internet speed, Mbps	24	(+1)	44.09	2025	9.60
1.16.02	Internet users, % population	25	(-3)	65.59	2024	59.06
1.16.03	Fixed broadband subscriptions (per 100 people)	28	(0)	2.72	2023	5.23
1.16.04	Mobile subscriptions (per 100 people)	29	(0)	64.76	2023	11.39
1.17	Digital readiness (e-commerce legislations)	29	(NEW)	42.0	2025	0

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)	14	-	34.70	2024	54.90 
2.02	Educational attainment	27	(0)	-	-	4.66 
2.02.01	Mean years of schooling	27	(0)	6.06	2023	18.17 
2.02.02	University education Index	23	(+1)	0.00	2026	0.00 
2.02.03	Tertiary enrollment	26	(0)	14.88	2023	3.69 
2.03	Labor standards	27	(0)	-	-	33.49 
2.03.01	Gender non-discrimination in hiring	20	(0)	75	2024	66.67 
2.03.02	Freedom of association and assembly	27	(0)	0.15	2025	0.31 
2.04	Political stability and absence of violence	10	(-3)	75.42	2024	79.71 
2.05	Goods produced by forced labor or child labor	13	(0)	-	-	92.00 
2.05.01	Goods produced by forced labor	13	(0)	-	-	84.01 
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	15	(0)	0.52	2023	65.61 
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	26	(-3)	-	-	28.38 
2.06.01	Government response to human trafficking, Criminalization	22	(0)	5	2025	40.00 
2.06.02	Government response to human trafficking, Strategy	18	(0)	46.15	2023	50.00 
2.06.03	Government response to human trafficking, Action	25	(-2)	4	2025	0.00 
2.07	Trade in goods at risk of modern slavery	02	(+1)	-	-	99.97 
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	02	(+1)	98	2025	99.97 
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	24	(NEW)	50.18	2023	17.71 
2.09	Life expectancy at birth	27	(-1)	68.96	2023	14.60 
2.10	Uneven economic development	17	(0)	5.20	2024	50.00 
2.11	Universal Health Coverage Index	23	(+1)	64	2023	53.33 
2.12	Equal distribution of resources index	20	(NEW)	0.32	2025	23.99 

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	23	(-3)	26.00	2025	68.85
3.02	Deforestation, Index	01	(+1)	0.0188	2024	100.00
3.03	% of wastewater treated	25	(-1)	10.30	2024	3.24
3.04	Energy intensity (Energy use (kg of oil equivalent) per \$1,000 GDP)	24	(+3)	105.18	2023	27.09
3.05	Ecological footprint	03	(+2)	0.94	2025	96.56
3.06	Renewable energy, %	04	(-3)	49.20	2022	78.22
3.07	Environmental standards in trade, count	26	(-4)	-	-	20.00
3.07.01	Convention: Hazardous Wastes	01	(0)	2	2025	100.00
3.07.02	Convention: Prevention of Marine Pollution	30	(-15)	0	-	0.00
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	23	(0)	0	2025	0.00
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	21	(-1)	2.55	2023	49.10
3.09	Share of natural resources in trade, %	17	(+7)	24.89	2025	69.50
3.10	Carbon	26	(0)	-	-	44.46
3.10.1	Carbon pricing	17	(+3)	0	2025	0.00
3.10.2	CO2 emissions per capita	13	(-1)	3.46	2024	85.22

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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