

Sustainable Trade Index **2026**

Pakistan

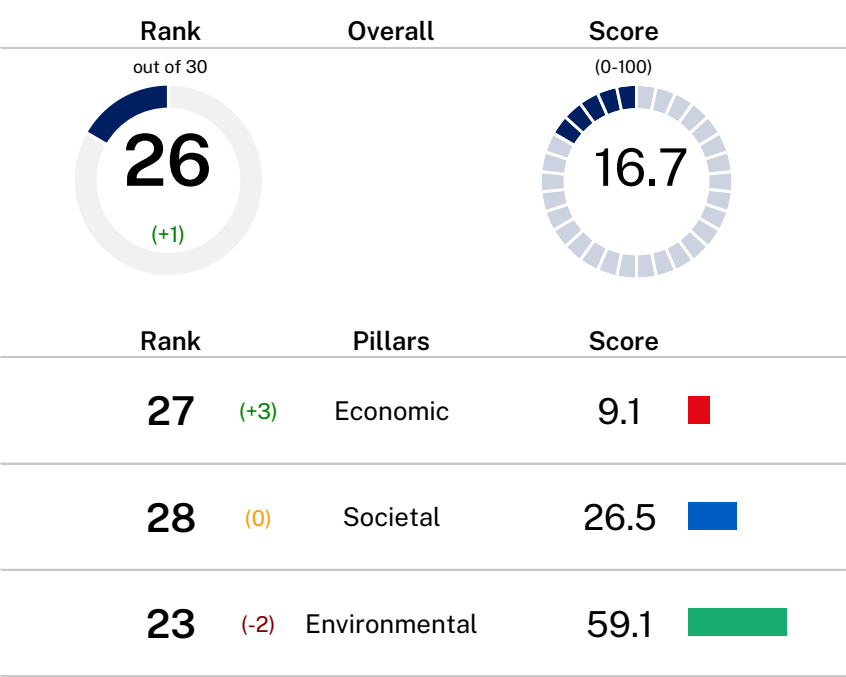


Sustainable Trade Index

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

Pakistan



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

Background information

Population, millions (2025)	240.49	Large
Income level, GDP per Capita US\$ (2025)	1,696	Low
Membership	-	

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

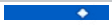
1 Economic Pillar		Rank	Rank +/-	Value	Year	Score and 30 country average
1.01	Consumer price inflation	26	(+3)	4.50	2025	72.77
1.02	Real GDP Growth per capita, % GDP	22	(+2)	1.15	2025	31.84
1.03	Growth in labor force, %	02	(+1)	2.33	2025	95.96
1.04	Foreign direct investment, net inflows, % GDP	26	(-4)	0.45	2025	5.74
1.05	Gross fixed capital formation, % GDP	27	(0)	12.57	2025	0.00
1.06	Tariff & non-tariff barriers	22	(-9)	-	-	58.48
1.06.01	Tariff barriers	27	(-16)	-	-	62.30
1.06.01.a	Tariff barriers in force	19	(+5)	809	2025	87.88
1.06.01.b	New tariff barriers 2025	21	(-2)	51	2025	84.50
1.06.01.c	Net percentage of imports affected by new tariff barriers (2025)	29	(-25)	0.143	2025	12.31
1.06.02	Non-tariff barriers	17	(+1)	-	-	69.86
1.06.02.a	Non-tariff barriers in force	19	(+1)	2,930	2025	83.18
1.06.02.b	New non-tariff barriers 2025	19	(-5)	195	2025	84.58
1.06.02.c	Net percentage of imports affected by new non-tariff barriers (2025)	17	(+5)	0.35	2025	43.14
1.07	Trade liberalization	22	(0)	-	-	28.05
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	10	(-1)	60.00	2026	57.14
1.08	Exchange rate stability, parity change from national currency to SDR, 2025/2023	28	(-4)	0.61	2023	0.00
1.09	Domestic credit to private sector, % of GDP	24	(+2)	10.73	2025	0.00
1.10	Foreign trade and payments risk	27	(0)	-	-	12.62
1.10.01	Country credit rating	25	(0)	14.33	2025	19.88
1.10.02	Gross debt, % GDP	21	(-1)	72.80	2025	65.22
1.11	Trade costs	25	(+1)	-	-	30.99
1.11.01	Logistics performance indicators	26	-	-	-	35.16
1.11.01.a	Aviation import dwell time (days)	28	(NEW)	4.90	2024	0.00
1.11.01.b	Number of aviation partner economies	17	(NEW)	105.5	2024	66.53
1.11.01.c	Container import dwell time (days)	26	(NEW)	9.30	2024	36.14
1.11.01.d	Number of maritime partner economies	15	(NEW)	45.0	2024	80.23
1.11.01.e	Business-to-business postal delivery time (days)	23	(NEW)	9.30	2024	71.36
1.11.01.f	Number of business-to-business postal partner economies	18	(NEW)	81.5	2024	79.41
1.11.02	Corruption perceptions, index	24	(0)	28	2025	17.65
1.11.03	Rule of law, index	26	(+1)	39.46	2024	22.84
1.12	Monetary policy intervention	16	(0)	-	-	57.45
1.12.01	Current account balance, % GDP	14	(-1)	0.50	2025	80.09
1.12.02	Change (1-year) in total reserves (includes gold), % GDP	20	(+2)	0.002	2025	26.99
1.13	Export concentration	12	(-1)	-	-	60.29
1.13.01	Export market concentration, Top 5 as % total	04	(-1)	45.26	2025	89.98
1.13.02	Export product concentration, Top 5 as % total	23	(0)	74.21	2025	39.04
1.14	Exports of goods and services	24	(-1)	-	-	2.69
1.14.01	Merchandise exports, US\$ millions	25	(-1)	30,545	2025	3.93
1.14.02	Commercial services exports, US\$ millions	21	(0)	8,191	2025	0.81
1.15	Technological innovation	26	(+1)	-	-	2.18
1.15.01	R&D expenditure, % GDP	22	(-2)	0.16	2023	2.85
1.15.02	Researchers in R&D, per 1,000 inhabitants	16	(0)	0.47	2023	4.72
1.15.03	Patent applications, per million inhabitants	25	(0)	2.10	2024	0.04
1.15.04	High-technology exports, % of manufactured exports	27	(-1)	2.44	2024	1.84
1.15.05	Scientific articles, per million people	24	(0)	82.90	2023	2.51
1.16	Technological infrastructure	29	(0)	-	-	19.01
1.16.01	Fixed internet speed, Mbps	30	(0)	14.70	2025	0.00
1.16.02	Internet users, % population	26	(+2)	57.25	2024	48.53
1.16.03	Fixed broadband subscriptions (per 100 people)	29	(0)	1.47	2024	2.59
1.16.04	Mobile subscriptions (per 100 people)	28	(0)	76.85	2024	16.69
1.17	Digital readiness (e-commerce legislations)	07	(NEW)	85.0	2025	86

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)	11	-	33.50	2024	60.78 
2.02	Educational attainment	29	(0)	-	-	1.51 
2.02.01	Mean years of schooling	30	(0)	4.32	2023	0.00 
2.02.02	University education Index	08	(+5)	23.12	2026	13.92 
2.02.03	Tertiary enrollment	27	(0)	10.86	2024	0.00 
2.03	Labor standards	16	(0)	-	-	70.54 
2.03.01	Gender non-discrimination in hiring	01	(0)	100	2024	100.00 
2.03.02	Freedom of association and assembly	20	(-1)	0.43	2025	41.07 
2.04	Political stability and absence of violence	29	(0)	30.65	2024	0.81 
2.05	Goods produced by forced labor or child labor	28	(0)	-	-	35.31 
2.05.01	Goods produced by forced labor	28	(0)	-	-	24.48 
2.05.01.a	Goods produced by forced labor, number of goods categories	26	(0)	6	2024	71.40 
2.05.01.b	% population in forced labor	27	(0)	1.06	2023	20.03 
2.05.02	Goods produced by child labor, number of goods categories	25	(0)	14	2024	46.15 
2.06	Government response to human trafficking	18	(+2)	-	-	60.83 
2.06.01	Government response to human trafficking, Criminalization	04	(0)	7	2025	80.00 
2.06.02	Government response to human trafficking, Strategy	26	(0)	37.18	2023	29.41 
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	15	(-7)	-	-	88.53 
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	12	(-2)	5,094	2025	93.92 
2.07.02	Exports of goods at risk of modern slavery, US\$ millions	21	(-2)	62.9	2025	92.53 
2.08	Legatum prosperity index	28	(NEW)	45.10	2023	3.91 
2.09	Life expectancy at birth	28	(-1)	67.65	2023	7.82 
2.10	Uneven economic development	15	(0)	5.00	2024	53.70 
2.11	Universal Health Coverage Index	25	(+2)	56	2023	40.00 
2.12	Equal distribution of resources index	28	(NEW)	0.15	2025	4.63 

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	28	(+1)	58.40	2025	17.33
3.02	Deforestation, Index	29	-	0.0001	2024	0.00
3.03	% of wastewater treated	18	(0)	38.11	2022	33.24
3.04	Energy intensity (Energy use (kg of oil equivalent) per \$1,000 GDP)	15	(+13)	76.58	2023	52.64
3.05	Ecological footprint	01	(+1)	0.72	2025	100.00
3.06	Renewable energy, %	06	(+3)	41.60	2021	66.14
3.07	Environmental standards in trade, count	20	(+2)	-	-	60.00
3.07.01	Convention: Hazardous Wastes	01	(0)	2	2025	100.00
3.07.02	Convention: Prevention of Marine Pollution	01	(+14)	2	-	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	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	11	(-1)	-9.07	2023	53.25
3.09	Share of natural resources in trade, %	04	(+2)	8.54	2025	90.33
3.10	Carbon	20	(-10)	-	-	51.22
3.10.1	Carbon pricing	17	(-4)	0	2025	0.00
3.10.2	CO2 emissions per capita	04	(0)	0.91	2024	98.17

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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