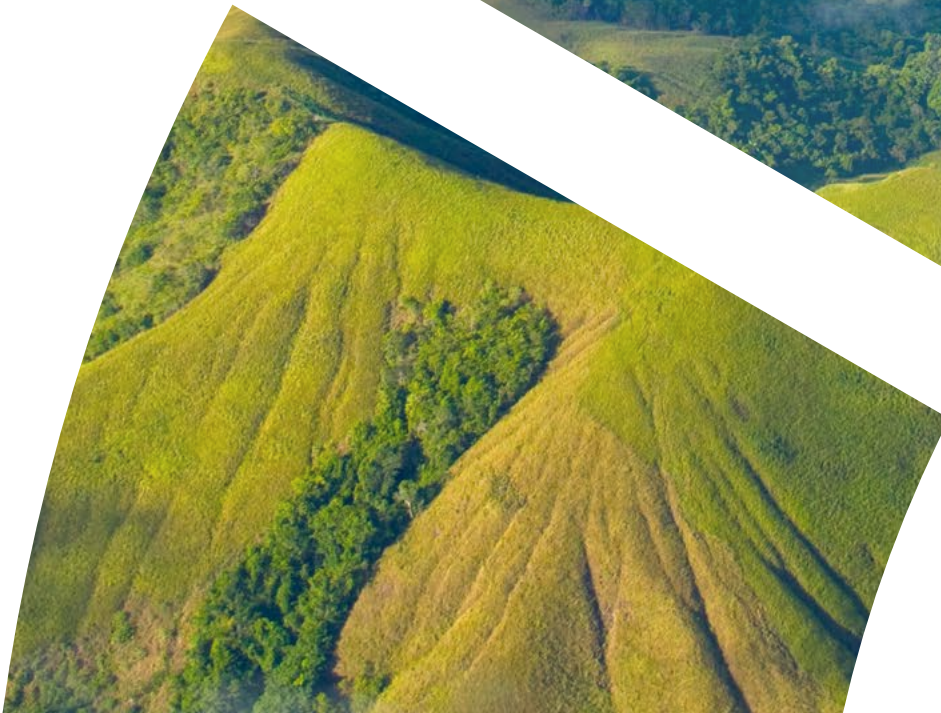


Sustainable Trade Index **2026**

Papua New Guinea

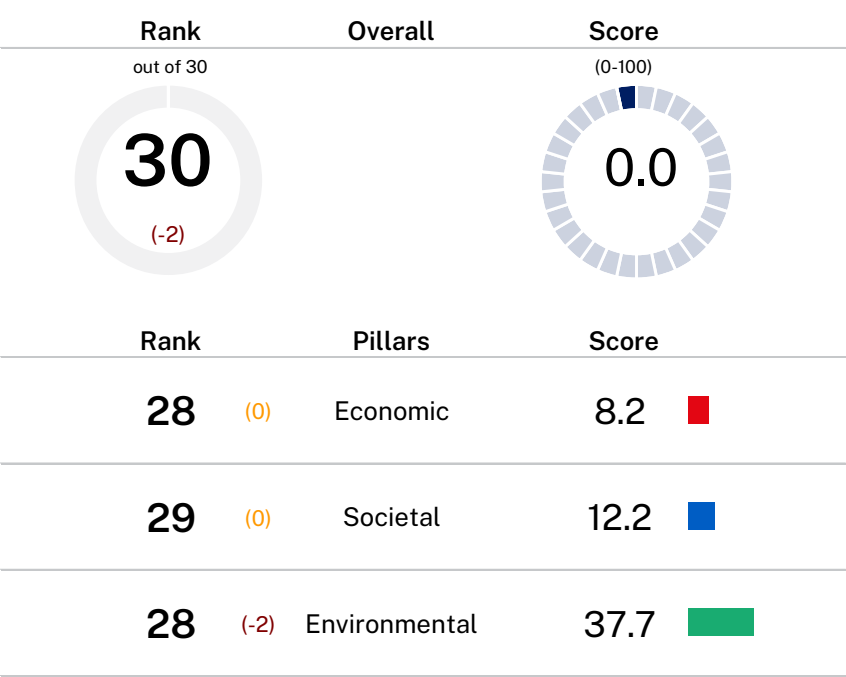


Sustainable Trade Index

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

Papua New Guinea



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

Background information

Population, millions (2025)	12.80	Small
Income level, GDP per Capita US\$ (2025)	2,538	Low
Membership	APEC	

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	25	(-21)	4.40	2025	73.34
1.02	Real GDP Growth per capita, % GDP	10	(+11)	3.46	2025	51.58
1.03	Growth in labor force, %	01	(+1)	2.49	2025	100.00
1.04	Foreign direct investment, net inflows, % GDP	30	(-5)	-0.64	2025	0.00
1.05	Gross fixed capital formation, % GDP	-	-	-	-	-
1.06	Tariff & non-tariff barriers	03	(+4)	-	-	98.32
1.06.01	Tariff barriers	03	(+9)	-	-	99.25
1.06.01.a	Tariff barriers in force	02	(+1)	3	2025	99.96
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	(+17)	0.000	2025	94.27
1.06.02	Non-tariff barriers	03	(+2)	-	-	98.00
1.06.02.a	Non-tariff barriers in force	01	(0)	0	2025	100.00
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)	03	(+7)	0.06	2025	89.86
1.07	Trade liberalization	29	(-1)	-	-	7.89
1.07.01	Regional Trade Agreements, number in force	28	(-1)	5	2025	2.86
1.07.02	Capital account liberalization, Index	20	(0)	-0.68	2023	29.83
1.07.03	Investment Freedom, Index	28	(0)	25.00	2026	7.14
1.08	Exchange rate stability, parity change from national currency to SDR, 2025/2023	25	-	0.16	2025	68.92
1.09	Domestic credit to private sector, % of GDP	23	(+2)	16.29	2024	2.63
1.10	Foreign trade and payments risk	24	(0)	-	-	23.19
1.10.01	Country credit rating	24	(-1)	16.50	2025	23.68
1.10.02	Gross debt, % GDP	13	(+1)	52.10	2025	75.32
1.11	Trade costs	29	(-7)	-	-	14.57
1.11.01	Logistics performance indicators	29	(-6)	-	-	13.69
1.11.01.a	Aviation import dwell time (days)	-	(NEW)	-	2024	-
1.11.01.b	Number of aviation partner economies	-	(NEW)	-	2024	-
1.11.01.c	Container import dwell time (days)	08	(NEW)	3.80	2024	79.10
1.11.01.d	Number of maritime partner economies	23	(NEW)	19.0	2024	50.74
1.11.01.e	Business-to-business postal delivery time (days)	29	(NEW)	25.30	2024	40.28
1.11.01.f	Number of business-to-business postal partner economies	30	(NEW)	10.5	2024	0.00
1.11.02	Corruption perceptions, index	26	(-4)	26	2025	14.71
1.11.03	Rule of law, index	20	(+3)	47.13	2024	35.65
1.12	Monetary policy intervention	14	(+16)	-	-	60.38
1.12.01	Current account balance, % GDP	28	(-1)	14.70	2025	12.80
1.12.02	Change (1-year) in total reserves (includes gold), % GDP	02	(+15)	-0.012	2024	98.97
1.13	Export concentration	27	(+1)	-	-	14.82
1.13.01	Export market concentration, Top 5 as % total	26	(-1)	74.58	2025	32.59
1.13.02	Export product concentration, Top 5 as % total	26	(+1)	82.78	2025	24.66
1.14	Exports of goods and services	28	(+1)	-	-	0.67
1.14.01	Merchandise exports, US\$ millions	26	(+1)	15,541	2025	1.21
1.14.02	Commercial services exports, US\$ millions	30	(0)	56	2025	0.00
1.15	Technological innovation	23	(-9)	-	-	4.42
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	28	(+1)	0.39	2022	0.00
1.15.04	High-technology exports, % of manufactured exports	18	(-12)	10.25	2023	12.33
1.15.05	Scientific articles, per million people	29	(0)	6.71	2023	0.07
1.16	Technological infrastructure	30	(0)	-	-	0.00
1.16.01	Fixed internet speed, Mbps	29	(-1)	15.52	2025	0.27
1.16.02	Internet users, % population	30	(-1)	18.81	2024	0.00
1.16.03	Fixed broadband subscriptions (per 100 people)	30	(0)	0.23	2024	0.00
1.16.04	Mobile subscriptions (per 100 people)	30	(0)	38.77	2024	0.00
1.17	Digital readiness (e-commerce legislations)	28	(NEW)	44.0	2025	4

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)	-	-	-	-	-	
2.02	Educational attainment	30	(0)	-	-	0.00	
2.02.01	Mean years of schooling	29	(0)	4.96	2023	6.73	
2.02.02	University education Index	23	(+1)	0.00	2026	0.00	
2.02.03	Tertiary enrollment	-	-	-	-	-	
2.03	Labor standards	22	(+1)	-	-	54.27	
2.03.01	Gender non-discrimination in hiring	24	(0)	50	2024	33.33	
2.03.02	Freedom of association and assembly	10	(-1)	0.68	2025	75.21	
2.04	Political stability and absence of violence	20	(0)	54.73	2024	43.24	
2.05	Goods produced by forced labor or child labor	15	(0)	-	-	81.88	
2.05.01	Goods produced by forced labor	16	(0)	-	-	63.75	
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	26	(0)	1.04	2023	22.05	
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	30	(0)	-	-	0.00	
2.06.01	Government response to human trafficking, Criminalization	28	(0)	3	2025	0.00	
2.06.02	Government response to human trafficking, Strategy	29	(0)	30.77	2023	14.71	
2.06.03	Government response to human trafficking, Action	25	(0)	4	2025	0.00	
2.07	Trade in goods at risk of modern slavery	03	(-1)	-	-	99.92	
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	03	(-1)	148	2025	99.91	
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	27	(NEW)	46.64	2023	8.10	
2.09	Life expectancy at birth	30	(-1)	66.13	2023	0.00	
2.10	Uneven economic development	28	(0)	7.90	2024	0.00	
2.11	Universal Health Coverage Index	28	(0)	32	2023	0.00	
2.12	Equal distribution of resources index	26	(NEW)	0.20	2025	10.08	

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	09	(+2)	14.10	-	87.77
3.02	Deforestation, Index	25	(-1)	0.0022	2024	10.91
3.03	% of wastewater treated	26	(-1)	7.29	2024	0.00
3.04	Energy intensity (Energy use (kg of oil equivalent) per \$1,000 GDP)	-	-	-	-	-
3.05	Ecological footprint	-	-	-	-	-
3.06	Renewable energy, %	02	(+1)	54.60	2022	86.80
3.07	Environmental standards in trade, count	20	(-10)	-	-	60.00
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)	27	(0)	0	2025	0.00
3.08	Transfer emissions, million tonnes carbon	-	-	-	2023	-
3.09	Share of natural resources in trade, %	30	(0)	79.47	2025	0.00
3.10	Carbon	18	(+2)	-	-	52.11
3.10.1	Carbon pricing	17	(+3)	0	2025	0.00
3.10.2	CO2 emissions per capita	02	(0)	0.58	2024	99.87

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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