

Sustainable Trade Index **2026**

Philippines

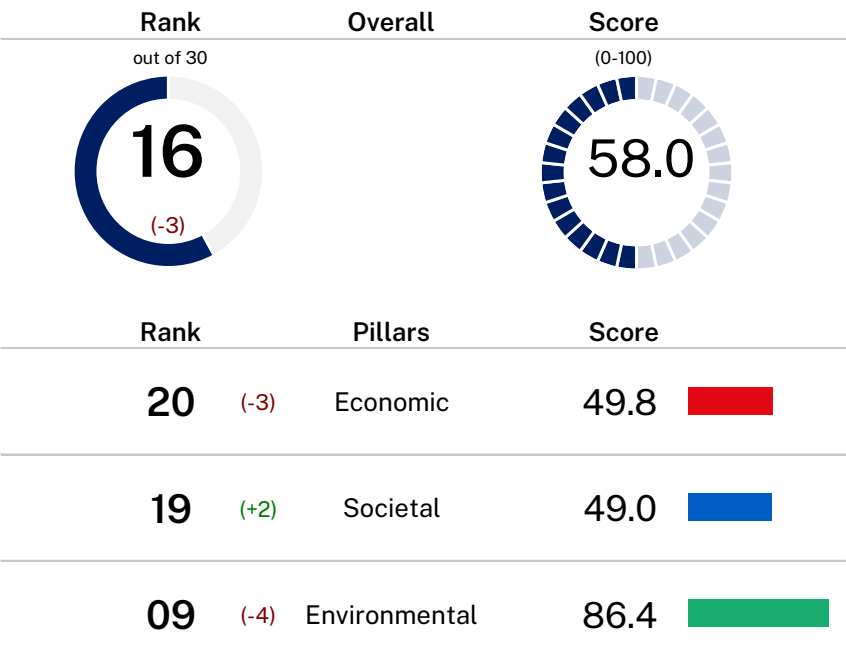


Sustainable Trade Index

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

Philippines



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

Background information

Population, millions (2025)	114.09	Large
Income level, GDP per Capita US\$ (2025)	4,270	Medium
Membership	APEC, RCEP, CPTPP (applicant)	

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	10	(+11)	1.70	2025	88.65
1.02	Real GDP Growth per capita, % GDP	13	(-8)	3.30	2025	50.22
1.03	Growth in labor force, %	05	(+8)	1.75	2025	80.87
1.04	Foreign direct investment, net inflows, % GDP	14	(-1)	1.60	2025	11.72
1.05	Gross fixed capital formation, % GDP	16	(-2)	22.74	2025	37.53
1.06	Tariff & non-tariff barriers	14	(-2)	-	-	80.35
1.06.01	Tariff barriers	18	(-2)	-	-	90.77
1.06.01.a	Tariff barriers in force	11	(-2)	133	2025	98.01
1.06.01.b	New tariff barriers 2025	15	(-14)	9	2025	93.49
1.06.01.c	Net percentage of imports affected by new tariff barriers (2025)	24	(-1)	0.029	2025	77.61
1.06.02	Non-tariff barriers	12	(+5)	-	-	77.12
1.06.02.a	Non-tariff barriers in force	13	(+1)	691	2025	90.56
1.06.02.b	New non-tariff barriers 2025	18	(-3)	124	2025	87.70
1.06.02.c	Net percentage of imports affected by new non-tariff barriers (2025)	14	(+9)	0.29	2025	53.00
1.07	Trade liberalization	16	(+2)	-	-	46.15
1.07.01	Regional Trade Agreements, number in force	18	(0)	11	2025	20.00
1.07.02	Capital account liberalization, Index	15	(0)	-0.06	2023	44.60
1.07.03	Investment Freedom, Index	05	(+4)	70.00	2026	71.43
1.08	Exchange rate stability, parity change from national currency to SDR, 2025/2023	13	(-5)	0.05	2025	92.29
1.09	Domestic credit to private sector, % of GDP	16	(+2)	52.11	2025	19.53
1.10	Foreign trade and payments risk	15	(+2)	-	-	48.27
1.10.01	Country credit rating	16	(-1)	37.33	2025	60.23
1.10.02	Gross debt, % GDP	17	(-1)	59.40	2025	71.76
1.11	Trade costs	24	(-5)	-	-	43.78
1.11.01	Logistics performance indicators	23	(-7)	-	-	49.25
1.11.01.a	Aviation import dwell time (days)	23	(NEW)	2.60	2024	77.59
1.11.01.b	Number of aviation partner economies	18	(NEW)	104.0	2024	65.61
1.11.01.c	Container import dwell time (days)	22	(NEW)	6.60	2024	54.90
1.11.01.d	Number of maritime partner economies	24	(NEW)	18.0	2024	48.18
1.11.01.e	Business-to-business postal delivery time (days)	27	(NEW)	13.70	2024	61.13
1.11.01.f	Number of business-to-business postal partner economies	19	(NEW)	76.5	2024	77.79
1.11.02	Corruption perceptions, index	22	(-4)	32	2025	23.53
1.11.03	Rule of law, index	21	(-1)	47.09	2024	35.57
1.12	Monetary policy intervention	03	(-2)	-	-	74.24
1.12.01	Current account balance, % GDP	03	(0)	-3.30	2025	98.10
1.12.02	Change (1-year) in total reserves (includes gold), % GDP	08	(-1)	-0.000	2025	35.74
1.13	Export concentration	18	(-2)	-	-	41.67
1.13.01	Export market concentration, Top 5 as % total	20	(-3)	65.82	2025	49.75
1.13.02	Export product concentration, Top 5 as % total	18	(0)	67.75	2025	49.88
1.14	Exports of goods and services	18	(0)	-	-	8.73
1.14.01	Merchandise exports, US\$ millions	19	(0)	83,723	2025	10.16
1.14.02	Commercial services exports, US\$ millions	15	(0)	51,454	2025	5.14
1.15	Technological innovation	13	(-1)	-	-	22.34
1.15.01	R&D expenditure, % GDP	18	-	0.28	2020	5.28
1.15.02	Researchers in R&D, per 1,000 inhabitants	20	-	0.32	2020	3.09
1.15.03	Patent applications, per million inhabitants	20	(0)	9.18	2024	0.20
1.15.04	High-technology exports, % of manufactured exports	03	(-1)	60.98	2024	80.41
1.15.05	Scientific articles, per million people	26	(0)	41.36	2023	1.18
1.16	Technological infrastructure	21	(0)	-	-	37.49
1.16.01	Fixed internet speed, Mbps	18	(+4)	88.84	2025	24.22
1.16.02	Internet users, % population	24	(-9)	67.26	2024	61.17
1.16.03	Fixed broadband subscriptions (per 100 people)	23	(0)	7.14	2024	14.52
1.16.04	Mobile subscriptions (per 100 people)	20	(0)	115.30	2024	33.53
1.17	Digital readiness (e-commerce legislations)	15	(NEW)	76.0	2025	68

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)	18	(-4)	39.30	2023	32.35
2.02	Educational attainment	16	(+1)	-	-	32.61
2.02.01	Mean years of schooling	16	(0)	9.98	2023	59.00
2.02.02	University education Index	23	(+1)	0.00	2026	0.00
2.02.03	Tertiary enrollment	17	(0)	47.41	2024	33.47
2.03	Labor standards	13	(0)	-	-	76.44
2.03.01	Gender non-discrimination in hiring	01	(0)	100	2024	100.00
2.03.02	Freedom of association and assembly	17	(-1)	0.52	2025	52.87
2.04	Political stability and absence of violence	25	(-1)	52.67	2024	39.62
2.05	Goods produced by forced labor or child labor	23	(0)	-	-	50.26
2.05.01	Goods produced by forced labor	22	(0)	-	-	50.51
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	24	(0)	0.78	2023	43.57
2.05.02	Goods produced by child labor, number of goods categories	24	(0)	13	2024	50.00
2.06	Government response to human trafficking	05	(0)	-	-	92.24
2.06.01	Government response to human trafficking, Criminalization	04	(+11)	7	2025	80.00
2.06.02	Government response to human trafficking, Strategy	05	(0)	58.97	2023	79.41
2.06.03	Government response to human trafficking, Action	01	(0)	1	2025	100.00
2.07	Trade in goods at risk of modern slavery	09	(+3)	-	-	94.59
2.07.01	Imports of goods at risk of modern slavery, US\$ millions	13	(+1)	5,353	2025	93.61
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	20	(NEW)	57.53	2023	37.68
2.09	Life expectancy at birth	26	(-1)	69.83	2023	19.09
2.10	Uneven economic development	14	(0)	4.80	2024	57.41
2.11	Universal Health Coverage Index	19	(+2)	69	2023	61.67
2.12	Equal distribution of resources index	25	(NEW)	0.24	2025	15.06

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	18	(0)	22.20	2025	74.89
3.02	Deforestation, Index	21	(-2)	0.0032	2024	16.59
3.03	% of wastewater treated	12	(0)	68.05	2024	65.53
3.04	Energy intensity (Energy use (kg of oil equivalent) per \$1,000 GDP)	07	(+4)	58.61	2023	68.69
3.05	Ecological footprint	07	(+1)	1.37	2025	89.76
3.06	Renewable energy, %	10	(-3)	28.00	2021	44.52
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	09	(-1)	-13.81	2023	54.94
3.09	Share of natural resources in trade, %	09	(+2)	11.99	2025	85.93
3.10	Carbon	23	(-12)	-	-	49.66
3.10.1	Carbon pricing	17	(-4)	0	2025	0.00
3.10.2	CO2 emissions per capita	07	(0)	1.50	2024	95.18

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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