

Future-Ready Management for Sustainable Trade Success

Behzad Fatahi, University of Technology Sydney, New South Wales, Australia. behzad.fatahi@uts.edu.au

Digital Transformation as a Catalyst for Trade Competitiveness

Digital infrastructure is embedded in global trade and they go hand in hand. Economies with digital technologies in their trade systems have generally been superior in all the performance indicators. The export growth rate for Singapore was 8.2% in 2023, with a score of 92.4 on its Digital Trade Readiness (DTR) Index, compared with 1.8% for Nigeria, which scored 41.3 on its DTR Index (World Bank, 2024). This is an indication of the cumulative benefit of being digitally prepared. On the organisational side, managers need to make e-invoicing systems a priority, implement AI tools for demand forecasting and embrace blockchain-based documentation to lower the costs and

delays in transactions. According to the OECD (2023) estimates, the benefits of digital trade facilitation measures reach up to 14.3% reductions in the cost of international trade, with the largest gains coming for SMMEs. This is now part of South Korea's approach on the Customs and Logistics Payments (CLP) front, as the DTR score stood at 85.3, which includes support for customs, logistics, and payment settlement, with export growth at 6.8%. Germany provides a good example of a developed model which digitalisation is applied throughout the value chain. Germany has a DTR score of 88.7 and 85% of its exporters use e-commerce, which results in USD 1.591 trillion in merchandise exports in 2023 (WTO, 2024). Future-ready managers need to regard digital investment as a key enabler for market access and volume, rather than an overhead.

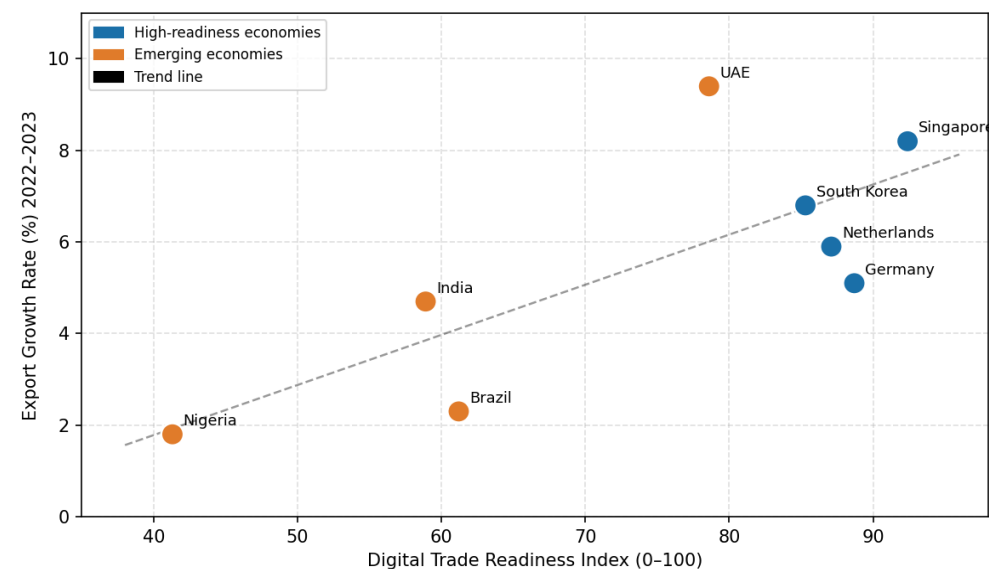


Figure 1: Digital trade readiness index vs export growth rate (2023) – world bank & WTO data

The overall picture in figure 1 suggests high positive correlation between economies' export growth and their digital trade readiness in eight economies. The global distribution of countries can be divided into two groups: high-readiness countries (Singapore, Germany, the Netherlands, South Korea) and developing countries (India, Brazil, Nigeria) with lower scores along both axes. The UAE, an emerging high performer, has shown the potential for quick achievement when investment in digital infrastructure is given a strategic focus.

Sustainability Imperatives and Green Trade Policy Alignment

Sustainable trade is no longer an afterthought, but is quickly becoming the pivot on which trade policy, consumer choice and

regulation is spinning. The Carbon Border Adjustment Mechanism (CBAM) of the European Union (EU) will come into transitional operation in 2023 and will fundamentally reshape the competitive landscape, by imposing carbon costs on imports from countries with less stringent climate policy [1]. South Africa is the most exposed to such mechanisms with a CPI of 0.89 kg CO₂ per USD of exports and a GPI of 33. In contrast, Denmark (GPI: 88, carbon intensity: 0.09) and Sweden (GPI: 85, carbon intensity: 0.07) have used green trade policies not only as a tool for regulation, but as a means of brand differentiation and market premiums as well. Danish companies have integrated LCA into procurement procedures and are able to charge a price premium of 8–12% in European markets [3]. For carbon intensive managers, decarbonisation plans need to be

drawn up and implemented as a matter of urgency, while taking account of export market regulation. The GPI scores of Indonesia (under 40) and Nigeria are examples of the dangers of no action. As multilateral trade frameworks and buyer corporate

sustainability requirements increase pressure on low-GPI exporters, those exporters would face the risk of exclusion from the market if not transition strategies are put in place within a 3 – 5-year time frame.

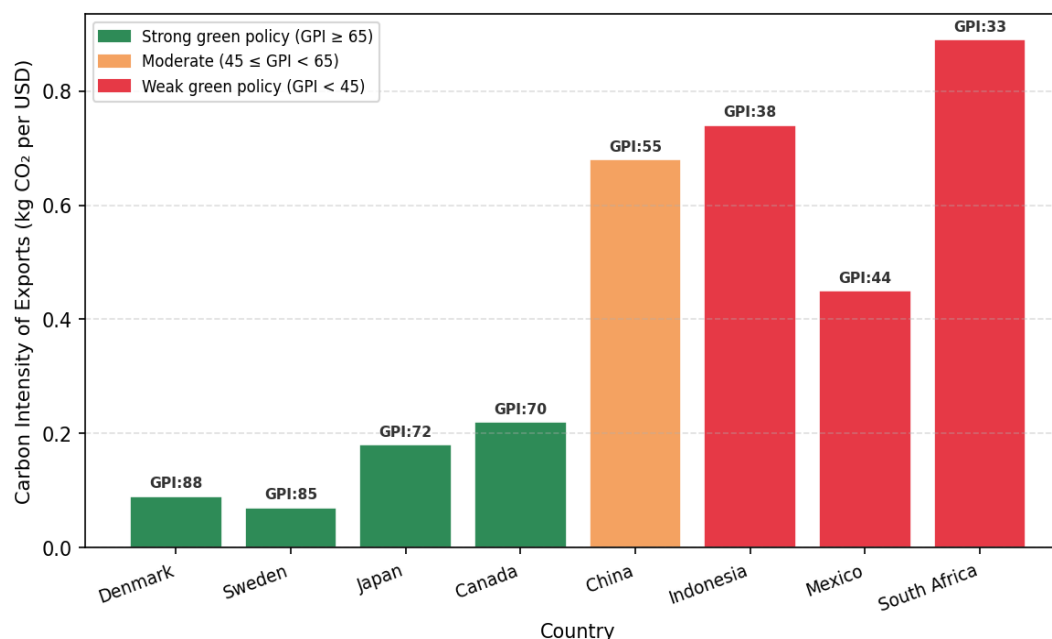


Figure 2: Carbon intensity of exports vs green policy index by country (2023) – UNCTAD & european commission data

In figure 2, it can be seen that a country's commitment to green policies is negatively correlated with the carbon intensity of its export basket. The countries with a strong green policy framework (green bars) have a far lower carbon intensity, whereas those with weak or developing green policy frameworks (red bars) have the greatest environmental burden per dollar of trade [2]. The scores of the GPI are shown above each bar and corroborate the observations of (UNCTAD, 2023)

on sustainable transitions in trade that export decarbonization is positively linked to proactive policy environments.

A Framework for Future-Ready Trade Management

A single conceptual framework is proposed from the digital transformation, green policy alignment, and supply chain resilience, to support trade managers in achieving long-term

sustainable performance [4]. The framework (Figure 3 below) places six strategic pillars at its periphery where they are all

crucial drivers converging towards the outcome of Sustainable Trade Success in the middle.

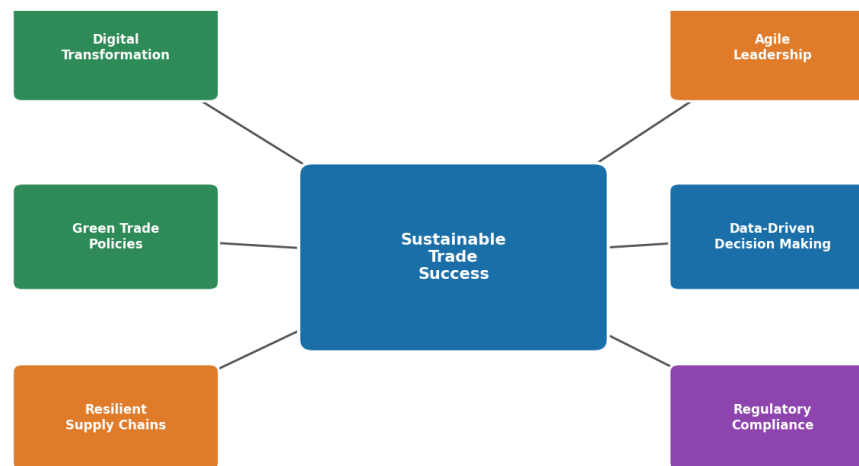


Figure 3: Conceptual framework – six pillars of future-ready trade management (authors' synthesis, 2025)

Figure 3 shows The 6 pillars include: (1) Digital Transformation – platforms, automation and AI-driven analytics; (2) Green Trade Policies – carbon accounting and ESG compliance as part of trade strategy; (3) Resilient Supply Chains – geographic diversification and redundancy; (4) Agile Leadership – fast strategic recalibration in volatile operating environments; (5) Data-Driven Decision Making – real-time trade intelligence to position competitively; and (6) Regulatory Compliance – proactive alignment with bilateral and multilateral trade rules. The Netherlands is a good example of the integration of all six pillars. The country is ranked among the most important hubs in the world for logistics, with its DTR index of

87.1 and GPI of 78, and with the Port of Rotterdam having implemented AI-based scheduling systems and being one of the first ports worldwide to adopt EU green logistics standards [5]. This type of holistic management practice validates the fact that these pillars cannot be considered separately as the sustainable performance of trade emerges from their strategic coherence.

Comparative Country Performance Metrics (2023)

Table 1 summarizes the selected performance indicators for the eight countries under study. The data includes export volume, level of digital readiness, alignment of green policy, adoption of e-commerce, and supply chain resilience ratings, offering a full range to be used for cross-country benchmarking.

Table 1: Key trade & sustainability metrics by country (2023)

Country	Exports (\$B, 2023)	DTR Index	Green Policy Index	e-Commerce Adoption (%)	Supply Chain Resilience
Singapore	516	92.4	74	88%	Very High
Germany	1,591	88.7	80	85%	High
South Korea	632	85.3	71	82%	High
UAE	318	78.6	65	76%	High
Brazil	340	61.2	52	55%	Moderate
India	447	58.9	59	48%	Moderate
Nigeria	62	41.3	31	22%	Low

Sources: World Bank (2024); WTO (2024); UNCTAD (2023); OECD (2023); European Commission (2023).

There is a distinct layering between high income countries with well-developed digital and green infrastructure, and the emerging markets in which both measures are below. Interestingly, the UAE does not fit neatly into emerging and developed economies: although an emerging economy, its proactive diversification strategy has resulted in DTR and GPI scores similar to that of advanced economies, demonstrating that policy intent and investment prioritization can help to shorten developmental timelines.

Managerial Implications and Strategic Pathways

The lessons learned from this empirical evidence that is presented throughout this article all point to several actionable priorities for trade managers and trade policymakers. First, digital investment needs to be considered as an asset class and have measurable key performance indicators (KPIs) that are linked to the outcome of trade facilitation and not be regarded as

back-office spend. Data from OECD (2023) corroborates that an improvement in DTR score by 10 points is correlated with an additional export growth of around 1.2 percentage points. Secondly, sustainability roadmaps need to be integrated into companies' trade strategy and not just left to compliance departments. The EU CBAM and other similar measures in the UK and Canada indicate that carbon accountability will become a more widespread cost of access to the market. The firms from Brazil, India, and Indonesia should have a phased decarbonization plan that is externally verifiable and that meets the market regulatory expectations in the importer countries [1][3]. Thirdly, there is a need for conscious decisions when designing the supply chain for resilience. The pandemic of COVID-19 and the geopolitical upheaval that followed, exposed the vulnerability of depending on a single source. South Korea has been active in encouraging dual sourcing arrangements for strategic materials and has been linked to its high industrial

supply chain resilience score and its exports' stability throughout commodity crises (World Bank, 2024). Leadership agility, the last of the pillars, is a meta-capability that encompasses all. In a trade environment where regulations are changing, currency is volatile and geopolitical landscape is realigning, leaders need to be able to make quality decisions in the face of uncertainty. Companies that take the time to develop scenario planning, multi-functional trade intelligence teams and adaptive governance are more systematically positioned to take advantage of new opportunities, whether it be the changing dynamics of trade agreements or digital-currency based settlement systems.

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