

Highlights

Twenty years of trade development

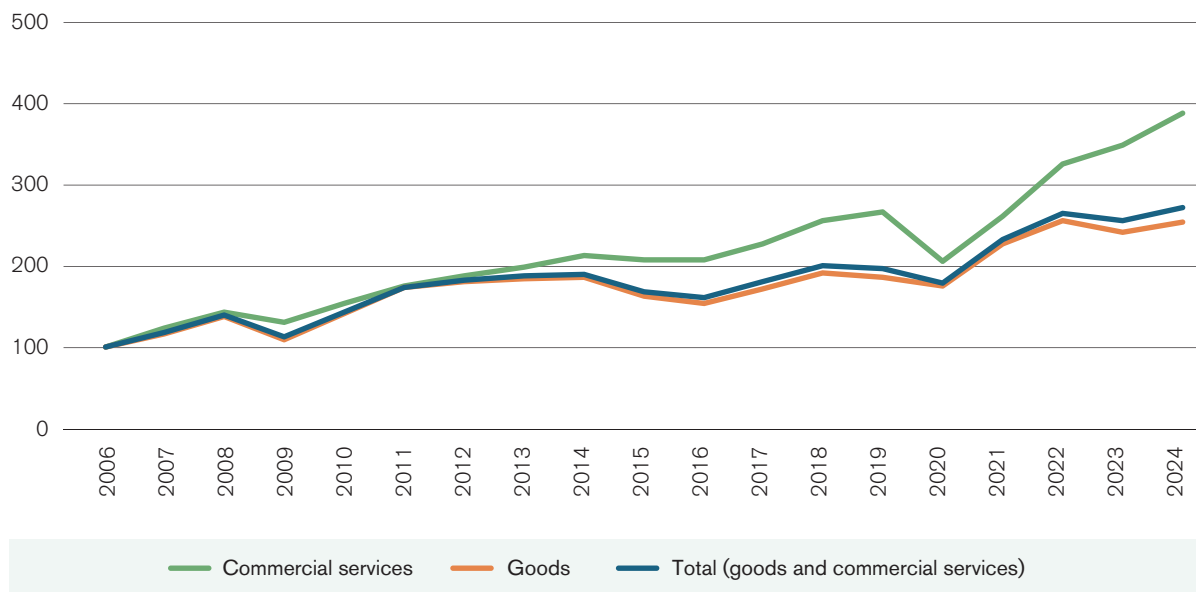
1. The last two decades have seen growing participation of developing economies in global trade

- Between 2006 and 2024, merchandise exports from developing economies more than doubled, rising from US\$ 4.6 trillion to US\$ 11.8 trillion in 2024.
- The value of services exports from developing economies quadrupled, from US\$ 736.2 billion in 2006 to US\$ 2.86 trillion in 2024.
- In 2024, developing economies represented nearly half of global trade.

Figure 1:

Evolution of exports of goods and commercial services from developing economies, 2006-2024

(Index 2006 = 100)

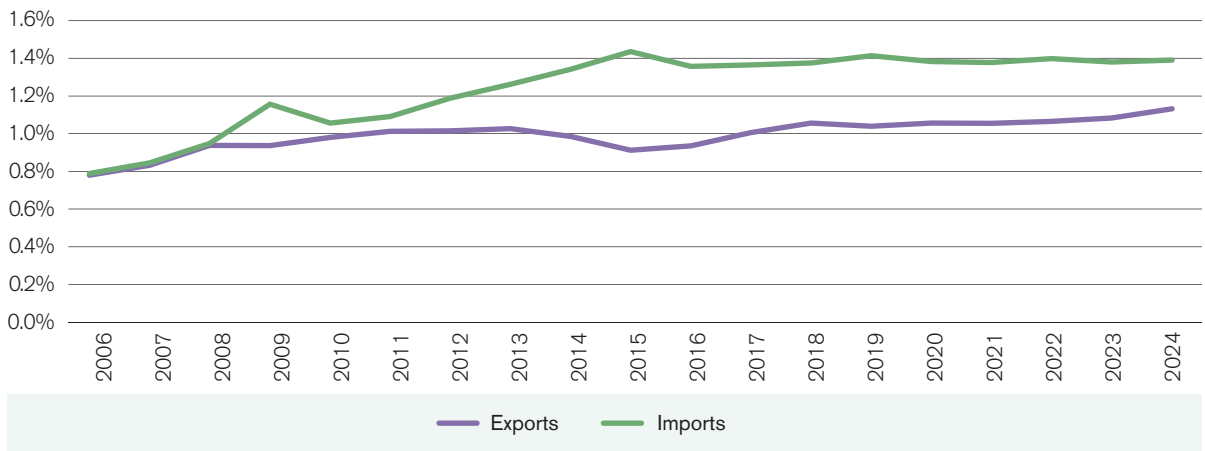


Source: WTO-UNCTAD estimates.

2. The expansion of global trade has not lifted all developing economies equally

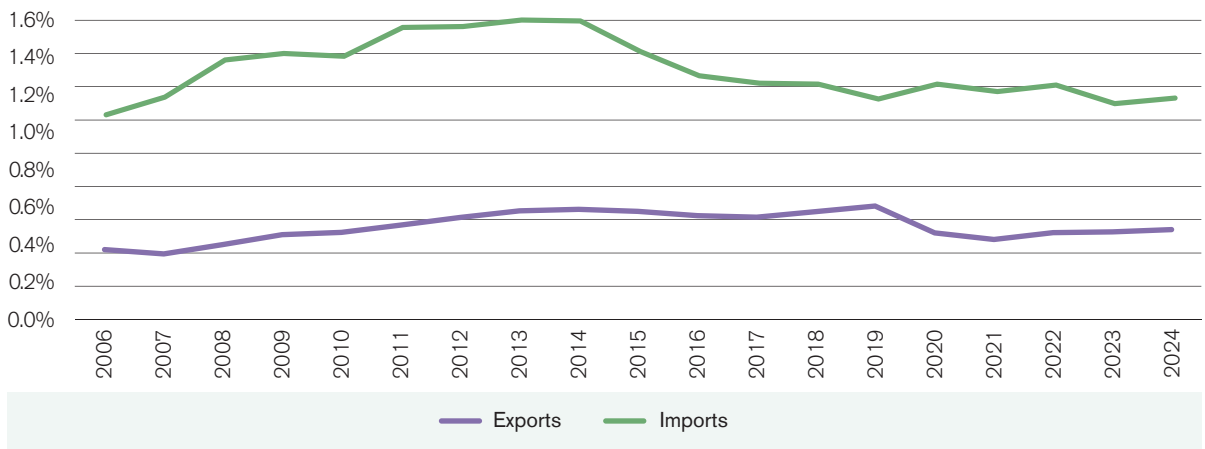
- While the participation of least-developed countries (LDCs) in merchandise exports tripled, from US\$ 95 billion in 2006 to US\$ 277 billion in 2024, their share in world merchandise exports remains around 1 per cent.
- The LDCs' exports of commercial services increased from US\$ 9.5 billion in 2006 to US\$ 47 billion in 2024, with their share in world commercial services exports remaining around 0.5 per cent.

Figure 2:
Share of LDCs' exports and imports in global merchandise trade, 2006-2024



Source: WTO Secretariat calculations based on WTO-UNCTAD estimates.

Figure 3:
Share of LDCs' exports and imports in global commercial services trade, 2006-2024

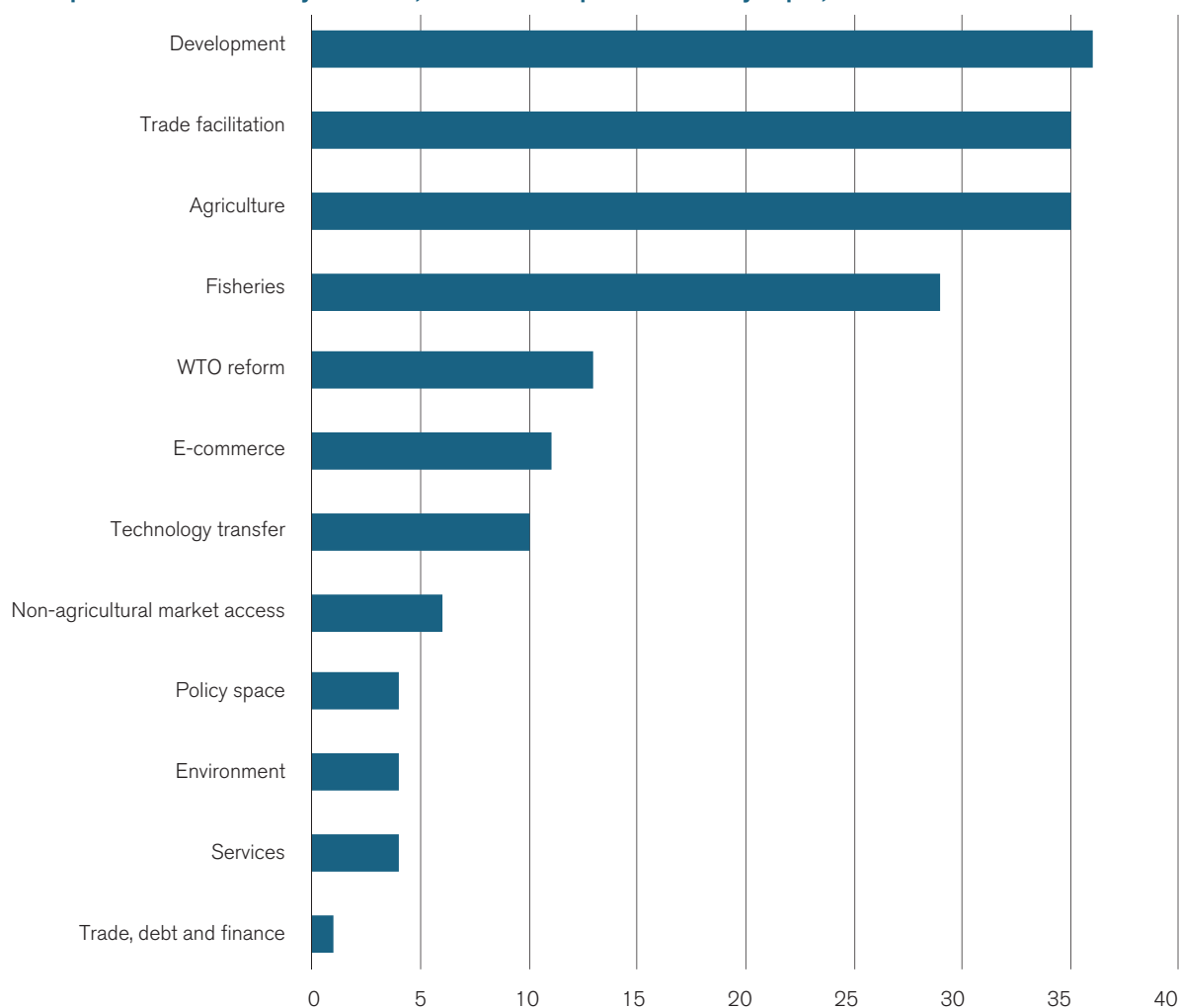


Source: WTO Secretariat calculations based on WTO-UNCTAD estimates.

3. **Developing economies have become increasingly active in World Trade Organization (WTO) work over the past 20 years**

- All groups of developing economies – including the African, Caribbean and Pacific Group of States (ACP), LDCs, the African Group and small economies – have made substantive contributions to WTO rule-making.
- An ecosystem of support, including technical assistance provided by the WTO, was created to support developing economies' participation in the WTO's work – from negotiations to implementation of rules and dispute settlement.
- Between 2006 and 2026, the WTO's technical assistance has helped 178,000 officials from developing economies build their skills on trade-related matters, including on the submission of notifications to the WTO.

Figure 4:
Proposals submitted by the ACP, African Group and LDCs by topic, between 2006 and 2025

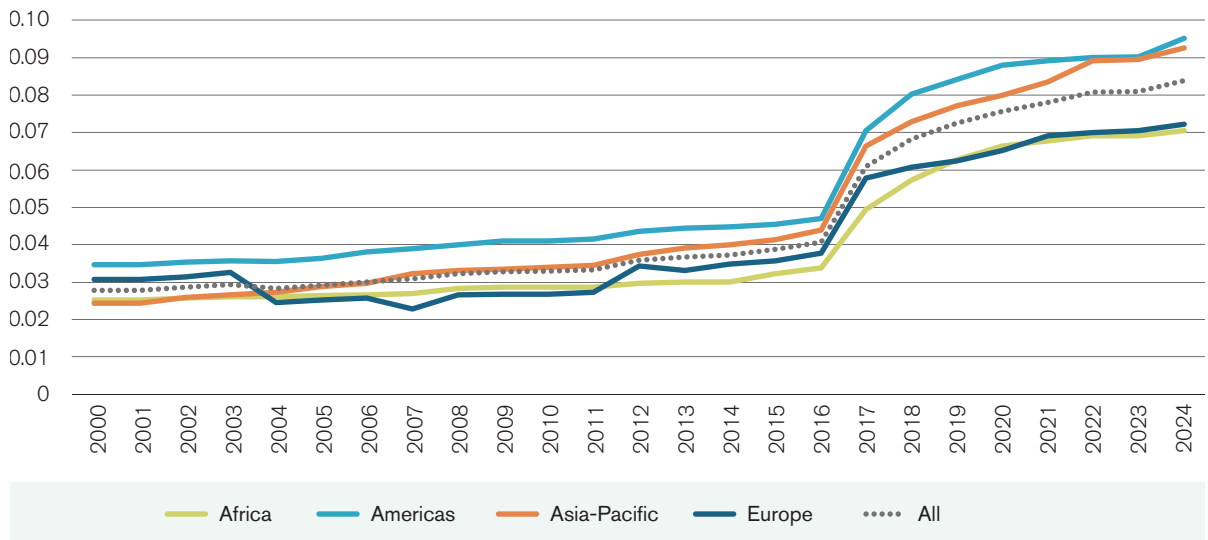


Source: WTO documents online, 2025.

4. Rapid technological and policy shifts are changing the trade and economic landscape

- Developing economies are exposed to rising trade policy uncertainty and risks of digital fragmentation.
- Progress towards digital trade integration is uneven across regions, with significant potential to increase digital opportunities through capacity building and regulatory interoperability.
- The Digital Trade Policy Alert finds that 163 jurisdictions have entered into digital trade commitments through regional and bilateral trade agreements.
- The Agreement on Electronic Commerce offers an opportunity to address digital fragmentation. The importance of the moratorium on the imposition of customs duties on electronic transmissions has been underlined by many economies.

Figure 5:
International integration and openness by region (OECD Index of Digital Trade Integration and Openness (INDIGO)), 2000-2024

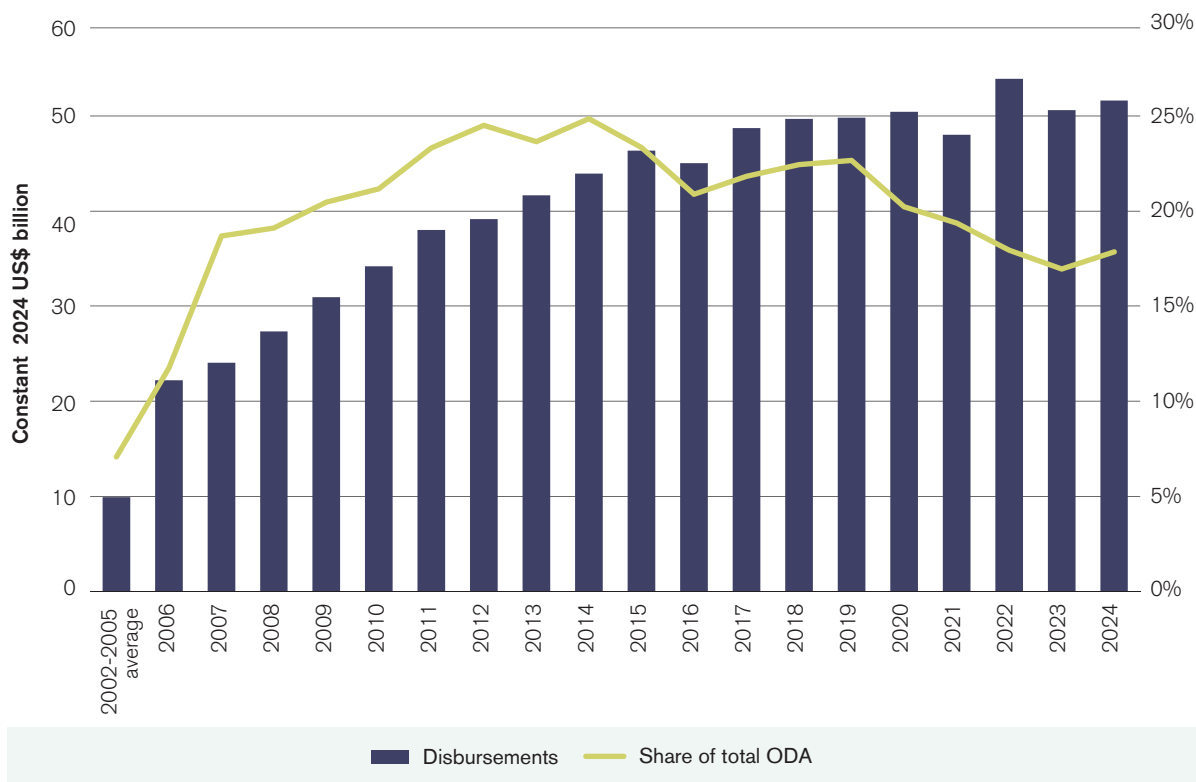


Source: OECD INDIGO.

5. Despite challenging times, trade support remains a key area of development cooperation

- Aid for Trade financing increased rapidly following the launch of the Aid for Trade initiative in 2005, and more moderately after 2015, as fiscal conditions tightened and official development aid (ODA) targeted a growing range of policy priorities.
- The share of Aid for Trade in total ODA has been on a downward trend since 2014 but rose from 17 per cent to 18 per cent in 2024, while trade gains renewed emphasis in development cooperation.
- Aid for Trade disbursements reached US\$ 51 billion in 2024 – a 2 per cent increase from 2023.

Figure 6:
Evolution of Aid for Trade disbursements, 2002-2024



Source: OECD Creditor Reporting System, 2026.

6. Trade support has adapted to evolving economic and policy priorities, including the growing emphasis on the energy and digital transitions

- Amidst successive shocks, Aid for Trade provided a counter-cyclical source of finance, supporting sectors essential to economies' economic resilience (e.g. agriculture, pharmaceutical industry, business and financial services).
- In 2024, financing to trade-related infrastructure accounted for 56 per cent of total disbursements, driven by growing demand linked to clean energy and digital transitions, reconstruction efforts and the emergence of transport corridor-based approaches.
- Support to strengthen productive capacities declined to 41 per cent in 2024, following an exceptional ramp-up of COVID 19-related support for business and financial services.
- Several sectors have recorded particularly rapid growth since 2022, including mining and mineral resources (+85 per cent), information and communications technology (ICT) (+23 per cent) and forestry (+24 per cent), reflecting growing demand linked to critical minerals, digitalization, and social and environment-related requirements.

Figure 7:
Evolution of Aid for Trade disbursements by category, 2006-2024



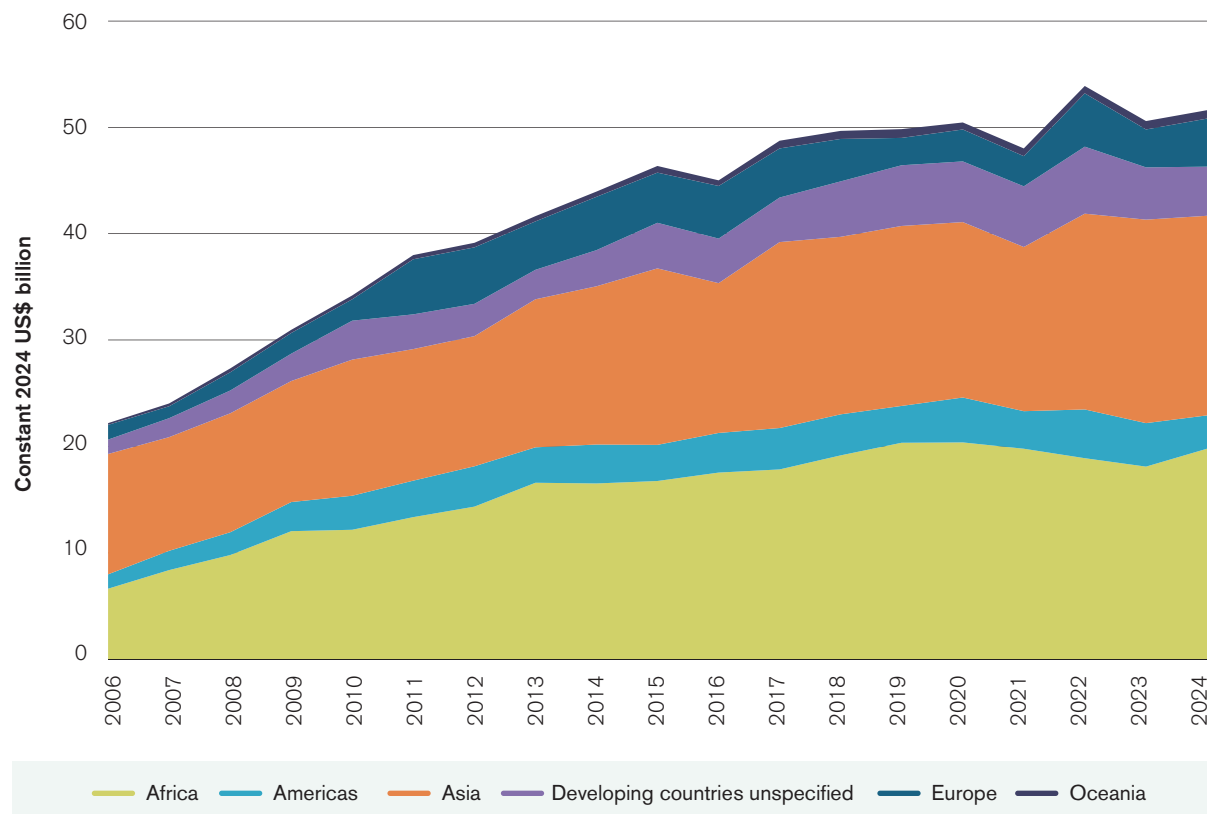
Source: OECD Creditor Reporting System (2026).

Note: Trade-related adjustments represent 0.04% of total disbursements over the period 2006-2024.

7. Africa became the largest recipient of Aid for Trade in 2024

- After declining between 2020 and 2023, Aid for Trade disbursements to Africa rebounded in 2024, driven by large reform projects, reaching US\$ 19.8 billion.
- Disbursements to Asia remained relatively stable at US\$ 18.7 billion, with infrastructure financing, particularly in transport and storage, accounting for the largest share.
- Support to Ukraine continued to drive support growth in Europe, where disbursements reached US\$ 4.5 billion in 2024.
- Aid for Trade disbursements to Oceania totaled US\$ 795 million and play a critical role in supporting small, vulnerable economies.
- The Americas experienced the sharpest decline among regions, with Aid for Trade disbursements falling by 23 per cent between 2023 and 2024, to US\$ 3.1 billion.

Figure 8:
Disbursements by continent, 2006-2024



Source: OECD Creditor Reporting System, 2026.

8. Pressures on public spending create uncertain outlook for Aid for Trade financing

- ODA budget cuts by major bilateral aid providers will likely affect Aid for Trade levels going forward.
- The OECD estimates that bilateral Aid for Trade disbursements could fall by approximately 22 per cent between 2024 and 2026.
- Multilateral development banks could help cushion the impact of budget cuts in the short-term, but are also affected by reductions in their core funding.
- In 2024, the 10 largest providers accounted for 82 per cent of total Aid for Trade disbursements.

Figure 9:**Top 10 Aid for Trade providers, disbursements 2022–2024, US\$ million, constant 2024 prices**

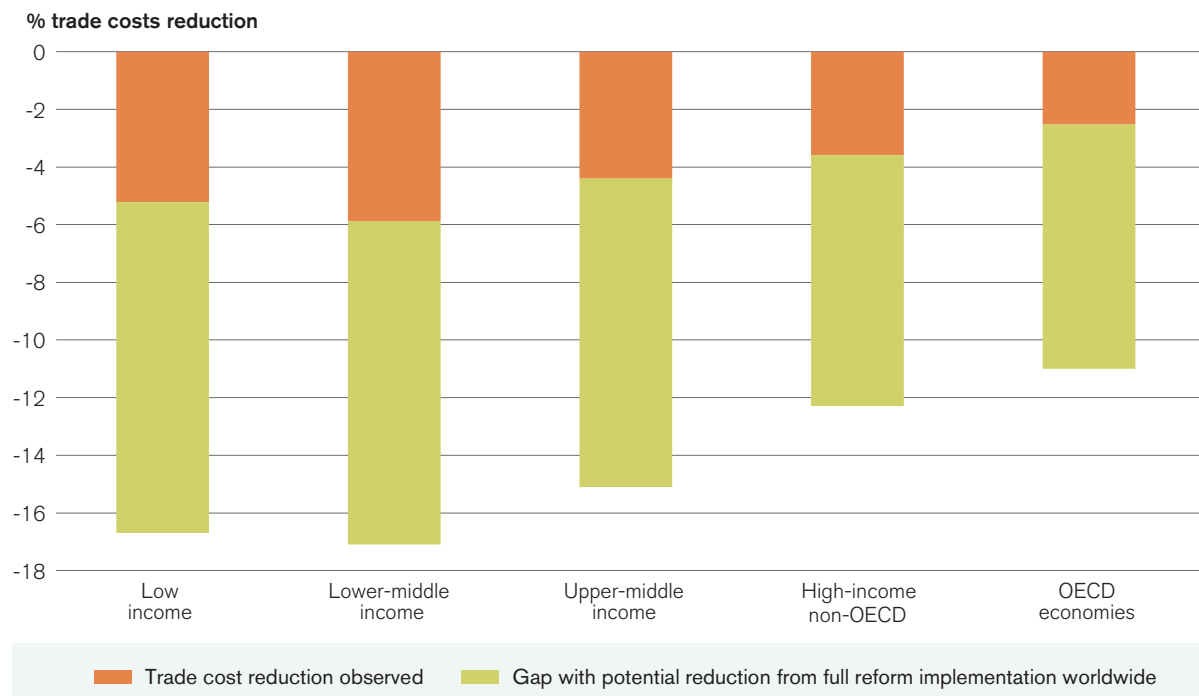
Institution	2022	2023	2024	5Y trend	Share of grants (2024)
World Bank (IDA)	8,478	9,398	10,820		
Japan	10,324	11,059	10,324		
EU institutions	7,688	5,590	5,436		
Germany	7,471	5,850	5,424		
United States	1,905	2,975	3,125		
France	3,947	2,579	2,376		
Asian Development Bank	1,887	1,482	1,671		
United Kingdom	1,248	1,185	1,325		
Republic of Korea	840	1,062	1,116		
African Development Bank	906	1,062	950		

Source: OECD Creditor Reporting System, 2026.

9. The development finance context reinforces the need to further target support towards high-impact interventions and emerging needs

- Experience from beneficiaries and development partners underscores the importance of tailoring Aid for Trade financing to specific trade objectives and country contexts and the need to combine Aid for Trade instruments for maximum impact.
- Support for trade policies and regulations, including trade facilitation, accounts for less than 2.7 per cent of total Aid for Trade disbursements while the implementation of the WTO Trade Facilitation Agreement is estimated to have contributed to a 5 per cent trade cost reduction globally over the last decade, suggesting a cost-effective opportunity to help economies comply with increasingly complex and fragmented standards and regulatory requirements.
- Disbursements targeting information and communication technologies, while growing, account for 3 per cent of total Aid for Trade disbursements in 2024, pointing to opportunities to enhance support in this area.

Figure 10:
Actual and potential trade cost reductions through trade facilitation improvements



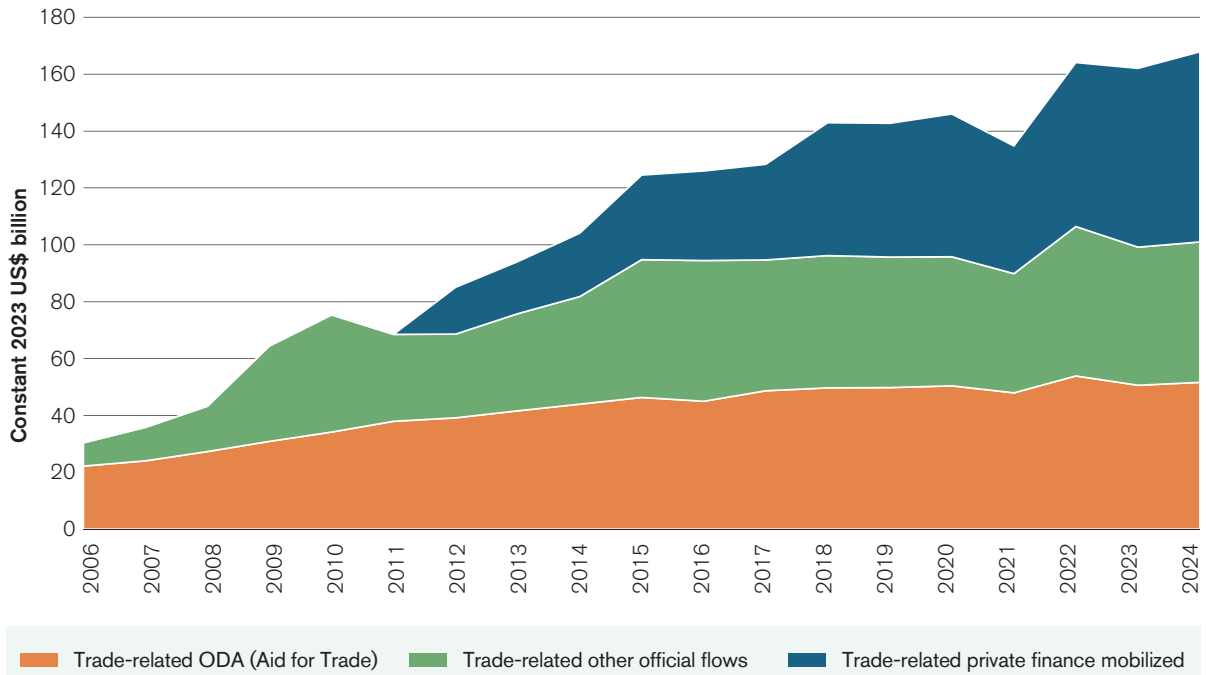
Source: OECD Trade Facilitation Indicators, 2025.

Note: The figure presents the trade cost implications of fully implementing trade facilitation reforms as measured by the TFIs. Analysis using trade costs (manufacturing and agriculture) from the UNESCAP–World Bank Database for the period 2012–22.

10. Meeting developing economies' growing needs requires pooling resources from various sources

- Declining ODA levels heightens the need to mobilize more resources and maximize the effectiveness and impact of various financing sources.
- In addition to ODA, various forms of support including South-South and Triangular Co-operation can contribute to trade development.
- Trade-related other official flows, including non-concessional loans extended to developing economies by multilateral development banks, reached US\$ 49 billion in 2024.
- In 2024, US\$ 68 billion was mobilized through official interventions in trade-related sectors in partner economies, exceeding ODA provided to these sectors.

Figure 11:
Total support for trade-related sectors, 2006-2024



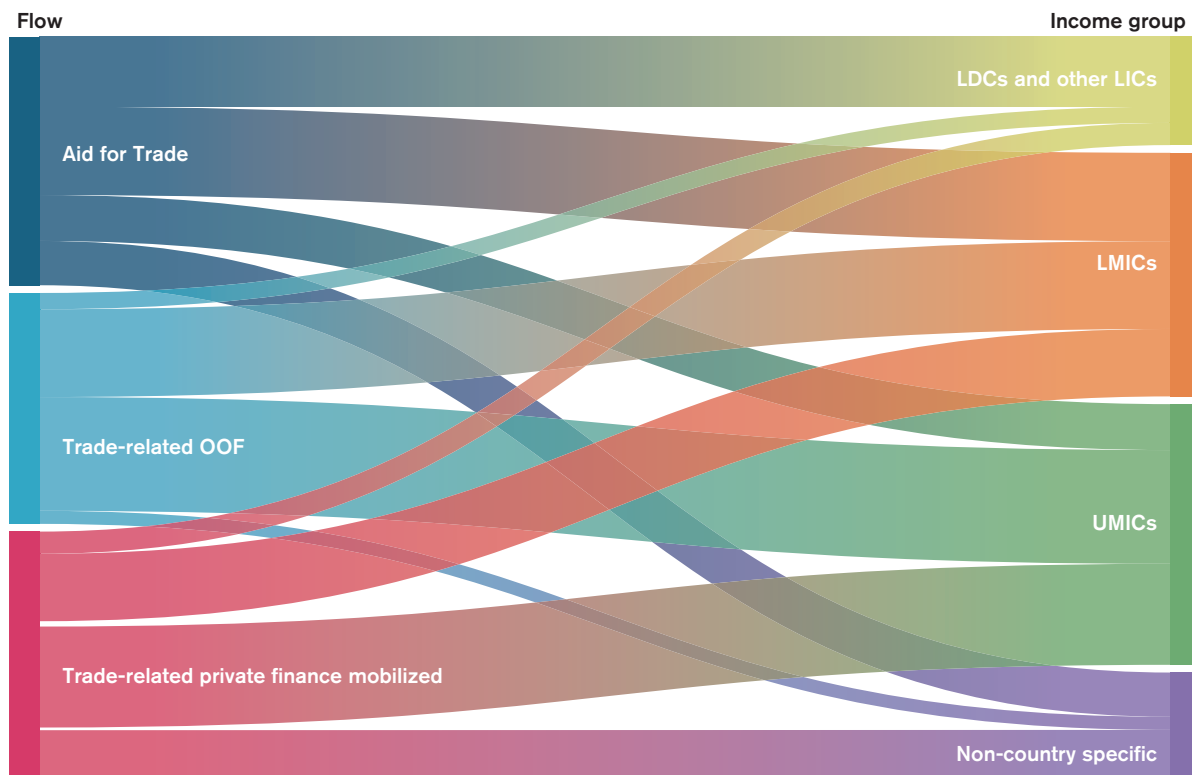
Source: OECD Creditor Reporting System (2026).

11. As efforts to mobilize private finance become more important, concessional finance remains essential, especially for the most vulnerable

- Emerging models and instruments, including co-financing arrangements and blended finance mechanisms, can help unlock additional resources from the private sector for trade needs.
- In 2024, LDCs represented 30 per cent of total Aid for Trade disbursements, up from 27 per cent in 2022. By contrast, LDCs attracted only 13 per cent of non-concessional trade-related development finance and 6 per cent of private finance mobilized.
- Ensuring context-specific use of financing instruments and safeguarding the most concessional sources of finance, is essential to effectively support developing economies, especially LDCs.

Figure 12:

Trade-related financing by income group, 2012-2024 (cumulative, constant 2024 US\$)



Source: OECD Creditor Reporting System (2026).

Note: OOF=other official flows; LDCs=least-developed countries; LICs=low-income countries; LMICs=lower-middle-income countries; UMICs=upper-middle-income countries.

12. Lessons learnt from 20 years of Aid for Trade can inform reflections on the “who, what and how” of effective trade development partnerships

- Development partners have been exploring different approaches and mechanisms to increase the participation of all stakeholders, to address the growing trade needs of developing economies.
- Trade support discussions going forward need to weigh up different tools with a view to maximizing the impact of available resources for developing economies to fully realize emerging trade opportunities and benefit more from evolving global trade patterns.

Figure 13:
Illustrative view of the “who, what and how” of trade development partnerships

Economic growth		Poverty reduction	Sustainable development
 Building export markets		 Facilitating trade and market inter-operability	 Unlocking finance for trade
WHAT • Strengthening policies and institutions • Financing infrastructure • Strengthening productive capacities		WHAT • Implementing standards and norms • Enhancing border processes • Strengthening value chain linkages	WHAT • Enhancing access to finance • Promoting investment • Ensuring additionality and impact
TOOLS • Grants • Concessional loans • Technical assistance		TOOLS • Grants • Concessional and non-concessional loans • Technical assistance • Policy dialogue	TOOLS • De-risking instruments • Trade finance • Export credits • Information facilitation • Matchmaking • Safeguards and standards
ACTORS • Governments • Development agencies • DFIs/MDBs • Private sector • PPPs • Civil society		ACTORS • Governments • Border agencies • Businesses • Civil society • Multi-stakeholder initiatives • Development agencies	ACTORS • Governments • Development partners • DFIs • ECAs • Trade finance institutions • Private sector • Civil society
Foundations for effective partnerships			
Shared priorities		Effectiveness principles	Country-centred approaches

Source: OECD Secretariat.

Note: DFI=development finance institution; MDB=multilateral development bank; PPP=public-private partnership; ECA=Agreement on E-commerce.