

From cooperation to action: Priorities for stronger trade partnerships

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The evidence presented in this publication shows both the growing importance of South-South trade and the practical contribution that South-South and triangular cooperation can make in addressing trade-related challenges. Trade among developing economies has expanded significantly, creating new opportunities for market diversification, regional integration and more resilient value chains. Yet, these opportunities remain unevenly distributed, and many developing economies continue to face significant constraints related to productive capacity, connectivity, regulatory standards, trade finance and institutional capacity.

The case studies presented in Chapter 3 demonstrate how cooperation among developing economies, complemented where appropriate by partners from developed economies, can help address some of the constraints faced by developing economies. They also point to a broader lesson: cooperation is most effective when it responds to clearly identified needs, connects economies with relevant expertise and experience, and builds capacities and institutions that can sustain results beyond individual projects.

Drawing on the evidence and experiences presented throughout the publication (supported further by examples cited in the text and listed in the Annex), three broad priorities for action emerge: leveraging South-South and triangular

cooperation to address key trade-related constraints; strengthening inter- and intraregional cooperation, including through partnerships with financial institutions and development partners, among others; and improving coordination, partnership brokering and measurement.

The three priorities for action align with outcomes of recent international forums and commitments that recognize the contribution of South-South cooperation and trade to sustainable development. These include the Second High-level Conference on South-South Cooperation (BAPA+40) in Buenos Aires in 2019, the Sevilla Commitment on financing for development adopted by the United Nations in 2025, the Awaza Programme of Action for landlocked developing countries

adopted by the UN in 2024, and the Antigua and Barbuda Agenda for small island developing states (SIDS) adopted by world leaders in 2024. These outcomes note, however, that South-South cooperation is a complement, rather than substitute for, North-South cooperation.

Targeted action on key priorities

Strengthen resilience in sectors and supply chains exposed to external crises

Recent disruptions to trade and supply chains, in part due to conflict, geopolitical shifts and climate-related shocks, have highlighted the vulnerability of developing economies to external crises. South-South and triangular cooperation can contribute to greater resilience by supporting diversification, strengthening productive capacity and facilitating the exchange of experience and solutions in sectors particularly exposed to such disruptions, including food and agriculture, energy and transport.

Existing initiatives illustrate different approaches. In the Caribbean, the United Arab Emirates-Caribbean Renewable Energy Fund supports 16 SIDS in addressing energy costs, while the India, Brazil and South Africa Facility for Poverty and Hunger Alleviation (IBSA Fund) and the India-UN Development Partnership Fund (India-UN Fund) support resilience in SIDS, including through infrastructure designed to withstand extreme weather. Economies in the Lower Mekong Basin, supported by the Republic of Korea and the United Nations (UN) Office for South-South Cooperation (UNOSSC), are working together on climate-resilient solutions for shared river-based resource systems. The effort supports the broader aim to strengthen green value chains in the Mekong Delta. Such cooperation can help

economies adapt approaches developed in comparable settings to their own circumstances.

Mobilize financing for trade-related capacity

Developing economies require not only knowledge and technical expertise but also adequate financing to address infrastructure gaps, strengthen productive capacity and build trade-related institutions. Financial institutions in developing economies can play an important role in this area, while triangular arrangements, incorporating assistance from a developed economy, private sector, or an international organization, can help mobilize complementary financing and expertise.

Financial institutions are already working alongside technical and development partners in some areas. The International Islamic Trade Finance Corporation and African Export-Import Bank – Afreximbank – for example, participate in initiatives supporting harmonization of regulatory standards in Africa. Such partnerships illustrate the potential for combining technical cooperation with financing to address trade-related constraints.

Support regional integration and cross-border cooperation

Many hindrances to trade are inherently cross-border. Regulatory standards, conformity assessment, transit procedures, connectivity and regional value chains therefore offer particularly strong opportunities for South-South and triangular cooperation.

Cooperation among neighbouring economies can facilitate the exchange of experience and support more compatible approaches to cross-border procedures. The Central Asia Regional Economic

Cooperation (CAREC) Advanced Transit System is being piloted by Azerbaijan, Georgia and Uzbekistan to harmonize transit procedures. In Africa, cooperation on regulatory standards and quality infrastructure is supporting efforts to facilitate intra-African trade under the African Continental Free Trade Area.

Regional economic communities and other regional institutions can provide useful platforms for such cooperation by connecting technical initiatives with broader regional integration objectives.

Build strategic and sustained trade capacity

Capacity-building needs continue to evolve as trade rules, technologies and risks change, including through digitalization and the growing use of artificial intelligence. South-South cooperation can add value where developing economies can share experience gained in addressing similar institutional, regulatory or productive challenges.

The experiences presented in this publication also underline the importance of moving beyond one-off activities towards sustained institutional capacity building.

Existing diagnostics, including the Diagnostic Trade Integration Studies of the Enhanced Integrated Framework and the Phytosanitary Capacity Evaluation of the International Plant Protection Convention can help identify needs and target cooperation accordingly. Attention from the outset to staffing, financing, institutional responsibilities and continued links between partner institutions can help sustain results beyond individual projects.

Broaden participation in the opportunities created by South-South trade

The expansion of South-South trade has been significant, but its benefits remain unevenly distributed across regions and economies. Least-developed countries, landlocked developing countries and SIDS continue to face particular constraints in participating in regional and global trade. These constraints differ according to national circumstances: transit and cross-border procedures are particularly important for landlocked economies, while connectivity and scale present significant challenges for many SIDS.

South-South and triangular cooperation can help address constraints through targeted exchanges of expertise, institutional partnerships and approaches adapted to participating economies' circumstances. Such cooperation can also support economies navigating structural transitions, including processes for graduating from LDC status, by helping strengthen productive and institutional capacities and reduce vulnerability to external crises.

Inter- and intraregional cooperation

The expansion of South-South trade and investment has distinct inter- and intraregional dimensions. For example, South-South and triangular cooperation has contributed to initiatives that align regulatory standards, address cross-border processes and build regional value chains. In Central America, El Salvador and Honduras are coordinating on aquaculture value chains with UN Industrial Development Organization (UNIDO) support, and in North Africa, Tunisia and Morocco share experience in bringing traditional agri-food products to market through the Market Access

Programme for Agri-Food and Local Products (PAMPAT) initiative, implemented by UNIDO with Swiss funding.

Cooperation within and between regions has also helped elevate developing-economy priorities in agenda-setting forums: successive G20 presidencies held by developing economies (Indonesia in 2022, India in 2023, Brazil in 2024 and South Africa in 2025) broadened the spaces in which these priorities, including on trade, were discussed.

Traditional partners have expanded their support through triangular cooperation, providing catalytic funding as well as knowledge and platforms for engagement. As mentioned in Chapter 3, the European Union financed Guinea's quality infrastructure upgrade alongside its partnership with Senegal. In 2024, UNOSSC launched the Triangular Cooperation Window under the UN Fund for South-South Cooperation to mobilize complementary resources, knowledge and expertise for demand-driven partnerships responding to developing economies' priorities. Co-financing arrangements of this kind are a cost-effective way of taking proven solutions to new economies, provided leadership stays with developing-economy partners.

Trade in the blue economy is a growing area for cooperation. More than 80 per cent of world trade by volume moves by sea, with developing economies accounting for about 55 per cent of exports of ocean-based goods, whilst climate-related challenges affect supply chains in both developed and developing economies alike.¹ The Blue Economy Pilot Project launched in 2025 by UNOSSC and the UN Educational, Scientific and Cultural Organization (UNESCO) under the Triangular Cooperation Window, with funding from Portugal, is an early example of this cooperation.

Improve coordination, partnership brokering and measurement

A recurring lesson from the experiences examined in this publication is the importance of effective partnership brokering. Economies may possess relevant solutions and expertise, but cooperation does not necessarily emerge automatically. Institutions can play an important role in identifying needs, connecting economies with suitable partners, mobilizing resources and helping translate exchanges into sustained institutional capacity.

UNOSSC promotes, coordinates and facilitates South-South and triangular cooperation globally and across the UN system. The newly launched Global Alliance for South-South and Triangular Cooperation provides a multistakeholder, voluntary and demand-driven partnership space connecting country priorities with relevant expertise, solutions and partners. In addition to the Global Alliance, UNOSSC platforms seek to connect demand for expertise and solutions with experience available across developing economies. These platforms include its updated digital repository, South-South Galaxy+, and the South-South and Triangular Cooperation Solutions Lab. Other platforms, such as the South-South Cooperation Connector of the UN Economic and Social Commission for Asia and the Pacific, the South-South and Triangular Cooperation Gateway of the Food and Agriculture Organization, and the International Labour Organization's South-South Meeting Point also help facilitate such cooperation.

The case studies presented in Chapter 3 show how trade-related facilities also perform a brokering and enabling function. In the cases examined, the Enhanced Integrated Framework and the Standards and Trade Development

Facility (STDF) helped identify specific trade-related constraints, connect beneficiary economies with relevant expertise from other developing economies, support exchanges and help anchor results in national institutions. These experiences demonstrate how existing trade-related mechanisms can facilitate practical South-South and triangular partnerships without requiring entirely new institutional structures.

The case studies suggest opportunities for stronger connections between trade-related facilities and existing South-South and triangular cooperation mechanisms. Peer matching could, where appropriate, be incorporated into programme design, while stronger links between trade-related initiatives and knowledge-sharing platforms could facilitate the exchange and replication of successful approaches across developing economies. Such connections could help move from individual projects towards a more systematic exchange of trade-related solutions, while retaining flexibility to respond to country-specific needs.

Better evidence is equally important. Improved measurement and reporting of trade-related South-South cooperation, including in-kind contributions, can strengthen understanding of its scale, characteristics and results. The UN Framework to Measure South-South Cooperation, which tracks financial and non-financial development support between developing economies under SDG indicator 17.3.1,² provides one avenue for improving the visibility of these contributions. Together with other international efforts to strengthen development cooperation statistics, better measurement can provide a stronger evidence base for policy-making, facilitate learning across programmes, and help partners identify where cooperation can have the greatest impact.

Looking ahead

Partnership is the theme of the “2026 Global Review”, held as the Aid for Trade initiative marks its twentieth anniversary. In highlighting development cooperation, this publication is a contribution to that discussion. The evidence and experiences presented throughout the report highlight opportunities to deepen practical cooperation among developing economies, strengthen connections with development partners, improve the sharing of trade-related solutions and build a stronger evidence base on what works.

South-South and triangular cooperation provide practical ways to draw on relevant experience, connect economies facing similar challenges, mobilize complementary expertise and resources, and strengthen institutions capable of sustaining results. Leveraging these partnerships more strategically can help broaden the opportunities created by South-South trade and contribute to more resilient, inclusive and sustainable trade and development.

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Endnotes

1. <https://unctad.org/news/shipping-data-unctad-releases-new-seaborne-trade-statistics>.

2. SDG indicator 17.3.1 measures additional financial resources mobilized for developing countries from multiple sources. See United Nations Statistics Division, metadata for indicator 17.3.1.