UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Thirty-fourth session

# Committee of Participants

## Global System of Trade Preferences among Developing Countries (GSTP)

UN trade & development UNCTAD

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

34th Committee of Participants

# GSTP and the current state of international trade

20 July 2026

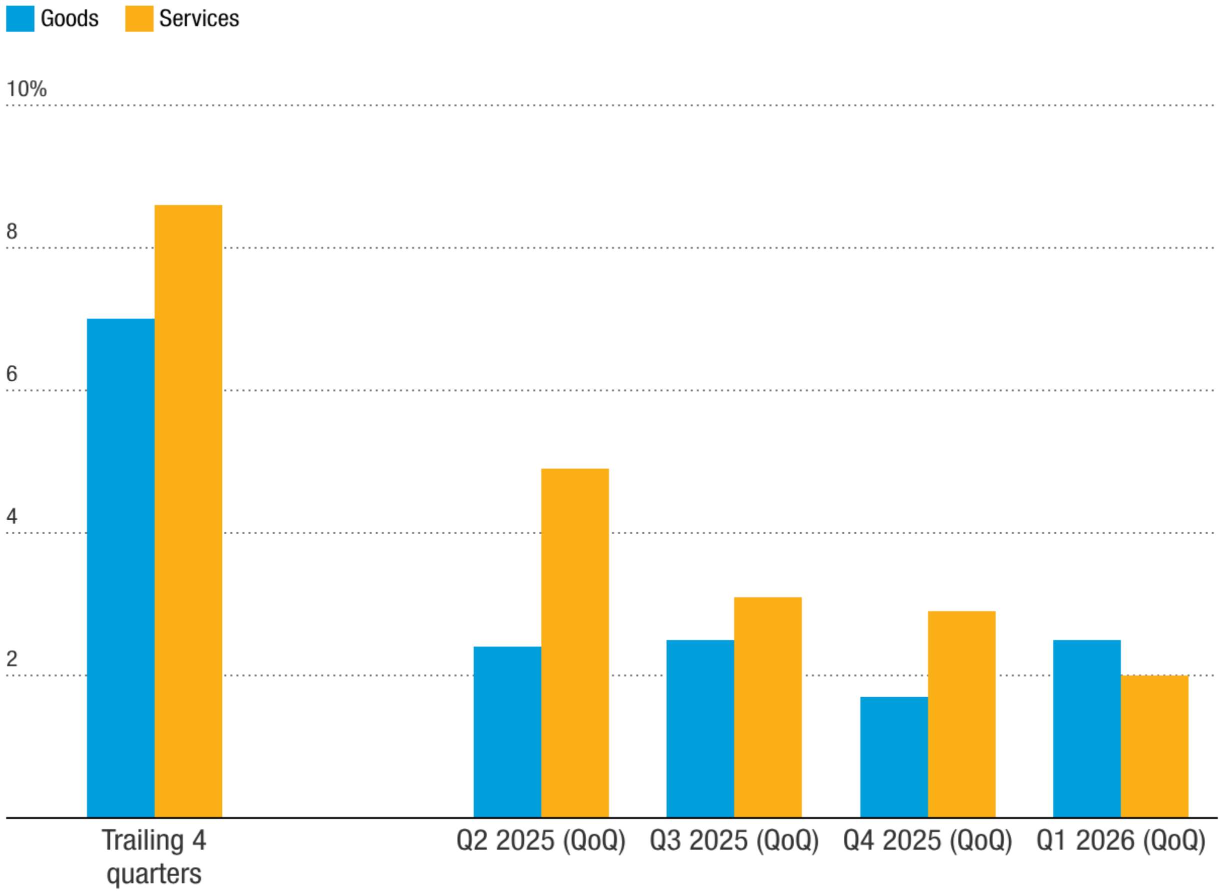
**Global trade grew by $2.5 trillion** in 2025, increasing by about 7.5% to a record of $35 trillion

**Trade in goods** drove most of the expansion, **growing by about 7%** and adding roughly $1.8 trillion to global growth

**Trade in services grew by around 8%**, contributing about $700 billion to the total increase

## Global trade in goods started strong in 2026, while services slowed

Trade value in goods and services; trailing four quarters and quarterly growth

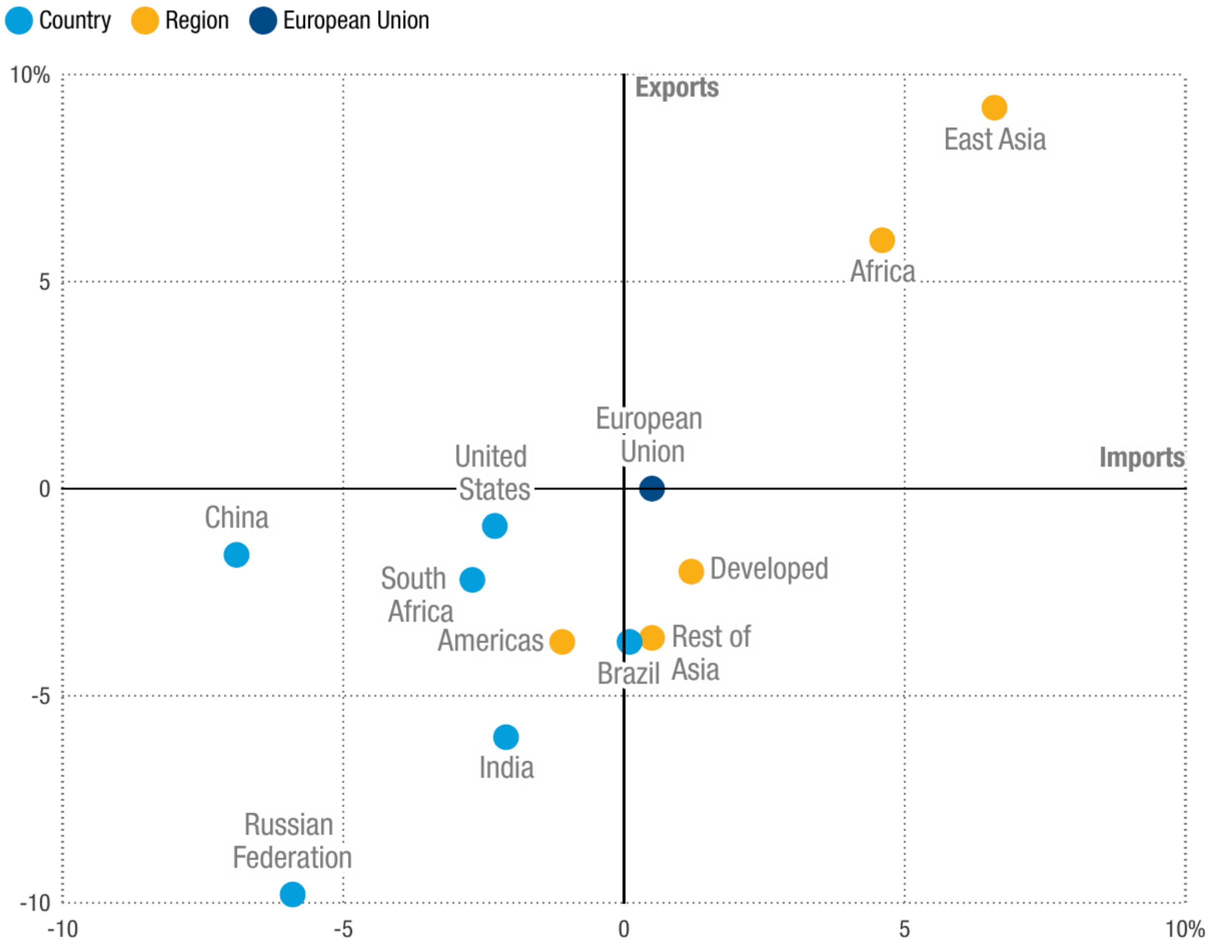



*Source:* UNCTADstat; UNCTAD estimates based on national statistics.
*Note:* Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q2-2025 to Q1-2026) compared to the previous four quarters (Q2-2024 to Q1-2025). Quarterly growth (QoQ) is the quarter-over-quarter growth rate of seasonally adjusted values. Growth figures are based on nominal trade values. Figures for Q4-2025 are preliminary. Q1-2026 is a *nowcast* as of 24 March 2026.

Trade growth was supported by **developing economies in East Asia and Africa** and **strong South–South trade**

## East Asia and Africa drove trade in 2025

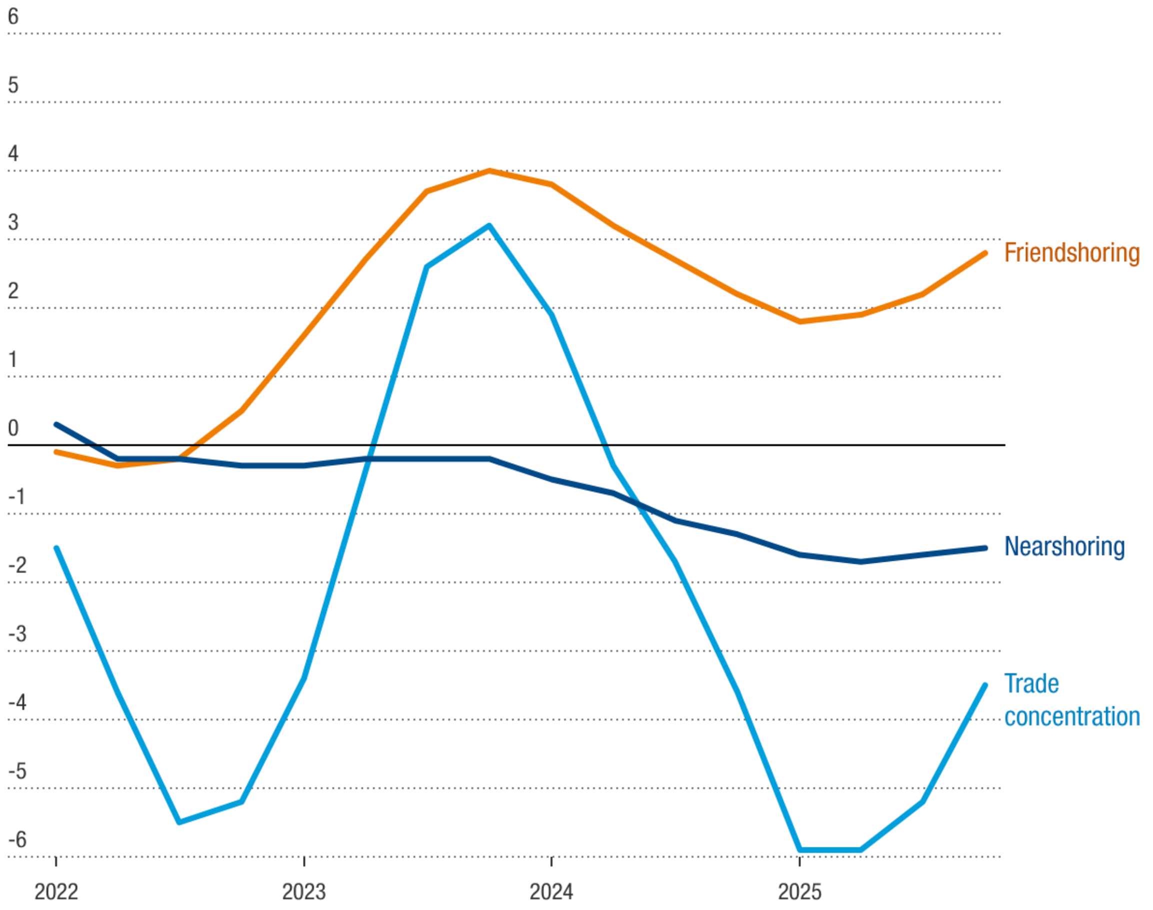
Imports and exports growth; percentage-point difference from global average, 2025




*Source:* UN Trade and Development (UNCTAD) estimates based on national statistics.
*Note:* Data exclude services. Regions include only developing countries and exclude listed economies. Growth figures are based on nominal trade values.

## Q4 data suggest a return to friendshoring, nearshoring and concentration in trade flows

Annual change relative to 2021 (per cent)



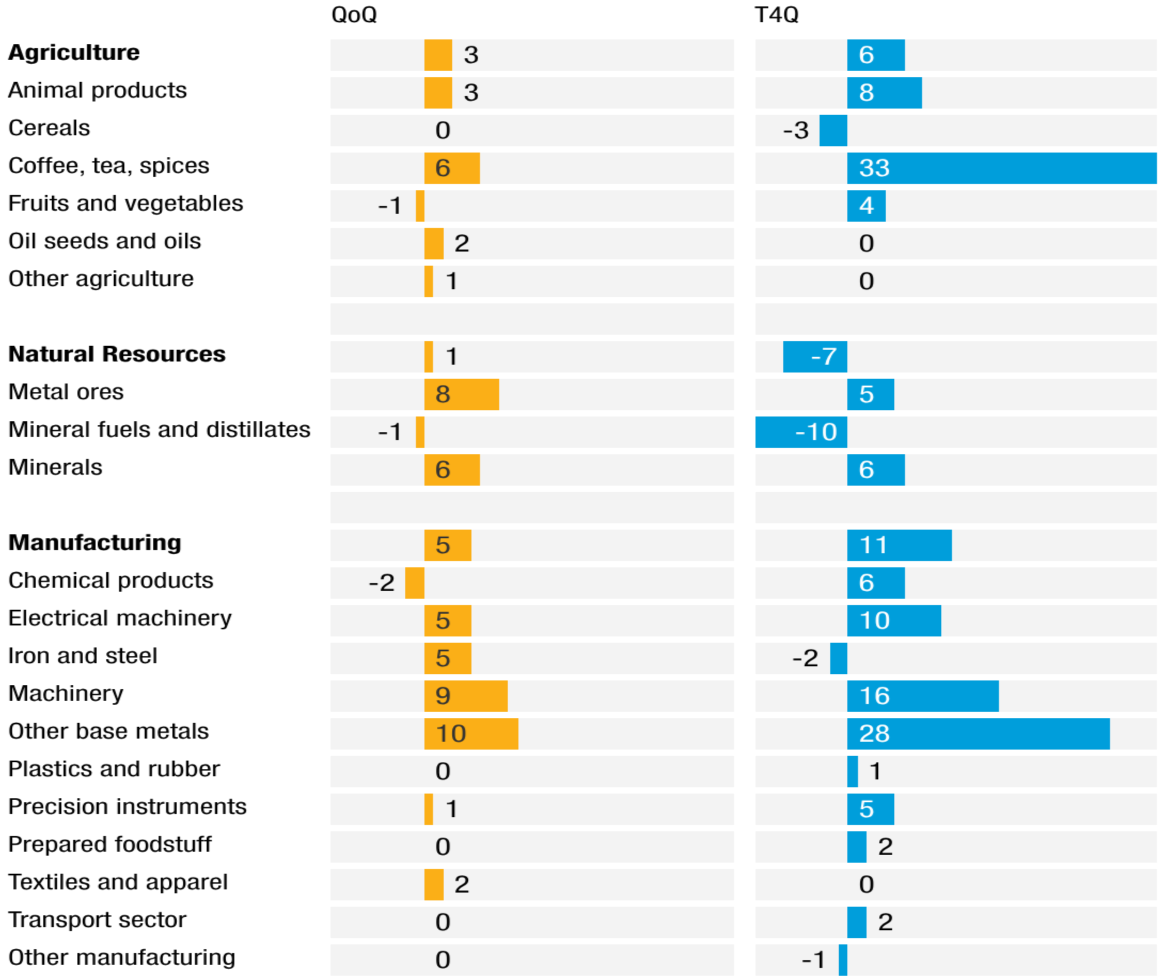

*Source:* UNCTAD estimates based on national statistics.
*Note:* Annual changes are measured as deviation from baseline index of 2021. Nearshoring is calculated as reverse of tradeweighted average distance in km. Friendshoring is calculated as trade-weighted political proximity as measured by the United Nations voting patterns. Trade concentration is calculated based on the Herfindahl concentration index.

- Trade between **politically aligned countries** remained **above historical averages** and began **rising again** in Q4 2025
- **Trade concentration and nearshoring** show **stronger trade growth**

Trade in **agriculture and manufacturing expanded strongly** in 2025, while **trade in natural resources declined**, weighed down by lower prices

## Manufacturing expanded by around 11 per cent in 2025

Growth (per cent)

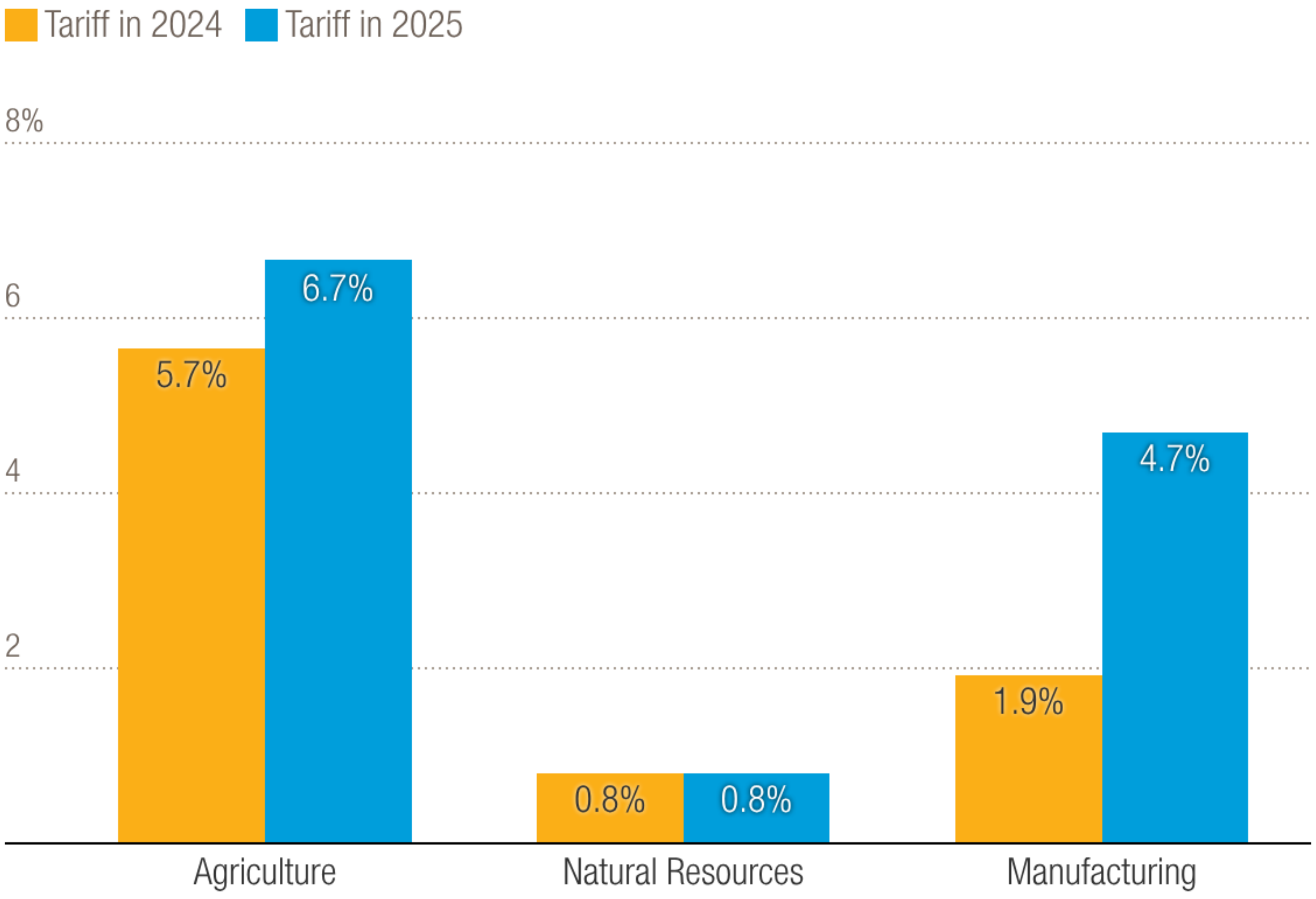



*Source:* UNCTAD estimates based on national statistics of Australia, Brazil, China, Japan, South Africa, the United States and the European Union.
*Note:* Trailing four quarters (T4Q) growth measures the change in a variable over the last four quarters (Q1-2025 to Q4-2025) compared to the previous four quarters (Q1-2024 to Q4-2024).Quarterly growth (QoQ) is the quarter-over-quarter growth rate between Q3 2025 and Q4 2025. Data are seasonally adjusted. Growth figures are based on nominal trade values.

**Global tariffs rose in 2025**, driven largely by measures introduced by the US, **with manufacturing most affected**

## Tariffs rose significantly in 2025, especially in manufacturing

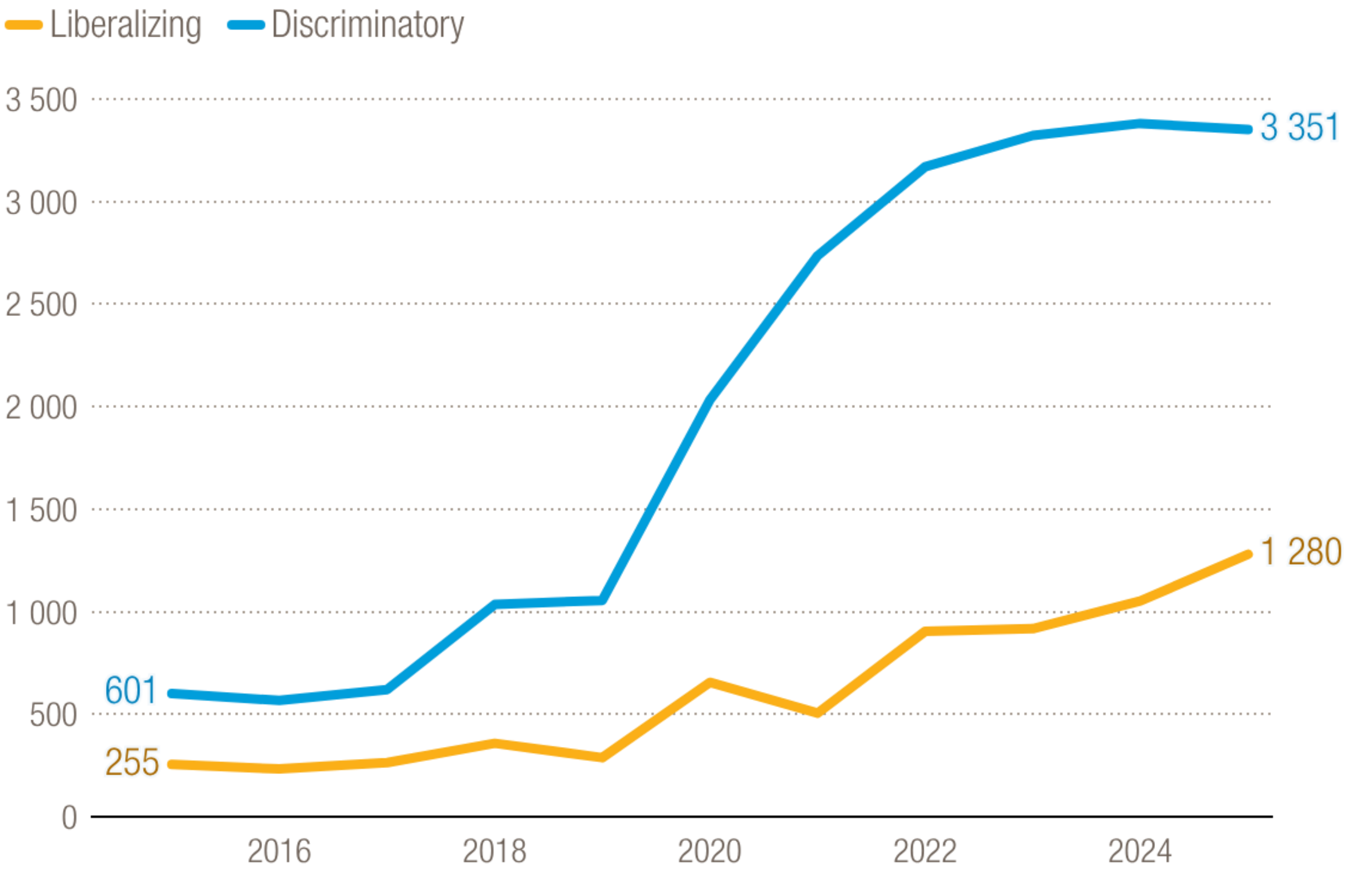
Trade-weighted average applied tariff on global trade




*Source:* UN Trade and Development (UNCTAD)

# Trade-restricting and trade-distorting measures continue to rise

Number of trade related policy measures, 2015–2025



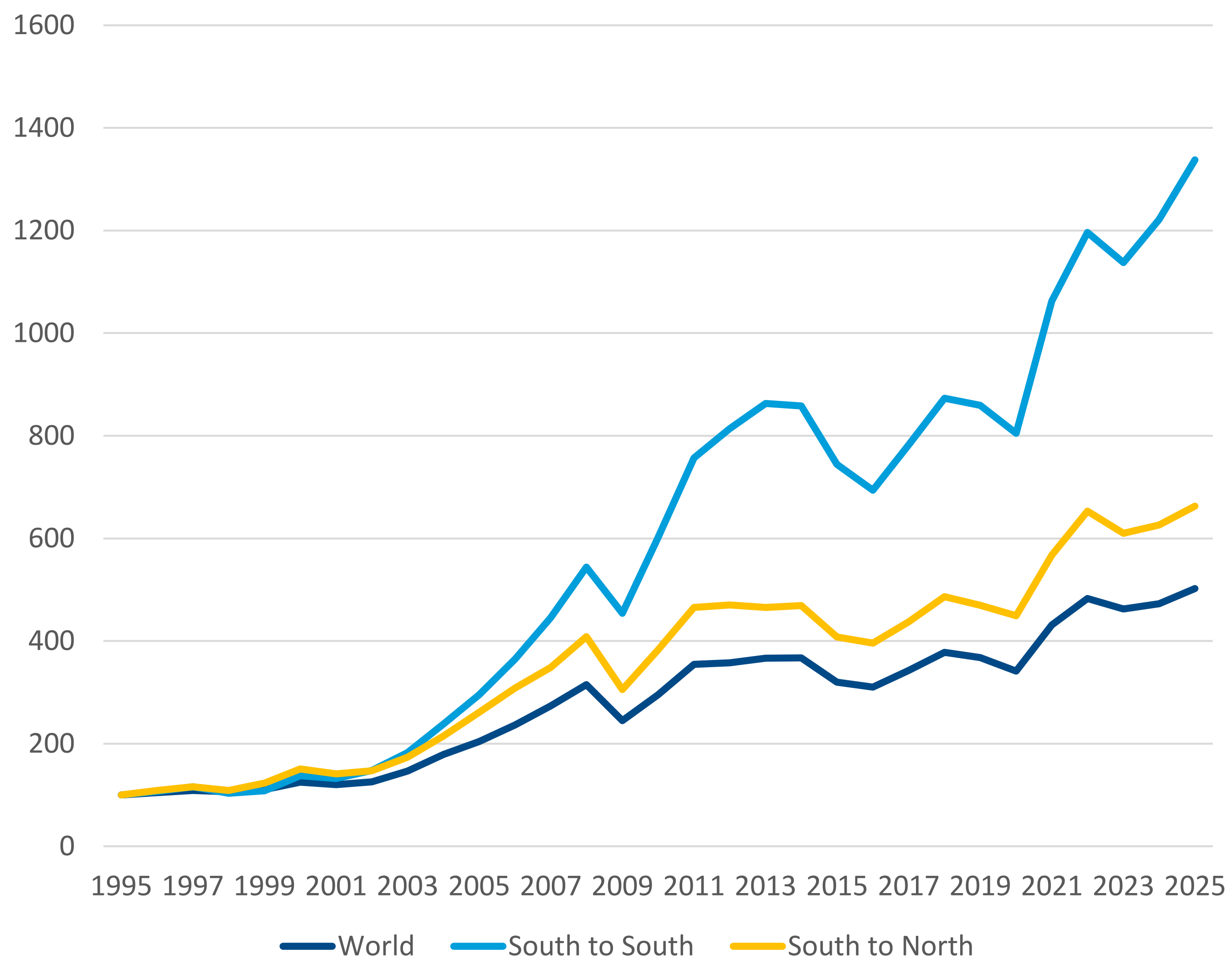

*Source:* UN Trade and Development (UNCTAD) based on Global Trade Alert.

- Since 2020, **around 18,000 new discriminatory trade measures have been introduced**

- **Technical regulations now affect roughly two-thirds of global trade**, raising compliance costs, especially for smaller exporters.

# South-South trade is gaining momentum

Selected merchandise export flows, index 1995=100, 1995–2025

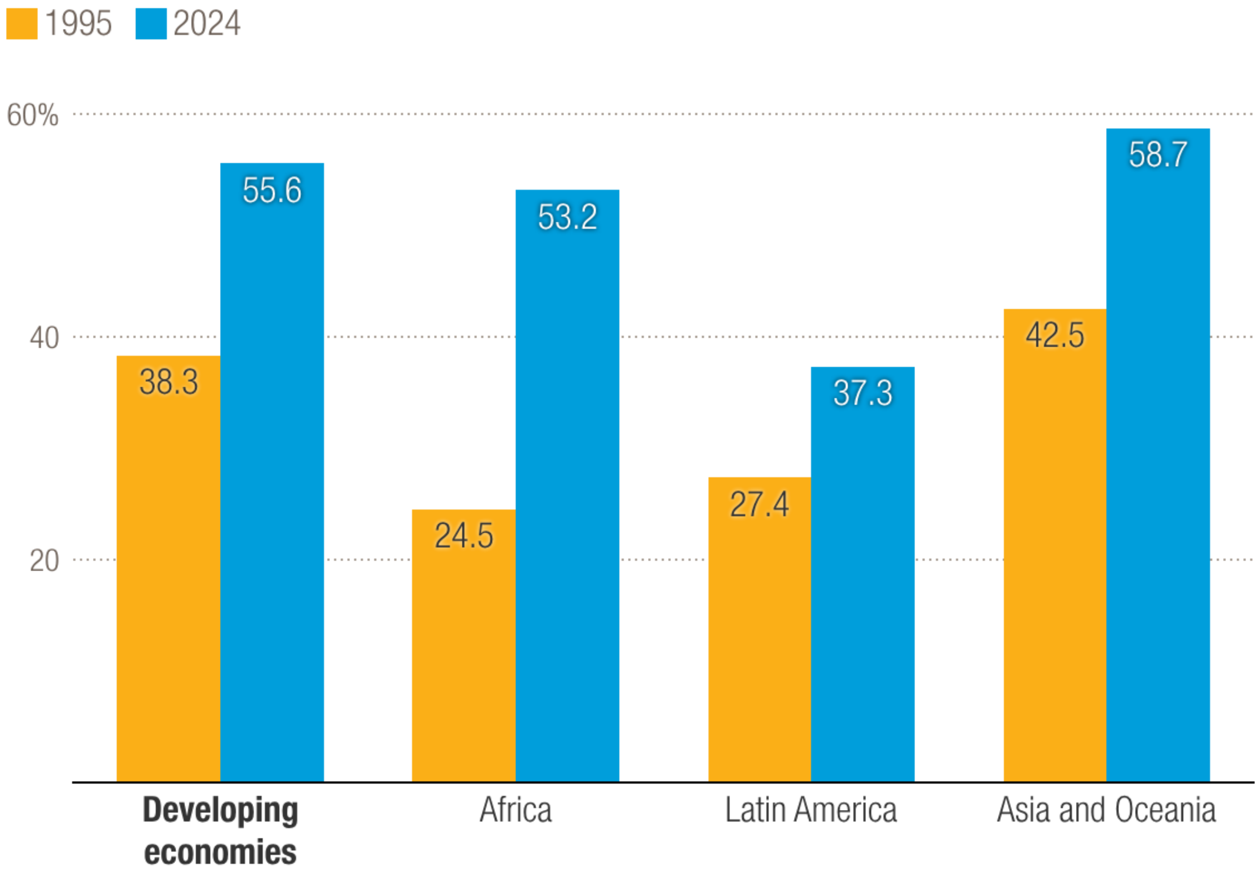



- South–South merchandise exports rose from about **$0.5 trillion in 1995** to **$6.8 trillion in 2025**
- Today, **more than half of developing-country exports go to other developing markets,** led by Asia's regional value chains

More than half of **developing countries' exports go to other developing countries,** particularly in **Asia** and **Africa**

## Southern markets become a major export destination for developing countries

Share of developing countries in merchandise exports by region, per cent




*Source:* UN Trade and Development (UNCTAD) calculations based on UNCTADstat.

# Negative Factors hindering the Trade Outlook

Conflicts

U.S. Trade Policy

Fragmentation

Overcapacity

Climate & other natural disasters

Debt

# Positive Factors Influencing the Trade Outlook

Growing Sectors

Connector Economies

South-South Trade

Import Demand

Preferential Trade

# The GSTP

# GSTP

Signed in **1988**

Entry into force in **1989**

**42 developing country members**

Covering **a) tariffs, b) para-tariffs, c) non-tariff measures, d) direct trade measures, e) sectoral agreements**

Legally covered by the **Enabling Clause**

Exempted from GATT MFN principle

**São Paulo Protocol:** across-the-board 20% reduction from the ongoing MFN rates

Average 6000 tariff lines per signatory

São Paulo Protocol not in force. **One more ratification needed.**

**The GSTP is the only inter-regional South-South trade agreement.**

# GSTP Economies at a Glance

**$18**
**TRILLION**
Total Market Size

**$4.4**
**TRILLION**
Import Demand for Goods

**18%**
of Global Merchandise Imports

**Nearly 1 in every 5 dollars of global merchandise imports comes from GSTP economies**

# The São Paulo Round Economies

**2.3**
**BILLION**
**Population**

**9.8%**
**Global Merchandise Imports**

**9.2%**
**Global Merchandise Exports**

**$262**
**BILLION**
**Intra-group Trade**

**27%**
**Merchandise Imports from Developing Countries (excl. China)**

## Welfare Gains

| $14B | $13B |
| --- | --- |
| Signatories implement SPR | All GSTP participants |

**$27 Billion**

Welfare gains nearly double when implementation expands from signatories to all GSTP participants

# Opportunities under the GSTP

## Article 4

The GSTP may inter alia consist of the following components:

(a) arrangements relating to **tariffs**;

(b) arrangements relating to **para-tariffs**;

(c) arrangements relating to **non-tariff measures**;

(d) arrangements relating to **direct trade measures** including medium and long-term contracts;

(e) arrangements relating to **sectoral agreements.**

**Tariffs:** The third round offered a 20% across-the-board reduction in current MFN tariffs for approximately 70% of dutiable tariff lines.

**Para-tariffs and NTMs:** Members can reduce para-tariffs and NTMs compliance costs through regulatory cooperation and joint investment in capacity building.

**Sectoral agreements:** agreements relating to the elimination or reduction of tariff, non-tariff, para-tariff barriers and other trade promotion or cooperation measures for specific products.

**Direct trade measures**: Long- and medium-term contracts containing trade commitments on specific products. Useful for negotiating supply agreements for staple products.

# Benefits of the GSTP

Resilience

Market Access

Inter-regionalism

Real Tariff Savings

Beyond Tariffs

Supply Security

34th Committee of Participants

# Updates in the UNCTAD trade and environment databases in support of biotrade

20 July 2026

UN trade & development UNCTAD

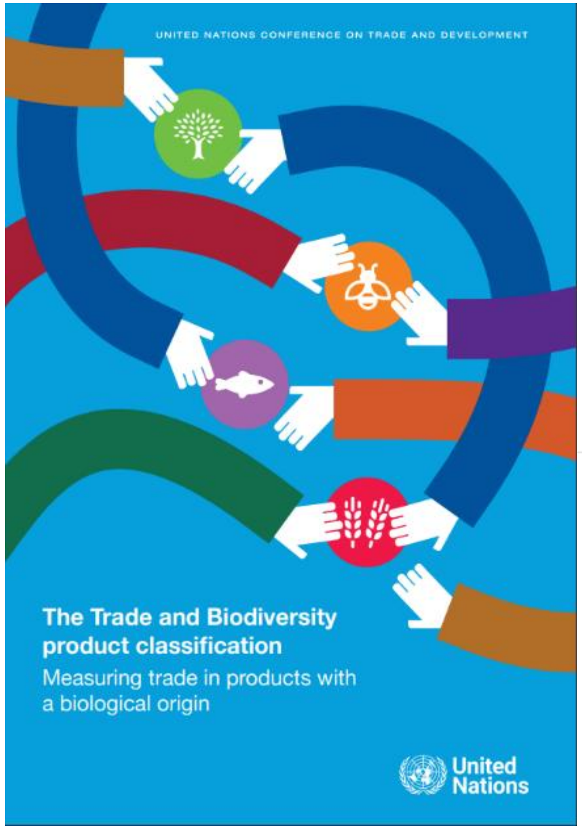
# UNCTAD databases on environmentally preferable goods and green industrial goods

Product classifications, databases and data visualisations

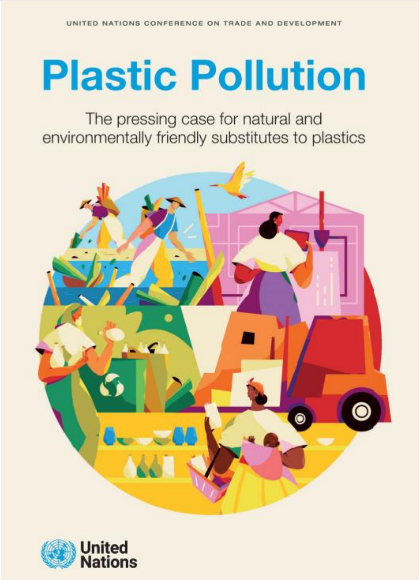
- Biotrade (biodiversity-based goods)
- Ocean goods and services
- Non-plastic substitutes
- Green industrial goods

Indicators for Biotrade

- Value, growth rate
- Revealed comparative advantage
- Product concentration
- Market concentration
- As a share of GDP
- As a share of total trade







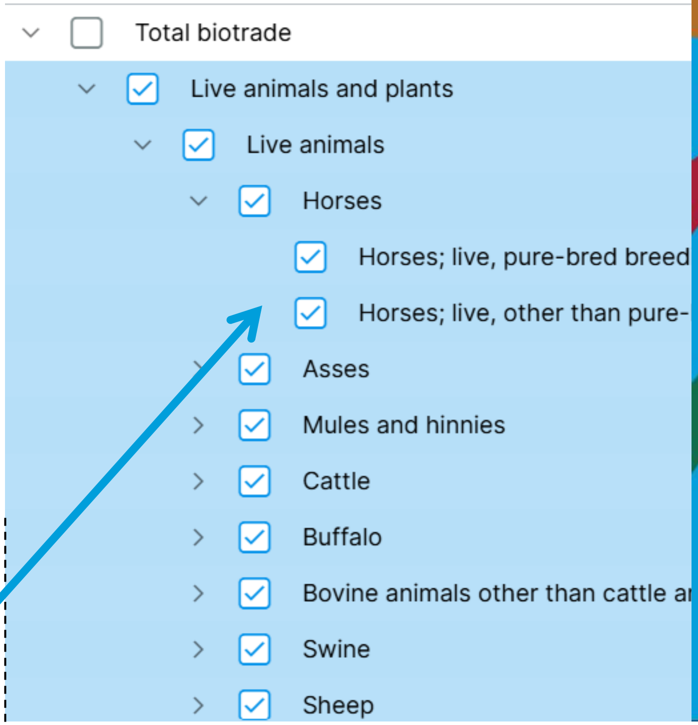
# Classification of biodiversity-based products

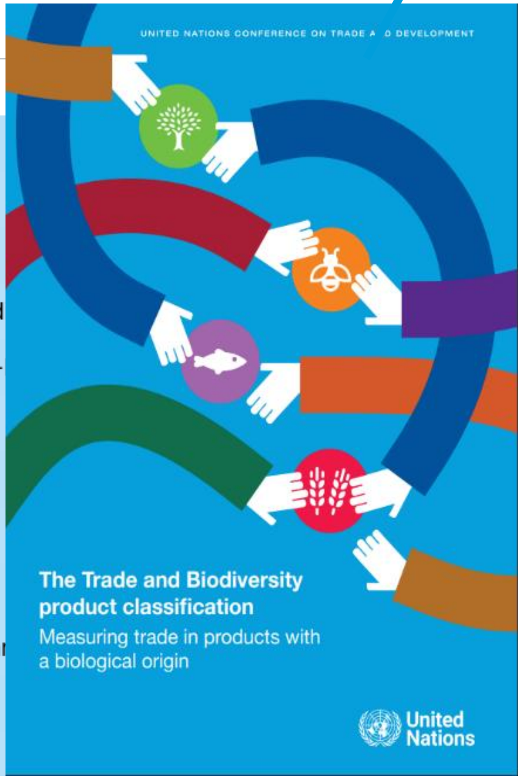
UN trade & development

A. Live animals and plants
B. Food and beverages
C. Agricultural inputs
D. Natural ingredients
E. Perfumery, comestics, personal care, and room care preparations
F. Pharmaceutical products
G. Hides, skins, leather, furskins, and products thereof
H. Natural fibres and articles thereof
I. Wood and derived products
J. Vegetable plaiting materials and articles thereof
K. Other products of animal origin
L. Other products of plant origin
M. Miscellaneous

**Over 1,800 products selected from HS classification**

**13 groups, 86 subgroups, 230 categories, 79 subcategories**



# UNCTAD biotrade database

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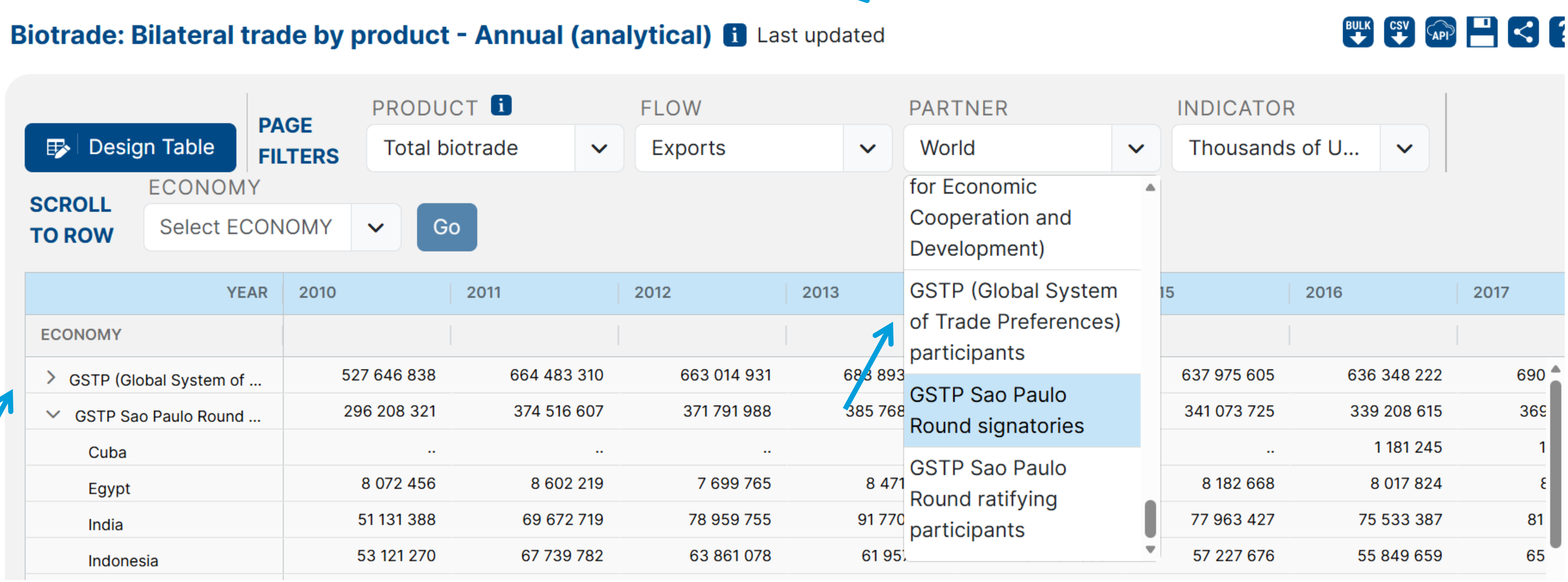
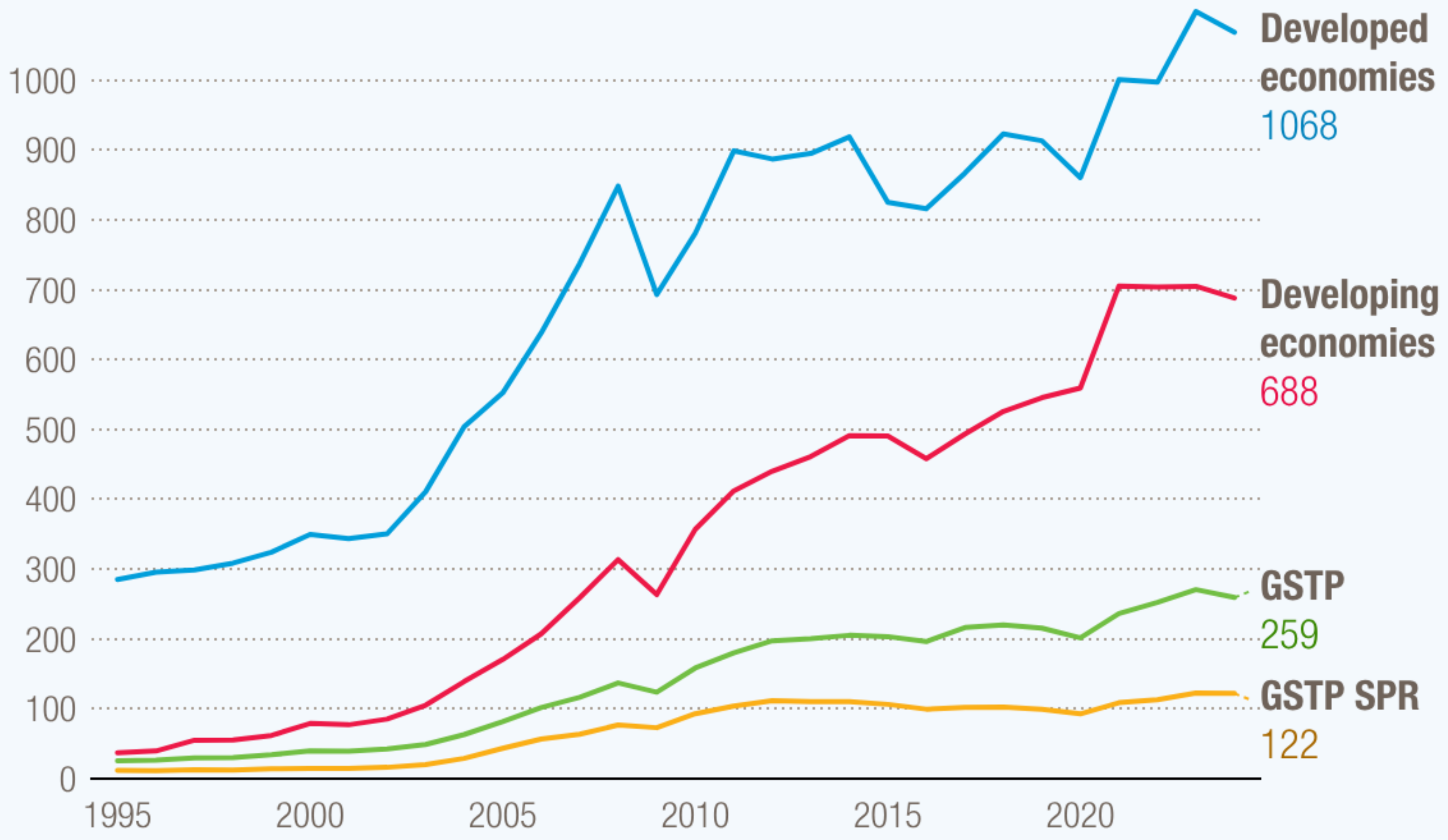
updated today with GSTP groupings



- GSTP green industrial goods exports grew 6.5x since 2000, vs. 3x for developed economies

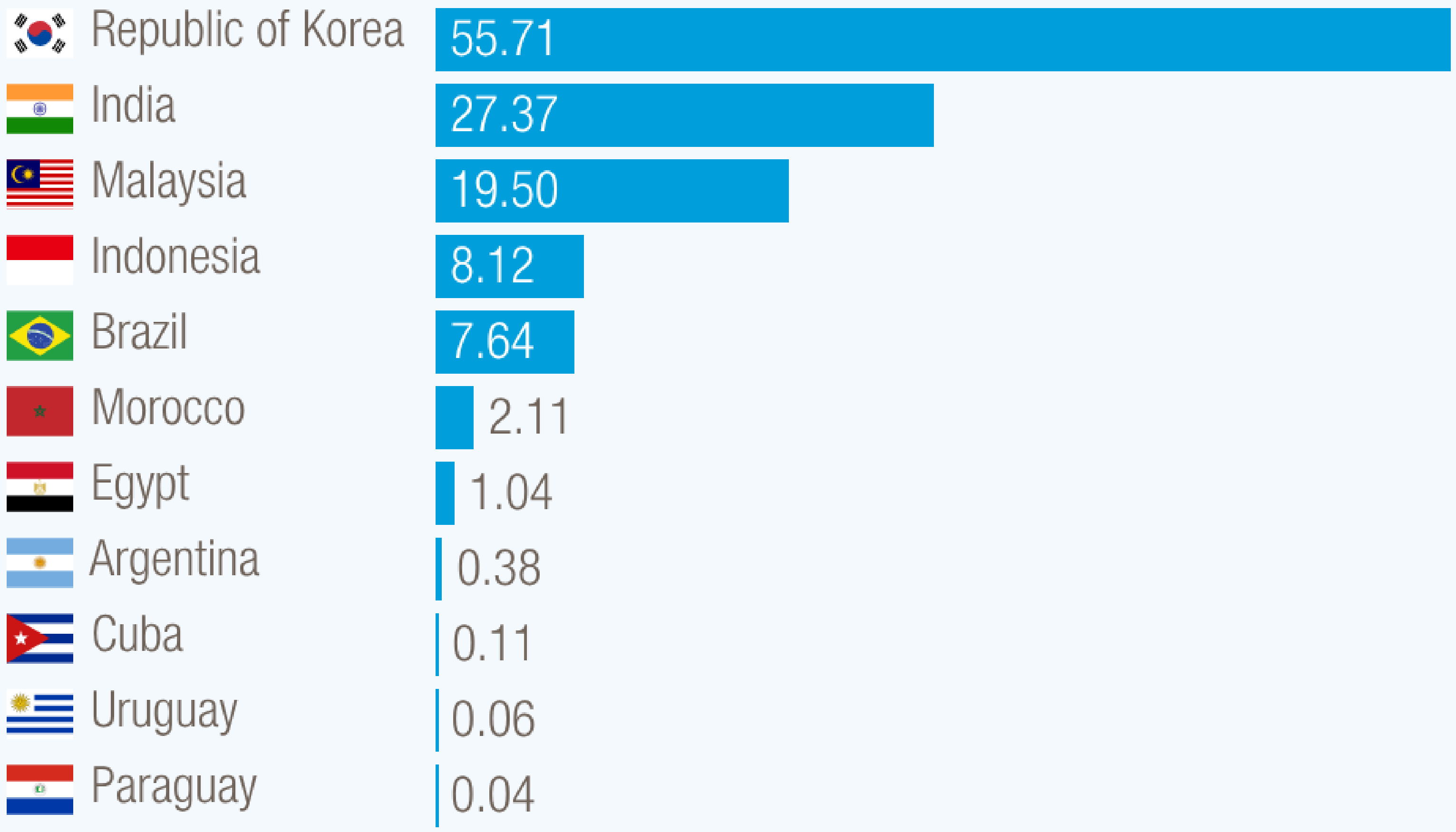
- GSTP participants' share of green industrial goods exports rose from 9% to 15% between 2000 and 2024

## Exports of green industrial goods, billion dollars, 1995-2024



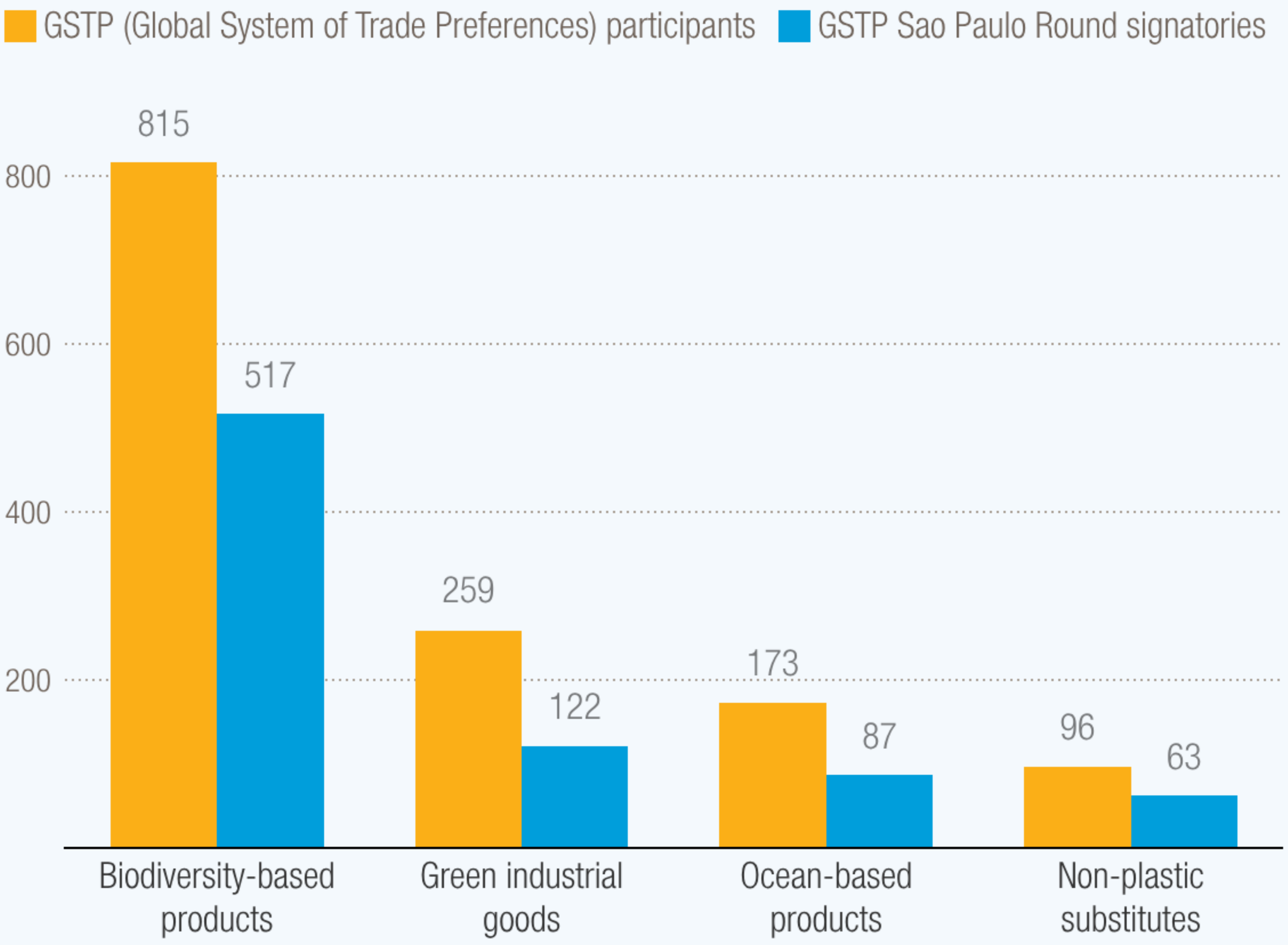

*Source:* UNCTAD calculations based on UNCTADStat. 2026
*Note:* GSTP: Global System of Trade Preferences among Developing Countries. SPR: Sao Paulo Round Protocol of the GSTP

# Exports of green industrial goods, GSTP SPR signatories, 2024, billion $




*Source:* UNCTADStat. 2026
*Note:* GSTP: Global System of Trade Preferences among Developing Countries.

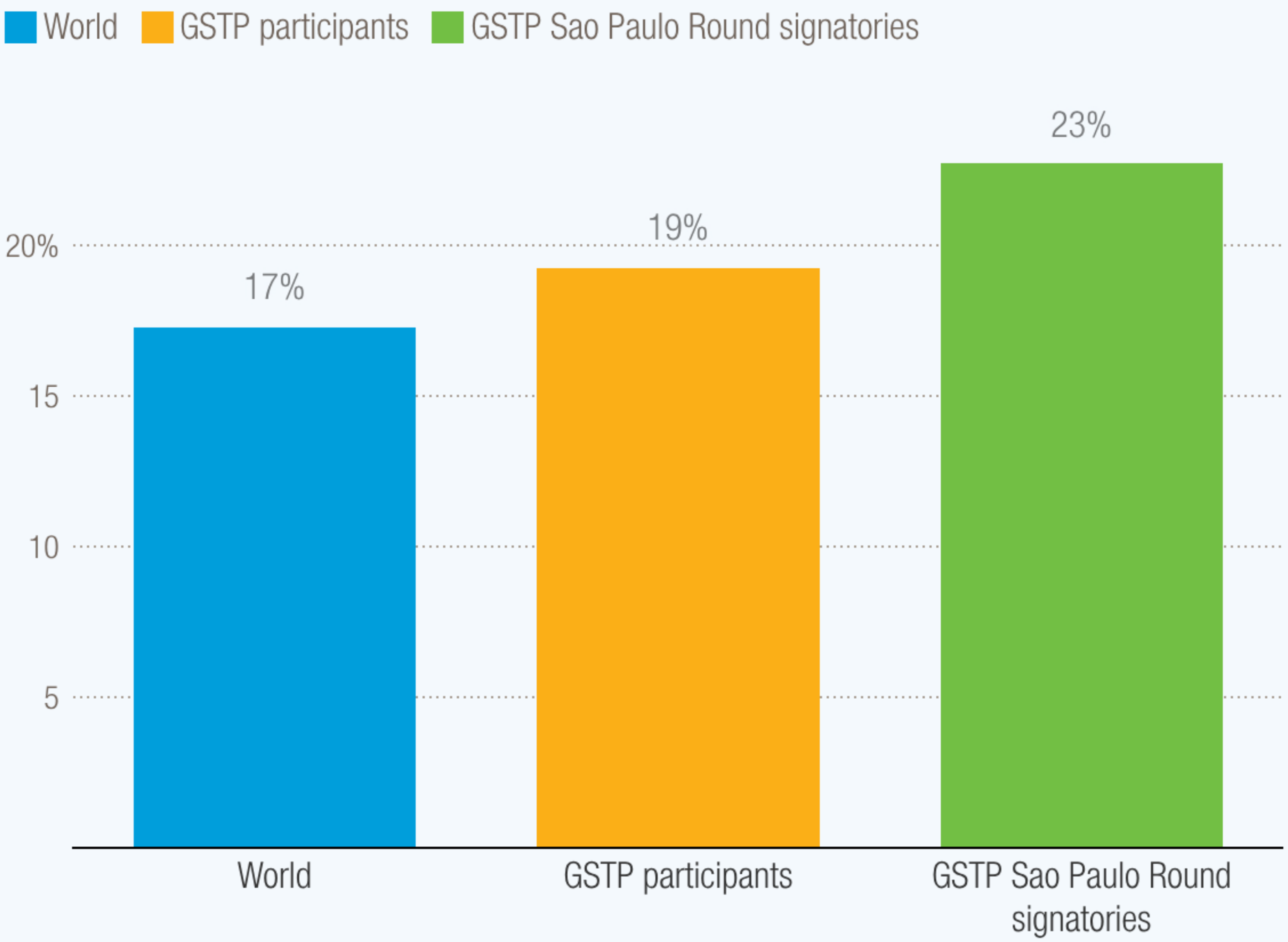
## Exports of environmentally preferable goods and green industrial goods, 2024, in billion $




*Source:* UNCTADStat. 2026
*Note:* 2023 data used for non-plastic substitutes and for Viet Nam's biodiversity-based products exports.

# GSTP participants have a higher share of biodiversity-based exports than global average

## Exports of biodiversity-based products as a share of total exports, 2024

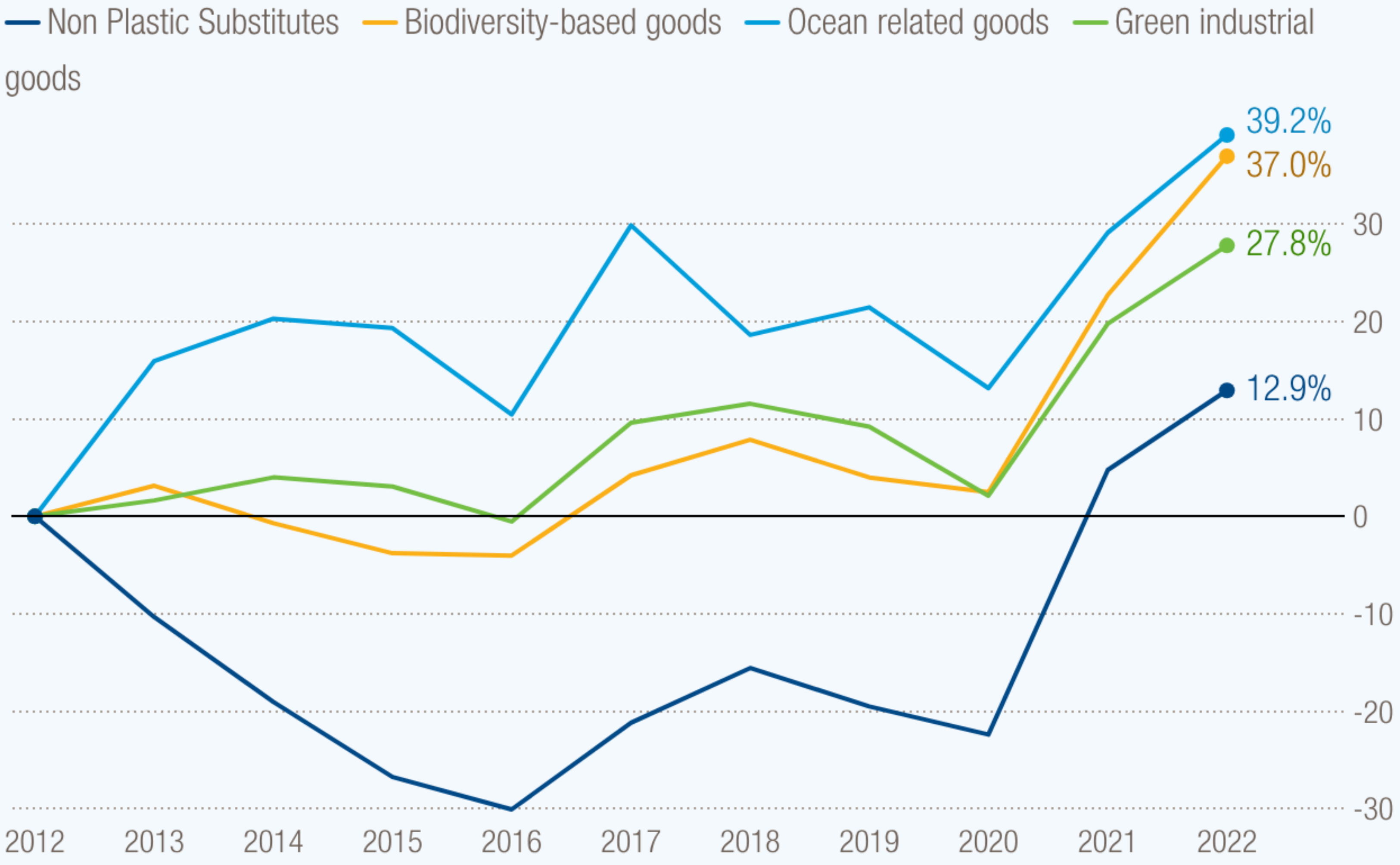



*Source:* UNCTADstat, 2026

# GSTP's ocean and bio-based exports are growing the fastest

| Type of environment-related good | Global growth rate (2012-2022) |
|---|---|
| Biodiversity-based goods | 37% |
| Non-plastic substitutes | 31% |
| Green industrial goods | 28% |
| Ocean-related goods | 26% |

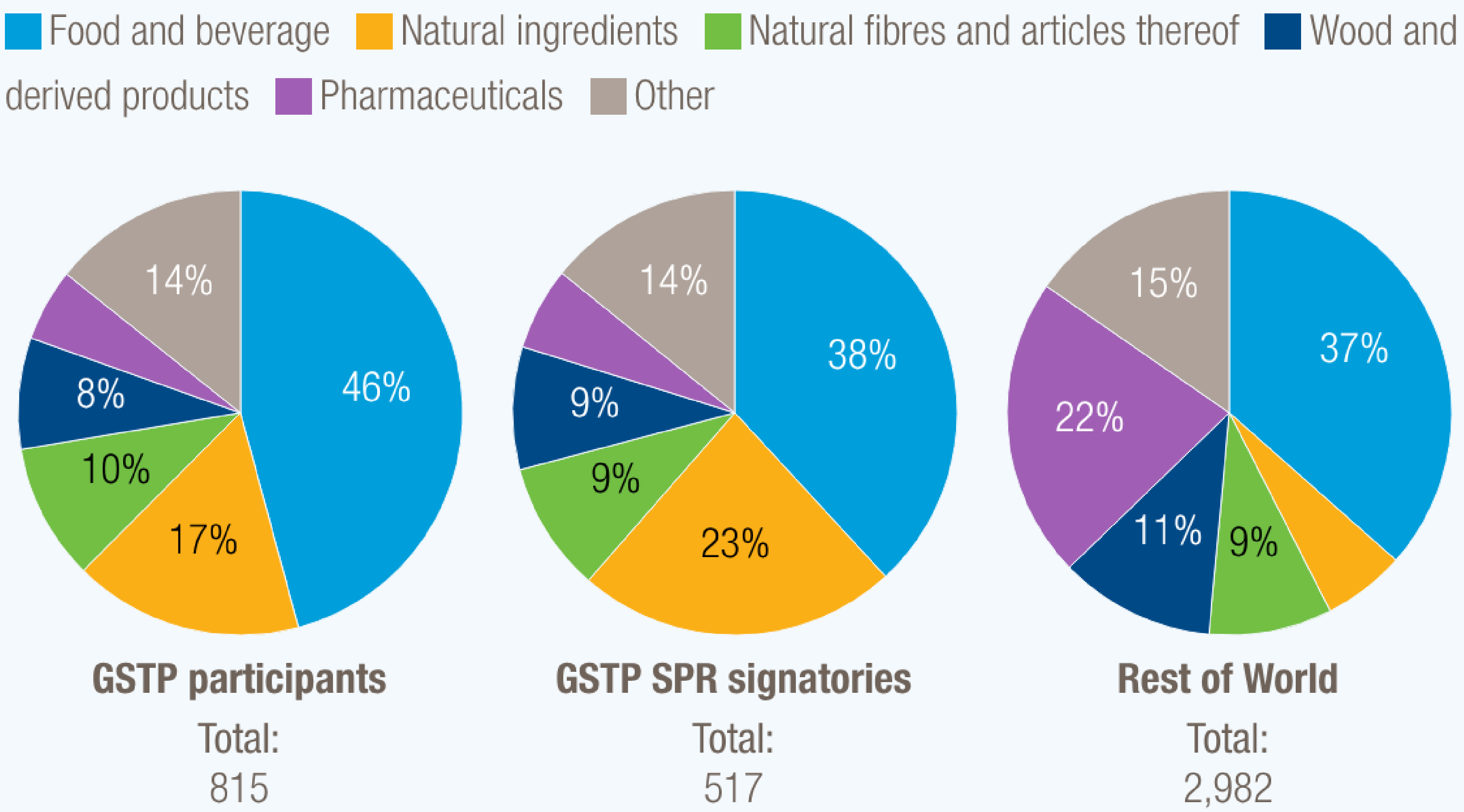
## Cumulative growth (2012 = 0) of environment-related products exports, GSTP members, 2012 - 2022




*Source:* UNCTADStat. 2026

## GSTP participants' exports of biodiversity-based goods are concentrated in food, beverages and natural ingredients

## Value in billion dollars and share of biodiversity-based goods by sector, 2024

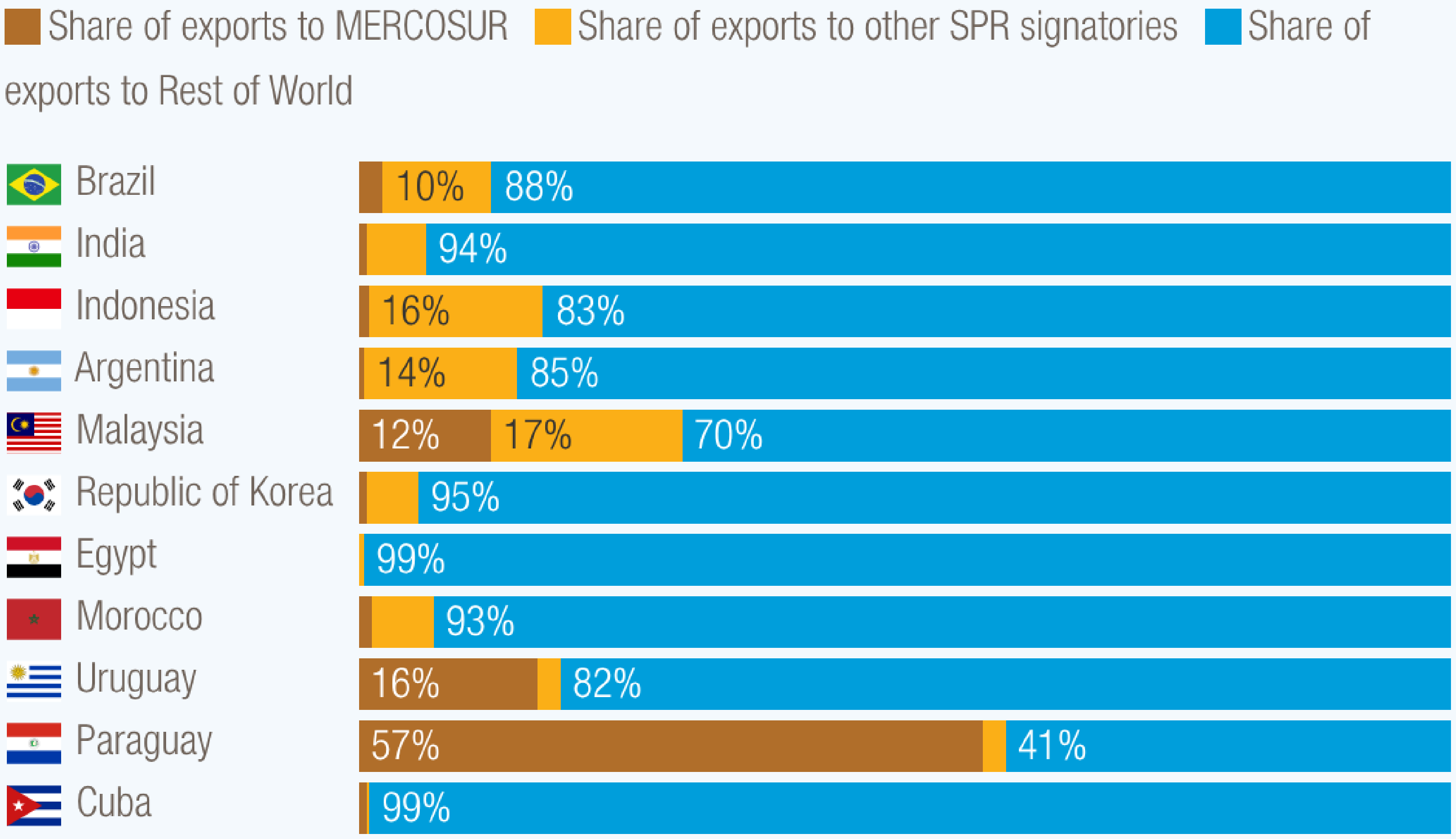



*Source:* UNCTADStat. 2026

## Exports of biodiversity-based goods by GSTP SPR signatories, billion $, 2024


*Source:* UNCTADStat. 2026
*Note:* Data for 2022 was used for Cuba (latest year reported)

# Destination of biodiversity-based exports, GSTP São Paulo Round signatories, 2024, percentage




*Source:* UNCTADStat. 2026
*Note:* Data for 2022 was used for Cuba (latest year reported)

# UNCTAD Trade and Environment Databases

**Environment and related trade**

**Trade in biodiversity-based products**

- Biotrade: Bilateral trade by product - Annual (analytical)
- Biotrade: Trade as percentage of Gross Domestic Product - Annual (analytical)
- Biotrade: Bilateral trade as percentage of total trade - Annual (analytical)
- Biotrade: Revealed Comparative Advantage index - Annual (analytical)
- Biotrade: Product concentration index - Annual (analytical)
- Biotrade: Market concentration and structural change indices - Annual (analytical)

**Trade in ocean goods and services**

- Ocean goods: Bilateral trade by product group - Annual (analytical)
- Ocean services: Trade - Annual (analytical)

**Trade in non-plastic substitutes**

- Trade in non-plastic substitutes, annual (analytical)

**Trade in plastic-based products**

- Plastics trade by partner, annual (analytical)
- Associated plastics trade by partner, annual (analytical)
- Spotlight on selected plastic trade trends, by partner (analytical)

**Trade in green industrial goods**

- Total trade in green industrial goods (analytical)
- Green industrial goods trade, Revealed comparative advantage index, annual (analytical)
- Industrial wastewater treatment technologies (analytical)

**Biotrade database updated today with GSTP groupings**

UN trade & development

https://unctadstat.unctad.org/datacentre/

# Trade and biodiversity data exploration tool

UN trade & development

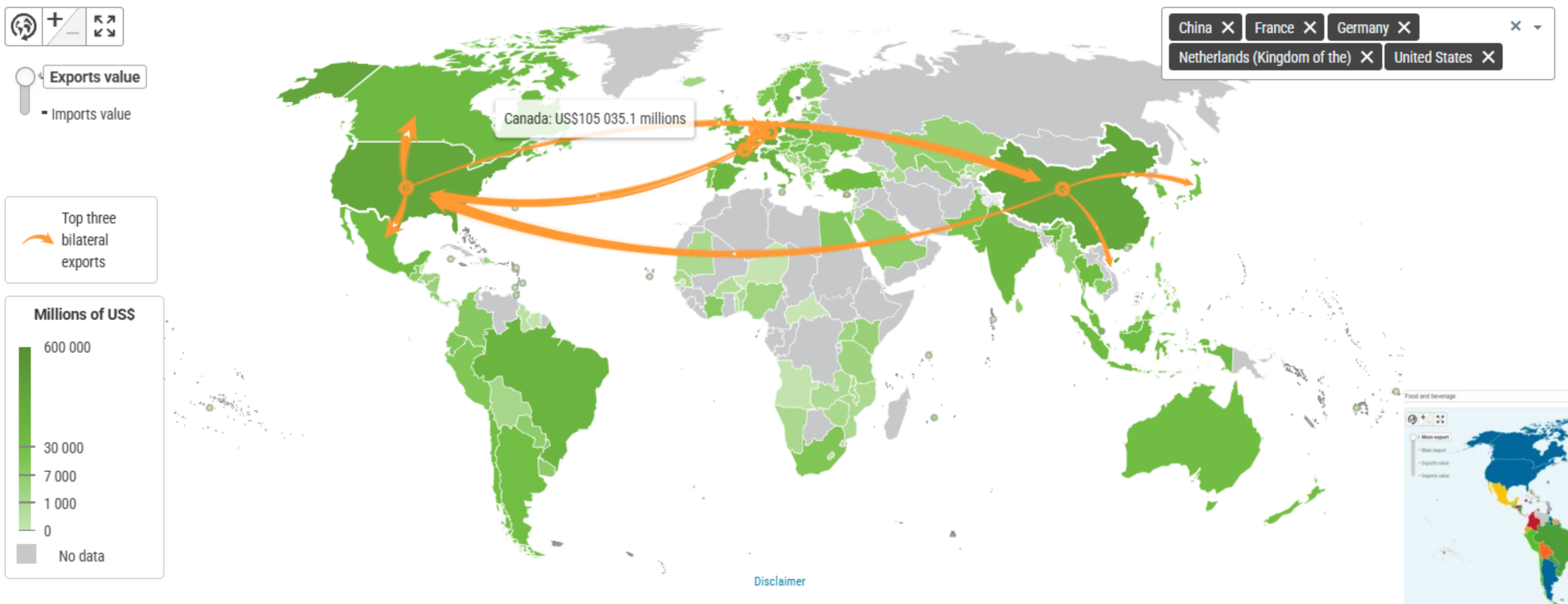
## Trade in biodiversity-based products

The interactive maps and charts presented below have been designed to help explore biodiversity-based trade data over time and space, providing a critical tool for revealing geographical patterns. The data presented covers 185+ economies from 2010 until the most recent year for which data is available.

### World map – Trade flows of biodiversity-based products, 2024

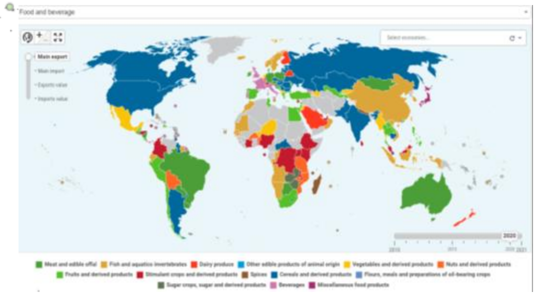
This map presents the bilateral import and export flows of biodiversity-based product aggregates at the Group level of the TraBio product classification hierarchy for the selected economies (can select up to 15). By selecting imports or exports the map shows trade flows to/from the top 3 partners for the selected economies and products.

Total biotrade




*Notes*: Top 5 countries (imports + exports of the selected product aggregate) are shown in the default selection.

UN trade & development



GSTP

Finance & Trade Panel

# Finance, Investment and Technology as Levers of a Sustainable GSTP Implementation

20 July 2026

Secretariat:

UN trade & development

# From tariff preferences to economic benefits

Payment systems, financial infrastructure and South–South cooperation can turn market access into beneficial transactions.

**Tariff preferences**
Open market access

→ **Payments & settlement**
Reduce payment frictions

→ **Trade finance**
Reduce liquidity & risk constraints

→ **Information & coordination**
Reduce uncertainty & asymmetries

→ **Trade benefits**
From prefernece to transactions

## Payment frictions

Cross-border payments can be slow, costly, uncertain and dependent on scarce reserve currencies.

## Dealing with risks

Exporters need working capital, trade finance, guarantees and insurance to fulfil orders.

## Information gaps

Firms need to know which preferences exist, which documents are required and how settlement can reduce risks.

**How can financial infrastructure make GSTP preferences easier to use in practice?**

# Proposal: a GSTP financial infrastructure agenda

## GSTP participants could complement tariff preferences with practical financial cooperation that reduce trade and finance frictions

### Payment & settlement systems

Explore regional or interregional payment and settlement mechanisms to reduce transaction costs, produce FX savinsg, FX pressures and settlement delays.

### Trade finance & guarantees

Engage development banks and export-credit agencies to expand trade finance, working-capital support, guarantees and risk-sharing instruments for SMEs.

### Digital information platform

Link GSTP tariff preferences with rules of origin, documentation requirements, payment options, trade-finance contacts and market information.

### Borrower coordination

Use the Borrowers' Platform model to support information-sharing, collective learning and identification of financing constraints affecting trade.

# ALADI: payment cooperation as a practical precedent

## ALADI's Reciprocal Payments and Credit Agreement shows how central banks can cooperate to support regional trade settlement.

**1 Trade transactions** → Exporter and importer transact within participating countries.

**2 Payments cleared** → Central banks record payments over a period.

**3 Net settlement** Only the overall net balance is settled at the end.

### Why it matters

Reduces repeated foreign-exchange transactions
Lowers settlement costs and uncertainty
Shows that payment infrastructure can support trade policy

### Important caveats

Payment systems alone do not automatically increase trade. They need to be accompanied by credit-risk management, sufficient liquidity and productive capacity.
FX scarcity is linked to this: ALADI flourished during a period of capital controls
ALADI should therefore be used as a case study, not as a model to copy mechanically

Source: BCRA/ALADI information and critical analysis of Latin American payment systems.

# Borrowers' Platform: cooperation as financial infrastructure

**Not a payment system, but a practical coordination mechanism that reduces information gaps and strengthens collective capacity.**

**SHARE**
experience and practical solutions

**LEARN**
from peer countries and past episodes

**STRENGTHEN**
debt management and negotiation capacity

**VOICE**
to participate more effectively in global debt debates

**Cooperation and solidarity can reduce frictions —through shared information, peer learning, coordination and institutional capacity.**

Borrowers' Platform

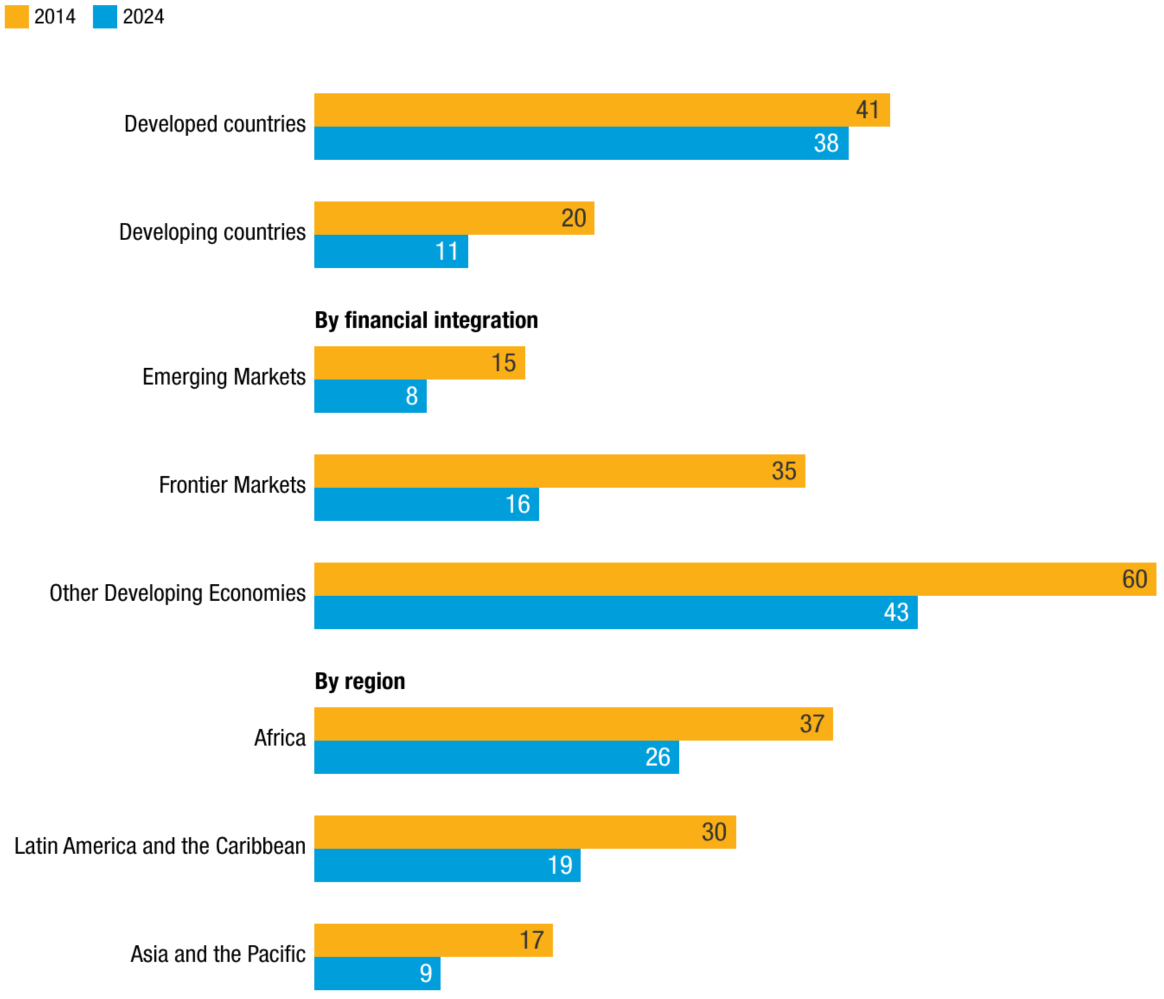
# Launch of the Borrowers' Platform - April 2026

I believe the creation of the Borrowers Platform is an essential instrument in order for a change in power relations to be possible in the future, and that **changing power relations is absolutely essential to have a fair international financial architecture.**

António Guterres
UN Secretary General

Over **30** countries | **16** heads of state and ministers | Interim Chair elected | workplan adopted

# Why now? – shrinking external financing from non-residents
## (as a share of gross capital formation)




Source: UNCTAD calculations based on IMF and World Bank data

- All developing country groups experienced **significant declines** in the contribution of external financing to gross capital formation.
- Dependence on external financing is **higher among less integrated developing economies (ODEs) and African countries**

# Why now? ODA under pressure

- Development Assistance Committee (DAC) member countries disbursed **7.3% less ODA in 2024** than in 2023, reducing aid to **only 0.3% of donor countries' gross national income** – less than half of the internationally agreed target.

- Following a decline of **9%** in 2024 and a further fall of **23%** in 2025, ODA is expected to drop by an additional **6%** in 2026 with the largest declines reflected in net flows to LDCs and countries in Sub-Saharan Africa.

# Why now?: The case for practical cooperation

**Payment systems and cooperative financial infrastructure cannot replace ODA or external flows, but they can help developing countries use scarce resources and existing trade opportunities more efficiently**

## Motivation

- ODA is under pressure
- Fiscal space remains constrained
- External financing conditions are difficult
- Countries need lower-cost ways to use trade opportunities

## Response

- Reduce payment and settlement costs
- Improve access to trade-finance information
- Mobilize development banks and regional institutions
- Strengthen practical South–South cooperation

## Result

- GSTP preferences become easier to use
- Firms face lower transaction frictions
- Dependence on reserve currencies can be reduced
- South–South trade cooperation becomes more operational

**In a tighter financing environment, cooperation should focus not only on mobilizing new resources, but also on reducing the costs and frictions that prevent countries and firms from using existing trade opportunities.**

# Proposed way forward: from preferences to implementation

## A GSTP financial infrastructure agenda could make tariff preferences more operational for firms and more development-relevant for countries.

1. **Establish a technical workstream** — Bring together trade officials, central banks, finance ministries and development banks.
2. **Map payment and settlement constraints** — Identify where firms face FX costs, delays, documentation problems and settlement risks.
3. **Develop a GSTP information platform** — Link tariff preferences, rules of origin, payment options and trade-finance contacts.
4. **Mobilize development banks** — Use guarantees, trade finance and local-currency tools to reduce risks for SMEs and exporters.

**Tariff preferences open the door; cooperative financial infrastructure helps countries and firms walk through it.**

Borrowers' Platform

**H.E. Ali Naseer Mohamed**
Permanent Representative of **Maldives** to the UN
15 April 2026, Washington D.C.

For too long, this system has spoken about us with incomplete information. We are now building the tools to speak within it, with the precision, the credibility, and the collective weight that the system itself demands.

**We are not asking to be accommodated. We are building what was never built for us.**

GSTP COMMITTEE OF PARTICIPANTS · 34TH SESSION

# Climate Innovation, Investment and South–South Cooperation

Turning the GSTP into an engine for resilient, higher-value South–South value chains

Special Event on Finance, Investment and Innovation
Palais des Nations, Geneva
20 July 2026

Vicente Paolo Yu III
Senior Legal Adviser, TWN

01 · THE FRAME

**A tariff preference is an invitation to trade. Whether it is taken up depends on whether a firm can finance, produce and move a climate good to another developing country market.**

## The real constraint isn't tariffs

### Cost of capital

priced off the architecture, not the project

### Access to tech

importing goods, not know-how

### Fragile Fiscal balances

debt service crowds out investment and domestic resource mobilization

Finance, investment and innovation are not a separate agenda — they are the enabling layer that decides whether preferences become real value chains.

United Nations A/RES/80/156

**General Assembly**

Distr.: General
18 December 2025

**Eightieth session**
Agenda item 23 (b)
**Operational activities for development: South-South cooperation for development**

**Resolution adopted by the General Assembly on 15 December 2025**

[*on the report of the Second Committee (A/80/555, para. 7)*]

**80/156. South-South cooperation**

*Welcoming* the ongoing efforts to enhance South-South and triangular cooperation in the area of trade under the Global System of Trade Preferences among Developing Countries as a vehicle to support economic resilience and promote sustainable development, and looking forward to the continued work of the United Nations Conference on Trade and Development to support developing countries in deepening and enlarging South-South trade integration, regional, subregional and interregional economic integration and cooperation arrangements

# Two compounding gaps

02 · THE ASYMMETRY TO BE CORRECTED

## The technology gap

- Climate-relevant IP, R&D and advanced manufacturing remain concentrated in the North
- Access often means importing finished goods at full cost, with little transfer of know-how
- Article 4.7 UNFCCC remains among the least delivered promises of the climate regime

## The finance gap

- Developing country borrowers face several-multiple higher capital costs for the same project
- The risk premium reflects the architecture, not only the project
- Debt service crowds out public investment in transition and resilience

**$11.7 tn**
Developing country external debt, 2024

**54**
countries spending more on debt service than health or education

**3 bn+**
people affected

**These are not separate constraints. Together, they determine whether developing countries can produce, adapt and trade climate-relevant technologies.**

THE CORE INJUSTICE

# The countries that contributed least to the climate crisis face the highest technological and financial costs to respond to it.

*This is what the principle of common but differentiated responsibilities and respective capabilities is intended to address.*

**Strategic move**

**Technology- and compliance-takers** → **Co-developers, producers and rule-shapers**

South–South cooperation is not a substitute for North–South obligations — it is a way to build capabilities we control among ourselves.

# Climate innovation is becoming also partly a Southern story

03 · THE OPPORTUNITY

Photo: ARENA

**Some developing countries are now producers, innovators and exporters — but most remain mainly markets.**

- Solar manufacturing
- Batteries and electric mobility
- Green-hydrogen pilots
- Climate-smart agriculture
- Efficient cooling

**42**
GSTP participants across three continents

**$4 tn+**
combined GSTP import market

**GSTP cumulation rules are a built-in incentive to build regional value chains: inputs from any participant can count toward origin.**

# A “preference-plus” agenda

**A negotiated preference is only the beginning. Pair GSTP preferences — voluntarily and cooperatively — with finance, investment and innovation.**

## 1 A green-goods layer

Deeper preference margins and streamlined origin for agreed climate-relevant goods

## 2 Connect to finance

Make preferences bankable through payments, local-currency settlement and project preparation

## 3 Technology diffusion

Move beyond finished goods toward capability-building partnerships

# Option 1 · Green-goods layer

FROM PREFERENCE TO PREFERENCE-PLUS

**The São Paulo Round is a living framework — its review clause allows participants to deepen concessions over time.**

- Create an explicit climate-technology track in the next review
- Offer deeper margins and, where possible, simplified origin for agreed climate-relevant goods
- Design accumulation and value-added rules to reward processing and value addition across the South
- Signal a predictable, preference-backed regional market to investors

## Design principle

**Reward the trade we say we want: not raw-material export and finished-product re-import, but Southern value addition in transition sectors.**

# Option 2 · Connect preferences to finance

FROM PREFERENCE TO PREFERENCE-PLUS

## A preference is only as good as the capital that lets a firm act on it.

- Use the Borrowers' Platform as a natural counterpart to the GSTP
- Link trade officials with finance ministries, development banks and regional payment systems
- Use interoperable payments and local-currency settlement to reduce cost and currency risk
- Coordinate pooled guarantees, blended finance and shared project preparation

### De-risk sustainable development itself

- Does it build domestic capacity?
- Does it transfer technology?
- Does it reduce import dependence?
- Does it avoid new debt traps?

**Trade preferences create the market. Cooperative finance makes it bankable. Development-oriented finance makes it worth banking.**

# Option 3 · Technology diffusion

## FROM PREFERENCE TO PREFERENCE-PLUS

**Preferential trade in finished goods is useful — but it does not, by itself, transfer capability.**

- Support joint ventures and licensing on developmental terms
- Build shared testing and standards facilities
- Pool research and technical exchanges
- Create interoperable data systems for traceability and verification

**Technology should not merely arrive. It should be absorbed, adapted and re-exported.**

### Just-transition question

**Who gets to build the transition — and who captures its value: jobs, skills and firms moving up the chain?**

# Three things for this Committee to consider moving forward

05 · THE ASK

1 **A climate-goods track**
in the next São Paulo Round review: deeper preferences and streamlined origin designed to reward South–South value addition.

2 **A standing GSTP–finance channel**
linking the Borrowers' Platform, regional payment systems and development banks so preference and finance reinforce one another.

3 **Technology diffusion**
using the framework not only for trade in finished goods, but for partnerships that let climate technology be produced and improved across the South.

**The GSTP is a trade-preference framework — but it can anchor a wider compact linking preferential access, finance and innovation.**

# The question before us is not whether the South takes part in the transition — but on whose terms.

As markets and rule-takers — or as builders of our own capabilities and value chains?

---

**An engine needs fuel: accessible technology and affordable capital.**

**Let us make our preferences do more than open a door — let us make them build the road.**

**Thank you.**

# GSTP Implementation Handbook

*Implementing the São Paulo Round Protocol*

**Draft Annotated Outline · Key Findings & Emerging Challenges · Tools, Feedback and Next Steps**

**PRESENTED TO**
GSTP Committee of Participants — 34th Session

**PHASE 2 DELIVERABLE**
Analytical Mapping & Outline Development

**HANDBOOK TARGET**
~40 pages · final delivery Q4 2026

WHAT THIS SESSION COVERS

# Presentation roadmap

### 1 Draft Annotated Outline

Chapter-by-chapter: key issues, analytical content, data sources and proposed figures/tables

### 2 Key Findings

What the legal and analytical mapping has established so far

### 3 Emerging Implementation Challenges

Lessons drawn from AfCFTA and the ASEAN Trade in Goods Agreement

### 4 Proposed Structure & Tools

The Handbook architecture and the operational tools it will provide

### 5 Stakeholder Feedback Integration

How participant input will shape the final Handbook

### 6 Where Are We Now and What Comes Next

Questions and comments

PART 1

HOW THE HANDBOOK WILL BE BUILT

# The Draft Annotated Outline

For each chapter: the key issues addressed, the proposed analytical content, the data sources, and the figures, tables and tools to be produced.

- Key issues
- Analytical content
- Data sources
- Figures / tables

PART 1 · ANNOTATED OUTLINE

# Handbook at a glance: structure and page budget

*The five-dimension implementation chain — legal obligation → domestic legal action → customs action → institutional coordination → transparency & monitoring — runs through every chapter.*

| | | |
|---|---|---|
| **Front Matter** | Notes · Abbreviations · Glossary · Checklist | 4–6 pp |
| **Chapter 1** | Background: the GSTP framework | 4–5 pp |
| **Chapter 2** | The São Paulo Round Protocol | 3–5 pp |
| **Chapter 3** | **Implementing SPR tariff concessions (core chapter)** | **15–20 pp** |
| **Chapter 4** | Information sharing and coordination | 2–3 pp |
| **Chapter 5** | Raising awareness and identifying trade opportunities | 3–5 pp |
| **Annexes** | Legal texts · CoO form · transposition & notification templates · customs circular | as needed |

# Background: The GSTP Framework

## KEY ISSUES

- History, legal architecture and WTO legal basis of the GSTP
- Four categories of participation relevant to implementation
- Governance: COP, Sub-Committee of Signatories, Working Group on Rules of Origin
- Why the GSTP is the only inter-regional South-South preference system

## ANALYTICAL CONTENT

- Plain-language account of GSTP Agreement provisions with article citations
- Enabling Clause (para. 2(c)) basis and its practical implications
- Product scope and coverage; Article 2 cooperation vehicles beyond tariffs
- How new negotiating rounds are triggered — the SPR as example

## DATA SOURCES

- GSTP Agreement (1988); COP records; G-77 GSTP documentation
- WTO Enabling Clause (GATT L/4903, 1979)
- UNCTAD GSTP webpage; UNCTADstat South-South trade series

## FIGURES / TABLES

- Table 1.1 — GSTP milestones timeline
- Table 1.2 — Participants by region (42 including Mercosur)
- Box 1.1 — Four categories of participation
- Figure 1.2 — GSTP institutional architecture diagram

*Chapter 1 sets the legal and institutional context that Chapters 2 and 3 build on.*

# The São Paulo Round Protocol

## KEY ISSUES

- Legal relationship of the Protocol to the GSTP Agreement
- Signatories, ratification thresholds and entry into force
- The Mercosur case — a single schedule with possibly a two-speed ratification and implementation process
- Scope, depth and modalities of the tariff concessions

## ANALYTICAL CONTENT

- Summary of all 14 operative paragraphs of the Protocol
- 20% linear cut; ≥70% coverage of dutiable lines; MFN-at-import base
- Non-technical account of rules of origin and other operative provisions

## DATA SOURCES

- São Paulo Round Protocol (2010) and annexed schedules
- UNCTAD HS 2022 transposed schedules (already shared with signatories)
- UNCTAD TRAINS (applied MFN); UNCTADstat (bilateral flows)
- Recent UNCTAD GSTP database and trade insights

## FIGURES / TABLES

- Table 2.1 — Principal provisions and Handbook cross-references
- Table 2.2 — Signature and ratification status
- Table 2.3 — Concession coverage assessment (template)
- Figure 2.1 — Preference-margin distribution by HS section

*Over 47,000 tariff lines covered — versus ~650 under the first two rounds combined.*

# Implementing SPR Tariff Concessions

- 3.1 Ratification & deposit
- 3.2 HS transposition to HS 2022
- 3.3 Enacting national schedules
- 3.4 Rules of origin & CoO
- 3.5 Review & modification
- 3.6 Trade statistics
- 3.7 Trade facilitation
- 3.8 Monitoring & safeguards

### KEY ISSUES

Convert every SPR legal obligation into a step-by-step administrative workflow

### ANALYTICAL CONTENT

Legal + administrative process mapping; RoO & HS transposition methodology

### DATA SOURCES

SPR schedules · UNCTAD HS 2022 transposition · TRAINS · WCO correlation tables

### FIGURES / TABLES

Ratification & CoO flowcharts · transposition decision-rule & worked-example tables · model schedule

*Designed to work both as a sequential first-time implementation guide and as a modular reference for specific tasks.*

# Coordination, awareness & trade opportunities

## Chapter 4 — Information Sharing and Coordination

### KEY ISSUES
National focal points (capital and Geneva); notification obligations; GSTP Secretariat & Members Platform; annual contributions

### ANALYTICAL CONTENT
Role matrix for focal points; a complete notification matrix; how the Secretariat and Platform are used in practice

### DATA SOURCES
SPR and GSTP Agreement transparency provisions; GSTP Secretariat and Members Platform materials

### FIGURES / TABLES
Table 4.1 focal-point role matrix · Table 4.2 notification matrix · model notification templates

## Chapter 5 — Awareness and Trade Opportunities

### KEY ISSUES
Training for customs, exporters and importers; identifying commercial opportunities; adaptable good practices

### ANALYTICAL CONTENT
Selected comparative practice from AfCFTA, ASEAN, Mercosur

### DATA SOURCES
ITC Trade Map and Export Potential; UNCTAD TRAINS/UNCTADstat; comparator-agreement materials

### FIGURES / TABLES
Training programme and agenda tables · good-practices comparison

PART 2

FROM THE LEGAL & ANALYTICAL MAPPING

# Key Findings

What Phase 2 has established about the São Paulo Round Protocol and the task of implementing it.

# What we know going into drafting

**47,000+**

tariff lines covered by the SPR — versus ~650 under the first two rounds

**$14 bn**

estimated shared welfare gain for current signatories once implemented

**4 of 8**

ratifications needed for entry into force

### A legal, not a negotiating, task

Implementation requires no renegotiation — the Handbook translates existing obligations into administrative action.

### Transposition groundwork is done

UNCTAD has already transposed the schedules to HS 2022 and shared them with signatories for validation — countries start from a validated base.

### Margin, not a fixed rate

Preferences apply as a margin on the MFN rate in force at import — customs systems must be configured accordingly.

### Cumulation across all GSTP members

Inputs from any GSTP participant count toward origin — a real opening for South-South value chains.

PART 3

LESSONS FROM AFCFTA & THE ASEAN TRADE IN GOODS AGREEMENT

# Emerging Implementation Challenges

Other South-South agreements show where implementation stalls — and how the Handbook can help GSTP participants avoid the same bottlenecks.

# Six challenges — and where they came from

### The gap between signature and trade

AfCFTA entered into force in 2019, but trade needed final schedules, domestic promulgation and customs readiness — first flows in 2022.

AfCFTA

### Tariff schedules & customs readiness

Only ~37 of 54 AfCFTA parties had finalised schedules and upgraded customs systems before real trading could begin.

AfCFTA

### Rules of origin as the gateway

AfCFTA left RoO for sensitive sectors (textiles, autos) unresolved; ASEAN's overlapping criteria created ambiguity and disputes.

AfCFTA · ASEAN

### Origin documentation & verification

ASEAN's shift to stricter proof of origin strained SMEs — data inconsistencies and portal issues are common friction points.

ASEAN

### Digital Systems and Interoperability

ASEAN reached full e-Form D exchange only through phased rollout, single-window integration and intensive cross-border coordination.

ASEAN

### Lack of Awareness and Low Utilisation

Many firms — especially SMEs — remain unaware of preferences; ASEAN and other FTAs record persistently low utilization rates

ASEAN - AfCFTA

# How the Handbook pre-empts these challenges

| | | |
|---|---|---|
| **Signature-to-trade gap** | → | Checklist sequences every step so measures are ready without delay |
| **Schedules and customs readiness** | → | Worked HS-transposition example, decision rules and a model national schedule, building on UNCTAD's HS 2022 work |
| **Rules of origin gateway** | → | Plain-language origin criteria, a Form GSTP-1 field guide, accumulation worked example and verification workflow |
| **Awareness and utilization** | → | Chapter 5 training, trader FAQ and a trade-opportunity identification method for outreach |
| **Digital and interoperability** | → | Guidance, e.g. on customs-system (ASYCUDA) configuration and single-window integration |

*The Handbook's value is preventive: it front-loads the administrative work that determines whether preferences are ever used.*

PART 4

A PRACTICAL, OFFICIAL-FACING PUBLICATION

# Proposed Tools

The ~40-page Handbook is built around ready-to-use operational tools that national administrations can adapt directly.

# The Handbook toolkit

### Implementation checklist
Sequenced A–Z desk reference covering every step from ratification to utilization

### HS transposition template
Model conversion table + decision rules + a worked 8–10 line example

### Model national tariff schedule
Ready-to-adapt preferential schedule structure applying the margin of preference

### Form GSTP-1 guidance
Field-by-field certificate-of-origin completion guide with common-error notes

### Process flowcharts
Ratification, certificate-of-origin issuance/verification and problem-response flows

### Notification templates
Focal point, issuing authority, applied-rate source and safeguard notifications

### Customs circular model
Instruction to customs offices on applying SPR preferential treatment

### Utilization monitoring set
Indicators and a template for tracking preference use and reporting to the COP

### Trade-opportunity method
To spot products where SPR margins create real openings

PART 5

YOUR INPUT SHAPES THE FINAL HANDBOOK

# Integrating Stakeholder Feedback

A structured, transparent process ensures participant comments are captured, reflected and traceable through to publication.

# A structured feedback loop

**1**

### Collect

COP 34 discussion and comments

**2**

### Record

Every comment recorded in a review matrix — legal accuracy · usability · policy · data

**3**

### Integrate

Drafting team reflects comments in Phase 3 chapters; ambiguities referred back to the Secretariat

**4**

### Verify and clear

Phase 4 peer review and UNCTAD policy clearance confirm each comment is addressed

**Every comment is valuable**

Participants ' inputs are valuable to enhance the utility of the Handbook and will be appropriately reflected.

# Roadmap to the final Handbook

**Phase 1–2 · done**

Complete

Inception note, legal and administrative mapping, and the annotated outline

**COP 34 · today**

Now

Present the outline; gather findings, challenges and your comments needs

**Phase 3 · to 15 Sep 2026**

Next

Full drafting of the ~40-page Handbook, Chapter 3 first, annexes in parallel

**Phase 4 · to Oct 2026**

Then

Peer review, feedback integration, UNCTAD policy clearance and finalization

*Target: a formatting-ready final Handbook delivered in Q4 2026.*

THANK YOU

# From an agreed text to preferences that traders use

The Handbook aims to turn the São Paulo Round Protocol into concrete national action. Your findings, challenges and needs shared today will shape the tools it provides.

Feel free to contact us via the UNCTAD GSTP Secretariat!

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

## 34th Committee of Participants

# GSTP Database, Data Insights and Dashboard

20 July 2026

# Objective: Provide GSTP members with data and tools to assess the GSTP

# Database: Merchandise exports and imports of GSTP participants

**Groups (aggregate and individual economies)**

- GSTP participants
- GSTP São Paulo Round Protocol signatories
- GSTP São Paulo Round Protocol ratifying participants
- World (aggregate only)

**Dimensions**

- Year: 1995-2025
- Products
- Flow: Exports/Imports
- Economy reporting
- Trading Partner

**Indicators**

- US$ at current prices
- Growth rate, year-on-year
- Percentage by destination
- Percentage by product or group of product

UN trade & development UNCTAD

**Launched 15 July 2026**

https://unctadstat.unctad.org/datacentre/dataviewer/US.GSTP_TradeMatrix/

# Database: Merchandise exports and imports of GSTP participants

UN trade & development
UNCTAD

## GSTP: Merchandise trade matrix - Annual (analytical)

Last updated

BULK CSV API

Design Table

PAGE FILTERS

PRODUCT: All food items (...

FLOW: Imports

PARTNER: GSTP (Global S...

- GSTP (Global System of Trade Preferences) participants
- GSTP Sao Paulo Round signatories
- GSTP Sao Paulo Round ratifying participants
- World

INDICATOR: Billions of US$ ...

SCROLL TO ROW

ECONOMY: Select ECONOMY

Go

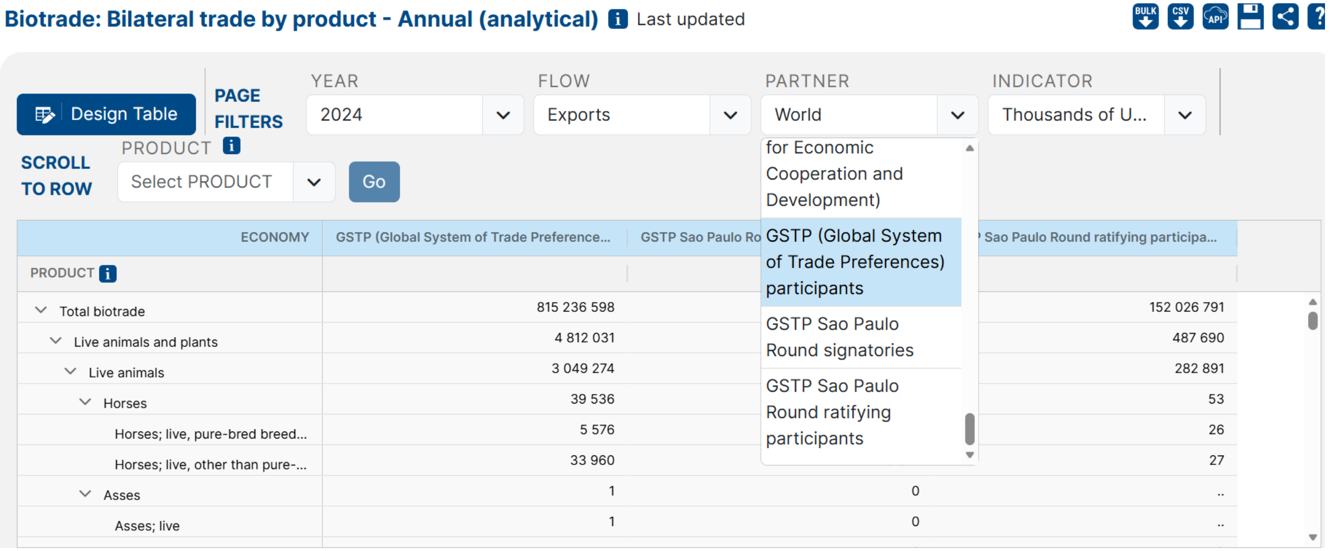
| YEAR / ECONOMY | 2015 | 2016 | 2017 | 2018 | | | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| GSTP (Global System of ... | 111.962 | 113.330 | 125.079 | 128.42 | | 125.567 | 162.210 | 196.077 | 181.175 | 195.901 | 200.103 |
| GSTP Sao Paulo Round ... | 51.019 | 52.787 | 56.585 | 57.11 | | 56.650 | 75.109 | 93.072 | 86.064 | 90.583 | 92.938 |
| Cuba | 1.171 | 1.091 | 0.980 | 1.18 | | 1.007 | 0.962 | 1.837 | 1.315 | 1.234 | 1.108 |
| Egypt | 4.483 | 4.254 | 5.415 | 4.20 | | 4.346 | 5.342 | 7.085 | 5.624 | 6.797 | 7.616 |
| India | 13.337 | 13.747 | 14.977 | 12.88 | | 12.825 | 19.233 | 24.432 | 20.020 | 21.537 | 24.069 |
| Indonesia | 5.522 | 6.381 | 6.369 | 8.08 | | 7.199 | 8.888 | 11.864 | 11.889 | 13.176 | 10.480 |
| Malaysia | 8.886 | 8.131 | 8.785 | 9.05 | | 9.410 | 12.669 | 14.515 | 13.431 | 15.058 | 16.600 |
| Morocco | 1.229 | 1.301 | 1.604 | 1.463 | 1.802 | 1.759 | 2.123 | 3.041 | 2.918 | 2.735 | 3.312 |
| Republic of Korea | 7.437 | 7.219 | 7.387 | 7.928 | 8.432 | 8.240 | 10.683 | 13.811 | 12.163 | 11.686 | 10.994 |
| MERCOSUR (Southern ... | 8.956 | 10.663 | 11.068 | 12.308 | 11.151 | 11.864 | 15.211 | 16.485 | 18.704 | 18.359 | 18.760 |
| GSTP Sao Paulo Round r... | 23.393 | 22.969 | 24.742 | 23.120 | 21.404 | 23.242 | 32.863 | 40.784 | 34.766 | 37.830 | 41.776 |
| World | 392.239 | 391.278 | 427.616 | 447.396 | 452.870 | 469.182 | 570.844 | 674.372 | 638.908 | 679.640 | 721.921 |

# GSTP groupings in UNCTAD thematic databases

- International trade
  - Trade in merchandise
  - Trade in services
  - Trade in creative goods and services
  - Trade in critical minerals
  - Food trade by processing level
- Economy, investment and finance
  - National accounts
  - Investment and balance of payments
  - Productive capacities
  - Inflation and exchange rates
  - Commodity prices
  - Public finance
- Maritime and other transport
  - Merchant fleet
  - Ship building and recycling
  - Freight volumes by sea
  - Port calls and performance
  - Maritime connectivity
  - Seafarer supply
  - Global transport of merchandise trade
- Environment and related trade
  - Trade in biodiversity-based products
  - Trade in ocean goods and services
  - Trade in non-plastic substitutes
  - Trade in plastic-based products
  - Trade in green industrial goods
- Digital economy and technology
  - Digital economy
  - E-commerce
  - Technology and innovation
- Population and inclusiveness
  - Population
  - Inclusive growth
  - Gender and trade
- SDG Indicators
  - Goal 9
  - Goal 16

All UNCTAD thematic databases (e.g. on trade in biodiversity products) will include GSTP groupings once updated

Updated today



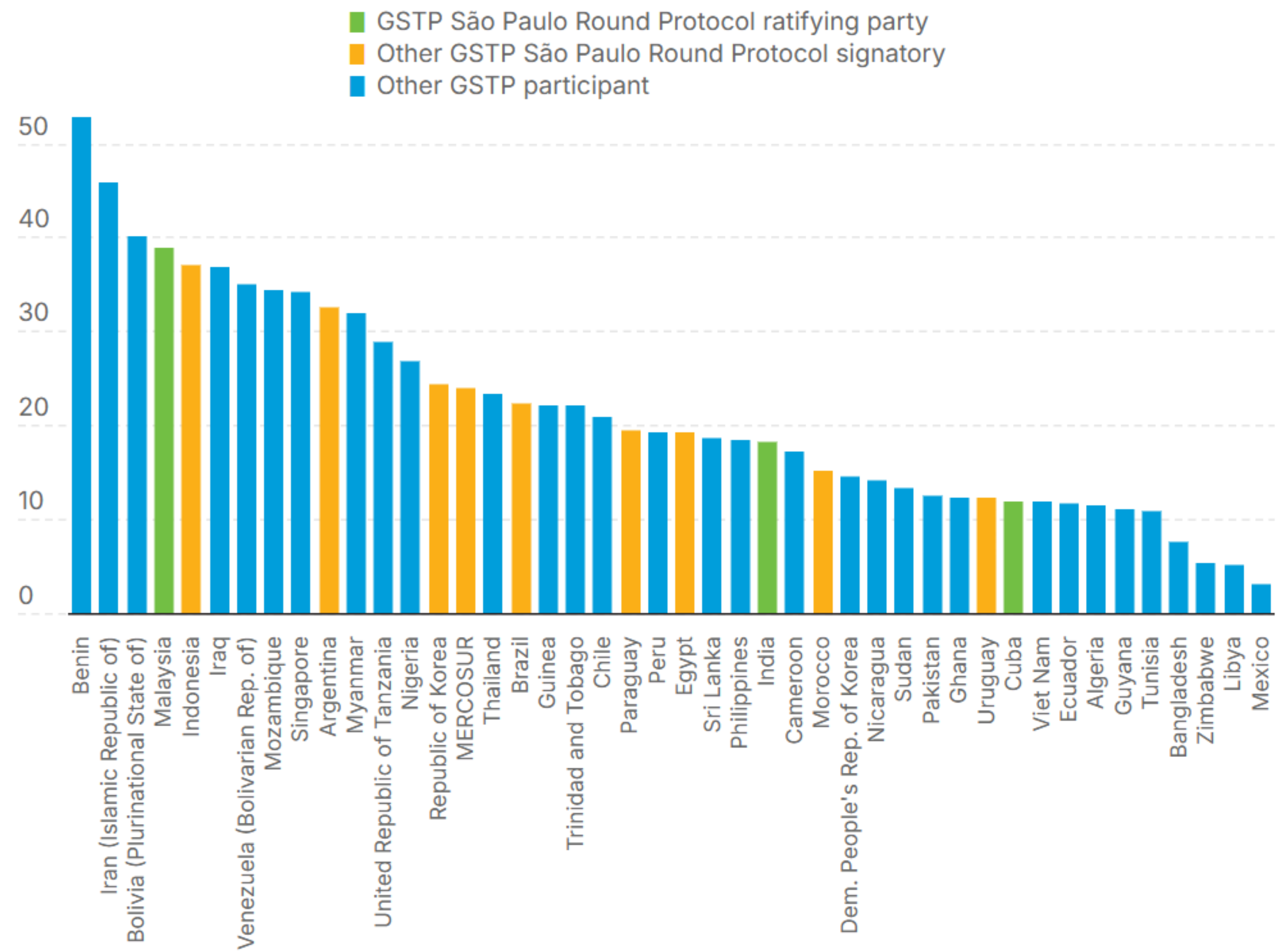
Launched 17 July 2026

https://unctadstat.unctad.org/insights/theme/320

# GSTP Data Insights

## Intra-GSTP trade accounts for almost one quarter of the participating countries' exports

Share of exports to countries participating in the Global System of Trade Preferences, percentage, 2025

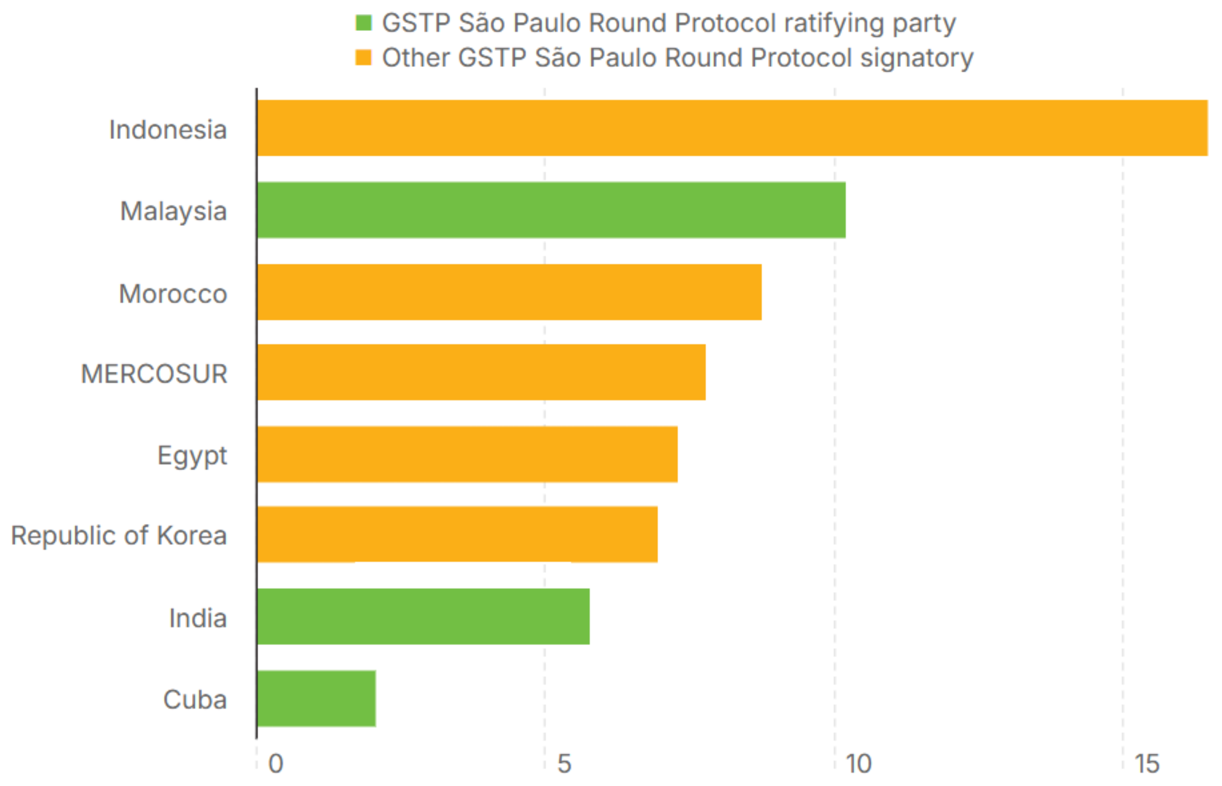



**Merchandise trade among members of the Global System of Trade Preferences among Developing Countries (GSTP)**, the only inter-regional South-South trade agreement, accounted for **23% of their exports** in 2025. Benin delivered 53% of its exports to other GSTP member countries.

# GSTP Data Insights

## São Paulo Round signatories' trade still below 10% of their exports, showing scope for expansion

Share of exports to other São Paulo Round signatories, percentage, 2025




The latest round of GSTP negotiations culminated in the São Paulo Round Protocol, signed by eight members. Their **intra-group trade accounted for 9% of their exports in 2025.** GSTP São Paulo Round signatories were destinations of around one sixth (16%) of Indonesia's exports.

*Source:* UN Trade and Development, UNCTADstat.

*Note:* Intra-MERCOSUR trade is not counted in intra-GSTP trade. The value for MERCOSUR reflects the extra-MERCOSUR exports of its members (Argentina, Brazil, Paraguay, and Uruguay).

# GSTP Dashboard – Upcoming

**Interactive data exploration tool on GSTP intra-trade (tentative)**

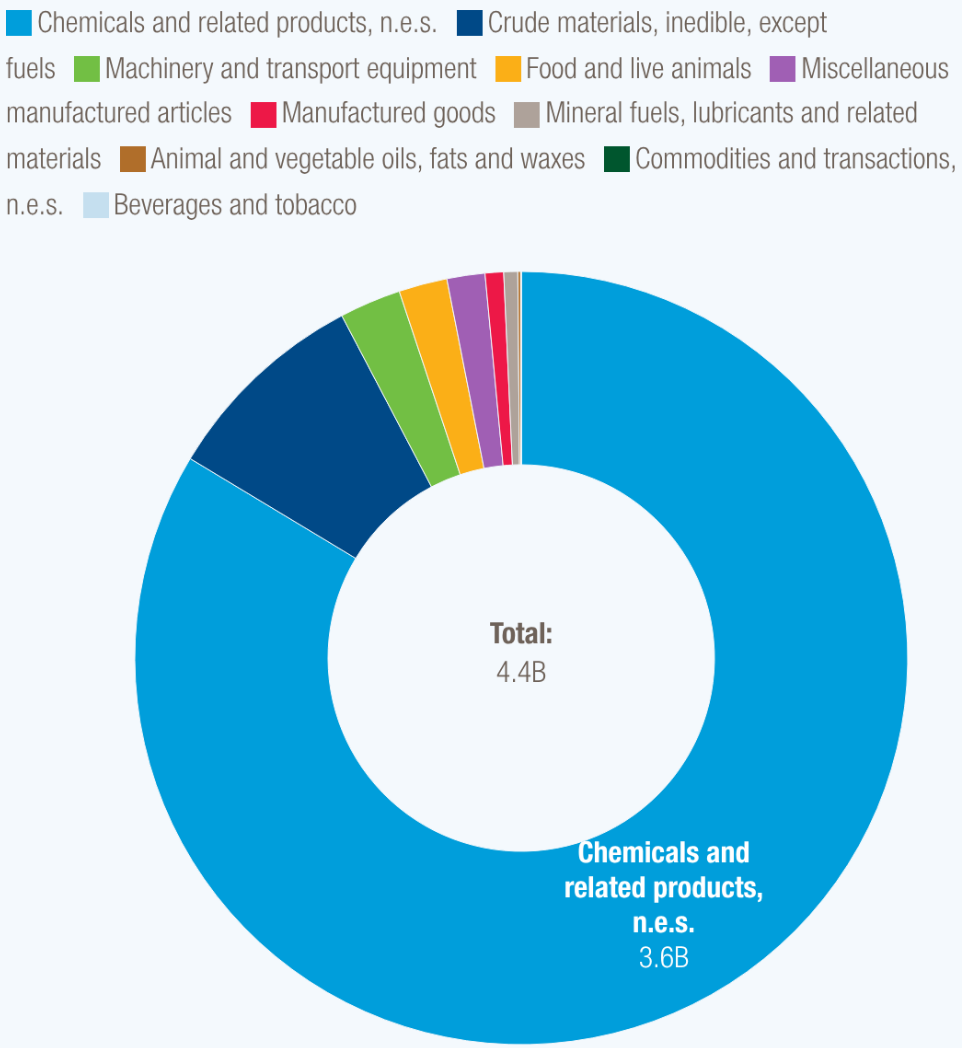
GSTP exports/imports in dollars, with options to filter by:

- Economy: GSTP individual economies
- Partner: GSTP participants, GSTP SPR signatories, GSTP SPR ratifying participants
- Flow: Exports/Imports

*Example of a data visualisation resulting from following filters: Economy: Morocco, Partner: GSTP SPR signatories aggregate, Flow: Exports*

## Morocco's exports to GSTP SPR signatories

Exports to GSTP SPR signatories in dollars, 2025, by sector




*Source:* UNCTADStat (2026) GSTP database
*Note:* SITC classification

# GSTP Dashboard – Upcoming

**Interactive data exploration tool on GSTP intra-trade of São Paulo Round Protocol signatories (tentative)**

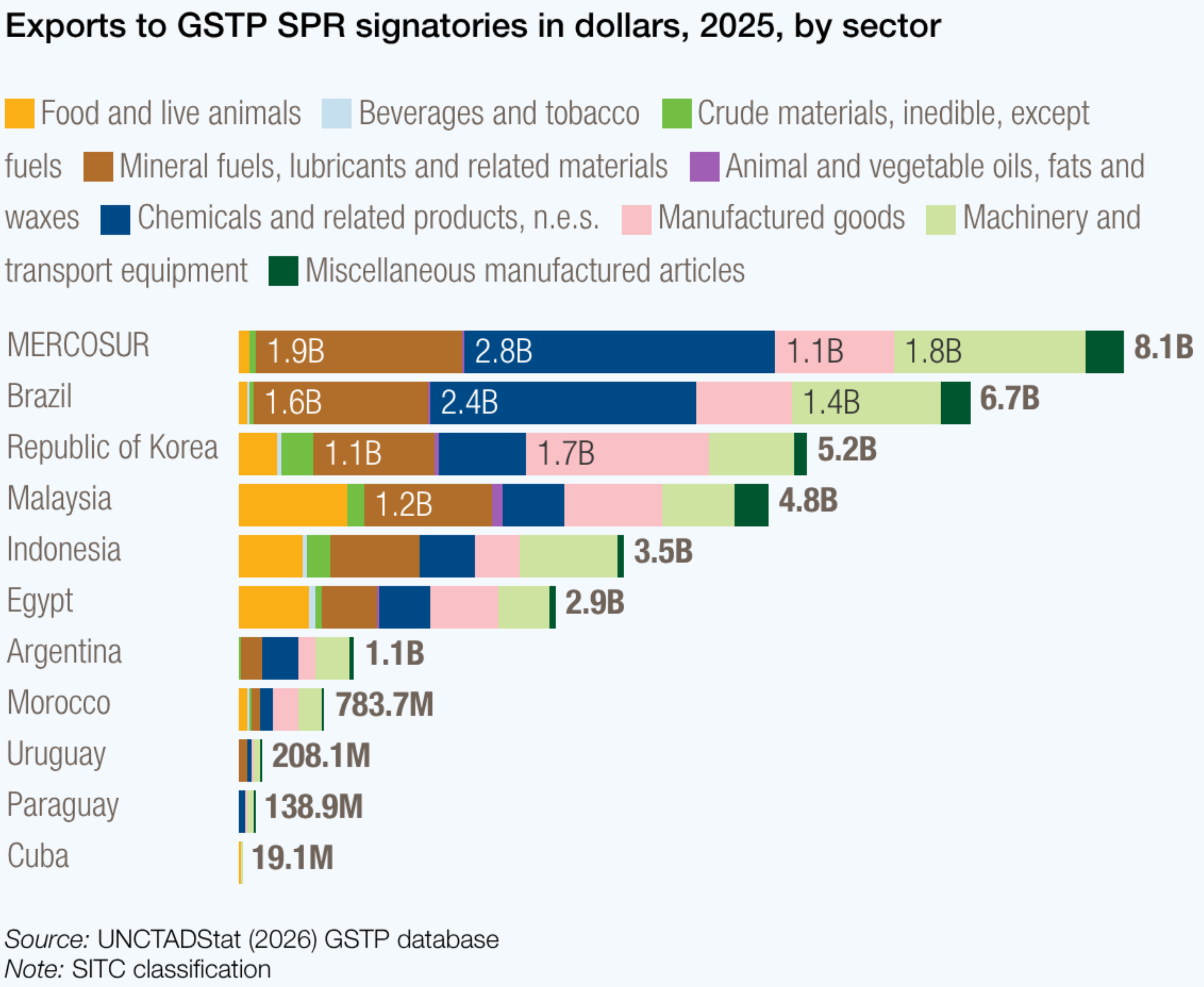
GSTP exports/imports in dollars, with options to filter by:

- Economy: GSTP São Paulo Round Protocol signatories
- Flow: Exports/Imports

**Potential additional data exploration tools on tariffs and non-tariff measures**

*Example of a data visualisation resulting from following filters: Economy: India, Flow: Exports*

## India's exports to GSTP SPR signatories



34th Committee of Participants

# Identification of possible areas for future cooperation under GSTP

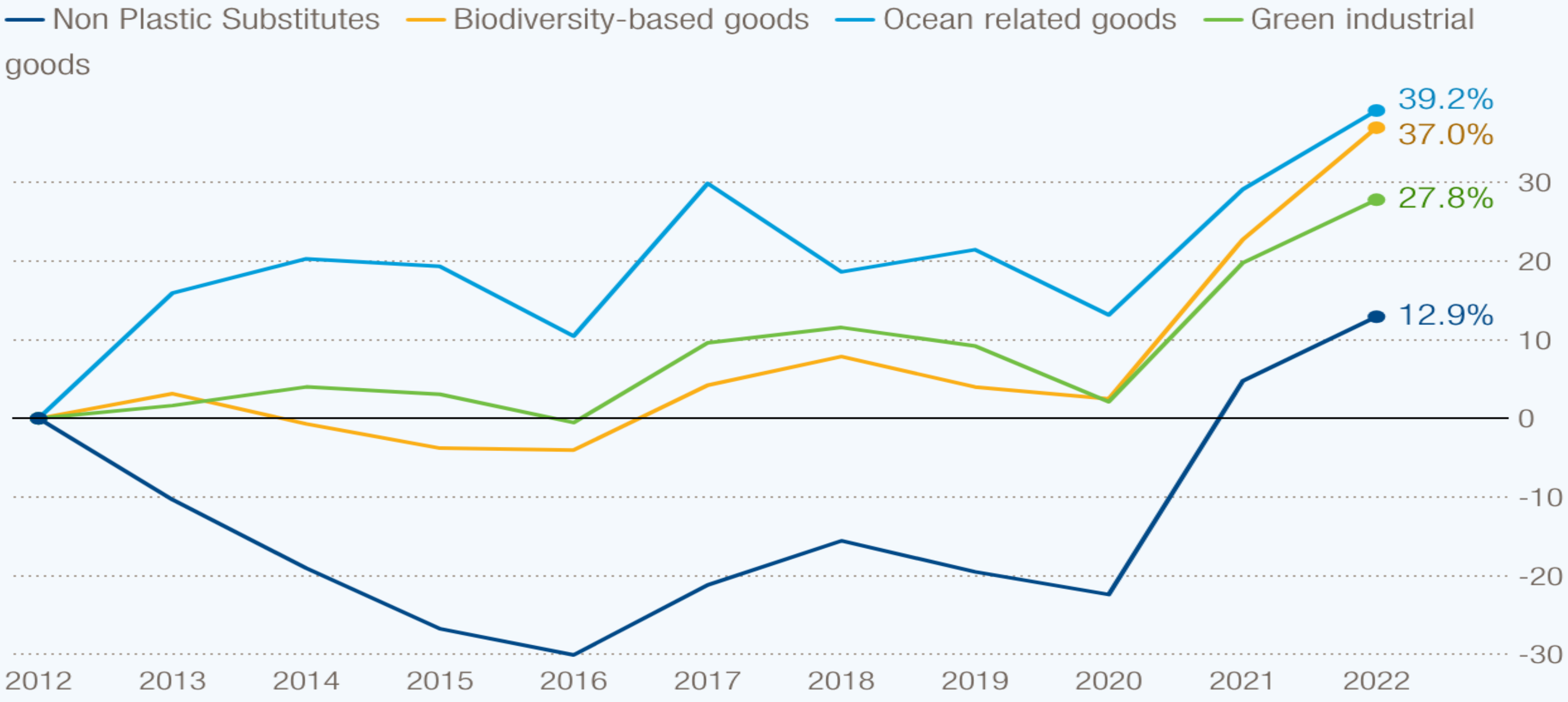
20 July 2026

UN trade & development UNCTAD

# Harnessing the GSTP potential to enhance South-South trade in fisheries and aquaculture products

# Goods related to the ocean and biodiversity-based products are leading the growth in GSTP

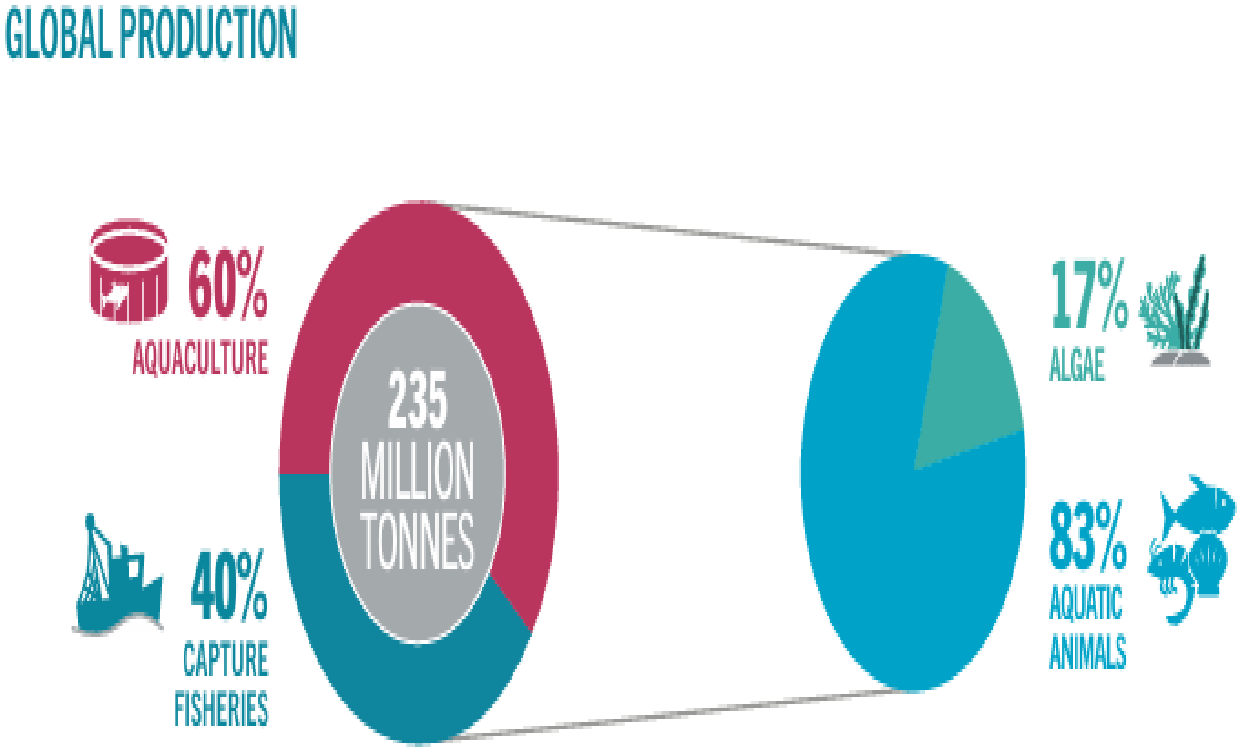
**Cumulative growth index (2012 = 0) of environmental and related trade, by categories, 2012 - 2022**




*Source:* UNCTAD

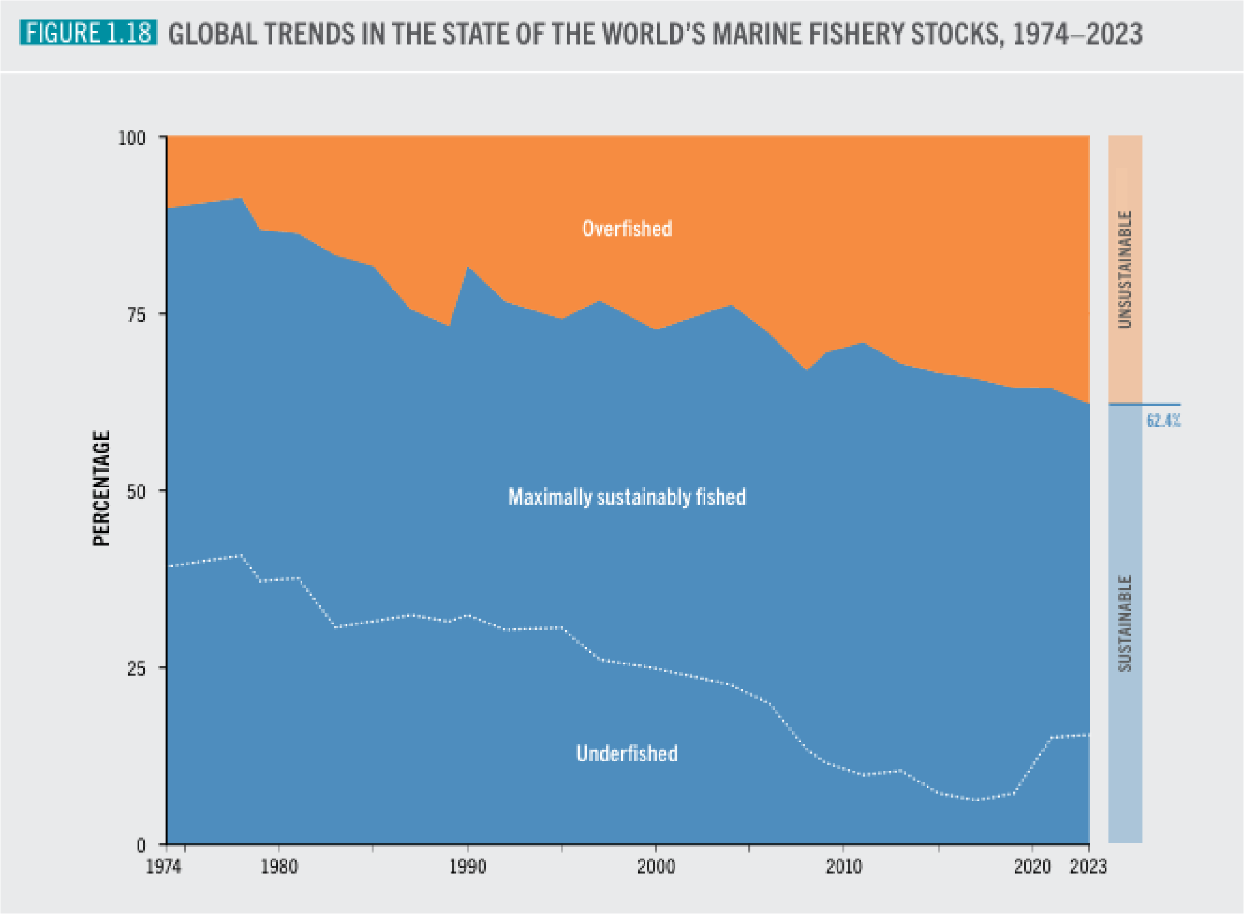
Aquaculture production is now the dominant provider of marine species for food and non food uses

Wild capture production of aquatic animals is stagnated




Source: FAO, SOFIA report, 2025

## GLOBAL TRENDS IN THE STATE OF THE WORLD'S MARINE FISHERY STOCKS, 1974–2023

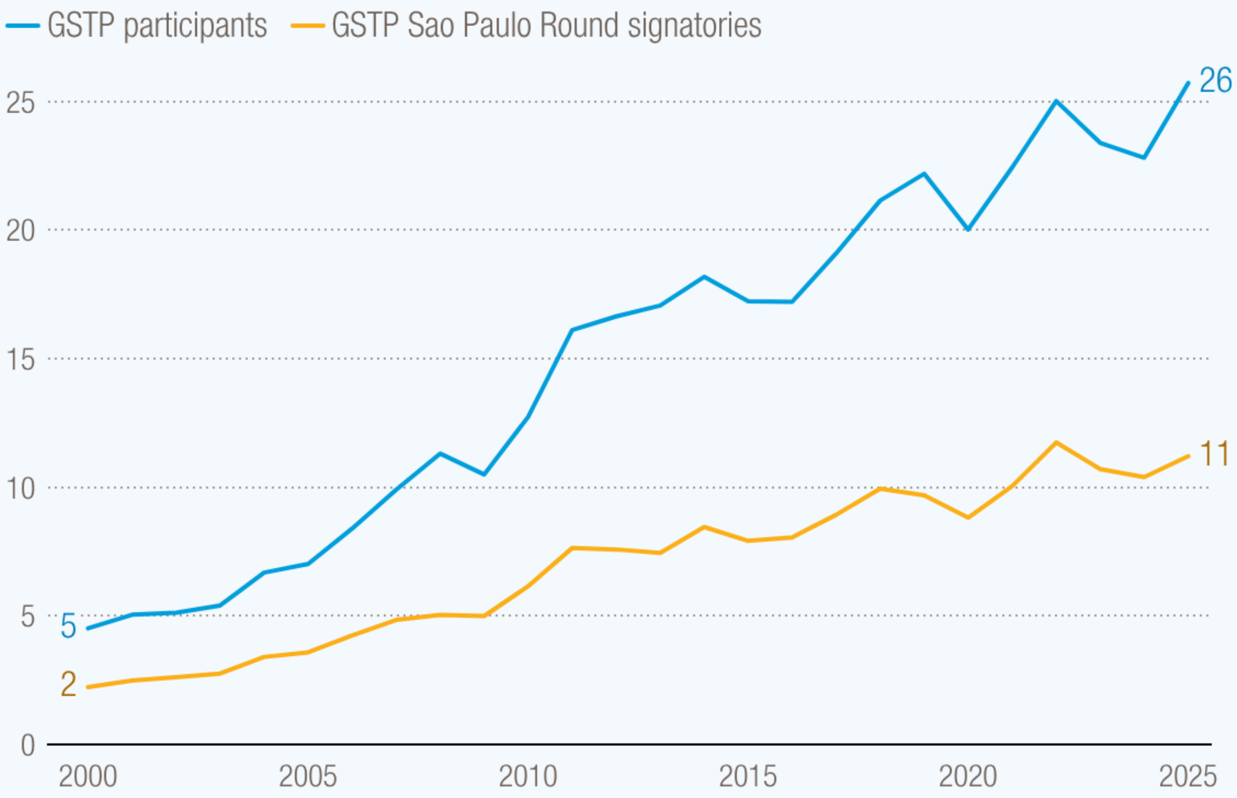



Source: FAO, SOFIA report, 2023

- Growth with caution as more than one third of fish stocks still are on an overfished status globally
- Aquaculture will take further market space in the future due to natural limits of global wild stocks
- We will not revert the tendency unless reduction in industrial fleets capacity and stock restoration programmes are in place

## GSTP fish product imports have grown strongly

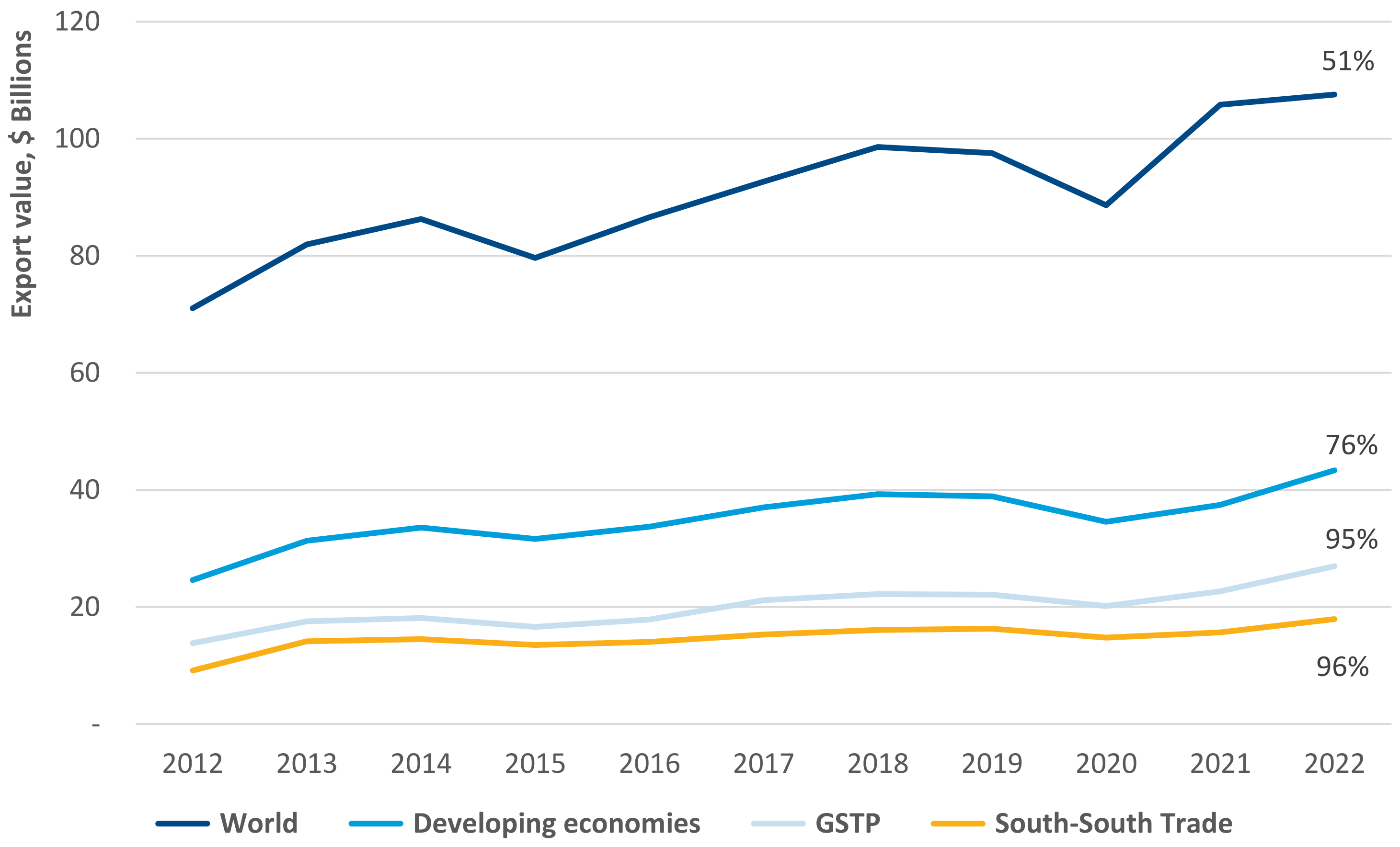
Imports of fish products by GSTP participants and GSTP SPR signatories, 2000-2025, billion dollars

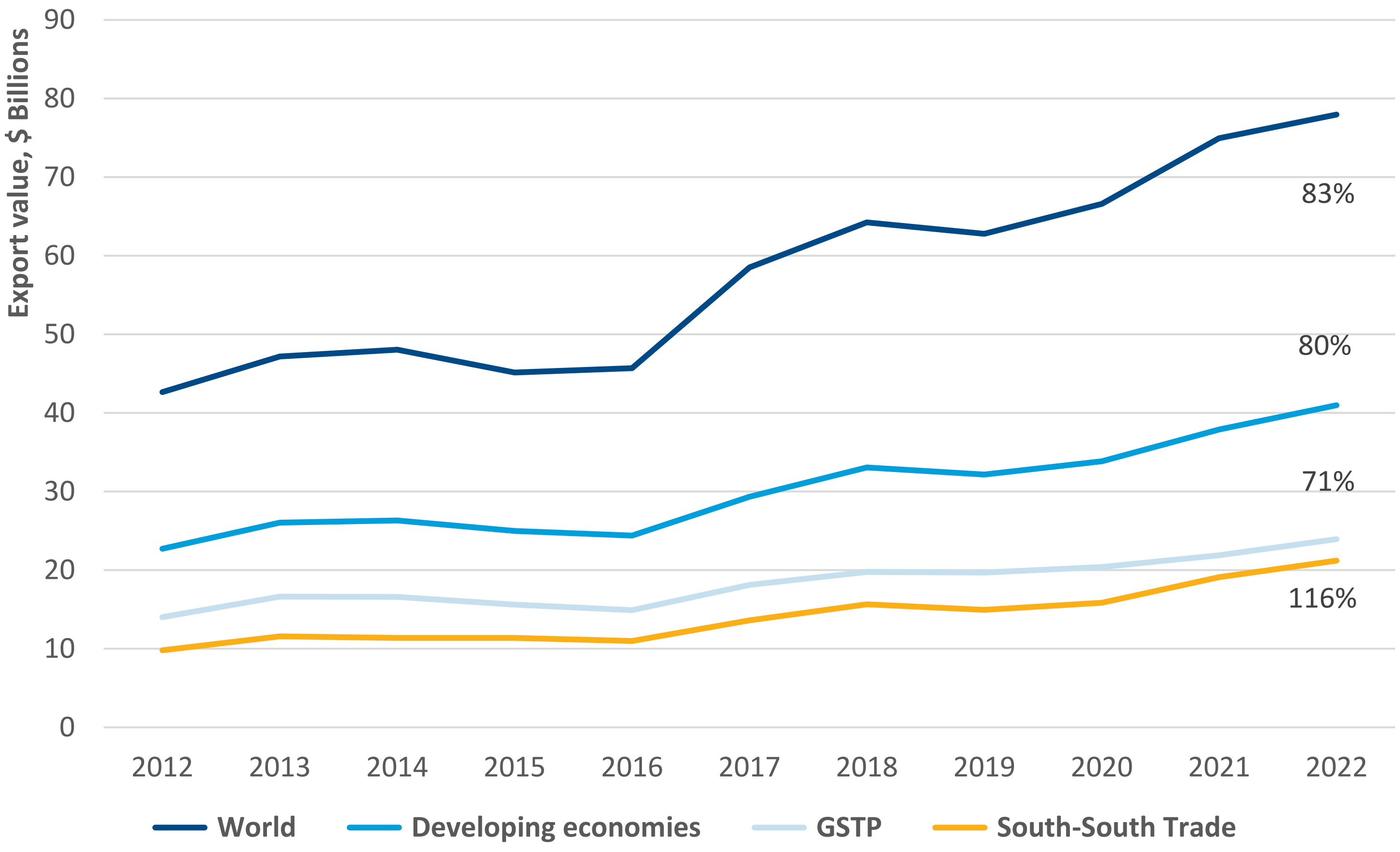



*Source:* UNCTADStat. 2026

- GSTP members (42) global fish imports have expanded more than 5x since 2000
- Among GSTP SPR signatories, fish imports grew nearly x6 during the same period

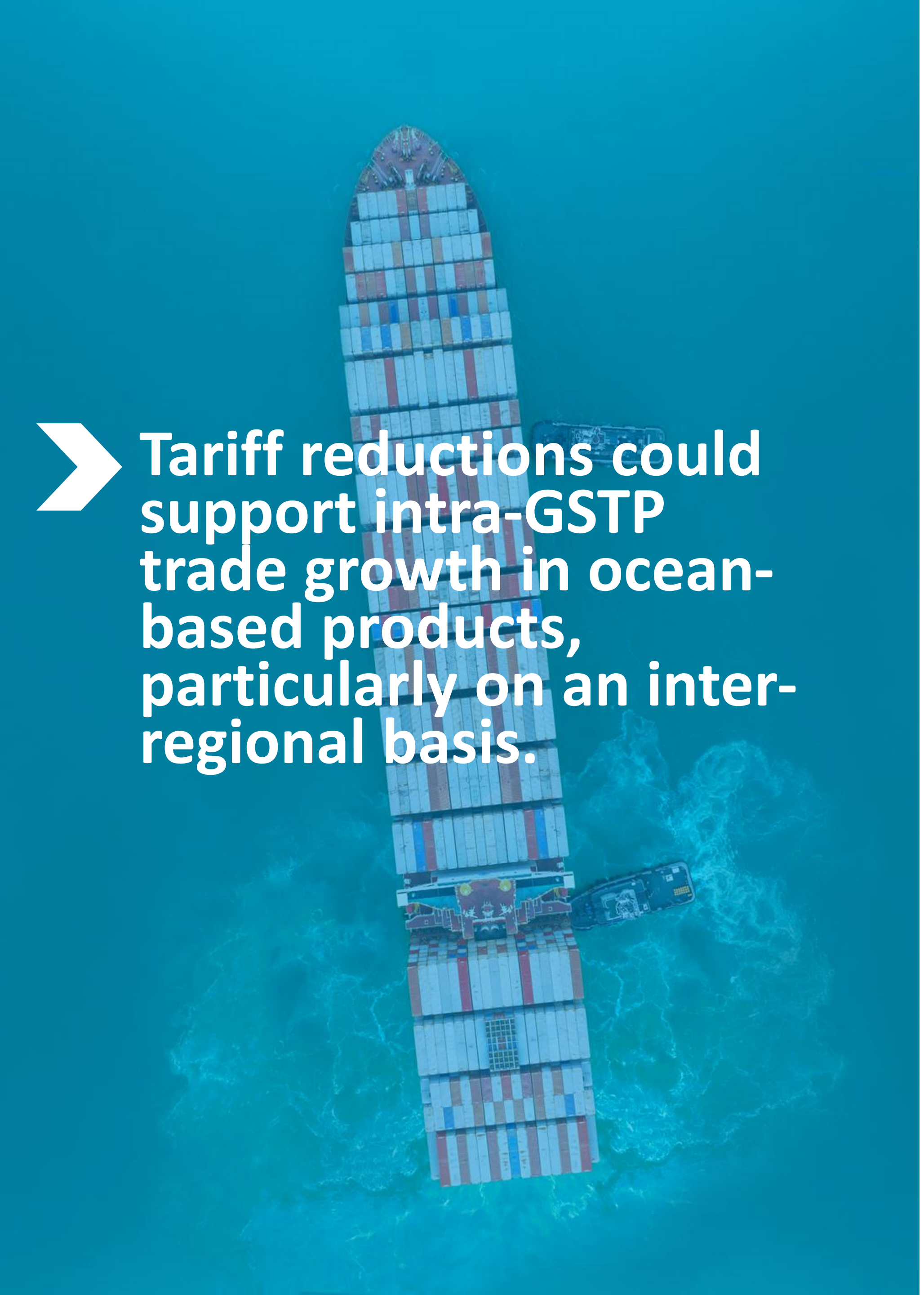
# Developing countries and GSTP participants export growth rates in primary marine fisheries and aquaculture surpasses global rates over the last decade (2012–2022).



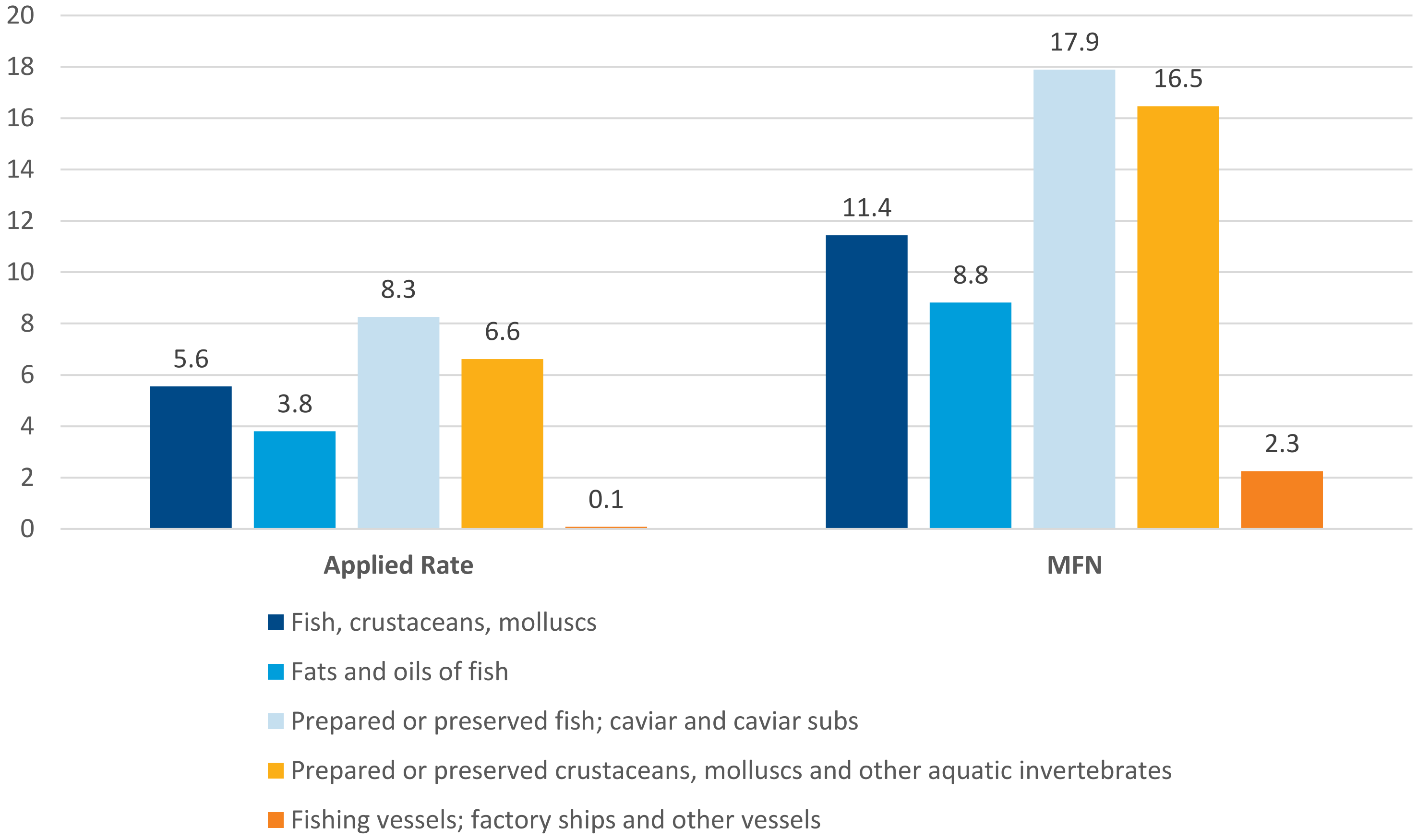


Export value, $ Billions
90
80
70
60
50
40
30
20
10
0
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
83%
80%
71%
116%
World
Developing economies
GSTP
South-South Trade

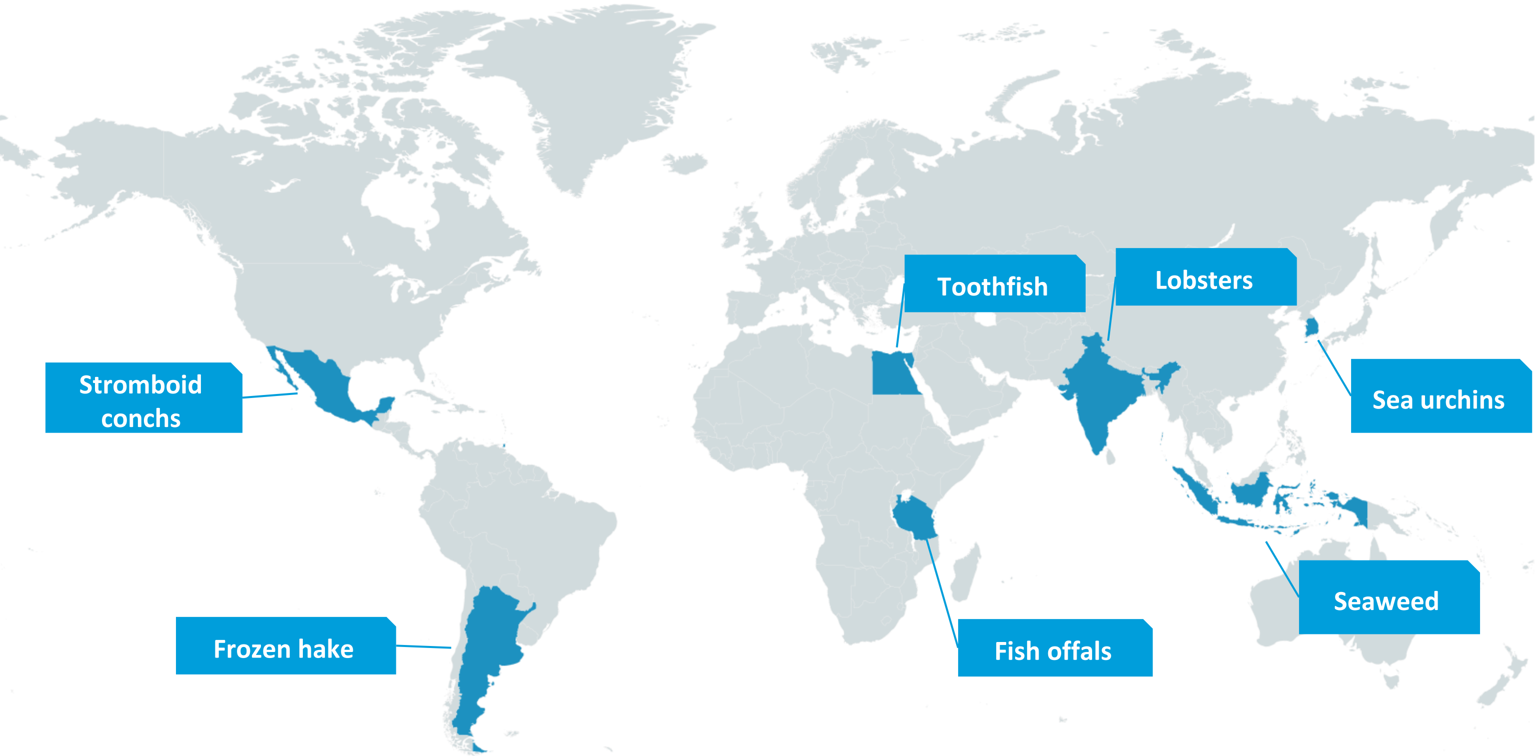

South-South trade in seafood processed products has outpaced global exports of primary products in the last decade (2012-2022).



# Tariff reductions could support intra-GSTP trade growth in ocean-based products, particularly on an inter-regional basis.



A large number of GSTP participants have a comparative advantage in ocean-based products, with limited overlapping.




## UN Member States:

- Belize
- Brazil
- Chile
- France
- Ghana
- Indonesia
- Madagascar
- Senegal
- The Bolivarian Republic of Venezuela
- The Republic of Korea

## UN Entities:

- UN Trade and Development (UNCTAD)
- UN Global Compact: Global Seaweed Coalition (GSC)
- Food and Agriculture Organization (FAO)
- International Trade Centre (ITC)
- UN Industrial Development Organization (UNIDO)
- UNESCO Intergovernmental Oceanographic Commission (UNESCO-IOC)
- United Nations University (UNU)

# The potential of the GSTP: The case of agricultural trade

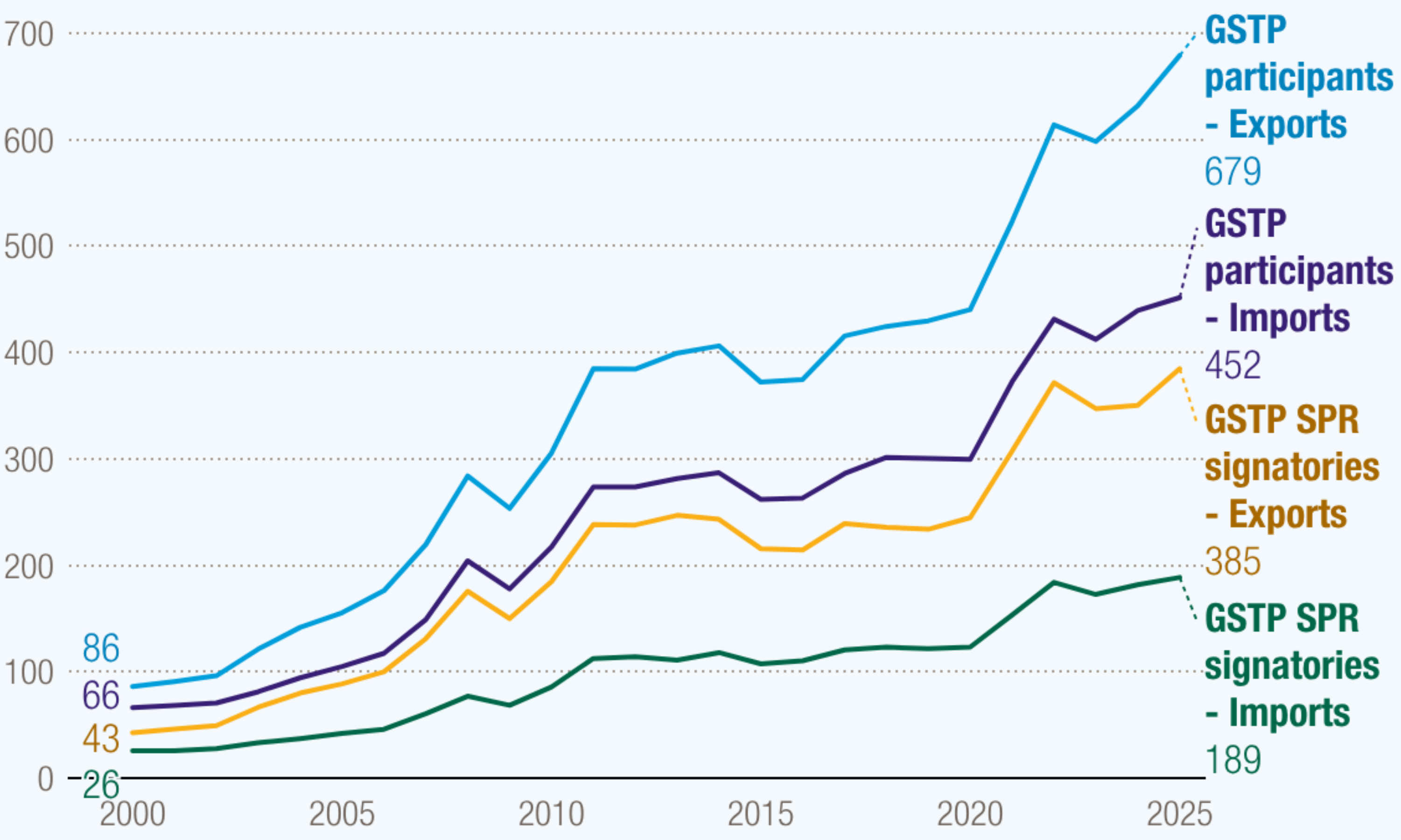
# Trends in agricultural trade among developing countries

**Challenge:** to meet a growing and evolving demand for agricultural products in times of supply side constrains and supply chain disruption.

- **Emerging economies to drive global market development**: 94% of increased food demand expected in middle- and low-income countries driven by growing and wealthier urban populations.
- **Supply side constraints** limit the potential for domestic production.
- **Deterioration of food trade balances** in almost all developing regions except Latin America.
- Growing number of importing countries **depending on a few large exporters**.
- **Higher and more volatile food prices** (supply chain disruptions, COVID 19 conflicts, climate change).
- **Growing environmental requirements** on export markets.

# GSTP members are net food exporters and have fast rising import needs

Total exports of food products by GSTP participants and GSTP SPR signatories, 2000-2025, billion dollars




*Source:* UNCTADStat. 2026

Exports of food products of GSTP participants grew 8x between 2000 and 2025.

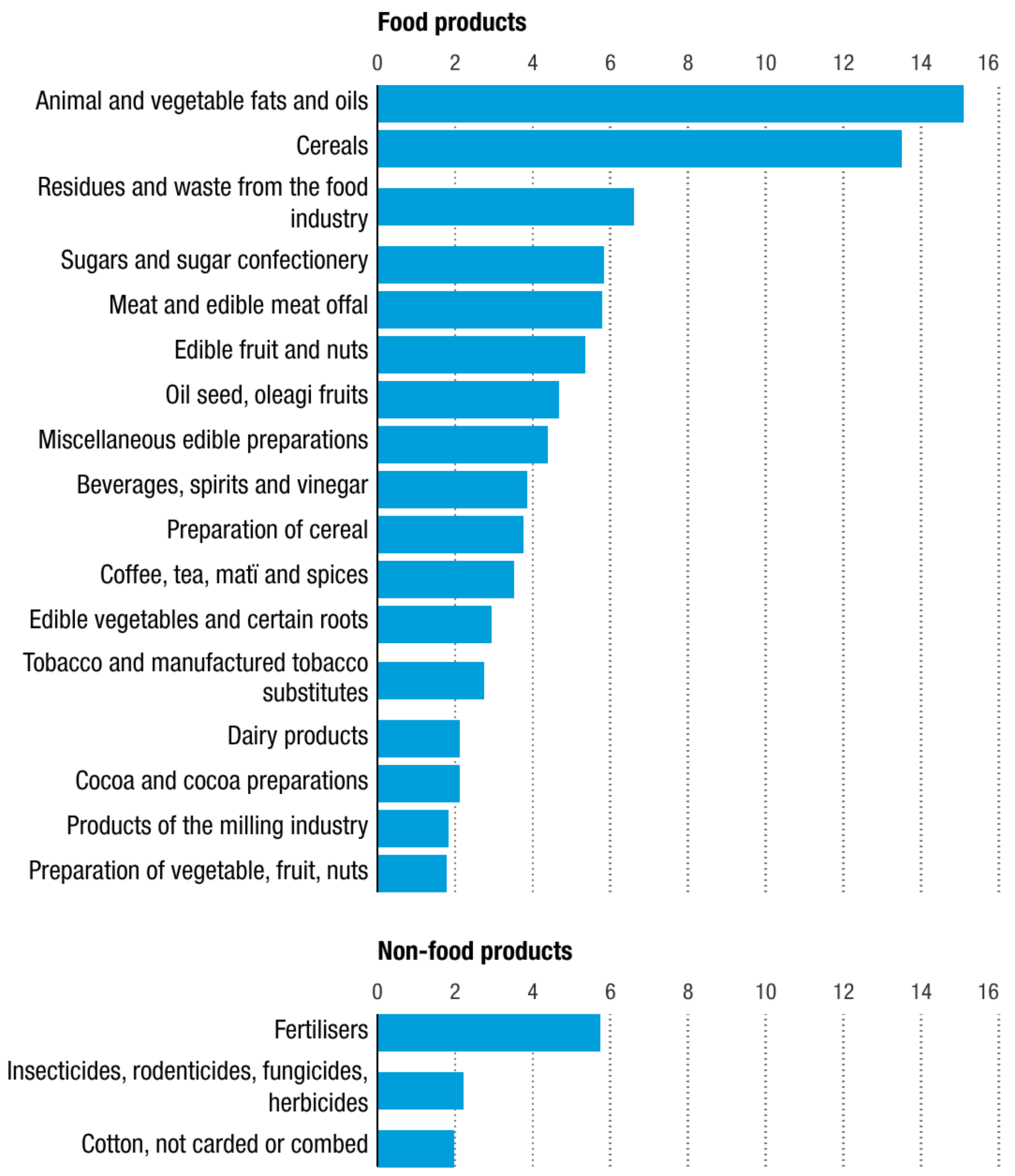
Many GSTP economies have competitive food sectors as net exporters.

Demand within GSTP economies is also growing fast.

# Prevalence of agricultural raw materials and staple food items in South-South trade as compared to cash crops that forms the mainstay of North-South trade.

**Animal and vegetable fats and oils, cereals and residues and waste from the food are the main agricultural products traded among developing countries**

(Share in total South-South trade, average for the 2018–2022 period, percentage).

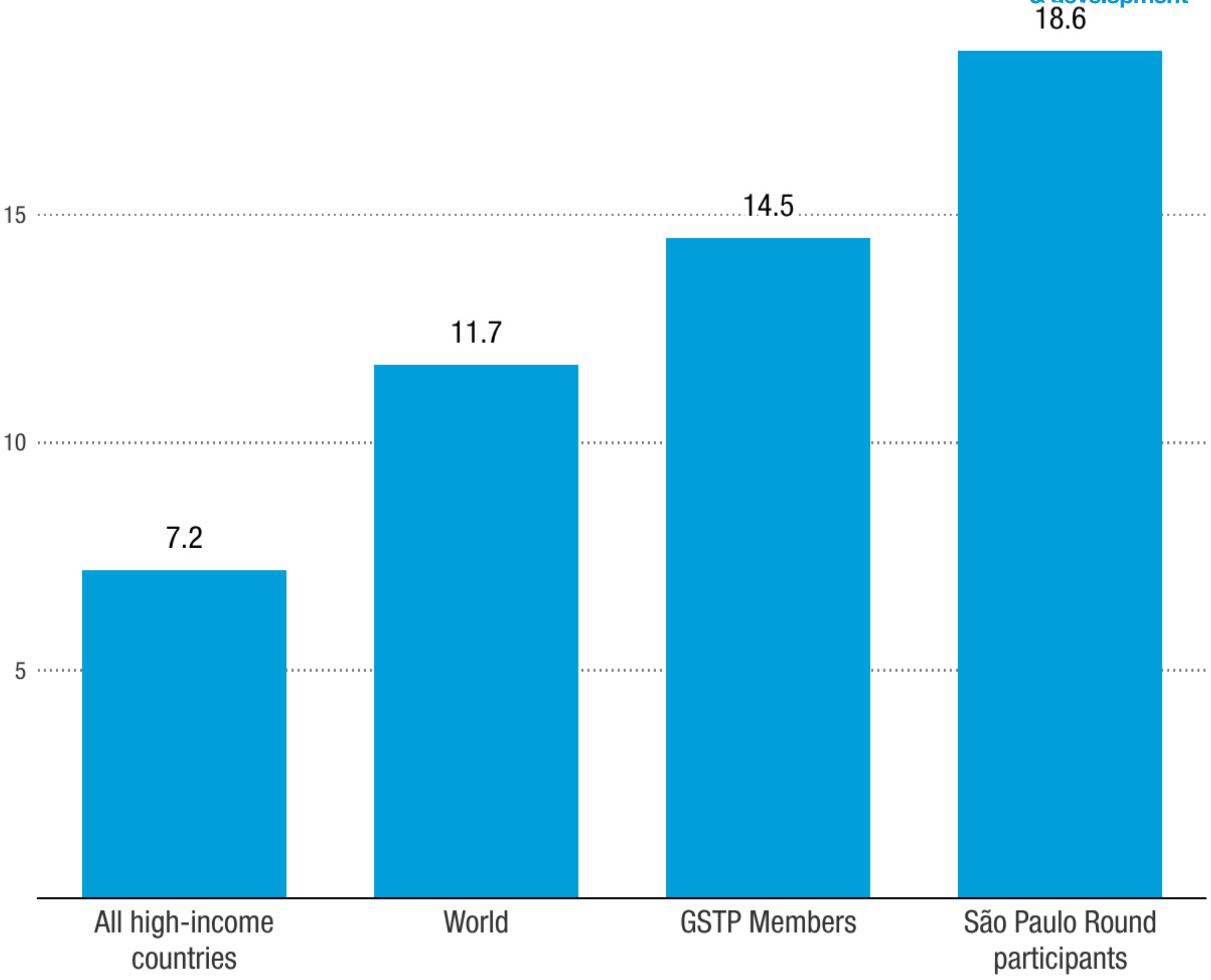



*Source:* UNCTAD, based on Comtrade.

**For most products, MFN applied tariffs in GSTP participants remain higher than those applied by high-income countries.**

**GSTP and SPR participants faced on average higher applied MFN tariffs on agricultural food and non-food products**

(Percentage)




*Source:* UNCTAD elaboration based on the World Integrated Solution Database (WITS).

| GSTP participant | Trade Complementarity with Other GSTP Members in Agriculture (TC) | Share of agriculture in exports | Agricultural Trade Complementarity Index (TC_Drysdale) |
|---|---|---|---|
| India | 69.0 | 11.6 | 1.3 |
| Argentina | 60.4 | 51.9 | 1.3 |
| Thailand | 57.3 | 14.7 | 1.0 |
| Egypt | 53.5 | 27.1 | 1.3 |
| Pakistan | 53.4 | 23.2 | 1.3 |
| Viet Nam | 51.8 | 6.1 | 1.0 |
| Brazil | 49.7 | 44.8 | 1.1 |
| Tunisia | 49.1 | 13.6 | 1.4 |
| Bolivia, (Plurinational State of) | 48.1 | 25.3 | 1.3 |
| Paraguay | 45.6 | 74.2 | 1.1 |
| United Republic of Tanzania | 45.3 | 34.8 | 0.9 |

# Opportunities in sustainable agricultural and ocean-based products

## Article 4a and 4b - Arrangements on tariffs

- **Expanded markets and increased flows of complementary sustainable agricultural and ocean-based products.**
- Despite already low tariffs, **the GSTP could expand market access and create a zero-tariffs scenario.**
- **Higher levels of food security by improving access, availability, and affordability** while supporting diversification.
- Reduce exposure to external supply shocks (e.g. due to climate change).
- **Improved access and availability of inputs**, including machinery, vessels, & containers.

## Article 4c - Arrangements on NTMs

- **Mutual recognition of catch certificates and reporting requirements** at vessels and in landing ports could streamline border procedures, expediting the movement of these goods, and reducing costs and waste.
- **Greater market opportunities for small-scale fishers** due to harmonized internal market requirements.
- **Identify standards** reflecting shared objectives and **foster mutual recognition of conformity assessment procedures.**

# Opportunities in sustainable agricultural and ocean-based products

## Article 4d - Direct trade measures

– Options to discuss **supply contracts among** the GSTP Members that may increase the security of supplies for importers and the stability of the demand for exporters, particularly for processing purposes allowing more South-South value addition.

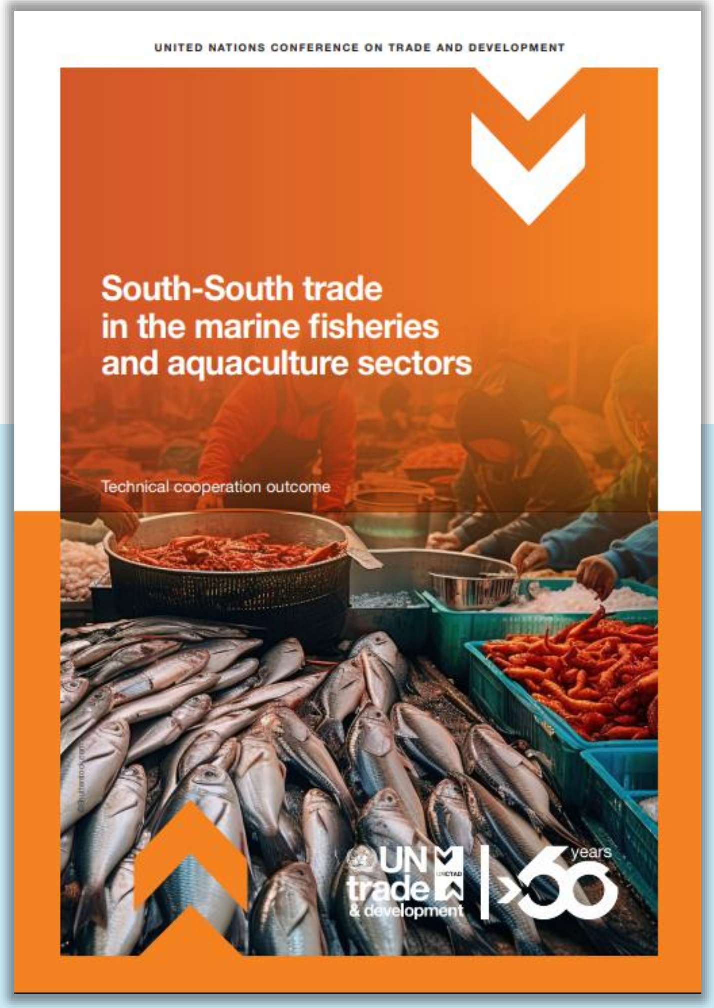
## Article 4e - Sectoral Arrangements

– **Options to explore sectoral cooperation on services for improving the environmental sustainability of fisheries**, which may address issues such as carbon sequestration in marine sectors.

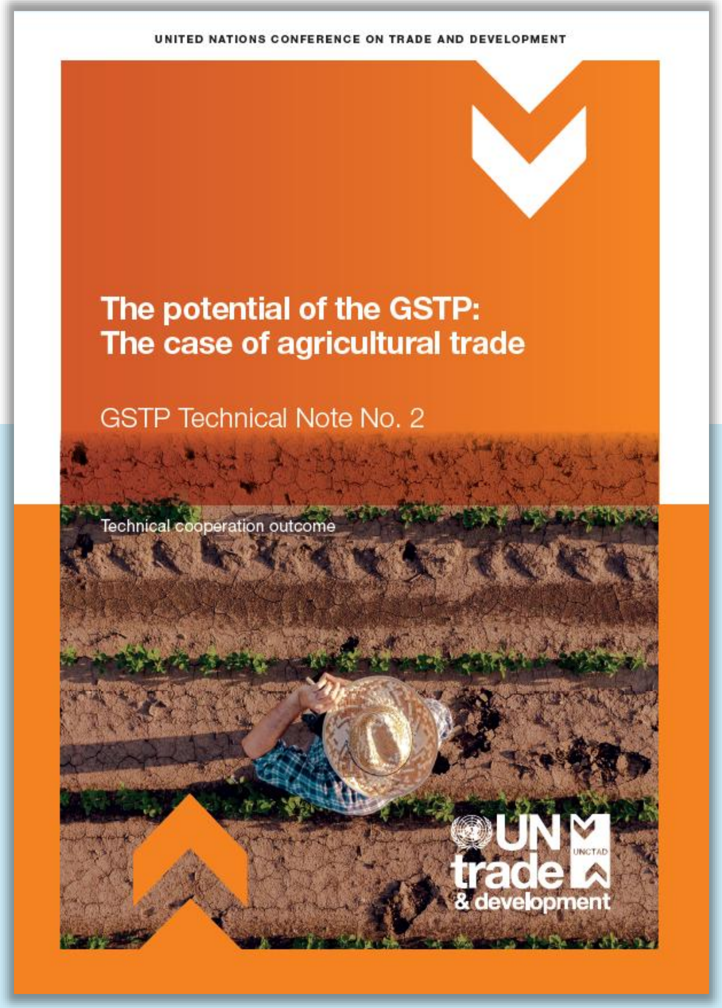
– **Options to facilitate exchanges of best sustainable practices, mitigation, and adaptation measures** for agriculture, fisheries and aquaculture activities among GSTP Participants.

# GSTP Technical Notes

## Fisheries and Aquaculture




## Agriculture



**34th Session of the GSTP Committee of Participants**

# Trade-Related Opportunities for GSTP Member Countries in Natural and Alternative Fibres

20th of July 2026

# Relevance of the study for GSTP Trade Policy

- Upcoming UNCTAD study maps trade, tariffs and non-tariff measures in natural and alternative fibres across the GSTP (Global System of Trade Preferences) membership
- Covers natural and alternative fibres plant and animal fibres such as jute, coir, seaweed, agricultural residue fibres (banana, pineapple) and silk waste.
- **31 HS six-digit codes** in total combining UN Comtrade trade data, UNCTAD TRAINS, national tariff schedules, ITC Market Access Map data, and field evidence, including Sustainable Manufacturing and Environment Pollution project case studies
- Purpose: Identify natural and alternative fibres with strong trade, development and environment potential and propose a concrete action agenda for the Committee of Participants

| **42** | **USD 4.4 trillion** | **31** |
|---|---|---|
| GSTP participants covered | combined GSTP import demand (2024) | HS codes analysed across 4 fibre categories |

*Source: UNCTAD (2026). GSTP Fact Sheet, February 2026.*

# HS code mapping

## GSTP FIBRE HS CODE CLASSIFICATION
31 HS codes

### PLANT-BASED FIBRES
17 codes across 5 product baskets

**Emerging feedstocks**

| | | |
|---|---|---|
| 121229 | Seaweeds, algae | P |
| 391310 | Alginic acid | I |

**Jute**

| | | |
|---|---|---|
| 530310 | Jute/bast fibres | P |
| 530710 | Single jute yarn | I |
| 530720 | Jute yarn, multi | I |
| 531010 | Jute fabric | I |

**Wood Pulp & Cellulosic**

| | | |
|---|---|---|
| 470693 | Cellulosic pulp | I |
| 540310 | Viscose rayon | I |

**Coir, Kenaf, Sisal Fibres**

| | | |
|---|---|---|
| 530210 | True hemp, raw | P |
| 530500 | Coconut, abaca, other veg fibres | P |
| 530810 | Coir yarn | I |
| 530890 | Other veg. yarn | I |
| 531100 | Veg. fabric | I |

**Processing by-products**

| | | |
|---|---|---|
| 230320 | Beet-pulp waste | I |
| 520210 | Cotton yarn waste | I |
| 520291 | Garnetted stock | I |
| 520299 | Other cotton waste | I |

### CROSSCUTTING
1 code

**HS 560391**

| | |
|---|---|
| Nonwovens | I |

### ANIMAL-BASED FIBRES
13 codes across 2 product baskets

**Animal Hair &Derived Products**

| | | |
|---|---|---|
| 050510 | Feathers, down | P |
| 510211 | Cashmere hair, raw | P |
| 510219 | Other fine hair | P |
| 500720 | Woven silk fabric | I |
| 510531 | Cashmere, carded | I |
| 510810 | Fine hair yarn | I |
| 511000 | Coarse hair yarn | I |

**Processing by-products**

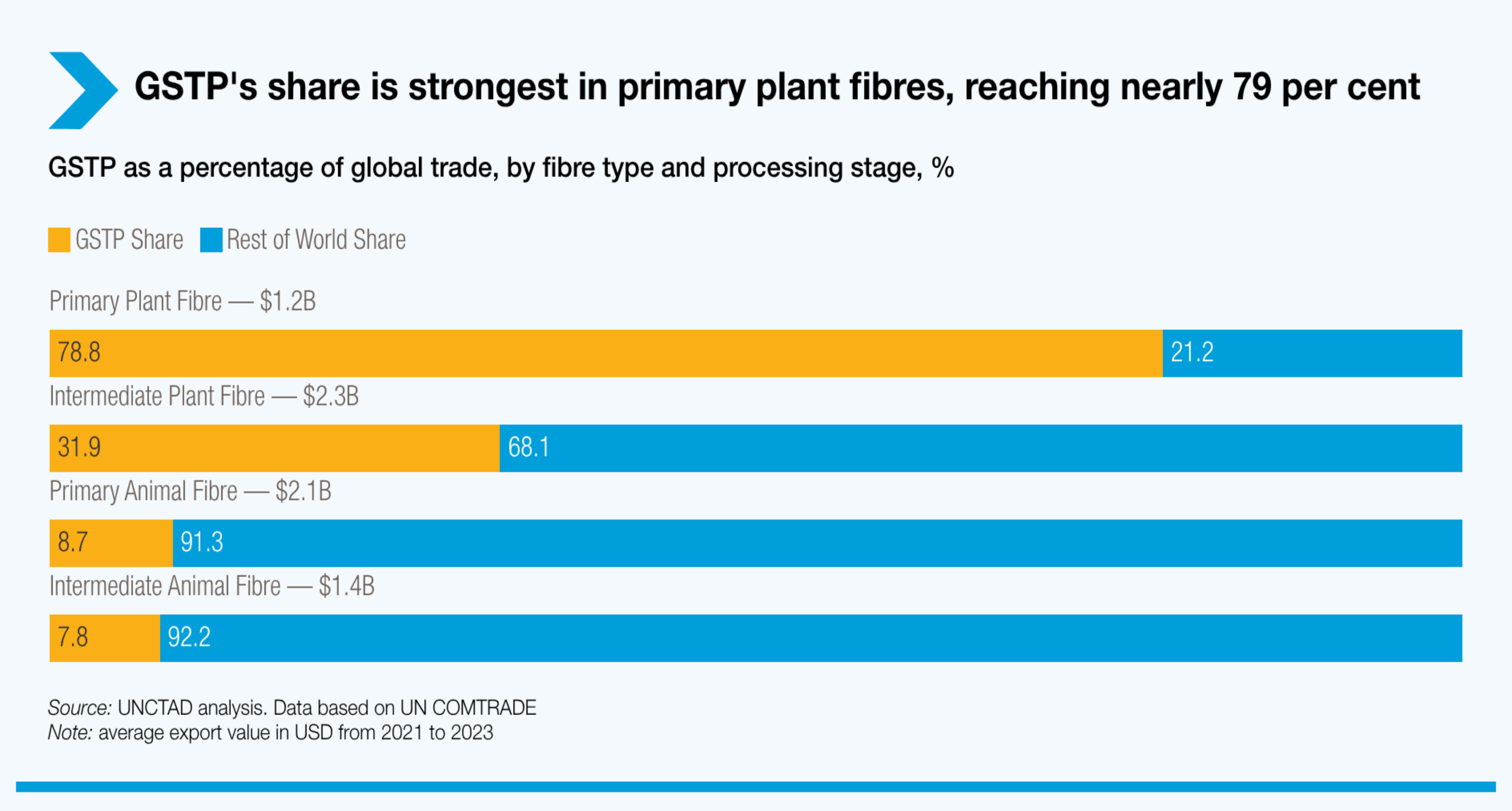
| | | |
|---|---|---|
| 500300 | Silk waste | P |
| 510310 | Noils, wool/hair | P |
| 510320 | Other wool waste | P |
| 510330 | Coarse hair waste | P |
| 500500 | Silk waste yarn | I |

P Primary fibre / product

I Intermediate fibre / product

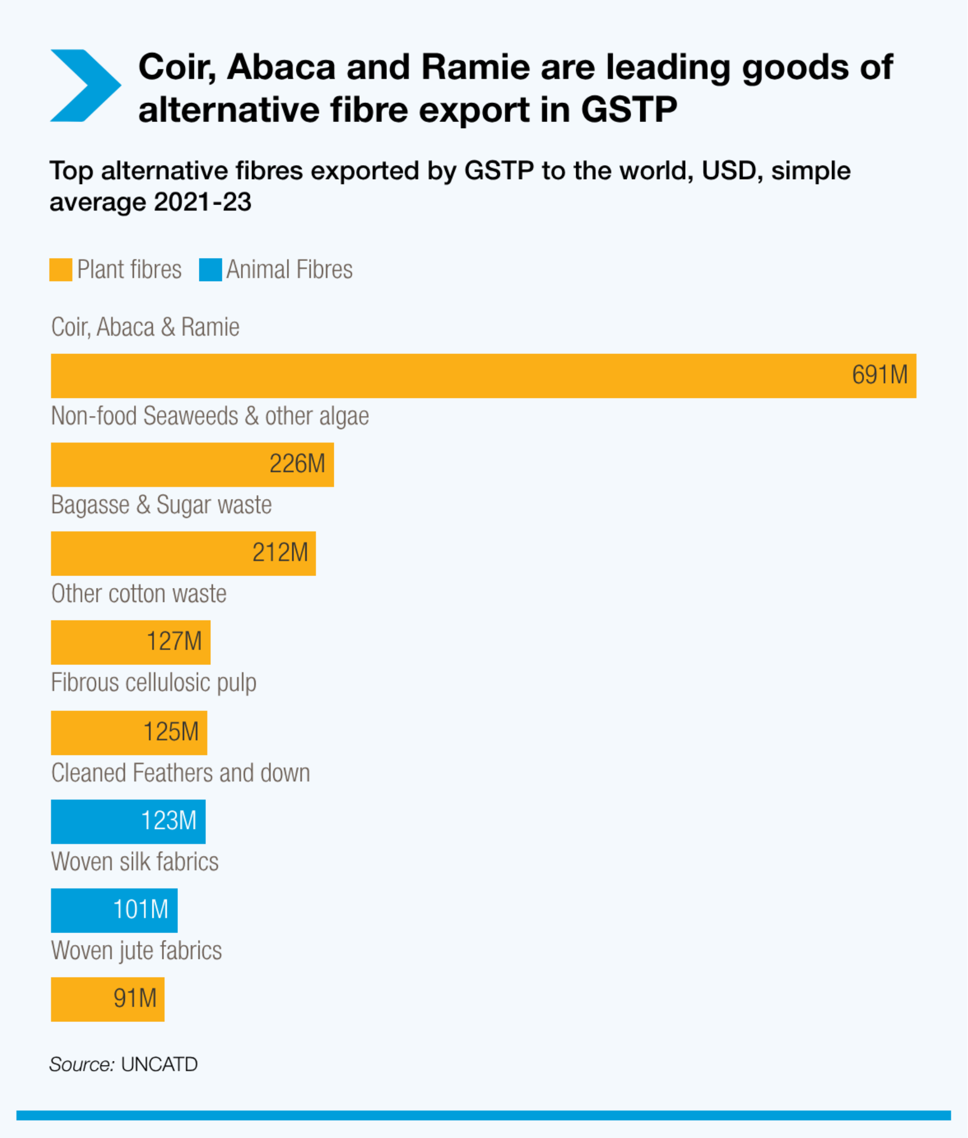
Source: Authors' classification (HS 2022 edition)

# GSTP Trade: Strong in Raw Fibre, Weak in Processing




- GSTP members supply nearly four-fifths of the world's raw plant fibre (USD 960M of USD 1,218M) but capture just under a third once fibres are spun or woven (USD 748M of USD 2,347M)
- GSTP is a net exporter of raw plant fibre (+USD 701M) but a net importer of processed plant products (-USD 136M): value addition is happening elsewhere
- Animal fibre trade is far more marginal for GSTP (USD 297M of USD 3,565M world exports) and roughly flat across primary and intermediate stages

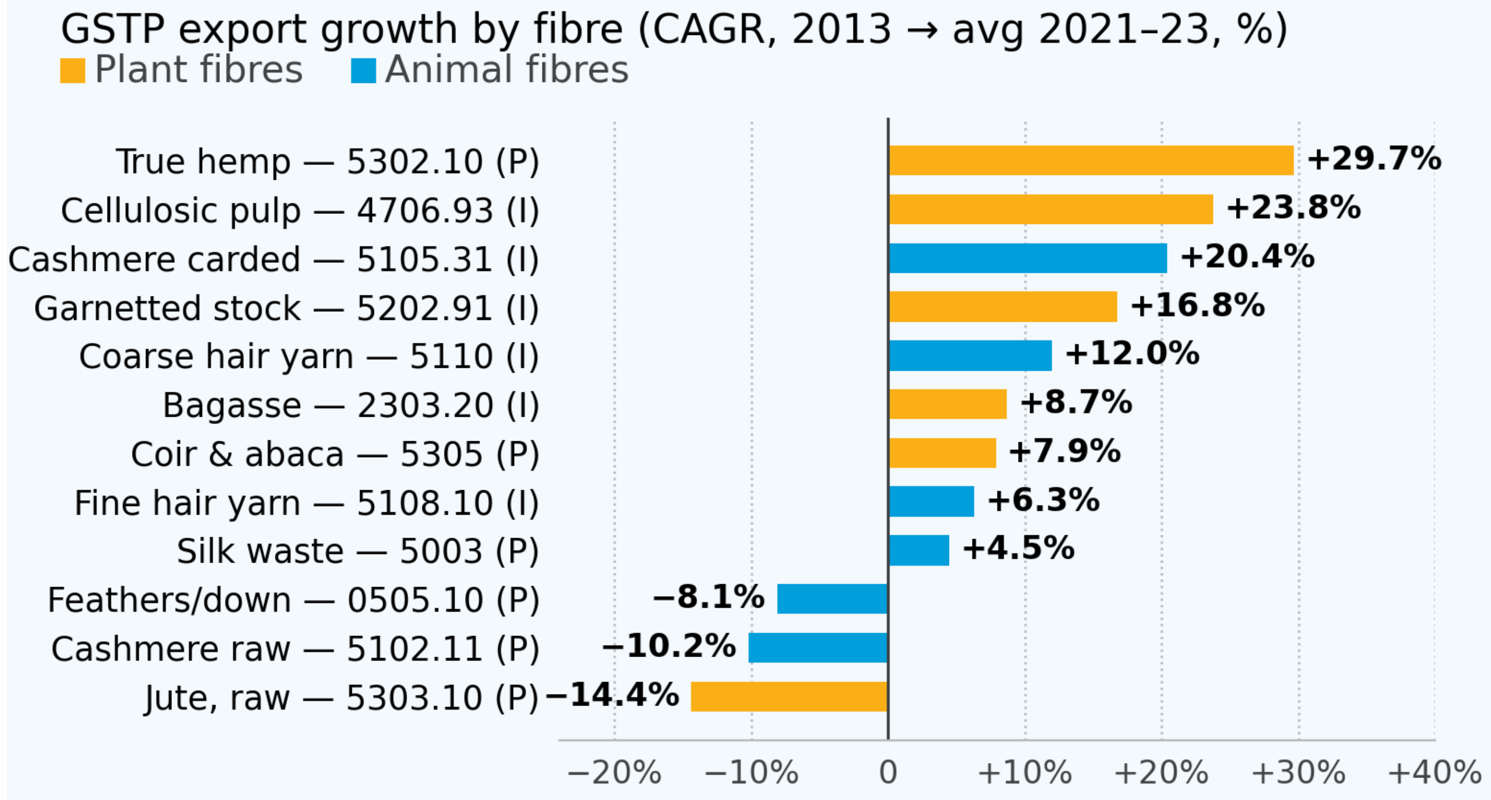
# Which Fibres and Product Baskets Lead GSTP Trade?




- Coir, abaca and ramie is the single largest fibre line at USD 691M, India alone supplies USD 334M; Chile leads seaweed (USD 145M) and Egypt bagasse (USD 193M)
- One basket leads every value flow: coir, kenaf and sisal for plant fibres; animal hair and derived products for animal fibres
- The largest animal fibre line, feathers and down (Viet Nam-led), ranks only sixth at USD 123M

# Which Fibres and Product Baskets Lead GSTP Trade?

## Growth is concentrated in processed lines — several traditional raw fibres are contracting




*Source: UNCTAD analysis. Data based on UN COMTRADE.*
*Note: (P) primary, (I) intermediate. CAGR 2013 → avg 2021–23.*

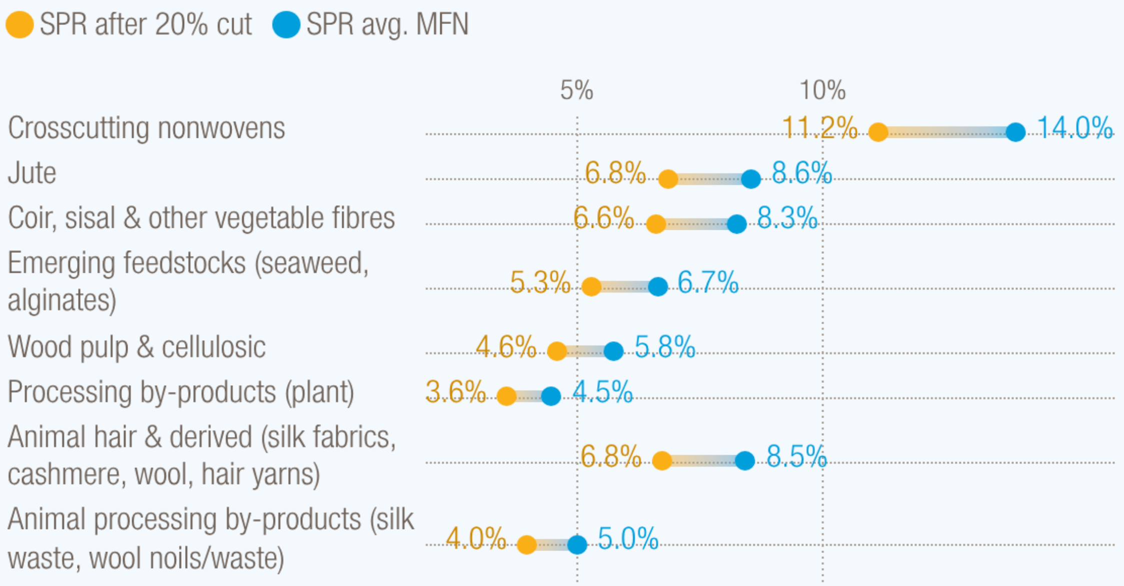
- Fastest growth is in processed lines: cellulosic pulp +23.8% (Philippines-led exports; Indonesia the fastest-growing importer) and carded cashmere +20.4% (Viet Nam-led import growth)
- True hemp grows fastest overall (+29.7%) but from a very small base
- Traditional raw lines are contracting: raw jute −14.4%, raw cashmere −10.2%, feathers and down −8.1%
- At basket level, wood pulp leads (+12.5% a year); both animal fibre baskets contracted

# Tariffs Are Moderate on Average — But Peaks Bite Hard

**Basket-level tariffs — SPR vs non-SPR, before and after illustrative 20% cut**

## SPR: before vs after 20% MFN rates cut

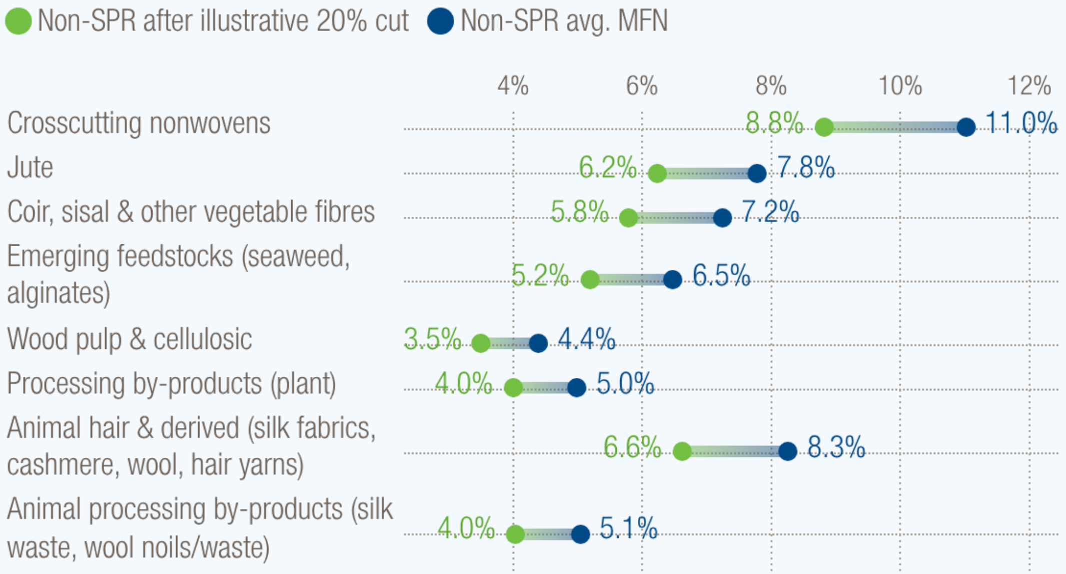
**Average MFN rates before and after a 20% reduction**




*Source:* UNCTAD analysis. Data based on WITS.
*Note:* The most recent available MFN rates are used.

## Non-SPR Protocol GSTP Participants: before vs after illustrative 20% cut

**Average MFN rates before and after a 20% reduction**




*Source:* UNCTAD analysis. Data based on WITS.
*Note:* The most recent available MFN rates are used.

# The strongest GSTP value-added is in closing gaps where trade is not already covered

| Examples of Preferential Trade Agreements with complete or significant coverage for leading exporters and markets for natural and alternative fibres | Coverage of the study's 31 fibre codes |
|---|---|
| Chile – Republic of Korea FTA | 100% duty-free, both directions |
| Chile – Mercosur Economic Complementation Agreement | 100% duty-free, both directions |
| India – Republic of Korea CEPA (Korean side) | Duty-free on the great majority of codes |
| ASEAN – India Trade in Goods Agreement (AITIGA) | 75–100% duty-free, depending on category |

- Strongest GSTP value-added: closing gaps where trade is not already covered by bilateral or regional deals — especially inter-regional flows between GSTP participants in different regions
- GSTP participants, including SPR signatories, could explore a higher level of ambition in duty-free access matching existing PTAs, while also tackling NTMs.
- An additional strong point of the GSTP is that members can enjoy deeper market access and NTMs commitments in sectors where win-win is evident.

# Non-Tariff Measures Are Becoming a Significant Barrier to Market Entry

**UNCTAD finds NTMs impose higher export costs than tariffs for 88% of countries, costs are highest in the animal and vegetable sectors that include natural fibres**

## Selected examples of non-tariff measures in key GSTP markets

### JUTE

HS 5303.10 • HS 5310.10

- India — Jute Bags Marking Order (labelling)
- Rep. of Korea — rules of origin, Foreign Trade Act
- Pakistan — re-export control, Export Policy Order

### SEAWEED

HS 1212.29

- Singapore — residue tolerance limits, Food Regulations
- Chile — organic certification requirement

### ANIMAL HAIR

HS 5102.19 • HS 5108.10

- Rep. of Korea — CITES-linked licensing, Wildlife Protection Act
- Viet Nam — environmental conformity, Decree 08/2022
- Bolivia — SPS import prohibition, Resolution 129

**Compliance costs fall hardest on smallholders and MSMEs — the very producers GSTP cooperation is meant to support**

# Insights from Private Sector Experiences

**Findings from UNCTAD/SMEP and UNIDO SWITCH2CE field research on natural fibre value chains**

### Kenya — UNCTAD/SMEP (Mananasi Fibre Ltd)

**40,000 t** of pineapple leaf waste burned each year before the project (Del Monte, Thika)

**100+ t** of textile-grade fibre produced by Mananasi Fibre Ltd since 2023

***Del Monte's move from pilot to full ownership secured long-term offtake***

### Uganda — UNCTAD/SMEP (Banatex East Africa)

**~80 farms** in the Wakiso and Mukono districts near Kampala supply raw banana fibre

**Self-developed** decortication technology, built with Pakistan's National Textile University

***Delivered in partnership with the social enterprise TEXFAD, example of South-South technology cooperation***

### Bangladesh — UNIDO SWITCH2CE (jute sector)

**500–700k t** of post-industrial textile waste generated each year

**EUR 3–4.5B** export opportunity from formalising the sector

***Formalisation, not displacement: fair pricing, legal recognition, social protection, access to credit***

*Sources: UNCTAD/SMEP (2025) case studies; UNIDO SWITCH2CE initiative; ILO (2015) Recommendation No. 204; WIEGO.*

# Opportunity Matrix: Where GSTP Members Can Act

| Opportunity | What it means | Timeframe |
|---|---|---|
| **Verify, consolidate & deepen tariff preferences** | Confirm actual preferential access; SPR signatories move toward duty-free where partners already grant it | Short term |
| **SPR accession (after entry into force)** | Invite additional leading GSTP trading partners to also deposit commitments to also enjoy benefits | Medium term |
| **Technology partnership facility** | Scale proven models (e.g. banana/pineapple/seaweed fibre) across the GSTP, SMEP-style and under the United Nations Global Seaweed Initiative (UNGSI) | Medium term |
| **Regulatory and standards compliance facilitation** | Mutual recognition to cut duplicative certification costs in alternative fibers but also potentially in fisheries, aquaculture and agriculture. | Medium/long term |
| **Clearer HS classification** | Explore possibilities of coordination among GSTP members on submission to WCO HS 2028 revision cycle to address HS agro-based fibers, waste and residues with potential where clarity is lacking (for example, banana and pineapple fibres). | 5y-term |

# Policy Recommendations for GSTP and SPR Signatories

- Verify and, where needed, consider the negotiations of a sectoral preferential agreement for priority fibre codes and bring in additional key GSTP fibre exporters and markets to the SPR Protocol
- SPR signatories may consolidate additional SPR tariff cuts on duty-free tariff lines where trading partners already provide equivalent preferences through bilateral agreements
- Establish a technical cooperation facility to scale proven agricultural residue fibre models across the GSTP
- Explore and pursue mutual recognition of regulations and standards and engage early with international processes such as the UN Global Seaweed Initiative (UNGSI)
- Integrate formalisation of waste collection and secure offtake arrangements within technical cooperation support
- Coordinate a joint GSTP submission to the WCO’s HS 2028 revision for clearer fibre classification, particularly for agro-based waste and residues