



PRESS RELEASE

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TRADE POWERS CLIMATE AMBITION

UNCTAD calls for aligning markets and trade with the Paris Agreement to accelerate the low-carbon transition and finance climate action ahead of COP30

Geneva, 6 November 2025 – Trade can be a powerful policy to achieving the Paris Agreement, the 2015 global accord under which all nations pledged to limit warming to well below 2 °C, pursue efforts to 1.5 °C and submit updated national climate plans every five years.

The latest [Global Trade Update](#) by UN Trade and Development (UNCTAD) is released ahead of the [United Nations Climate Change Conference \(COP30\)](#), which will take place from 10 to 21 November in Belém, Brazil. The report provides fresh data and policy analysis demonstrating how **trade can help accelerate the low-carbon transition and mobilize investment for climate action**.

Key takeaways

- **Trade can drive climate action.** Integrating trade policy and its tools into climate plans can speed the shift to low-carbon economies while diversifying exports and generating revenues for adaptation.
- **Green exports are rising sharply.** In 2024, exports of environmental goods reached \$2 trillion (14 per cent of global manufacturing goods traded). Biodiversity-based goods totaled \$3.7 trillion in 2021 and non-plastic substitutes \$485 billion in 2023.
- **Clean energy is becoming cheaper.** The average global cost of producing electricity from new solar projects fell 41 per cent between 2010 and 2024. Onshore wind generation now costs 53 per cent less than fossil-fuel power.
- **Cooling technologies also show major potential.** Trade in thermostats rose 32 per cent and in insulating glass 43 per cent between 2018 and 2023. The sustainable-cooling market is valued at \$600 billion and could deliver \$8 trillion in benefits for developing countries by 2050.
- **Tariffs and standards remain barriers.** Average tariffs on solar and wind components range from 1.9 per cent in developed economies to 7.1 per cent in Africa, rising to 7.6 per cent once non-tariff measures are included. While tariffs on plant-based plastic substitutes, **averaging 14.4% is double that of conventional plastics**.

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Trade and the Paris Agreement

The Global Trade Update shows that sustainable **trade can turn climate ambition into measurable progress** when trade and climate policies work together. By lowering the cost of clean technologies and opening markets for low-carbon goods, trade becomes a direct instrument of climate action.

The report finds that **trade-related measures are increasingly used in national climate commitments** to promote renewable energy, improve efficiency and develop sustainable value chains. However, direct trade policies such as tariff reduction, liberalization of environmental services and harmonization of sustainability standards could be further leveraged to support affordable access to low-carbon technologies.

UNCTAD's mapping of 60 developing countries' national climate plans shows that most already integrate trade measures, though they remain underused with depth and ambition varying widely across regions.

UN Trade and Development's **Guide for Policymakers on Trade Policies to Advance National Climate Plans** - now part of the COP30 Presidency's Climate and Trade Toolbox (COP30 Key Objective 24) - offers concrete steps for aligning trade, investment and climate strategies.

Cooperation for a just transition

Nearly 90 per cent of newly submitted national climate plans come from developing countries showing their commitment to addressing climate change. To ensure they can be fully implemented access to finance, technology and capacity-building, will be necessary.

The report warns that persistent inequalities in access to clean technologies and affordable finance risk widening the gap between economies if global reforms lag. Better integration of trade policy supported by international cooperation can help these countries meet their goals while strengthening competitiveness and resilience.

The Global Trade Update calls for regional and South-South cooperation to reduce tariffs, and South-South North cooperation to harmonize sustainability standards and facilitate affordable access to climate-relevant technologies. **Aligning trade, industrial and climate policies** can unlock new value chains in renewable energy, sustainable agriculture and circular-economy sectors, creating jobs and revenues to finance climate action.

UNCTAD stresses that by **incorporating trade policy instruments in climate policy** countries will be better suited to achieve a just and inclusive transition.

About UN Trade and Development (UNCTAD)

UNCTAD is the UN's leading body on trade and development. Founded in 1964, it supports 195 member states with expert analysis, technical assistance, and serves as a platform for intergovernmental dialogue.

UNCTAD helps developing countries make trade, finance, investment, and the digital economy work for inclusive and sustainable development.