



Message from Director-General Ngozi Okonjo-Iweala

The global trading system continues to face challenges on a scale unseen since it was established 80 years ago in the wake of the Second World War. Alongside rapid technological change and rising geopolitical tensions, the world seems to move from one crisis to the next, with recent conflicts from the war in Ukraine to the Iran war having major effects on the prices and availability of energy, food and other vital commodities.

And yet global trade showed considerable resilience in 2025, the main period covered by this report, which provides an overview of WTO activities over the past year. World merchandise trade grew by 4.6 per cent, in volume terms, as a surge in demand for AI-related goods offset the negative impact of tariff increases and trade policy uncertainty. Services trade grew by 5.3 per cent, also in volume terms. The value of global goods and services

trade, on a balance-of-payments basis, reached a record high US\$ 34.65 trillion in 2025, up 7 per cent year-on-year. WTO rules continue to play an important role in underpinning this resilience: around 72 per cent of global goods trade continues to flow on the core most-favoured-nation tariff terms members commit to at the WTO.

In response to the Strait of Hormuz crisis, countries responded more with trade-facilitating rather than trade-restrictive measures, lifting trade restrictions and facilitating trade in oil and gas products. This approach, which stands in contrast to initial responses to other recent crises, shows how an interconnected trading system can help to bring about resilience when the world is tested by conflict. It demonstrates the importance of cooperation among governments, international organizations and the private sector to mitigate the impacts of crises. It also demonstrates the need for information-sharing in fora such as the WTO.

Beyond the overall resilience in global trade, one bright spot for the WTO in 2025 was the entry into force of our Fisheries Subsidies Agreement following its ratification by two-thirds of WTO members. By curbing harmful subsidies worth billions of dollars, the Agreement promises to have a major impact on preserving global fish stocks

and on protecting the livelihoods of over 250 million people worldwide who depend on this sector for their day-to-day subsistence – while freeing up public revenue that could be redirected to a better purpose.

A key feature of the Agreement was the establishment of the Fish Fund to help developing economies implement its provisions. The Fund has now received over USD 20 million in contributions from members. Almost USD 3 million of

project grants were approved last year by the Fund's Steering Committee, followed by an additional set of grants totalling slightly over USD 2 million in the first half of 2026.

Within WTO councils and committees, much of 2025 was devoted to preparations for the WTO's 14th Ministerial Conference – MC14 – in March 2026 in Yaoundé, Cameroon. WTO reform was at the centre of these discussions, as members sought to establish a post-

MC14 workplan for delivering long-overdue reforms to ensure the WTO remains fit for purpose in a much-changed global economy. As I see it, members can and should use today's disruptions as an opportunity to strengthen what is still working well at the WTO, to repair what is not, and most excitingly, to begin to fill gaps in the global trade rulebook that would help countries take advantage of emerging commercial opportunities in areas like services, digital, and green trade.

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At MC14, WTO reform was a key theme, with ministers also devoting sessions to exchange views and find ways forward on fisheries subsidies, e-commerce, agriculture, investment facilitation for development, dispute settlement reform and the needs of developing and least-developed countries.

Ministers from a wide cross-section of WTO members converged on next steps for reform, although their plan could not be formally adopted because it became linked to the proposed extension of the e-commerce moratorium, a longstanding agreement not to levy customs duties on cross-border digital transmissions, on which consensus proved out of reach in the time available. Intensive work is now under way in Geneva on the full spectrum of reform areas – including the foundational issues, decision-making, development, and level playing field matters that ministers discussed at MC14. As members requested, this work is firmly anchored in the General Council, and led by its Chair, Ambassador Clare Kelly of New Zealand, with the support of five facilitators. The goal is to lay the groundwork for outcomes between now and the Fifteenth Ministerial Conference in 2028.

In Yaoundé, members did recommit to continuing fisheries subsidies negotiations to further enhance the

provisions of the Fisheries Subsidies Agreement. They also agreed to help small economies integrate more effectively into world trade and improve the implementation of special and differential treatment for developing economies.

Plurilateral agreements featured prominently at MC14. The Investment Facilitation for Development Agreement promises to de-risk much-needed investment into developing economies by simplifying procedures, cutting red tape, and signalling the commitment of its more than 130 participants to improving their respective business

climates. Of the WTO's 166 members, 165 have now indicated support for formally integrating this agreement into the WTO legal framework. Work continues in Geneva to achieve consensus.

Meanwhile, 67 members – representing 70 per cent of global trade – announced at MC14 that they were adopting

interim arrangements to implement their Agreement on Electronic Commerce, which sets out the first global baseline for digital trade rules. While some members have raised questions about these arrangements, projections suggest that implementation of the Agreement by its participants could boost global trade by up to USD 2.4 trillion by 2040 – and by as much as USD 8.7 trillion were it to be implemented multilaterally.

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With respect to dispute settlement, the WTO last year continued to see active engagement by members, despite the fact that the Appellate Body remains inoperative. Members brought thirteen new cases to the Dispute Settlement Body (DSB) in 2025, while five panel reports were circulated. Parties notified two mutually agreed solutions to the DSB while two arbitration proceedings were completed. In addition, Chair of the Dispute Settlement Body, Ambassador Guilherme Patriota of Brazil, has been consulting with members on dispute settlement system reform.

The WTO remains committed to providing technical assistance to government officials to improve their understanding of WTO agreements and their ability to participate in trade negotiations. Over 13,000 officials, many of them from Africa and the Asia-Pacific, benefited from this assistance in 2025. In addition, the WTO continues to play an active role in multi-agency initiatives, such as the Enhanced Integrated Framework – aimed at helping LDCs harness trade for growth – and the Standards and Trade Development Facility, which helps developing economies meet food safety requirements for global trade.

Finally, the WTO made important analytical contributions to ongoing

policy debates. For instance, our 2025 World Trade Report examined the potential of artificial intelligence to lower trade costs, boost productivity and expand access to global markets, but also warned that action is needed to narrow digital divides for these gains to translate into growth that is shared across rich and poor countries. The WTO also played host to some of these conversations, through our Public Forum on digital trade, and our Presidential Lecture Series, where we had the pleasure to welcome former Chancellor of Germany Angela Merkel to share insights on how more effective multilateral cooperation can bolster women's economic empowerment along with global trade.

As the report makes clear, the WTO continues to deliver important economic benefits for people, businesses, and countries around the world. But it can and should do more. The ongoing crises contain opportunities to reform and improve the WTO. I hope members will seize them.



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