

ANNUAL REPORT 2025



SOUTH CENTRE

**SOUTH PROGRESS
THROUGH COOPERATION**

**SOUTH UNITY IN
DIVERSITY**



Innovation
Global Health
Biodiversity

Climate Change
Sustainable Development
4th Industrial Revolution



Global Economy
International Trade
Investment
International Tax Cooperation

Social and Human Rights
Global Governance
South-South Cooperation



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MESSAGE FROM THE EXECUTIVE DIRECTOR

The multilateral system plays a vital role for developing countries. While the current system presents imbalances and gaps, notably in the financial and trade areas, its establishment is the result of decades of diplomatic efforts to provide a platform for peaceful, rule-based relations among nations to ensure wholesome cooperation for their collective benefit.

A fundamental mission of the South Centre is to promote the developing countries' interests in international fora. The Centre has actively worked towards a multilateral system that supports and does not undermine the development efforts of its Member States and other developing countries.

In 2025, the foundations of the multilateral system were strained by the weaponization of tariffs with contempt for long established rules, the continuous imposition of unilateral coercive measures in violation of the United Nations Charter, and decisions that significantly undermine the role of international organizations and the delivery of global public goods. In this complex scenario, the Centre has focused, on one hand, on affirming the principles on which the multilateral system is grounded and, on the other, on the processes that can lead to the adoption of new frameworks and rules, or the amendment of the existing ones in multilateral fora or regional settings.

As described in this Annual Report, the Centre supported the South African Presidency of the Group of Twenty in the process leading to the Johannesburg Summit in pursuit of solidarity, equality and sustainability, and contributed to the Sevilla Conference and the Compromise adopted in July 2025. The Centre participated in debates regarding intellectual property (notably



52nd South Centre Board Meeting



South Centre's 30th Anniversary Reception

copyright) and the digital transformation, artificial intelligence, the ongoing reform of the international investment regime, the affirmation of the Right to Development and other human rights (such as victims' rights in case of corporate misconduct, and sexual and reproductive health and rights), negotiations on the proposed United Nations Framework Convention on International Tax Cooperation and its protocols, negotiations on various trade issues (particularly in preparation for the 14th World Trade Organization Ministerial Conference) and on the Annex to the Pandemic Agreement on Pathogen Access and Benefit Sharing, among other matters.

In all these activities, the Centre aimed at contributing to assert the right of the Global South -which accounts for a significant portion of the global GDP and international trade today- to build up a multilateral system that addresses current asymmetries and inequalities as well as the root causes of global challenges, including climate change and antimicrobial resistance.

In 2025, the South Centre celebrated 30 years of its establishment under the inspirational leadership of President Julius Nyerere and the vision of its founding members. We are thankful for the [messages](#) received on this occasion and for the support of our members that contribute to and support the Centre's activities. Like other international organizations, the Centre faces financial challenges, yet this has not prevented it from performing its mandate. This has been largely possible thanks to the active cooperation with many institutions, civil society organizations, academic scholars and experts from the Global South. We are thankful to all of them.

DR. CARLOS M. CORREA

SOUTH CENTRE EXECUTIVE DIRECTOR



SOUTH-SOUTH AND TRIANGULAR COOPERATION

2025 ushered in more dramatic and profound shifts in the global geopolitical, economic, financial and social landscapes. These shifts and transformations include the ongoing reconfiguration of global power dynamics leading to a more prominent rise of a multipolar world order, the weakening of multilateralism, the climate crisis, the rapid advancement of digital technologies, the growing uncertainty in the global economy and escalating trade tensions. While the developed countries have been distancing themselves from obligations to contribute to global public goods and common prosperity and turning more and more to nationalistic approaches, South-South cooperation and triangular cooperation (SSTrC) has moved more to the central stage of development cooperation. SSTrC is not just an alternative but a more pressing imperative in the current global development architecture and changing narratives.

The rise of the Global South has also reinforced this shift in the global development landscape. The rise of developing countries has been demonstrated by the increasing share of global gross domestic product (GDP) accounted for by Southern economies, the growth of South-South trade faster than North-South trade, the more assertive role played by Southern countries in international forums such as the Group of Twenty (G20) and BRICS+ (Brazil, Russia, India, China, South Africa plus), and the increasing demographic weight of the Global South accounting for about 80% of humanity, the majority of the world's youth and future labour force. In this scenario, the Southern countries have been empowered to shape more independently their own development trajectories and contribute meaningfully to global governance and the achievement of the Sustainable Development Goals (SDGs).

However, the Global South is not monolithic. There is significant heterogeneity within it. Nevertheless, the Southern countries have endeavored to enhance solidarity in fighting for their common interests in

various international fora, including the negotiations of the Fourth International Conference on Financing for Development (FfD4) outcome documents, the Pandemic Agreement, the Summit of the Future and the United Nations (UN) Climate Change Conferences.

The South Centre also continued to monitor and assess the trends in SSTrC and to collaborate with other institutions on SSTrC issues. For instance, the South Centre was a member of the Advisory Board convened by United Nations Office on South-South Cooperation (UNOSSC) in preparing the landmark [Global Report on South-South and Triangular Cooperation 2025](#) entitled *Bridging Horizons and Continents – Forging Transformative Pathways in South-South and Triangular Cooperation*.

To celebrate the 70th anniversary of the Bandung principles, the South Centre spoke at the Research and Information System for Developing Countries (RIS) event on [Global South and Triangular cooperation - emerging facets](#) in June. The Centre also published a [research paper](#) and [SouthViews](#) on this.

At the United Nations Trade and Development (UNCTAD) 16 Conference, an expert from the South Centre was invited to speak as a panellist alongside other ministers at the South-South Cooperation Forum.

A South Centre expert was invited to be a keynote speaker at the regional seminar on “The Contribution of North-South, South-South and Triangular cooperation to the enjoyment of all human rights, including the right to development,” organized by the Office of the UN High Commissioner for Human Rights (OHCHR) and the United Nations Economic Commission for Africa (UNECA).

The South Centre has responded to requests to meetings and briefings routinely from Permanent Missions in Geneva, from the South Centre Member Countries and international organizations relating to SSTrC.



DEVELOPMENT FINANCE

With more accommodative monetary policy and a weaker United States dollar throughout 2025, inflation moderated and cross-border capital flows increased in the world. However, both policy rates and inflation have still been above pre-pandemic levels in many developing countries, which suffer from limited fiscal space, rising debt vulnerabilities, and declining development assistance. Subdued economic outlook, geopolitical fragmentation and trade uncertainties have made the global financial market fragile and vulnerable to shocks.

Followed by a decline by [7.1% in real terms](#) in 2024, official development assistance (ODA) in 2025 has been marked by a continuous sharp downward trajectory. [According to Organisation for Economic Co-operation and Development \(OECD\) forecasts, net ODA is expected to decline further in 2025 – by roughly 9–17% relative to 2024 levels](#), driven by simultaneous cuts from major donors like the US, United Kingdom, France, and Germany. Least developed countries (LDCs), particularly those from the sub-Saharan Africa, will be the hardest hit.

The United Nations (UN)'s Secretary-General António Guterres warned recently that “financing is the engine of development and right now, this engine is sputtering.” Total external finance to developing countries remained significantly below the USD 9.24 trillion estimated to be required annually to achieve the 2030 Agenda for Sustainable Development and the gap between development financing needs and available resources is getting wider and wider.

The external debt of developing countries surged to an unprecedented level, roughly 99% of their total export earnings, highlighting the unsustainable strain on their economies. Sovereign debt crisis is burdening many lower-income countries. Nevertheless, inadequate

access to affordable, long-term and quality financing for developing countries has been a chronic problem. On top of it, developing countries have been coping with overlapping challenges and crises including increasing conflicts, slower economic growth, exploding protectionism, impacts of climate change, increasing income inequality among and within countries, and worsening food insecurity. Borrowing costs declined by varying degrees for some developing countries owing to widespread interest rate cuts and the weakening of the dollar. But for those which need badly external capital, costs remain elevated and market access difficult.

Ten years after the Third International Conference on Financing for Development (FfD3) which culminated in the Addis Ababa Action Agenda, the Fourth International Conference on Financing for Development (FfD4) was opened in Sevilla, Spain on 30 June 2025. The FfD4 outcome document - the ‘*Compromiso de Sevilla*’ - was adopted by consensus, reaffirming global commitments to financing the sustainable development goals (SDGs), providing a renewed agenda to reform the global financial architecture, enhancing debt sustainability and domestic resource mobilization. There are different assessments regarding whether or not the outcome document would lead to good progress in reforming the international financial architecture, addressing the cost of borrowing, and scaling up investment to close the financing gap for sustainable development. Nevertheless, FfD4 has given new dynamism and potential to advance the global financing for development agenda. The South Centre has made an important contribution to the success of the Conference by actively engaging in the preparations for FfD4 since 2024 (see e.g. [SouthNews](#) on the third session of the Preparatory Committee (Prepcom) and the meetings to review the Zero Draft of the Outcome Document) and through participation in the Conference.

Being a member of the United Nations Inter-Agency Task Force on Development Finance (IATF), the South Centre made textual contributions for and supported the negotiations of the FfD4 outcome document. The South Centre participated in meetings of IATF at principal level on the strategies and division of labor among international institutions for the preparatory process. The South Centre not only attended the plenary meetings of the FfD4 Conference but also spoke at two events and co-organized a side event entitled “[Reform of the International Debt Architecture: A Developing Country Perspective of Credit Rating Agencies and Financing for Sustainable Development](#)”. The South Centre prepared the concept note and spoke as a panelist at the event. The event aimed at addressing reforms to the international debt architecture, in particular the role and impact of credit rating agencies and the broader development financing landscape for generating equitable outcomes for Global South nations.

The South Centre together with the South African Group of Twenty (G20) Presidency and other institutions co-organized a side event during the FfD4 PrepCom in April on “[Combating Illicit Financial Flows and Enhancing Domestic Resource Mobilisation for Financing Development: A Decade under Review](#)”, focusing on progress made in the last decade, sharing practical experiences, and identifying concrete steps forward from the G20 Development Working Group, towards providing recommendations for FfD4 and contributing to the final outcome of the South African G20 Presidency. Participants included government officials, diplomats, academia and civil society representatives.

As part of the South Centre mandate, the South Centre, as noted, provided advisory and technical assistance to developing countries in their international negotiations particularly in relation to the negotiation of the FfD4 outcome document. At the request of the Group of 77+China (G77), the South Centre participated as a panelist at briefings attended by delegates from the G77 Geneva and New York chapters on the FfD4 draft outcome document with the aim of assisting the G77 in its negotiations and formulating language proposals for the draft. The South Centre also provided comments and feedback on the Elements Paper for the FfD4 outcome document. It also provided advice on the United Nations Trade and Development (UNCTAD) XVI outcome document regarding, in particular, the sections relating to development finance.

The South Centre participated in the Group of Twenty-four (G24) ministerial meeting during the World Bank/International Monetary Fund (IMF) Spring Meeting in April and the Annual Meeting in October. The South Centre statements can be found [here](#).

To spread the research findings, promote understanding and forge consensus on development finance issues, the South Centre also responded to invitations to speak at various international fora:

- At the Human Rights Council (HRC) Seventh Intersessional Meeting for Dialogue and Cooperation on Human Rights and the 2030 Agenda for Sustainable Development, the South Centre was invited to speak as a panelist at the Session of [Leaving no one behind: the role of human rights in reforming the sovereign debt architecture and going beyond GDP](#).
- At the UNCTAD 14th International Debt Management Conference, the South Centre made a presentation at the session on [Legal Tools: Consensus Building and Rulemaking in a Fragmented Debt Landscape](#).
- The South Centre was also invited to speak as a panelist at a meeting on understanding the landscape of climate finance, debt, tax and illicit financial flows and human rights.
- During UNCTAD 16, the South Centre spoke at the Ministerial Roundtable on Implementing FfD4 and establishing a borrower’s platform and the parallel event on Climate-Resilient Development: Finance, Structural Transformation, and Cooperation.
- At the Regional Consultation on International Assistance and Cooperation on Debt, Tax and Illicit Financial Flows organized by the Office of the UN High Commissioner for Human Rights (OHCHR), UN Economic Commission for Africa (UNECA), African Union Commission (AUC), and Friedrich-Ebert-Stiftung (FES), an expert from the South Centre was invited as a keynote speaker.

In 2025, the South Centre undertook research and analysis on issues relating to development finance. With the contraction of ODA, domestic resource mobilization has become even more important. However, illicit financial flows (IFFs) continue to represent a huge drain of domestic resources. The South Centre Research Paper 220 focused on new approaches for combatting IFFs. The title of the paper is [Harnessing Open Account Trade – A Major Enabler for Illicit Financial Flows from Developing Countries: Can blockchain technology come to the rescue? Will the African Continental Free Trade Area leverage its Digital Trade Protocol?](#) Owing to the original ideas contained in the paper, a shorter version of the paper entitled “[How Trade Fuels Illicit Financial Flows from Developing Countries](#)” was published in the Project Syndicate, a journal and website on global issues.

A paper on credit rating agencies was also published externally in the International Banker magazine entitled “[Why Oligopoly in the Credit Rating Market is so tenacious?](#)”.





The research and analytical expertise on development finance of the South Centre has been recognized and requested by other institutions. For its forthcoming report on *Assessment of Public Debt in Africa*, the United Nations Economic Commission for Africa has established an external panel including experts from UNCTAD, the World Bank, and the South Centre. In addition to inviting written comments, UNECA also organized an External Panel Review meeting to discuss different comments in detail. The IMF organized a meeting to gather views and comments on their evaluation report on the role of the IMF in addressing the debt problems of low-income countries (LICs). A South Centre expert was asked to give comments on IMF's handling of the LICs' debt. For the debt situation of individual countries, an expert from the South Centre was consulted and invited to speak relating to the debt situation of Senegal and Sri Lanka.

The recent trade wars have introduced economic, financial and political instability risks for developing countries, particularly in financially distressed developing countries, increasing their debt servicing burden with the reduction of trade revenue. The South Centre Policy Brief entitled ["Impact of Global Trade Tensions on Developing Countries: How to respond to a reset of the global economic system"](#) analyzed the channels of transmission of the trade war on the economies of developing countries.

Remittances are a lifeline for many households in low- and middle-income countries (LMICs), and have emerged as an important source of external financing for sustainable development. However, the high cost of remittances remains a significant challenge. The research paper on [Reducing the Cost of Remittances - A Priority for the Global South](#) provided analysis and policy recommendations on the issue.

SUPPORT TO G20 SOUTH AFRICAN PRESIDENCY

From the beginning of 2025, the South Centre's South-South and Triangular Co-operation (SSTrC) work has been centered around the support of the South Africa's Group of Twenty (G20) Presidency. South Africa is the first African country to assume the G20 rotating presidency. The support provided to the South African G20 Presidency responds to the call in paragraph 88 of the outcome document of [the 3rd South Summit](#) held in 2024 and the 19th Summit of the Non-Aligned Movement (NAM), which called "*on the South Centre to examine ways and means to support more effectively developing countries in multilateral negotiations with the view to enhance the capacity of the South in addressing current and emerging challenges.*" The South Centre was invited as an international organization (IO) alongside the United Nations, the United Nations Trade and Development (UNCTAD), the International Labour Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO), World Trade Organization (WTO) and World Bank to participate in various meetings under the Sherpa track of the G20 and provide advisory service and technical support to the Presidency. The Centre's presence at the G20 confirmed the role the institution can play in the global arena, as the G20 plays an important role in shaping the global architecture and the governance on major international issues, even more so for the new international order. The international organizations' support for the G20 Presidency has always been crucial to the work of the G20 as they provide valuable insights and recommendations on various G20 priorities. They also provide technical expertise to the Presidency and G20 Members in helping to identify policy gaps, analyse potential impacts, and develop effective strategies.

The South Centre was specifically acknowledged in the Ministerial Declaration for its contribution to the work of 1. the G20 Development Working Group, 2. to the G20 Trade and Investment Ministerial Statement, and 3. in the Chairman's Summary of the G20 Digital Economy Working Group. The acknowledgement at the ministerial level is a formal recognition of the impact of the work of the South Centre.

The South Centre participated in 91 virtual and in person official G20 meetings and made 27 formal statements as well as participated in many informal meetings with the G20 South African Presidency (officials from the Department of International Relations and Cooperation and other responsible ministries for different working groups and task forces) and other IOs. To contribute to the G20 deliverables, the Centre was involved in the drafting of high-level principles and the negotiation of these principles. We labored together with the South African officials through many meetings to come up with more nuanced, precise and technically correct languages to bridge different views among Member States and make the outcome reflect a higher common denominator. Negotiations of outputs and deliverables were complex. The Centre participated in negotiations related to its work and contributed to the outcome. Research work was undertaken to give the Presidency views and recommendations on issues and topics being discussed and negotiated and to assist in opinion shaping.





The Centre made presentations, assisted in drafting and negotiating G20 high-level deliverables, including outcome documents and draft ministerial declarations. Advisory service was provided on negotiation techniques, procedures and specific issues. Research papers and technical notes were provided. The South Centre intervened at the G20 Summit, Foreign Ministers meeting, the Development Ministers meeting, the G20 Sherpas meetings and some ministerial meetings of different working groups and task forces held in South Africa, and made many interventions at various other meetings.

The South Centre also co-organized a side event together with the G20 Presidency during the Fourth International Conference on Financing for Development (FfD4) Prepcom in New York. Together with two other institutions and the G20 Presidency, the South Centre co-organized a side event during the International Monetary Fund (IMF) and World Bank Annual Meeting in Washington. The event was entitled Industrial Policy Principles for G20 Cooperation. The event was opened

by H.E. Maropene Ramokgopa, Minister of Department of Planning, Monitoring and Evaluation of South Africa.

The South Centre also channeled the research findings mentioned above on the impact of global trade tensions, open account trade as an enabler of illicit financial flows (IFFs) and remittances to the G20 Presidency to contribute to the discussion of the issues. Short notes and briefings were also prepared.

In addition to supporting the G20 South African Presidency, the South Centre supported the Group of (G77) and made contributions for the 16th UNCTAD ministerial conference (UNCTAD 16). The South Centre prepared background documents and consolidated comments on the entire UNCTAD 16 draft outcome document to assist the G77 Geneva Chapter with negotiations on the outcome document. The Centre briefed several times the G77 on Finance for Development (FfD)-related issues, negotiation strategy and provided relevant language options. During the Conference, the South Centre intervened at a ministerial roundtable, parallel event and side event.



UNILATERAL COERCIVE MEASURES

2025 saw an alarming increase in the frequency and number of unilateral coercive measures (UCMs). UCMs have been increasingly imposed by a small number of advanced economies as a tool to implement their foreign policies, compel policy changes or regime change and constrain economic development of the targeted states.

UCMs have grown more complex and multi-layered. The pronounced objective of precision targeting at specific entities, individuals or economic sectors more often than not have failed. They have also failed in achieving the intended final objective of such measures. Overcompliance by various entities and companies, particularly financial institutions, amplifies the economic and social pain and distress for the targeted countries, and especially their vulnerable and marginalized populations.

2025 has also been marked as a special year for the weaponization of tariffs. Some of the unilaterally imposed tariffs have been motivated by political and foreign policy objectives which are similar to UCMs.

UCMs violate international law and weaken the multilateral system underpinning the United Nations (UN) and its foundational principles, as enshrined in the UN Charter. The significant negative impacts of UCMs are especially magnified in developing countries facing

economic hardships, conflicts and climate change-related natural disasters, affecting the capacity of targeted countries to realize human rights, especially the human right to food, health, and development, as well as curtailing access to justice and effective remedies.

In June 2025, the UN General Assembly adopted a resolution to proclaim 4 December annually as the International Day Against Unilateral Coercive Measures, with the observance starting in 2025. This UN decision underlined the tremendous negative impact of the UCMs on the targeted countries and the world economy.

South Centre has followed the development in UCMs and their impact on countries. A South Centre report was published in January on [Combating overcompliance with unilateral coercive measures](#), which unpacked drivers of overcompliance and proposed strategies to mitigate its effects, especially regarding humanitarian exemptions.

The South Centre also made a presentation on UCMs as a panelist at a virtual meeting with the participation of the United Nations Special Rapporteur on the negative impact of the unilateral coercive measures on the enjoyment of human rights.

At the 60th session of the Human Rights Council, (HRC) the South Centre was invited to speak at the side event on new HRC actions to address the negative impact of unilateral coercive measures on human rights.



INNOVATION, INTELLECTUAL PROPERTY, TECHNOLOGY TRANSFER AND PROTECTION OF TRADITIONAL KNOWLEDGE

WTO Council for TRIPS

In the 1st semester of 2025, two formal sessions of the World Trade Organization (WTO) Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) Council were held. Members elected Emmanuelle Ivanov-Durand, Permanent Delegate of France to the WTO, as the new Chair for the coming year. Among the regular standing agenda items, the TRIPS Council focused on the long-overdue review of the implementation of the TRIPS Agreement, which is meant to occur every two years but has not been conducted since the incomplete initial review in 1999. Members recalled the near-consensus achieved in November 2024 on a “Proposed Process for the First Review” (document JOB/IP/79/Rev.3), which could not be formally adopted at the December 2024 meeting. The sticking point remains whether the process should explicitly reference Articles 7 and 8 of the TRIPS Agreement (Objectives and Principles) as guiding the review. While some delegations signaled openness to further discussion, others maintained reservations. Colombia had submitted a proposal to the TRIPS Council in 2024 for carrying out a review under Article 71 of the agreement. This was followed by a joint proposal by Bangladesh, Colombia, Egypt and India in March 2024 which called upon the TRIPS Council to undertake and finalize its first review under article 71 on the implementation of the TRIPS Agreement.

The TRIPS Council discussions have focused on the process to be followed in conducting the proposed review. There is substantive difference of views between developed and developing countries in this regard. The Chair of the TRIPS Council in 2024, Ambassador Sofia Boza of Chile, had proposed a process guided by the structure of the Agreement, following the sections on individual intellectual property (IP) rights in Part II of the Agreement, while also considering the provisions in Parts I, III and IV related to the individual IP rights under review.

After a first trial period, members would then evaluate the modalities for the rest of the review and agree any necessary changes before moving forward. The review would mainly involve inputs from members, who would provide information on their implementation of the sections under review, including their experiences, challenges and best practices.

However, some developing country members were concerned that a review focused on “implementation of the TRIPS Agreement” may be interpreted as just meaning how the Agreement’s obligations have been incorporated into national laws. Such an exercise may end up in a review of compliance by Members with the TRIPS obligations (which may eventually lead to claims by developed countries of non-compliance if situations of this kind were identified). Such a review will be narrower in scope than a review focused on evaluating the impact of the TRIPS Agreement. At the end of the TRIPS Council meeting in December 2024, there was no consensus regarding the process and scope of the review. These differences remain unresolved after the TRIPS Council sessions in March and June 2025.

At the June session of the TRIPS Council Colombia submitted two proposals: “The After-Life of Patents” (IP/C/W/720), which calls for a global repository of technical information from expired patents to enhance innovation, close technology gaps, and support artificial intelligence (AI) training; and “Trade-Related Figures of Intellectual Property: The Case of IP Royalties at the Global Level” (IP/C/W/721), which seeks to stimulate discussion on global IP royalty flows and their trade implications.

An informal group of developing country members known as “Intellectual Property (IP) for Development” comprised of Bangladesh, Brazil, Colombia, India and Pakistan, organized a side event to the TRIPS Council in March on the “30 Years of TRIPS: Expectations and Concerns of Developing Countries” with the support of the South Centre.



In the second half of 2025, few significant developments took place on issues concerning trade-related aspects of intellectual property rights under the framework of the WTO. Despite significant shifts in United States trade policy more broadly, existing international intellectual property rules have faced no challenge and have instead seen renewed entrenchment. Developing countries continue to make proactive proposals for a review of evidence on the impact of the IP system – such as on the flow of royalties (payments for the use or licensing of intellectual property) – but with limited impact to date.

The more notable of these efforts was the discussion in the WTO TRIPS Council formal session in November of a proposal by Colombia, co-sponsored by Brazil, India and South Africa, calling for more technical, informal and in-depth discussions within the Council, including through presentations by relevant international organizations such as the World Intellectual Property Organization (WIPO), World Health Organization (WHO), the WTO Secretariat and the World Bank, to help Members better understand and exchange views on cross-cutting issues already on the Council's agenda, notably the relationship between TRIPS and biodiversity and traditional knowledge, the after-life of patents and access to information on expired patents, IP royalties and data on IP-related trade flows, and the implications of recent and ongoing global health and IP-related processes for technology transfer, access to medicines and future pandemic preparedness. No agreement was reached on advancing any of these study proposals.

The agenda of the TRIPS Council session in November included discussions on notifications under the TRIPS Agreement, reviews of national IP legislation, IP and COVID-19 and pandemic preparedness, protection of traditional knowledge and the relationship of the Convention on Biological Diversity (CBD) and the TRIPS Agreement, annual review of the special compulsory licensing system under article 31 *bis* of TRIPS, non-violation and situation complaints under TRIPS, review of the implementation of the TRIPS Agreement under article

71, review of application of the provisions of the section on geographical indications under article 24.2, annual review of the implementation of obligations relating to technology transfer under article 66.2, technical cooperation, observer matters, and other WTO-related developments. In addition to the standing agenda items, the TRIPS Council also discussed the topic of women and IP.

Regarding the review of the implementation of the TRIPS Agreement, the Chair indicated that following informal consultations held over the summer in 2025, differences remained unresolved. In light of this the TRIPS Council agreed to the suggestion by the Chair to keep the agenda item open in order to give more time to advance on the matter, so that the discussions could be resumed in the formal meeting of the TRIPS Council in a future session if an agreement among members seemed more likely. Thus, the issue of review of the TRIPS Agreement has been effectively put in suspended animation and it remains uncertain as to when the differences in how the review should be approached would be resolved.

The TRIPS Council also discussed the issue of non-violation and situation complaints. Noting the lack of advancement on substantive discussions on scope and modalities of non-violation and situation complaints under TRIPS, the Chair stated that it was difficult to see any outcome on the matter at the upcoming WTO Ministerial Conference (MC14) other than a decision to either extend the moratorium on initiating such complaints, or the expiry of the moratorium. In this regard, the Chair had suggested the Council to agree to either of these decisions prior to the Ministerial Conference. However, no decision was taken to that effect, and the TRIPS Council agreed to suspend this agenda item and resume discussions when members would be ready to take a decision. This suggests that leading up to the Ministerial Conference, it is theoretically possible that a decision could be agreed upon for formal adoption by the TRIPS Council. However, if no decision is adopted by the TRIPS Council, then the matter extension of the moratorium will have to be decided upon by the Ministerial Conference.



Some TRIPS-related issues have also been discussed in the WTO General Council meeting held on 16-17 December 2025. The G-90 – a coalition of the African Group, the African, Caribbean and Pacific States (ACP), and the Least Developed Country (LDC) Group – submitted a proposal requesting the General Council to instruct the TRIPS Council to use an illustrative and non-binding list of incentives contained in the proposal, for further discussion for effective reporting by developed countries of incentives they are required to provide to enterprises and institutions in their territories for transfer of technology to LDCs in accordance with article 66.2 of the TRIPS Agreement. The General Council also agreed to the recommendation by the TRIPS Council to extend the period for acceptance of the Protocol Amending the TRIPS Agreement (incorporating the special compulsory license to enable export to countries with insufficient or no pharmaceutical manufacturing capacity under article 31 *bis*). The General Council also considered the report of the TRIPS Council relating to the status of discussions on non-violation and situation complaints under TRIPS.

The South Centre assisted developing country delegations in preparation for the meetings of the TRIPS Council through briefings and background documents analyzing issues on the agenda of the Council and advancing strategic recommendations. It also provided advice upon request on specific issues to individual delegations.

The South Centre also organized a briefing on 28 October for developing country delegates to the WTO in preparation for the TRIPS Council session held in November. The briefing reinforced developing countries' shared positions on major TRIPS agenda items, including the need to ensure that the Article 71.1 review addresses development and public health impacts, not merely compliance; to support mandatory disclosure of origin under the TRIPS-CBD agenda; and to advance the Bolivian proposal restricting patenting of life forms and promoting *sui generis* systems for plant variety protection. Delegates were encouraged to highlight the ineffectiveness of the

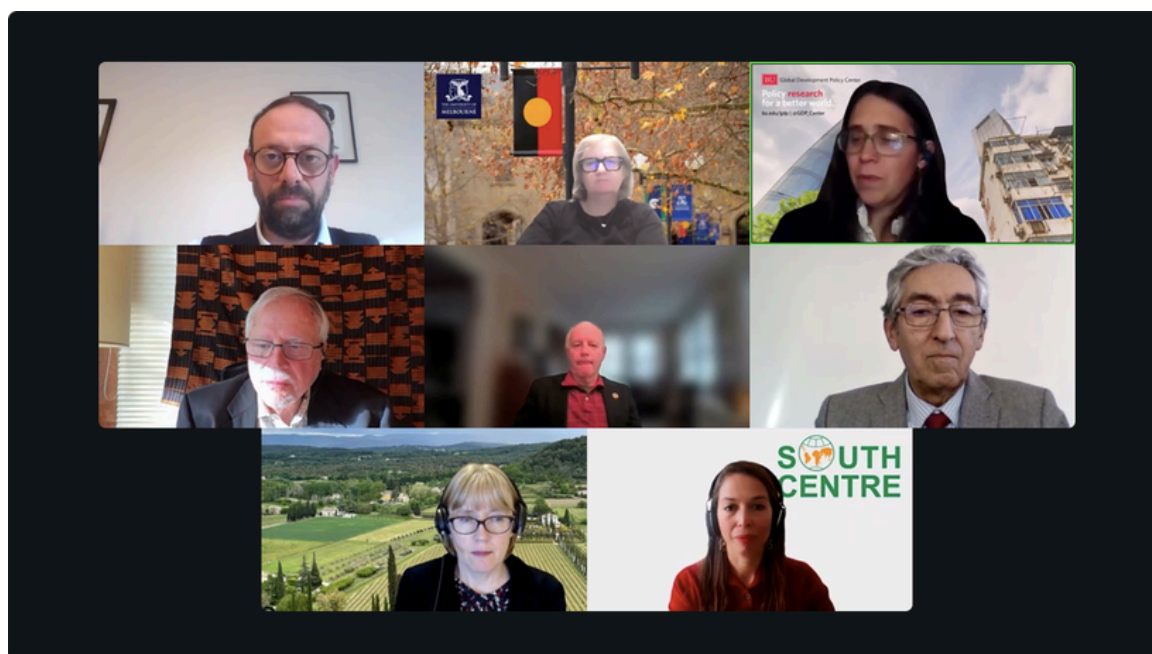
special compulsory licensing system (Article 31 *bis*) and call for reforms to simplify its use; to advocate for a permanent moratorium on non-violation complaints under TRIPS; to push for stronger monitoring of developed countries' obligations under Articles 66.2 and 67 on technology transfer and technical cooperation; and to support the South Centre's pending observer status in the TRIPS Council. A matrix of issues on the agenda of the TRIPS Council and possible outcome scenarios on those items was also shared with delegates.

The Centre also supported WTO delegates in preparation for the WTO General Council meeting in December with a background note analyzing the TRIPS Council related issues.

The South Centre provided technical assistance at the national and regional levels on the use of the policy space available in the TRIPS Agreement to advance public health –known as TRIPS flexibilities. An [online course](#) on South Centre's e-learning platform for patent examiners and policymakers from the Caribbean and African countries, in association with the Pan-American Health Organization (PAHO) and the African Centres for Disease Control and Prevention (African CDC) was concluded on 30 September.

The South Centre published [Research Paper No. 214](#) on application of the Bolar exception in Europe. A research paper on the issue of the review of the TRIPS Agreement under Article 71.1 of the TRIPS Agreement is forthcoming.

The Centre published [Policy Brief No. 145](#) in September on the history of the negotiations of the TRIPS Agreement, providing important background to the negotiated TRIPS Agreement. The Centre also published, in collaboration with the Global Development Policy Center at Boston University, a comprehensive report on [Compulsory Licensing Provisions](#) in the National Patent Legislation of 15 Middle-Income Countries. This report highlights best practices and makes key recommendations to improve patent laws for the use of this important TRIPS flexibility. A webinar was also held to discuss the report, with a [summary](#) produced.



WIPO Negotiations

The South Centre continues to provide significant support to delegations through notes and preparatory briefings to prepare for their participation in the various World Intellectual Property Organization (WIPO) committees. WIPO is the main international forum where discussions and negotiations on intellectual property take place.

Following the adoption of the new WIPO Treaty on Intellectual Property, Genetic Resources and Traditional Knowledge and the WIPO Design Law Treaty (DLT) in 2024, there are several treaty negotiations at crucial decision points, each carrying significant implications for developing countries. In the Standing Committee on Copyright and Related Rights (SCCR), a decades-long stalemate continues over broadcasting organizations' rights, where the European Union is pushing for expanded rights while developing countries insist on a narrower, signal-based approach. Meanwhile, discussions on copyright limitations and exceptions—critical for access to knowledge and educational resources—remain stuck in procedural debates, with developed countries resisting text-based negotiations. The Standing Committee on Patents (SCP) maintains open discussions on key issues but there has been no real progress on issues affecting developing countries. While developing countries have successfully kept out any work on patent law harmonization, developed countries block real work on advancing technology transfer, facilitating access to patented medicines, and fostering wider use of patent system flexibilities such as patent oppositions and compulsory licensing. The Intergovernmental Committee on Genetic Resources, Traditional Knowledge and Folklore (IGC) reached agreement on a mandate for 2026-2027 that maintains focus on text-based negotiations for protecting traditional knowledge (TK) and traditional cultural expressions (TCEs). However, this progress is threatened by the empty voluntary fund that supports indigenous peoples' participation.

A systematic erosion of WIPO's Development Agenda implementation mechanisms is taking place. What was once a coordinated effort to mainstream development considerations across all WIPO activities has devolved into a steady undermining and non-compliance. WIPO bodies have abandoned their mandated reporting on Development Agenda implementation, while the independent review mechanism has simply disappeared from the agenda. In the

Committee on Development and Intellectual Property (CDIP), approved projects focus primarily on helping developing countries acquire and manage intellectual property rights rather than utilizing flexibilities for accessing protected technologies. The broader vision of a balanced IP system that serves development needs appears to be giving way to a narrower focus on IP promotion and enforcement.

The discussions in the Program and Budget Committee have exposed fundamental disagreements about WIPO's relationship with the United Nations System, its institutional identity and mission, in the context of negotiating the 2026/2027 Program and Budget. The United States' demand to remove all references to Sustainable Development Goals (SDGs) from WIPO's budget framework has triggered fierce opposition from 43 countries. This controversy goes beyond technical budget matters—as to whether WIPO should retreat to a narrower focus on IP protection and promotion. The budget debates have also highlighted transparency concerns, with multiple countries pressing for greater detail on internal fund transfers as WIPO shifts from a 31-program format to an 8-sector model. These seemingly technical changes mask deeper questions about accountability and Member State oversight of the organization's priorities and resource allocation.

Developing countries must continue to advance their proactive coordination and coalition-building in WIPO matters, to prevent marginalization of development concerns.

To help delegations prepare for the discussions in WIPO in 2025, in January the South Centre together with the Program on Information Justice and Intellectual Property (PIJIP) of the American University Washington College of Law and the Permanent Mission of Indonesia in Geneva sponsored [a retreat](#) among Like-Minded Countries in Montreux. Over sixty participants, including fifteen ambassadors and forty country delegates, gathered in Montreux for the Retreat. Discussions focused on the current agenda for various WIPO committees including the SCCR, the IGC, and the CDIP. Experts from the South Centre and PIJIP provided research and technical information and support during the retreat. The Centre also published a [policy brief](#) on progress and challenges regarding implementation of the WIPO Development Agenda.





Photo: WIPO



Preparatory briefings were organized prior to the meetings of the Committee on Intellectual Property, Genetic Resources and Traditional Knowledge, which held two sessions that led to the recommendation to extend the mandate of the Committee to continue negotiations for international instruments on the protection of traditional knowledge and traditional cultural expressions. A briefing was also held to support preparations for the Standing Committee on Copyright and Related Rights, the Committee on Development and Intellectual Property and the Program and Budget Committee. The Centre also participated as an observer in various WIPO bodies and delivered statements at the [51st session of the IGC](#) and the [17th session of the WIPO Advisory Committee on Enforcement \(ACE\)](#).

The Centre also produced a Research Paper and a policy brief on the [outcome of the 2024 WIPO Diplomatic Conference in Riyadh](#) leading to the adoption of the WIPO Design Law Treaty. SouthNews reports on the outcomes of the [51st session of the WIPO IGC](#), and the [46th session of the SCCR](#). The Centre also co-organized with PIJIP an international conference on [“Copyright and the Public Interest: Africa and the Global South”](#) in February in South Africa and produced a report ([SouthNews](#)) on the outcomes of the conference. A summary of the conference proceedings can be found [here](#). In June the Centre also co-organized with PIJIP a [user rights symposium](#) on “Principles for Progress in Digital Copyright”.

The 66th Series of WIPO Assemblies in July 2025 focused on governance, budgeting, and norm-setting, with key outcomes including approval of the process for appointing a new Director General in 2026, elections to the Coordination Committee and Program and Budget Committee (PBC) maintaining largely static compositions despite calls for reform, and adoption of the 2026/27 Program and Budget after renaming the proposed Development Acceleration Fund to the Innovation, Creativity and Development Acceleration Program amid disputes over its oversight. Discussions on audit and oversight reports highlighted needs for stronger evaluation functions and Development Agenda integration, while the SCCR was directed to continue

work on the Broadcasting Treaty and limitations and exceptions (L&Es) without advancing to diplomatic conferences or text-based negotiations. Tensions between developed and developing countries were pronounced: developing countries pushed for equitable representation in the WIPO Coordination Committee (which incorporates members from the Executive Committees of the Paris and Berne Unions) and the PBC, inclusion of SDGs in budgeting to align with global priorities, a signal-based Broadcasting Treaty with mandatory L&Es, and text-based progress on L&Es for libraries, education, and disabilities to promote access to knowledge; in contrast, developed countries such as the US (opposing SDGs as distorting WIPO's IP mandate, criticizing Lisbon Union finances, and favoring minimalist broadcasting protections) and the EU (advocating rights-based broadcasting expansions and opposing binding L&Es instruments) resisted these, leading to deferrals, deadlocks, and missed opportunities for balanced reforms favouring development-oriented IP systems.

The 37th session of the WIPO SCP held from November 3 to 7, 2025, addressed key topics including exceptions and limitations to patent rights (e.g., farmers' and breeders' exceptions), patent quality issues like divisional applications and AI inventorship, patents and health (focusing on databases and technical assistance), confidentiality of patent advisor communications, and technology transfer, with developing countries emphasizing the need for policy flexibility to support public health, food security, and local innovation, while highlighting concerns over patent evergreening and AI ethics. Key outcomes included agreements on future draft reference documents for private/non-commercial use and national defense exceptions, updates to AI patentability studies and expert meetings, a compilation of examiner ethics materials, expanded health database scopes to include diagnostics and devices, and continued discussions on standard-essential patents and university licensing, though no new studies on divisional applications or trade secrets were launched. Tensions deepened between developing countries—advocating for fact-finding over harmonization to preserve TRIPS flexibilities and development space—and developed

countries, particularly the United States, which pushed to remove longstanding exclusions of harmonization from the SCP's mandate, leading to a late-night standoff resolved by a compromise summary acknowledging broad support for fact-finding while noting the US disagreement, exposing dormant fault lines that could threaten the committee's functionality.

The 35th session of WIPO's CDIP, held from November 17-21, 2025, highlighted ongoing tensions between developed and developing countries over the integration of development priorities into IP systems, with developing countries advocating for a broad mandate to address issues like equitable access to knowledge, technology transfer, TRIPS flexibilities, climate resilience, and cultural industries, while developed countries, notably the United States, pushed for a narrower interpretation of the committee's role, viewing certain topics like addressing IP aspects related to climate change as outside its scope. Key discussions revolved around reviewing progress on the WIPO Development Agenda, evaluating ongoing projects, and considering new proposals, including Brazil's concerns about redefining technology transfer in multilateral fora; however, consensus eluded three initiatives—the United Kingdom's enforcement-focused proposal on cross-border counterfeit goods, Venezuela's project to empower doll-making artisans through IP, and Dominica's effort to leverage IP for climate-resilient innovation—leading to their deferral to the May 2026 session amid debates on mandate fit, proportionality, and development safeguards. In particular, the concerns raised regarding the UK's proposal on Cross-Border Trade in Counterfeit Trademark Goods primarily centred on its enforcement-heavy orientation, which several delegations argued lacked adequate incorporation of TRIPS flexibilities, proportionality principles, and development-oriented safeguards. Additionally, questions were posed about the proposal's alignment with the CDIP's mandate, given that enforcement-related activities are typically handled by WIPO ACE, leading to no consensus and deferral of discussions to the next session.

The 47th session of WIPO's SCCR, held on December 1-5, 2025, primarily debated the long-stalled broadcasting treaty, L&Es for libraries, archives, education, research, and disabilities, and digital copyright issues including generative AI, creator remuneration, and transparency in royalty distribution. Key outcomes included agreements to continue discussions on the broadcasting treaty with a revised Chair's text for the next session, advance

convergences on L&Es based on various proposals (e.g., African Group's draft instrument), and pursue studies and information sessions on AI-copyright relations, audiovisual rights, resale royalties, theatre directors' protections, technical standards, and technological protection measures, while deferring several proposals to future meetings without convening a diplomatic conference. Tensions arose between developing countries, which criticized the agenda's imbalance favoring broadcasting over digital priorities, advocated for binding international instruments to address inequities in royalties and access, and emphasized public interest in AI and L&Es, and developed countries, which prioritized the broadcasting treaty, resisted new binding norms, and favoured non-binding guidance, highlighting concerns over contractual freedom, territorial copyright, and the sufficiency of existing frameworks, ultimately underscoring the SCCR's challenges in bridging global divides amid rapid technological change.

The South Centre continued to provide regular support to delegations through notes and preparatory briefings for the various committees of WIPO. Preparatory briefings were organized prior to the 2025 WIPO Assemblies in July. Briefings were also held to support preparations for the SCP, CDIP and SCCR. All briefings were supported with background notes presenting analytical comments on the issues in the agenda of these bodies along with strategic recommendations.

The South Centre also participated as observer in the WIPO Assemblies, SCP, CDIP and the SCCR. The South Centre delivered a [statement to the WIPO Assemblies](#) calling on WIPO members to preserve development-oriented policy space in intellectual property, fully mainstream the WIPO Development Agenda, ensure equitable developing-country representation, adopt a budget aligned with the SDGs, and advance key treaties and negotiations on genetic resources, traditional knowledge, and public-interest copyright exceptions. The South Centre also published the following:

- a. [report reviewing the key discussions and outcomes of the 2025 WIPO Assemblies](#)
- b. [Working Paper analysing the proposal by the African Group for an instrument on copyright limitations and exceptions](#)
- c. SouthNews reports on the outcomes in the [SCP](#), [CDIP](#) and [SCCR](#)
- d. SouthNews article on the [discussions in the WIPO Symposium on Standard Essential Patents](#)



Photo: WIPO



HEALTH AND DEVELOPMENT

World Health Organization

A historic milestone in the World Health Organization (WHO) in 2025 was the adoption of the WHO Pandemic Agreement, the first global treaty aimed at enhancing pandemic prevention, preparedness and response. The Seventy-Eighth Session of the World Health Assembly (WHA) adopted the Pandemic Agreement under Article 19 of the WHO Constitution through resolution WHA 78.1. The adoption of the Pandemic Agreement^[1] culminated from negotiations between WHO member States on the text of the Agreement which took place in the Intergovernmental Negotiating Body (INB) to draft and negotiate a WHO Convention, agreement or other international instrument on pandemic prevention, preparedness and response (the INB negotiations were conducted over thirteen sessions between February 2022 to April 2025).

The INB negotiations revealed deep fault lines, with developed countries, particularly the European Union and the United States, favoring a framework treaty without concrete commitments. Developing countries, on the other hand, were pushing for a comprehensive treaty with enforceable measures to address inequities. At the end of the 12th session of the INB, which was the penultimate round of negotiations, key unresolved issues included obligations under a WHO Pathogen Access and Benefit-Sharing System (PABS System) under article 12, lack of binding commitments on access to vaccines, medicines and diagnostics (articles 9-13), including on sustainable and geographically diversified local production (article 10) and on transfer of technology for production of pandemic-related health products (article 11). While the Pandemic Agreement was finally adopted by bridging these differences through substantial compromise particularly by developing countries, the underlying tensions and disparities are far from resolved, and the real test will be the treaty's implementation, where these fault lines may resurface.

[1] However, the Agreement will be subject to ratification only after adoption of the Annex on the WHO PABS System.

Demands for equitable access largely fell along established North/South lines and further equity demands by developing countries were not met. This, despite the agreement's acknowledgment of the inequities at national and international level that hindered timely and equitable access to health products to address the COVID-19 pandemic. In the final text, failure to live up to the equitable aspirations of developing countries were visible in the provisions on technology transfer, which was the last provision on which compromise was reached. The final text, in effect, falls short of the expectations of developing countries. They had demanded that the transfer of technologies assisting in pandemic preparedness and response be compulsory for 'technology holders'. By contrast, developed countries argued that technology transfer should remain voluntary to incentivize private innovation and investment. The final text of article 11 requires that states "promote and otherwise facilitate or incentivize, transfer of technology as mutually agreed, including transfer of relevant knowledge, skills, technical expertise, and cooperation or any other related know-how for production of pandemic-related health products, in particular for the benefit of developing countries". The term "as mutually agreed" was so controversial that it warranted a footnote defining the term as meaning "willingly undertaken and on mutually agreed terms, without prejudice to the rights and obligations of the Parties under other international agreements". It is unclear whether such a provision, which embeds once more the uneasy balance between developed and developing countries, will facilitate a timely expansion of production of vaccines and other medical products, as needed, during any future pandemic.

While welcoming the Pandemic Agreement, in their general statements at the World Health Assembly developing countries emphasized the need for the treaty to prioritize equity and address historical disparities in global health responses. Having faced severe challenges during the COVID-19 pandemic, these countries underscored the importance of ensuring that the Agreement not only tackles future pandemics but also rectifies systemic inequities that have disproportionately affected the Global South. South Africa, representing the

African region, highlighted the need for a robust PABS system to ensure that countries sharing pathogen data benefit equitably through access to vaccines, diagnostics, and therapeutics, and stressed the importance of technology transfer and local manufacturing capacities to reduce dependence on wealthier nations. Egypt and Senegal echoed the need for equity in pandemic preparedness and response, emphasizing the interconnectedness of human, animal, and environmental health through a One Health approach. Bangladesh focused on equitable access to health products and regional manufacturing capacity, calling for transparency and traceability in PABS systems. Brazil, along with Colombia, supported the Agreement but stressed the importance of finalizing the PABS annex, advocating for technology transfer and the preservation of Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) flexibilities for developing countries.

In particular, the details of the PABS system established under Article 12 of the Pandemic Agreement are to be negotiated as an Annex to the Pandemic Agreement. These negotiations are going to be held in an Intergovernmental Working Group (IGWG) pursuant to resolution WHA 78.1, and the outcome of the IGWG negotiations are to be submitted to the Health Assembly in 2026. Subsequent to the outcome of the IGWG negotiations, the 2026 World Health Assembly is to facilitate the adoption of the PABS Annex and opening of the Pandemic Agreement for signature, ratification, acceptance, approval, accession or formal confirmation.

The PABS is essential for pandemic equity, balancing rapid pathogen sharing with equitable access to vaccines and treatments, but with the approach advanced until November 2025 in the IGWG process, delaying formal negotiations, Member States risked failing to finalize the PABS Annex by the March 2026 deadline.

At the World Health Assembly, developing countries expressed high expectations on the upcoming negotiations on the PABS Annex, recognizing its critical role in the Pandemic Agreement. Countries like South Africa, Kenya, Uganda, and Namibia stressed that a functional PABS system is key to ensuring equity, fair pathogen sharing, and timely access to benefits for vulnerable populations, with South Africa specifically highlighting the need for equitable returns on pathogen sharing. Egypt emphasized the


importance of equitable access to countermeasures, while Pakistan and Jamaica called for a focus on operationalizing the PABS system. India referred to the PABS Annex as the "soul" of the Pandemic Agreement, stressing the need for focused negotiations. Bangladesh echoed support for a robust PABS system with legal certainty for benefit sharing and equitable access to vaccines and therapeutics.

The South Centre attended the 13th session and the resumed 13th session of the INB on the pandemic instrument in February and April 2025. The Centre delivered a [statement to the 13th session of the INB](#) urging WHO Member States to strengthen the pandemic treaty with binding legal commitments on equity, technology sharing, and fair distribution of medical resources, cautioning that the draft negotiating text fell far short of preventing future global health crises. In its [statement to the resumed 13th session of the INB](#) the South Centre called on WHO Member States to show leadership and ensure the pandemic agreement includes strong, actionable commitments—especially on equity and a concrete PABS system—reiterating that the draft text was too weak to address global health inequalities. At the conclusion of the negotiations the South Centre issued a [statement](#) noting that the final text lacks enforceable commitments on equitable access, technology transfer, and financing, especially for developing countries. Further noting that the crucial issue of fair access to medical countermeasures was deferred to future talks, the Centre reaffirmed its commitment to continue to support developing countries to identify the elements necessary for achieving an equitable outcome in the negotiations on the PABS Annex.

A major political development that has impacted the WHO in 2025 is the formal withdrawal of the United States of America from the membership of WHO under the new US administration. At the time of its withdrawal, the US was the biggest financial contributor to the WHO, providing around US\$706 million, which accounted for 10% of the WHO's approved 2024-2025 budget of US\$6.8 billion and 18% of its total revenue by the end of 2024. This includes both voluntary contributions and membership fees. The immediate consequences for the WHO are significant and have led to the total base budget being reduced from US\$ 5.3 billion to US\$ 4.2 billion, with significant programmatic and staffing implications. It will also adversely impact WHO's ability to assist countries that lack the capacity or resources to address various public health needs.

Briefings were held prior to the meetings of the INB. The South Centre held a briefing for developing country delegates to the INB in preparation for the resumed 13th session of the INB on 27 March. The Centre also organized an informal briefing for regional groups upon request on 7 March. The South Centre also held a [briefing in preparation for the World Health Assembly](#), on 15 May and prepared a background note on selected issues in the agenda of the Health Assembly, including the outcome of the INB negotiations. The South Centre also published a [South Views article on the implications of the US withdrawal from the WHO](#).





Negotiations continued in the WHO IGWG on the development of the draft Annex to the Pandemic Agreement (the “PABS Annex”). The South Centre participated in the four IGWG meetings up to December 2025 with several statements delivered (see the statements [here](#)).

Several in-depth analyses were produced to support the negotiations. A [state of play](#) was published as well as a [Working Document](#). A timely analysis was made on the negotiations the US began bilaterally with countries in parallel to the WHO PABS system negotiations for [Bilateral Specimen Sharing Agreements as part of Memorandum of Understandings \(MOUs\)](#) and exposed the risks of such agreements. The South Centre also analysed the [proposal by the European Union](#) and highlighted the position of the [cross-regional coalition](#) of the Africa Region, Egypt, Libya, Somalia, Sudan and the Group for Equity to push for a fair PABS system.

The South Centre also provided analysis on the [new amendments to the International Health Regulations](#) and their potential support to strengthening access to health products in emergencies and pandemics.



Health and Human Rights

The South Centre initiated a collaboration with the Global Center for Health Diplomacy and Inclusion (CeHDI) to advance the Right to Health, global health equity and sexual and reproductive health rights (SRHRs). A [submission](#) was made to the Office of the United Nations High Commissioner for Human Rights (OHCHR) on inputs for the comprehensive report on ensuring access to medicines, vaccines and other health products (HRC resolution 50/13). The South Centre participated in the panel of the OHCHR expert workshop on new developments in ensuring access to medicines, vaccines and other health products on 21st January. A [submission](#) was also made to the OHCHR on the update to the technical guidance on the application of a human rights-based approach to the elimination of preventable maternal mortality and morbidity (HRC resolution 54/16) in February. A first high-level briefing with Geneva ambassadors was held in April on health equity and SRHRs. [A briefing report](#) of the meeting was published to disseminate the insights of the discussions.

Two policy briefs were produced in the first semester. One explains [SRHRs in the context of international human rights](#), and a second summarizes the discussions in the WHO Executive Board on the review of [WHO work on Advancing Women's, Children's and Adolescents' Health and Inequalities in Sexual, Reproductive, Maternal, Newborn, Child and Adolescent Health](#). The South Centre made a statement at the World Health Assembly that called for including SRHRs on the agenda of the Global Strategy for Women's, Children's and Adolescents' Health, and in its statement on the adoption of a WHO pandemic agreement highlighted the principle of health equity. The South Centre also supported a [side event](#) to the WHA that showcased Cuba's role supporting health equity through medical cooperation.

The South Centre also delivered a [statement to the presentation of the report of the Rapporteur on the Right to Health](#), and organized [a side event to the Human Rights Council \(HRC\)](#) in June on equitable access to medical products and SRHRs together with Brazil and South Africa. The South Centre also provided inputs in the consultations on the Resolution on Access to Medicines, Vaccines and other Health Products that was adopted by the HRC at its 59th session.

To facilitate the participation of Global South policy makers and diplomats in key negotiations concerning the right to health, including SRHRs at the HRC, the South Centre provided travel grants to 9 policy makers from South Centre Member States. A capacity building workshop was also held with the sponsored participants attending the HRC and the referred to South Centre's side event to the HRC.

The right to health is recognized as a fundamental human right in Article 12 of the International Covenant on Economic, Social and Cultural Rights (ICESCR). In a Policy Brief, the South Centre highlighted [health equity](#) as a foundational principle of global health governance and examines the related United Nations General Assembly (UNGA) resolutions and key instruments from the WHO. Diverse perspectives on advancing the right to health for women and addressing preventable maternal mortality were disseminated as SouthViews, from [Brazil](#), [Sri Lanka](#) and [Angola](#).

At the 60th session of the HRC in September, the South Centre organized a side event on [The Role of the Human Rights Council in Advancing the Right to Health: From Guidance to Implementation](#). The event served to foster a strategic dialogue on the role of the Human Rights Council in promoting the right to health and to discuss best practices in advancing the right to health. Also at the 60th HRC, the South Centre delivered a [statement](#) welcoming the update to the technical guidance on preventable maternal mortality and morbidity.



Photo: ReAct Africa

Antimicrobial Resistance

In the first semester, a number of activities were undertaken in the area of antimicrobial resistance (AMR), supported by a grant from the United Kingdom Fleming Fund. In June, the [annual ReAct Africa-South Centre Annual Conference](#) was held in Zambia with the focus of operationalizing AMR commitments in Africa and beyond. The conference brought together over 200 participants from 43 countries including government representatives, academics, practitioners and advocates, marking 10 years of successful annual conferences. To support delegations on AMR discussions in the context of the WHO, briefings were held in January, March, May and June, and a [statement was made to the 78th World Health Assembly](#). An important focus of the activity was raising awareness on the commitments made in the High Level Political Declaration on AMR of 2024. A [policy brief](#) discusses how to leverage the AMR Declarations of 2024 to Reduce the Burden of Drug-Resistant Infections, published in March 2025.

The South Centre also published in March a report on the advocacy campaigns funded by the South Centre in the context of the World Antimicrobial Resistance Awareness Week (WAAW) of 2024, "[Unifying Efforts against AMR: Supporting Collective Efforts During WAAW 2024](#)". Several technical webinars and reports were made to support AMR interventions, including a webinar and report on surveillance and antimicrobial stewardship, a capacity building workshop on Monitoring and Evaluation Frameworks in National Action Plans on AMR, a webinar and report on Advancing National Action Plans on AMR amidst Health Financing Challenges, a webinar and report on Strengthening Antimicrobial Stewardship Policy: Insights from COVID-19 and Future Pandemic Preparedness, and a webinar and report on gender intersectionality in AMR.

The South Centre also participated in the Multi-Stakeholder Platform Quarterly Meeting of the Cluster of Governments, Intergovernmental Organizations, and United Nations Agencies, and in various events and briefings by invitation of the Quadripartite agencies (WHO, the Food and Agriculture Organization (FAO), World Organisation for Animal Health (WOAH) and United Nations Environment Programme (UNEP)), such as the WHO Partners Forum on AMR in March, and the WHO Survey for the roadmap for updating the Global Action Plan on AMR (GAP-AMR).

The South Centre was also commissioned to produce a background paper on the design of the Independent Panel on Evidence for Action on AMR (IPEA) and participated in the workshop on examining Lessons Learned for AMR (LL4AMR) from Previous International Science Panels, hosted by the Nigeria Academy of Science and the United States National Academy of Medicine in Lagos, Nigeria, on 28-29 April 2025.

The South Centre continued its dedicated program of work on tackling antimicrobial resistance during the second semester. Three research papers on [community surveillance](#), the participation of [South Centre Member countries in the WHO Global Antimicrobial Resistance and Use Surveillance System \(GLASS\)](#) and the design of the [Independent Panel on Evidence for Action on AMR \(IPEA\)](#) were published. A [guidance tool](#) was also developed to facilitate antimicrobial stewardship in facility level in developing country contexts.

The Centre also supported countries and civil society organizations (CSOs) in engaging in the consultation processes on AMR global governance issues, through briefings and written inputs on the processes, including the [IPEA](#) and the update to the Global Action Plan on AMR.



Photo: FAO



Photos from the WAAW 2025 CSOs

The South Centre also co-organized a high-level dialogue on AMR in the context of agriculture with policy makers, intergovernmental organizations (IGOs), industry and CSOs at the FAO governing body. Capacity-building continued through webinars and reports on AMR, as well as continued participation by South Centre experts in academic and policy-oriented circles on AMR global governance and policy including the 12th Trilateral WHO-World Intellectual Property Organization (WIPO)-World Trade Organization (WTO) Technical Symposium: Antimicrobial Resistance.

The South Centre also supported the World Antimicrobial Awareness Week in November by making a call for campaigns on AMR in a One Health approach, and provided grant support to 14 CSOs across 8 countries and to the regional Africa WAAW activities held by the government of Tanzania, with sponsorship of the UK's Fleming Fund.

BIODIVERSITY

The South Centre continued to monitor developments and provide analyses to support developing countries to advance their common agendas on sustainable use of biodiversity and tackling biodiversity loss and advancing just food systems. Concerning the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA), the Governing Body in its session in November did not conclude negotiations on enhancing the functioning of the Multilateral System (MLS) of access and benefit sharing (ABS), and no agreement was reached. The enhancement of the MLS has as objective to provide more predictable and equitable sharing of benefits, by increasing user-based payments and contributions to the benefit sharing fund and include benefit sharing from use of Digital Sequence Information (DSI). As part of the package under negotiation, Switzerland proposed to expand the Annex I of materials covered by the treaty to all PGRFA. The Governing Body will meet again in 2027. Other important aspects of the treaty implementation include protecting farmers' rights, consistent with Article 9 of the ITPGRFA, and financing for the treaty.

The South Centre continued supporting processes relating to the Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of

Areas beyond National Jurisdiction (the BBNJ Agreement). A Preparatory Commission (PrepCom) for the entry into force of the agreement (in January 2026) is preparing the groundwork for the first meeting of the Conference of the Parties. Its second session, the PrepCom II (18–29 August 2025) considered governance issues; issues pertaining to the operation of the clearing-house mechanism; and financial rules, financial resources and mechanism. The South Centre produced a [report on the outcomes of the PrepCom II](#).

The South Centre continues to support developing countries in the process of considering ratification to the World Intellectual Property Organization (WIPO) Agreement on Intellectual Property, Genetic Resources and Associated Traditional Knowledge, with technical analysis. The treaty aims to increase transparency in the intellectual property system to support the objectives of access and benefit sharing of the Nagoya Protocol on Access and Benefit Sharing of the Convention of Biological Diversity, by introducing an international mandatory disclosure requirement when claimed inventions in patent applications are based on genetic resources and/or associated traditional knowledge. It will come into force when 15 countries have ratified; so far 2 have done so.

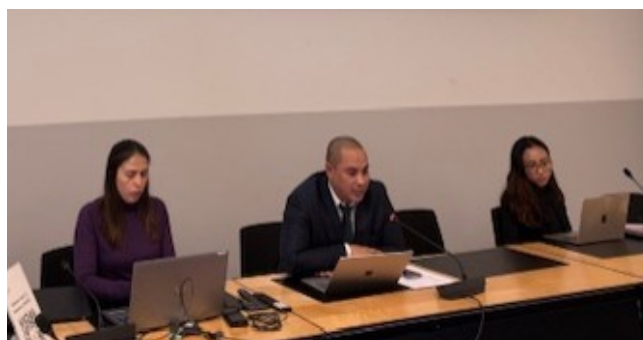


Photo: Alliance for Food Sovereignty In Africa

TRADE AND DEVELOPMENT

The first semester of 2025 unfolded in a complex and shifting global trade environment. It was marked by heightened policy uncertainty, driven by aggressive new United States tariffs that extended across virtually every region. These measures targeted steel, aluminium, and a broad range of goods from trading partners in both developed and developing countries. Few economies were untouched, as the tariffs disrupted established supply chains, increased costs, and prompted in some cases swift retaliatory signals. Although some measures were later partially rolled back, the sudden policy changes fuelled business uncertainty, disrupted planning, and deepened trade imbalances. Despite that one of the intended objectives of the US new policy is to reduce the US deficit, it widened with surpluses growing for the European Union and other major exporters.

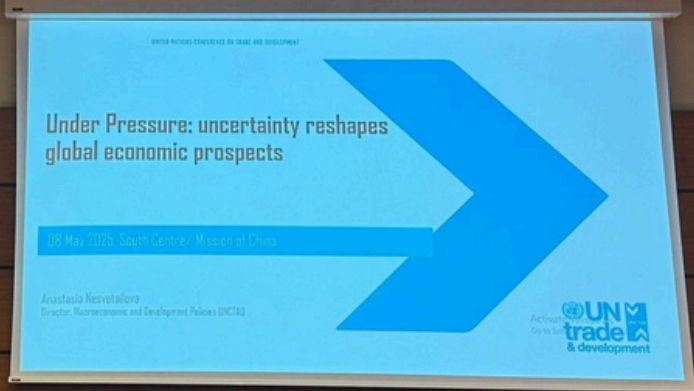
Trade fragmentation intensified as more countries turned to inward-looking industrial and subsidy policies in strategic sectors such as green energy and advanced technologies. Asia remained a key driver of global export growth, while Africa's regional integration continued to gain momentum. Services trade, particularly in the digital economy, outperformed goods trade, but the growing concentration of market power among a few large digital corporations raised concerns over competition and the preservation of domestic regulatory space.

For the Global South, these developments posed a dual challenge. Access to traditional markets diminished amid slower global growth, while exposure to protectionist measures in advanced economies increased. Exporters in Africa, Asia, and Latin America faced the erosion of trade preferences, rising compliance costs from shifting standards, and limited fiscal space to respond with countermeasures. At the same time, opportunities emerged to deepen intra-regional trade, diversify export baskets, and take advantage of the growth in digital services, provided that regulatory autonomy and development policy space could be preserved in ongoing negotiations.

Amid these shifts, new areas of trade policy have moved to the forefront of global debates. Green industrialisation, evolving industrial policy approaches linked to the green transition, and the trade-related aspects of artificial intelligence are now shaping discussions in multilateral and regional fora. These intersect with the long-standing development agenda, reinforcing the need to address the nexus between trade, climate change, and development in ways that expand opportunities without constraining policy choices for developing countries.

Against this backdrop, the multilateral trading system entered one of its most turbulent periods in recent memory. In a matter of months, the rules-based order of the World Trade Organisation (WTO), long regarded as the foundation for predictable and non-discriminatory global trade, was shaken to its core. The rapid escalation of unilateral measures, the disregard for Most-Favoured-Nation obligations, and the use of tariffs as geopolitical leverage eroded the fundamental principles of the trading system and the confidence in the system's capacity to contain protectionism. With dispute settlement paralysed, there are urgent calls to "save" the institution. For many in the Global South, these calls overlook a deeper reality. This is not only a system under pressure, but one whose structural inequities and historical imbalances have long constrained the developmental ambitions of poorer countries. Defending multilateralism should not mean restoring the old order without change. Reform of the WTO, the most prominent issue now on the organization's agenda, must be meaningful and address long-standing asymmetries if the WTO is to regain legitimacy as a platform for inclusive and equitable trade.





In this context, the high ambitions once attached to the upcoming Ministerial Conference (MC14) in Yaoundé, Cameroon, have been tempered. The meeting is now largely framed as a stocktaking meeting on reform, with little realistic prospect for movement on core development priorities such as reductions in domestic support in agriculture or long-overdue revisions to multilateral agreements.

The South Centre’s work in the first half of 2025 concentrated on shaping the contours of a reform agenda that responds to the needs and priorities of the Global South. This included reinforcing the collective agency of developing countries in the face of mounting pressures, resisting the erosion of agreed multilateral disciplines, and advancing proposals that safeguard policy space while ensuring equitable participation in global trade governance. A central part of this effort has been to challenge and correct historical narratives increasingly promoted by the US that recast the evolution of the multilateral trading system in ways that diminish the contributions and concessions made by developing countries. The Centre has sought to anchor the reform discussion in the WTO’s developmental mandate, emphasising that any institutional changes must address systemic asymmetries and expand the capacity of developing countries to influence, implement, and benefit from global trade rules.

In the second semester, the South Centre also continued to promote a development-oriented multilateral trading system through the Trade for Development Programme by actively providing support to its Member States and other developing countries to enhance their effective participation in international trade processes. This support took the form of demand-driven legal and policy analysis, advisory inputs, and technical assistance across WTO negotiations, regional trade processes, and related multilateral fora.

Global Trade Tensions

Amid escalating geopolitical frictions and the weaponisation of trade, the South Centre provided members with timely information and coordinated strategies to address the rise in unilateral measures, and the systemic risks arising from these measures. The Centre’s engagement contributed to a deeper understanding among member states of how tariff weaponisation undermines the multilateral trading system, while also informing discussions on a broader set of policy and institutional options to enhance the resilience of global trade.

In February 2025, SouthViews No. 282: “[America First, Trade Last: The Rise of Weaponised Tariffs](#)” analysed the escalating use of trade measures including tariffs imposed under the US International Emergency Economic Powers Act (IEEPA), as instruments of political and economic leverage. The paper examines the incompatibility of such measures with WTO rules and their disproportionate impact on developing countries, particularly through disrupted market access, fiscal pressures, and reduced policy space. It warned that normalising the use of emergency economic powers for trade policy could entrench coercive practices and undermine the multilateral system. The paper called for stronger Global South solidarity, coordinated responses, and the use of South-South cooperation platforms to defend development-oriented trade governance.

In April 2025, the South Centre co-organised the policy dialogue ‘[Trade is War: Reassessing the Global Trading System Amid the Weaponisation of Trade and Rising Geopolitical Tensions](#)’ with SEATINI Uganda. The event examined the surge in weaponised tariffs and the growing use of trade as a political instrument, including the spread of extra-territorial measures, the erosion of the WTO dispute settlement mechanism, and the expansion of unilateral and countermeasures. Participants assessed the implications for developing countries, with particular attention to Africa, and considered whether the Global South is destined to remain collateral damage in these tensions or can instead leverage them to strengthen collective agency and shape future trade rules.

In May 2025, the South Centre co-organised an [Informal Dialogue on the Impact of Global Trade Tensions on Developing Countries](#) with the Permanent Mission of the People's Republic of China to the United Nations in Geneva at the Palais des Nations. The meeting gathered ambassadors, senior officials, experts, and international organisations to examine the growing use of trade measures as political leverage and their costs for developing countries. Participants discussed the economic and systemic impacts of renewed US tariffs, including disrupted supply chains, job losses, and reduced policy space. Discussions unpacked both the geopolitical drivers and the developmental consequences of these measures, from disrupted supply chains and job losses to deepening debt vulnerabilities. The dialogue reinforced that the current turbulence marks a structural shift in the trading system and that defending multilateralism must go hand in hand with addressing its long-standing inequities.

The Centre provided advisory support to affected member states to assess the implications of new US tariff measures on strategic sectors. This involved analysing market access implications, checking consistency with WTO rules, and identifying practical options for bilateral engagement. In parallel, we helped shape public and diplomatic messaging to address the issue without escalating tensions or harming trade interests.

In June 2025, the Centre also delivered a tailored training session for Indian Foreign Service Officer trainees in Geneva on the geopolitical and geoeconomic shifts reshaping trade, the resurgence of industrial policy, and the implications for the Global South, with a focus on strategic positioning in multilateral processes such as the Group of Twenty (G20) and WTO.

Unilateral Trade Measures and Systemic Uncertainty

The second half of 2025 was marked by a sharp escalation in international trade tensions and levels of uncertainty not seen in recent decades. The expanded use of unilateral trade measures, most notably by the US through successive tariff actions and industrial policy instruments, further strained confidence in multilateral trade disciplines and contributed to fragmentation in global trade relations. These measures were often framed in terms of security, resilience, and industrial policy objectives, raising questions regarding their consistency with existing WTO rules and their implications for developing countries.

In this context, the South Centre undertook targeted analytical work to examine the historical and legal narratives underpinning recent justifications for unilateral trade action. Through its Working Paper "[WTO Reform: Rewriting Trade History – The United States as Architect and Beneficiary of the Multilateral Trading System](#)", the South Centre analysed claims that the multilateral trading system disadvantaged the United States and that its origins lie primarily in the 1944 Bretton Woods Conference. The paper documents that the core principles of non-discrimination and reciprocity pre-date Bretton Woods and were actively promoted by the United States from the interwar period through the establishment of the General Agreement on Tariffs and Trade (GATT) in 1947, and that the United States has been a central architect and sustained beneficiary of the system, particularly following the Uruguay Round. The analysis clarified how alternative interpretations of the system's evolution may affect understandings of Most-favoured-nation (MFN), multilateral disciplines, and adjustment burdens.

In parallel, the South Centre prepared analytical comments in response to the United States' communication on WTO reform circulated to the General Council in December 2025. The communication sets out a reform perspective that raises questions regarding consensus-based decision-making, the scope and application of Special and Differential Treatment (S&DT), the role of MFN, and the use of plurilateral approaches in addressing issues such as economic security, overcapacity, and global imbalances. Through an internal analytical note, the South Centre examined the internal coherence of these proposals and their systemic implications, including tensions between calls to limit development differentiation and parallel arguments for differentiated treatment through security exceptions, plurilateral arrangements, and selective bilateralism. The analysis outlined the legal, institutional, and development implications of the reform approaches under consideration for General Council deliberations.

Alongside this analytical work, the South Centre provided confidential, request-driven advisory and technical support to delegations on the legal and procedural implications of heightened trade tensions, including guidance on navigating parallel negotiating tracks. These developments shaped the broader context within which international trade discussions unfolded across the WTO and related multilateral processes, informing subsequent work on institutional reform and substantive negotiating issues.



WTO and MC14 Preparations

In 2025, the Centre engaged across WTO negotiating, deliberative, and preparatory processes, providing legal, policy, and analytical inputs to reinforce the development dimension of the multilateral trading system. At the request of members, a significant proportion of this work centered on MC14 preparations. The Centre facilitated coordination within developing country groupings, reviewed and contributed to group submissions, and advised on strategies to advance agreed priorities including agriculture, fisheries subsidies, WTO reform, and digital trade. Support included exchanges to refine negotiating positions, prepare interventions, organise strategy discussions, and foster coalitions among developing countries, which directly informed the drafting of coordinated positions and statements.

In February, the Centre presented on the future of the multilateral trading system (MTS), highlighting Africa's marginal share in global trade, structural barriers to integration, the erosion of multilateral rules through unilateral measures and plurilateral approaches, and priorities for reclaiming a development-focused agenda ahead of MC14, framing talking points that were later used by members in formal and informal interventions.

During the first semester, the Centre produced targeted analyses to inform members' preparations for MC14, including:

- Status of the Doha Development Agenda (DDA) and outcomes on implementation-related issues, which highlighted areas where mandated negotiations remain unfinished and risks of issues being moved out of their mandated structures, which served as a reference for multiple group briefings.
- Drew lessons from past ministerials and cautioned against outcomes that risk sidelining development priorities, which fed into the strategic positioning of several delegations in informal consultations ahead of Yaoundé.
- Supported preparations for the WTO Sustainable Agriculture Retreat by developing analytical and procedural reflections and convening a briefing for members assessing the retreat's structure and implications for the agriculture negotiations. Provided substantive input on drivers and barriers to sustainable agriculture from a development perspective, with emphasis on trade asymmetries, national standards recognition, rural investment, and technology access.

-Contributed to the WTO Development Retreat by shaping the agenda and the development framing adopted in discussions. Prepared a detailed reflection paper highlighting the historical context of the development mandate in the WTO, challenges in current negotiations, and strategies for reasserting the centrality of development ahead of MC14.

The Centre also monitored and reported on the evolving political and negotiating dynamics in Geneva, ensuring that developing country delegations had up-to-date information and well-crafted interventions for both formal and informal settings. It was further invited to participate in regional platforms, including the Africa Trade Network Cadre School on Trade and Development Advocacy in Accra in May 2025, where it outlined how escalating tariff measures and geopolitical trade tensions are reshaping Africa's position in the global economy, and provided an in-depth explanation of the WTO's structure, rules, and negotiating processes. It also examined Africa's historical and current engagement in the multilateral trading system, highlighting structural constraints, opportunities for advancing development priorities, and the implications for African countries ahead of MC14 - insights that some participants later integrated into their advocacy strategies.

Ad hoc requests by members on WTO work included:

- Analysis on the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), assessing the implications of joining and options for safeguarding developing countries' interests, used by members as a decision-making guide.
- Review and substantive comments on services-related proposals, highlighting gaps in WTO responsiveness to developing country priorities, the risk of norm-setting through thematic initiatives without adequate safeguards, and the need to preserve regulatory autonomy in designing and implementing services frameworks - comments that shaped subsequent redrafting of proposals.
- Assessment of how WTO disciplines interact with Regional Fisheries Management Organizations (RFMOs), highlighting risks for developing countries, particularly small-scale fishers, if management-based exemptions favour major subsidisers. Analysed inequities in quota allocation, reliance on historical catch, enforcement gaps, and climate-related shifts in fish stocks, which were cited in some Member interventions.
- Analysis of the WTO's Q1 2025 technical assistance budget, highlighting a sharp decline in Global Trust Fund contributions, the postponement of core training programmes, and the disproportionate allocation of resources to donor-driven thematic initiatives. The note underscored the systemic risks this poses for developing countries' ability to implement WTO obligations, exercise S&DT flexibilities, and participate effectively in negotiations, warning that reliance on volatile extra-budgetary funding without safeguards undermines both capacity building and trust in the multilateral trading system - analysis that has been used in formal meetings on resource allocation.





-Legal and policy advice on options for designing a Preferential Trade Arrangement (PTA) with other developing countries, ensuring consistency with WTO rules under the Enabling Clause. Covered legal justifications, procedural steps from negotiation to notification, and options for reciprocal or non-reciprocal preferences, drawing on relevant jurisprudence and precedents. Outlined development-oriented rationales such as climate vulnerability and economic needs, and provided guidance on rules of origin, transparency, and safeguards against trade deflection.

-Exploring the potential interlinkages to WTO balance-of-payments provisions under the General Agreement on Tariffs and Trade (GATT) Article XVIII: B with Paragraph 21 of the Abu Dhabi Ministerial Declaration to strengthen crisis-response flexibilities for developing countries.

Agriculture, Fisheries, Cotton, SPS/TBT

The South Centre provided targeted analytical and advisory support across agriculture, fisheries, cotton, Sanitary and Phytosanitary Measures and Technical Barriers to Trade (SPS/TBT), and public stockholding in the context of ongoing work and the 14th WTO Ministerial Conference (MC14) preparations. This included publishing the policy brief "[Reeling Towards Termination: Assessing the WTO Agreement on Fisheries Subsidies and the Future of Fisheries Disciplines](#)", which examined the legal design of the WTO Agreement on Fisheries Subsidies following its entry into force, with particular focus on the unprecedented termination clause under Article 12 and its implications for the continuation of disciplines and future negotiations. Additional advisory support addressed questions on implementation and sequencing under the Agreement.

Analytical input was also provided on agriculture-related proposals, including review of draft texts on domestic support and briefings on Public Stockholding for Food Security Purposes, preparation of agriculture ministerial draft language and statements, and synthesis notes assessing multiple submissions ahead of dedicated negotiating sessions. Briefing notes were prepared to support General Council discussions on cotton, SPS/TBT, and related development issues.

Particular attention was devoted to analysis of proposals tabled by developing-country coalitions, including texts from the African-Cairns Group on domestic support and public stockholding and G90 submissions on SPS and TBT matters. Analytical review of draft proposals clarified their legal structure and development rationale and supported preparation for focused discussions.

Trade in Services

The South Centre provided analytical, drafting, and advisory support on trade in services issues under discussion in the WTO. This work focused on questions of regulatory cooperation, recognition, and the application of existing General Agreement on Trade in Services (GATS) provisions.

A core area of work concerned mutual recognition and related forms of regulatory recognition under Article VII of the GATS. The Programme undertook analytical work and provided drafting support on the recognition of professional qualifications, payment systems, and cross-border remittance services, examining how Articles VII.2, VII.4, and VII.5 could be operationalised within the existing framework, taking into account regulatory autonomy and development considerations. This included preparation and review of background analyses, draft submissions, and revised texts to support engagement in the Council for Trade in Services and its subsidiary bodies.

The South Centre also provided analytical input on proposals relating to the assessment of trade in services, including commentary and updated inputs on matters under consideration in the Council for Trade in Services in Special Session. Analysis was also undertaken on proposals concerning the scheduling of environmental and environmentally related services, with attention to implications for modes of supply and regulatory policy space. Throughout the period, the South Centre responded to request-driven queries on services-related submissions and procedural issues.

WTO Reform

WTO reform discussions shifted toward more operational formats, including facilitator-led consultations, informal small-group discussions, and the circulation of draft reflections and scoping papers. While these processes were presented as exploratory, they engaged directly with core institutional questions, including decision-making, the scope and application of S&DT, the role of plurilateral initiatives, and the identification of issues for possible ministerial consideration. Compressed timelines and evolving participation raised questions regarding balance, transparency, sequencing, and the relationship between informal processes and established mandates.

Against this backdrop, the South Centre concentrated on providing legal, procedural, and analytical clarity to support informed developing-country engagement in the reform process. A central strand of this work was the continued development of analysis on decision-making and consensus. Successive iterations of internal analytical work on consensus-based decision-making were prepared. This work examined the legal foundations of consensus under the Marrakesh Agreement, clarified distinctions between institutional practice and treaty modification, and analysed the implications of proposals relating to qualified majority voting, variable geometry, and differentiated decision-making. These materials served as background analysis for consideration of emerging proposals on decision-making.

The Centre engaged substantively in member-driven preparations on WTO reform, contributing to debates on restoring the dispute settlement system, safeguarding S&DT, and ensuring that reform outcomes are development-oriented. These inputs were framed within the context of the WTO's 30th anniversary reflection process, which risks becoming narrowly procedural unless it addresses structural imbalances in the multilateral trading system.

In March 2025, the Centre published SouthViews No. 284: [“WTO at 30: A Reckoning or Just Another Review”](#), warning that the anniversary reflection process risked becoming a superficial exercise unless it addressed structural imbalances in the multilateral trading system. The piece set out a reform agenda linking the unfinished Doha Development Agenda to contemporary challenges such as climate change, technological divides, and green industrialisation, and called for safeguarding Special and Differential Treatment, restoring a fair and accessible dispute settlement system, and preserving policy space for industrialisation. The Executive Director participated in the WTO's [‘WTO at 30’](#) high-level event, emphasising the importance of consensus-based decision making, the need for reforms that serve developing countries, and the urgency of tackling asymmetries in global trade rules.

The Centre's interventions helped strengthen recognition in the G20 Trade and Investment Working Group (TIWG) that development must remain central to WTO reform. Reflections shared as a TIWG Knowledge Partner helped shape the framing of G20 inputs on Priority 4 (WTO reform). Inputs shared with the TIWG team were also tabled in the Finance Track, where WTO reform language was accepted at ministerial level.

The Centre also participated at the [‘Reimagining Cooperation on Trade and Sustainability: An African Perspective’](#) meeting in Cape Town (May 2025), using these platforms to connect Geneva-based reform discussions with African priorities.

The Centre held advisory sessions with WTO missions to refine positions on reform issues, including development, proposed changes to the Agreement on Trade-Related Investment Measures (TRIMS), and agriculture negotiations. Targeted support was provided to the South African G20 Presidency on WTO matters. In March 2025, the Centre prepared an in-depth analysis on the implications of joining the MPIA, assessing legal, political, and systemic considerations for African countries and outlining strategic options for engagement. The Centre, as noted, also contributed to preparations for the WTO retreat on sustainable agriculture, identifying priority outcomes for developing countries, and delivered a briefing on public stockholding, clarifying legal provisions, safeguard measures and notification requirements.



An “Informal Note on WTO Reform and the Marrakesh Agreement: Legal Safeguards and Development Priorities” was prepared, which examined how emerging reform framings intersect with treaty-embedded rights, institutional safeguards, and existing mandates. The note clarified the legal implications of different reform framings and the circumstances in which formal amendment procedures would apply.

A substantial component of the South Centre’s engagement focused on the reform process itself, with analytical work aimed at clarifying how emerging discussions were being structured and advanced. This included assessments of facilitator communications, the organisation and content of small-group consultations, and the evolution of Reform Week discussions, notably through a “[Commentary on the WTO Reform Facilitator’s Report on Initial Consultations](#)” and comments on the facilitator’s Level Playing Field paper. To support a more coherent reading of the reform agenda, the Programme also prepared two complementary analytical notes on “[Structuring a Positive Agenda for Developing Countries](#)”, which organised reform issues according to their legal character, institutional handling, and procedural requirements; and the “[Framing Challenges in the Facilitator-led Process and Strategic Considerations for Developing Countries](#)”, which examined the implications of the emerging three-track framing for mandates, process integrity, and development considerations. In parallel, briefing notes were prepared ahead of General Council discussions and WTO reform plenary meetings, including a “[Preparatory Note for the WTO Reform Plenary Session of 4 November 2025](#)”, to support Member review of procedural and substantive issues.

Targeted advisory support was provided in response to specific requests, including background inputs for informal consultations, review of draft texts, and clarification of procedural options. Throughout this work, the Programme focused on enabling delegations to distinguish clearly between descriptive reflections, emerging reform ideas, and proposals with potential legal or institutional consequences.

Engagement with the G20 Trade and Investment Working Group Process

The South Centre’s work on WTO reform also extended to parallel discussions under the Group of Twenty (G20) Trade and Investment Working Group (TIWG) during South Africa’s G20 Presidency. At the request of the Presidency, the South Centre supported this work in its capacity as a Knowledge Partner, participating in TIWG drafting sessions and the G20 Trade and Investment Ministerial Meeting. Analytical and textual inputs were provided on WTO reform and development-related elements of draft outcome documents, with attention to the development dimension within existing WTO principles and mandates.

The South Centre also delivered [formal statements](#) at the Trade and Investment Ministerial Meeting held in Gqeberha, South Africa on priorities relating to green industrialisation and sustainable development, and WTO reform and the development dimension. Complementary analytical work examined emerging G20 initiatives on critical minerals and green industrial value chains, focusing on their interaction with industrial policy objectives and existing trade rules. In addition, in response to demand from Members, the South Centre is further ramping up its work on green industrial policies in the context of trade and climate change.

Green Industrialisation

A common thread in the South Centre’s recent and planned work is the revival of industrial policy as a central lever for shaping economic futures, particularly in the context of a just, low-carbon transition. This perspective is informing much of the Centre’s research, advisory support, and member discussions. Ongoing work, including a still unpublished note on Driving the Green Transition in the Global South, examines how climate objectives, shifting supply chains, and technological competition are prompting renewed state intervention in strategic sectors such as green manufacturing, critical minerals, and renewable energy. It reflects on how these developments intersect with the future of multilateralism, the constraints posed by current trade and investment disciplines, and the scope for adaptation, for regional and South-South cooperation, and reform. The aim is to ensure that industrial policy choices in the green transition expand, rather than narrow, the development policy space of the Global South.

Trade and Climate-related Work

The South Centre undertook analytical and policy-oriented work at the intersection of trade, climate change, and industrialisation, with particular attention to how emerging climate-related initiatives interact with developing countries’ trade and development priorities.





An expert from the South Centre delivered the keynote address at a webinar organised by the Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI) on Promoting a Symbiotic Relationship Between Trade Policy and Climate Action. The address examined approaches to the trade-climate interface, including transparency on climate-related trade measures, technology transfer, and policy space for green industrialisation, with reference to critical minerals and value chains.

In addition, the South Centre participated in a briefing of the Integrated Forum on Climate Change and Trade organised by Brazil and international organisations, contributing analytical perspectives on trade-climate linkages. A related proposal to implement the trade-related outcomes emerging from the 30th United Nations Climate Conference of the Parties (COP30) in the WTO Committee on Trade and Environment is being considered for formal submission.

Digital Trade, E-commerce, and the AfCFTA Digital Trade Protocol

On WTO-related work, the Centre assessed the policy implications of proposed e-commerce and digital trade rules in the WTO, including provisions on data governance and the moratorium on customs duties for electronic transmissions. In April 2025, the Centre hosted a member briefing on digital services taxes and the implications for a permanent WTO moratorium on customs duties for electronic transmissions, presenting policy options to enhance transparency in cross-border digital trade, and define digitizable products, amongst others, equipping delegations with counter-arguments and response strategies in bilateral and multilateral settings.

Drawing on a review of the history of the Joint Statement Initiative (JSI) negotiations and analysis of the motivations of non-JSI participants who are signatories but declined to join the stabilised text, the Centre mapped and assessed the JSI e-commerce provisions, highlighting flexibilities available to developing countries and identifying areas

where national policy space could be safeguarded, helping delegations prepare targeted interventions in WTO discussions. This work fed into the Centre's proposals for advancing the WTO Work Programme on Electronic Commerce at MC14, including measures to improve data reporting on digital trade flows, promote evidence-based policymaking, and safeguard domestic regulatory autonomy especially with emerging and frontier technologies.

The South Centre undertook analytical and engagement work relating to implementation of the African Continental Free Trade Area (AfCFTA) Protocol on Digital Trade, focusing on clarification of legal obligations, sequencing, and institutional coordination. Analytical work also included mapping obligations under the Protocol and its Annexes and preparation of an obligations matrix to support implementation planning.

The Centre advised African countries on aligning the African Continental Free Trade Area Agreement (AfCFTA) Protocol on Digital Trade with national development objectives, ensuring consistency with the AU's emerging Continental Artificial Intelligence Strategy.

In addition, the South Centre contributed to broader analytical reflection on digital trade governance affecting African economies through its [working session on Mapping Africa's Digital Trade: AfCFTA, JSI & AU AI Strategy](#) at the WTO Public Forum. This included preparation and presentation of the Working Paper on "Mapping Africa's Digital Governance Architecture", examining the interaction between regional digital frameworks and multilateral digital trade initiatives.



AfCFTA

Research Paper No. 215 *Assessing Five Years of the AfCFTA: Implementation, Impact, and the Road Ahead* makes a timely and substantive contribution to the policy discourse on the AfCFTA by providing a rigorous, evidence-based assessment of its first five years of operation. By analysing implementation gaps, structural challenges, and the disconnect between negotiated provisions and practical realities, it equips policymakers, negotiators, and regional bodies with actionable insights to recalibrate strategies for the Agreement's next phase. Its holistic approach, covering trade in goods and services, investment, dispute settlement, and cross-cutting issues such as industrialisation and digital trade, ensures the analysis is relevant for both African Union institutions and national governments. In doing so, it strengthens the knowledge base required for a development-oriented implementation process and underscores the need for coherent policy coordination at national, regional, and continental levels.

Other WTO Work

During the reporting period, the South Centre responded to an increase in request-driven support from Members across a range of WTO issues, including budgetary and institutional matters. This work focused on providing legal and procedural clarifications, drafting and reviewing proposals and statements for ministerial and General Council consideration, and preparation for forthcoming WTO processes. Briefing notes and closed technical meetings supported Members in managing overlapping processes and timelines.

UNCTAD XVI-related Work

The South Centre provided analytical and drafting support in relation to the 16th Conference of the United Nations Trade and Development (UNCTAD XVI) on a request-driven basis. This included preparation of comments and legal text on the draft negotiating outcome, tailored inputs to support national statements and ministerial-level interventions, and contributions to roundtable discussions. In addition, the South Centre provided technical review inputs to a trade-related section of UNCTAD's flagship Trade and Development Report, contributing to the analytical refinement of the secretariat's work.

REFORM OF THE INTERNATIONAL TAX SYSTEM, FIGHTING ILLICIT FINANCIAL FLOWS

The South Centre reaffirmed its commitment to the reform of the international tax system and fighting illicit financial flows through actively providing support to its Member States and other developing countries to enhance their participation in international tax forums, conducting capacity-building initiatives and providing state-of-the-art research on critical international tax issues which provided both policy proposals and quantitative research on revenue estimates.

UN Framework Convention on International Tax Cooperation

Negotiations on the United Nations Framework Convention on International Tax Cooperation (UN FCITC) began and progressed significantly during the second half of the year, moving from conceptual discussions to the drafting of substantive text. The organizational session meant to decide the rules of decision-making during the negotiations and the topic of the second early protocol was held in February 2025. The session concluded with an agreement that everything would be decided by simple majority, except for substantive questions related to the protocols, which would require a 2/3rds majority. The question of whether the issue was one of substance would be decided by simple majority. Dispute prevention and resolution was chosen as the topic of the second early protocol.

This was followed by intersessional negotiations which were held online and open only to United Nations (UN) Member States, in keeping with the Member-led nature of the negotiations. The next substantive sessions were in August and November 2025.

The South Centre organized a series of activities to support its Member States and other developing countries in this historic negotiation.

In January, ahead of the crucial organizational session in February, the South Centre partnered with the West African Tax Administration Forum (WATAF), with whom it has an MoU, to co-organize a two day workshop for their combined Member States and the Group of 77 (G77)+China on the upcoming UN Tax Convention negotiations. The workshop was titled, "[Strengthening Tax Administration Through International Taxation: Exploring The UN Framework Convention On International Tax Cooperation And Assessing The Impact Of Amount B Of The OECD Two-Pillar Solution On Developing Countries](#)". Developing countries discussed key issues such as the topic of the second early protocol and how the UN FCITC could strengthen tax administration. The workshop also covered Amount B of the Organisation for Economic Co-operation and Development (OECD) Two Pillar solution.

In February, the South Centre participated in the organizational session of the UN FCITC held in New York. Here the Centre convened a coordination meeting of key developing countries to discuss upcoming issues. The

meeting contributed to enhanced Global South unity, particularly between Africa and Latin America. It also contributed to a successful conclusion of the organizational session where the topic of the second early protocol was broadly acceptable to all.

The most important result of the organizational session was that the mode of decision-making for the Intergovernmental Negotiating Committee (INC) was chosen to be majority and not consensus. This was fundamental to ensure that the UN FCITC process would be successful and avoid replicating the failures of the OECD process.

During the organizational session of the UN FCITC in February, the South Centre was also invited to be a speaker at an International Institute for Sustainable Development (IISD)-International Centre for Tax and Development (ICTD) workshop on "[Negotiating Protocols of the UN Tax Convention](#)". South Centre staff presented a proposal for the possible structure of the first early protocol for taxing cross border services. The proposal was considered closely by delegates and reflected in the official positions of several developing country delegations.

The South Centre was also invited to the [3rd Network of Tax Organizations \(NTO\) Technical Conference](#) in Panama City from 18-20 February. The theme of the conference was "Navigating the Digital Tax Landscape" and the Centre spoke at a session organized by WATAF on "Pillar 1 vs. Digital Service Tax (DST): status of implementation, potential revenue, and challenges". The Centre presented the results of a joint study conducted with WATAF and the African Tax Administration Forum (ATAF) on revenue estimates of Pillar 1 vs DSTs for the 85 combined Member States of the South Centre, WATAF, ATAF and the African Union (AU). The Centre also presented once again its proposal on the possible structure of the UN protocol for taxing cross-border services. The data made clear that developing countries could gain significant revenues from taxing digital services and the proposal showed both multilateral and national measures developing countries could take.



After the end of the referred to organizational session, the next steps remained unannounced for some time and it was not clear when the next substantive sessions would take place. Further, existing research mostly focused on what the early protocols could look like, but there was relatively little analysis on what the Framework Convention itself could look like. This was a major omission because the Convention should provide the governance structure on *how* rules would be negotiated, which would have a significant impact on *what* the rules would contain. Thus, getting the Framework Convention right was of critical importance for developing countries, and much more important than the technical content of the protocols.

Towards this objective, the South Centre partnered with the African Union and the UN Economic Commission for Africa (UNECA) and in April jointly organized a briefing for the combined Member States of the three organizations on what the Framework Convention itself could look like. The briefing provided rich proposals from the AU and the South Centre, which were appreciated by delegates, who attended the briefing in large numbers. Both proposals highlighted the vital role of the Conference of Parties of the UN FCITC and its mode of decision-making. Other important aspects were the Secretariat, subsidiary bodies and other governance aspects which were primarily contained in para 13 of the Terms of Reference of the UN FCITC.

In May 2025, the South Centre presented its proposal on the structure of the UN protocol for taxing cross-border services at the [10th Africa Tax Symposium held in Kigali, Rwanda](#). The Centre also provided information on the UN Fast Track Instrument as an important tool which could be used by developing countries to insert provisions of the UN Model Tax Convention into their bilateral tax treaties in a speedier manner.

The South Centre presented in a Webinar on Protocols of the UN Tax Convention organised by the Overseas Development Institute (ODI) Global for Small Island Developing States' (SIDS) tax officials and diplomats in New York in August 2025. The webinar was to inform SIDS Members on what the protocols could look like. The South Centre made a high level presentation of SIDS-specific data from its research including country level revenue estimates on the taxation of digital services under Amount A and a digital service tax for SIDS.

The First and Second Sessions of the Intergovernmental Negotiating Committee (INC) were held in August 2025, focusing on the overall structure of the Framework Convention and the two protocols on Taxation of Services, and on Dispute Prevention and Resolution, organised into workstreams. The Third Session, held in November 2025, advanced discussions on the draft text of the Commitments to the Convention and the design of the Dispute Protocol. The South Centre played a key role throughout these sessions, mobilizing developing countries through briefings and coordination meetings and providing technical inputs and capacity-building support to its members and other developing countries participating in the negotiations.

In preparation for the August Sessions, the Co-Leads of each of the three Workstreams (WS) released Draft Issues Notes for public comments to provide direction on the content of the UN FCITC and the protocols. For the November Session, the Co-Leads for WS I on the Framework Convention released a Draft Template which contained draft text for the Commitments under the UN FCITC, while Co-leads for WS III on the Dispute Prevention and Resolution protocol released a Concept Note which outlined key design features for the protocol.

To support its Members and other developing countries, the South Centre organised a technical briefing in collaboration with the African Union Commission (AUC), African Tax Administration Forum (ATAF) and the United Nations Economic Commission for Africa (UNECA) before the August session to discuss inputs on the three Draft Issues Notes of the Convention and protocols and provide a platform for dialogue for Global South Countries. The meeting had a huge turnout and delegates appreciated the South Centre for co-organizing the meeting and the utility of the presentations made.

Based on the general views of developing countries that emerged during the briefing, the South Centre then prepared and submitted written inputs on the Draft Issues Notes in July 2025.

Subsequently, the South Centre worked with the Intergovernmental Group of 24 (G-24) to setup internal working groups of developing countries to coordinate inputs into the UN FCITC negotiations. The G-24 and South Centre have a close working relationship, an overlapping Membership and decided to join forces by merging the convening power of the G-24 with the technical expertise of the South Centre. The South Centre is thus the Technical Partner to the G-24 Tax Working Groups. G-24 organised two meetings in October before the Third Session to coordinate and define common priorities of developing countries in the negotiations. During the first meeting South Centre made presentations on the state of play and outcomes of the August session and made recommendations which was greatly appreciated by the members. In the second G-24 meeting, held later in October, South Centre provided an analysis of the documents released for public comments before the Third Session and made recommendations while providing a space for dialogue. South Centre also prepared working papers on the Convention's draft text and WS III Concept note which were shared with the Members after the meetings to help them prepare for the Third session.



The South Centre participated [in person during the Third Session](#) where it made direct interventions and statements on the issues under discussion. South Centre made several interventions on the commitments to the Convention, and the Dispute protocol throughout the session to support and amplify the position of its members and developing countries at large.

During the session the South Centre organized an in-person coordination meeting of delegations from South Centre members and other developing countries to facilitate discussions on upcoming negotiation issues and to support the development of a common position.

The deadline for submission of written inputs for the negotiation texts of the Third Session was after the end of the Session. Thus, to support its Members and other developing countries in making written inputs, the South Centre once again partnered with the AUC, ATAF and UNECA and the four organizations jointly co-organized another briefing for their combined Members where they made suggestions on written inputs. Again, based on the general views of developing countries that emerged during the briefing, the South Centre submitted written [inputs](#) on these two documents in December 2025 to the INC.

All these efforts culminated in several South Centre recommendations being reflected in the draft texts, Member State interventions and written inputs to the INC documents and negotiations. These include:

- i) Elevation of governance-related provisions of the Convention in the [revised workplan](#), ensuring they are addressed as a priority after the Commitments.
- ii) Broad developing-country position for rejecting investment-style arbitration in tax dispute resolution.
- iii) The recommendation to maintain high-level commitments in the Convention.
- iv) Adherence to the negotiation timeline.
- v) The proposal for a definition of Illicit Financial Flows (IFFs) that includes tax avoidance, referencing the definition adopted by the United Nations (UN) Statistical Commission framework which encompasses tax avoidance.
- vi) The proposal for the inclusion of instruments such as the UN Fast Track Instrument (FTI) as implementation mechanism for the convention and protocols.
- vii) Several design features of the proposal contained in the South Centre's Policy Brief published in 2024, "Towards a UN Protocol for Taxing Cross-Border Services in a Digitalized Economy", were reflected in the discussion on the Taxation of Services protocol negotiations and inputs.
- viii) The recommendation of having a 'menu of options' for countries to adopt within the Taxation of Services Protocol was discussed by several developing countries, and subsequently incorporated into the [Draft Programme of Work](#) for the Fourth Session.
- ix) The recommendation to restrict the Taxation of Services Protocol's scope to income taxes only.
- x) Recommendations on establishing a UN-managed Transfer Pricing Comparables Database were incorporated into the [Co-Leads' Concept Note on Ideas for Potential Solutions \(24 October 2025\)](#).

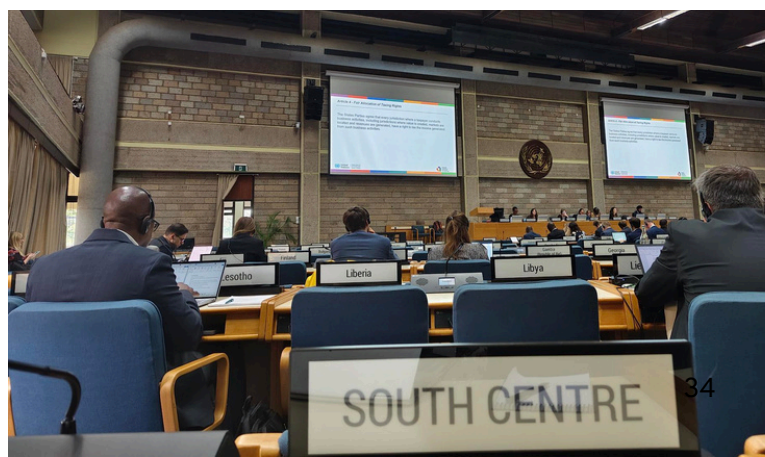
xi) The call for public country-by-country reporting (PCbCR) was discussed for inclusion first into the dispute protocol, and subsequently for inclusion in the Framework Convention itself under the Commitment on Mutual Administrative Assistance.

xii) The proposal to provide a comprehensive legal framework for the implementation of dispute resolution mechanisms such as simultaneous examinations, joint audits and multilateral risk assessments under WS III.

Through these interventions, the South Centre played a key role in ensuring that developing-country priorities were reflected in the negotiations and their perspectives were embedded in the emerging UN FCITC.

The South Centre participated in external events on building capacity and strengthening engagement in UN FCITC negotiations. In September 2025, a South Centre expert presented at a meeting organized by Public Services International (PSI) and the Friedrich Ebert Stiftung (FES) for Asian trade unions titled, *Regional Capacity Building and Strategy Meeting on Quality Public Services and Tax Reform*. The presentation focused on the ongoing UN FCITC negotiations, how it could provide Asian countries with more revenues for public services, highlighting issues of direct relevance to trade unions and outlining ways they could contribute to advancing these discussions, to increase engagement by Asian countries in the UN Tax Convention process.

In October 2025, a South Centre expert was invited to speak at a series of meetings. The first was organized by the Network of Unions for Tax Justice (NUTJ) where the Centre updated trade unions on international tax developments, including the negotiations on the UN FCITC. The second was a regional briefing meeting for public service workers on the Intergovernmental Negotiations for a UN Framework Convention on International Tax Cooperation by PSI, where the Centre gave public sector workers' unions from African and Arab countries an introduction and the status of the UN FCITC negotiations. The Centre was also invited as a speaker on Breaking the Tax Ceiling: The Promise of International Tax Reform for Sustainable and Equitable Development at The World Bank – International Monetary Fund (IMF) Civil Society Policy Forum. Lastly, the South Centre made a presentation at an Independent Commission for Reform of International Corporate Taxation (ICRICT) meeting to the Commissioners on ongoing negotiations on taxation of cross border services in the UN FCITC. The ICRICT Commissioners carry out high level advocacy for the interests of developing countries.



In November 2025, a South Centre expert made a presentation at a Two-Day International Seminar on [Empowering the Vulnerable Communities: Strategies for Inclusive Social Development](#) organized by Techno India University and JCC Law College, University of Calcutta on ongoing UN FCITC negotiations, to update Indian academics on the ongoing UN Tax Convention negotiations and how it can provide resources for inclusive social development.

A South Centre expert participated as a panellist in the Tax Trends Summit 2025, organized by Tax Analysts and the American Bar Association Tax Section in November 2025. As the only developing country voice, the South Centre presented the perspectives of its Members on the Organisation for Economic Co-operation and Development (OECD) Global Minimum Tax and the UN FCITC. The intervention brought developing countries' concerns to an audience who is predominantly from the United States, challenged prevailing narratives, and raised awareness of the Global South's concerns and efforts to reform the international tax system. It also provided a great platform to promote the interests of the Centre's Member States and showcases the growing recognition of the South Centre's thought leadership for the Global South.

Taxation of Cross-Border Services

In addition to its work on the UN protocol for taxing cross-border services, the South Centre carried out several other interventions on the issue. In early 2025, shortly after the United States issued threats on countries with digital services taxes and their equivalents, the South Centre organized a briefing for ambassadors from its Member States who had such taxes and provided them with an analysis and options for response through which they could safeguard their interests.

The South Centre also made a [Statement to the Group of Twenty-four \(G-24\)'s Finance Ministers](#) where it reiterated the need for developing countries to stand united against external threats to drop taxes on digital services.

Subsequently, the Centre also provided an update [to its Francophone Member States](#) about various aspects of the South Centre's [work on international taxation](#), including the taxation of the digital economy. Following from this meeting, specific policy advisory was provided on request [to its Member Algeria](#) on the options available for introducing such taxes on digital services.

In March, the Centre also organized a [briefing where it presented a study](#) quantifying revenue losses for Kenya and four South Centre Member States – Argentina, Brazil, Colombia and Nigeria. The methodology used was also explained, so other Members could replicate the study for themselves. The South Centre will expand the study to more of its Member States in 2026.

The same month, the South Centre was also invited as a Resource Person for [a course on 'Frontiers and Frames for a New Digitality'](#) held in Bali, Indonesia, where it provided Global South civil society activists with an update on the international tax landscape with regard to the digital economy and provided suggestions on specific actions they could take to make sure Big Tech companies operating in their countries and regions paid their fair share of taxes.

The South Centre published a paper on [Taxation of the Digital Economy in Practice: Digital Services Taxes and Other Measures](#) in November 2025. This collaborative paper brought together tax experts from different South Centre members and other developing countries. The study applies structured case studies of Colombia, India, Kenya, Nepal, Nigeria, and Tanzania to examine practical experiences in taxing the digital economy. It analyzes the countries' legal frameworks, administrative practices, and revenue outcomes in implementation countries to examine practical experiences in taxing the digital economy. The paper explores the conceptual foundations and theoretical justifications for taxing digital revenues at source, highlighting the limitations of current profit allocation rules that overlook the role of the market. Drawing from these country experiences, the study develops a peer learning framework based on emerging best practices while recognizing the challenges in implementation. The study then proposes pathways for harmonizing digital tax measures and outlines essential design elements to inform the negotiations of the Taxation of services protocol under the UN FCITC. It also helps countries to make informed decisions when designing and implementing taxes on the digital economy.

An expert from the South Centre participated as a panelist at the 2025 Trade Tax Reform Forum, co-hosted by International Trade Union Confederation (ITUC) Africa, PSI, FES, and NUTJ, in November. The forum brought together trade unions and civil society advocates. The South Centre presented aggregated and country-level estimates of the revenue potential from Amount A of the OECD's Pillar One and Digital Service Taxes (DSTs) from its research, showing that DSTs generate more than three times the revenue of Amount A, and discussed how countries can implement national measures to tax digital services while supporting the development of a strong governance framework under the UN FCITC.



Taxation and Human Rights

The South Centre, in collaboration with the Office of the United Nations High Commissioner for Human Rights (OHCHR), ICRICT, and the United Nations Research Institute for Social Development (UNRISD), co-organized a two-day Expert Workshop in Geneva in July 2025, titled, How Integrating Human Rights Can Support the Aims of the UN Framework Convention on International Tax Cooperation, co-sponsored by Tanzania and Honduras. The workshop provided a platform to discuss the various aspects and implications of integrating human rights into the UN FCITC, including how to balance the right to privacy with transparency and economic, social, and cultural (ESC) rights. Experts also examined the human rights implications of extra-territorial tax policies and tax havens, the use of human rights tools to address illicit financial flows, and the importance of ensuring transparent and equitable dispute resolution mechanisms within the UN FCITC negotiations.

Subject to Tax Rule

In July 2025, the South Centre in collaboration with G-24 published two complementary research papers analyzing the revenue implications of the OECD and UN versions of the Subject to Tax Rule (STTR) on the 65 combined Member States of the South Centre and G-24.

The research paper titled [Comparison of Tax Revenue Effects of United Nations and OECD Subject to Tax Rule for G-24 and South Centre Member States](#) provides a comparative analysis of the potential tax revenue effects of the OECD and UN STTR across the 65 combined Member States of the South Centre and G-24, using publicly available 2021 data. The analysis finds that the OECD STTR would have no revenue impact in any treaty between OECD countries and South Centre/G-24 Member States, and would generate only limited gains of approximately USD 55.6 million across 100 treaties in 28 South Centre/G-24 countries, with the majority of benefits concentrated in a small number of treaties. In contrast, the UN STTR demonstrates substantially greater revenue potential and broader treaty coverage. Depending on the applicable rate modelled (9%, 10%, or 15%), estimated additional revenues range from USD 212 million to USD 1.165 billion, across 171 to 317 treaties. The paper concludes that the OECD STTR's narrow scope and complexity make it largely ineffective for developing countries, and recommends prioritising the UN STTR or other treaty-based measures to protect source taxing rights and curb revenue losses.

A second research paper titled [Analysing the Impact of UN and OECD Subject to Tax Rule for G-24 and South Centre Member States](#) also finds that the OECD STTR has limited revenue potential due to its narrow scope compared to the UN STTR. It is accompanied by a practical Excel-based tool that countries can use to estimate their revenue potential. The 65 combined Member States of G-24 and South Centre now have data to help them decide which version of the Subject to Tax Rule to adopt. Both papers provide clear findings that more money would come from the UN version rather than the OECD version.

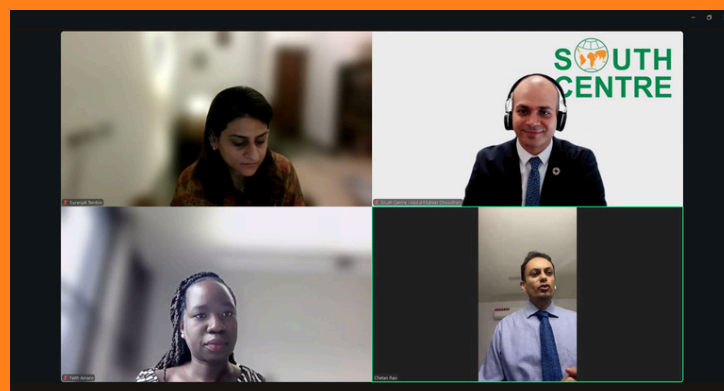
The South Centre in collaboration with G-24 launched the two papers and made a joint [press release](#). This was also covered by external media, notably Taxnotes: "[U.N. STTR to Raise More Revenue Than OECD Version, Papers Say](#)".

The evidence was studied carefully by the Member States of the South Centre and the G-24. Only nine jurisdictions so far have signed the OECD STTR Multilateral Instrument. (MLI), clearly indicating that developing countries by and large prefer the UN version.

During the launch of the two papers, the Chair of G-24 Tax Working Group expressed his appreciation of working with the South Centre and proposed creating joint task forces on international tax with the South Centre to support the UN Tax Convention negotiations. This led to eventual formation of the working groups on the UN FCITC mentioned earlier and subsequent meetings to inform the UN FCITC negotiations in October 2025 before the INC November session.

UN Tax Committee

The final session of the 2021-2025 Membership of the UN Tax Committee was held in March 2025. It was largely ceremonial, as is tradition, however an important conclusion was the approval of the [UN Sample Net Wealth Tax Law](#). This too was historic because it was the first ever model domestic tax law produced by the United Nations. The South Centre was proud [to contribute to the drafting of the law](#) via its participation in the UN Subcommittee on Wealth Taxes. The South Centre's contributions are acknowledged in the [UN Handbook on Wealth and Solidarity Taxes](#), which contains the UN Sample Net Wealth Tax Law in Appendix D.



The UN Tax Committee in early 2025 put out a call for nominations for the next Membership of the Committee. The South Centre accordingly held a briefing for its Members to give them guidance on the process and requirements so that they could nominate their best possible candidates.

The incoming membership of the Committee of Experts on International Cooperation in Tax Matters (UN Tax Committee – UNTC) held its first session, the 31st Session, in October 2025. The South Centre supported the Committee Members from developing countries by organizing preparatory meetings for them. During these meetings, the South Centre presented an overview of the practices and working methods of the UNTC to familiarize the new members with its procedures. The meetings also focused on identifying developing-country priority areas that could be included in the UNTC 2025–2029 Workplan. These sessions provided a platform to acquaint new members from the Global South to the Committee’s practices and to facilitate dialogue on developing country priorities that the Committee could address in its forthcoming term.

The South Centre submitted written [inputs](#) for the UN Tax Committee 2025-2029 Work Program, to the new Committee membership in September 2025, for consideration in the 31st session. The South Centre articulated priority areas of direct relevance to developing countries, including new nexus rules that cover the digitalized economy, formulaic and fractional profit allocation methods, guidance on withholding taxes, taxation of remote workers, creation of a public CBCR database, guidance on joint audits and risk assessments, Transfer Pricing Comparables Database accessible by developing countries, and further guidance on wealth and capital taxation.

During the 31st session held in October 2025, the South Centre organized in-person coordination meetings of the developing country Committee Members and also [participated in the negotiations](#), making a series of interventions promoting the interests of the South Centre Members and other developing countries. Almost all of the South Centre’s inputs to the 4 Year Work Plan of the UNTC are now firmly on the agenda and were discussed by the Committee Members. These are:

- i) Formulaic apportionment.
- ii) Guidance on administration of fractional apportionment.
- iii) Remote workers.
- iv) UN Transfer Pricing Database.
- v) New nexus rules.
- vi) Update on Article 22 (taxation of capital).

The emergence of the UN FCITC also raised questions about how it would co-exist with the UN Tax Committee, the UN’s main international tax standard-setting organ. To answer this question and proactively provide options to delegates, the South Centre in collaboration with the International Bureau of Fiscal Documentation (IBFD) and the West African Tax Administration Forum (WATAF), prepared a policy paper titled [Future of the UN Tax Committee under the UN Framework Convention on International Tax Cooperation](#). Just as the title indicates, this paper aims at exploring the possible role of the UNTC within the emerging architecture of the UN FCITC, drawing on past lessons of efforts to democratize international tax governance. The paper envisages different scenarios for the UNTC future and outlines implications of each. This forward-looking paper contributes to shaping the future of international tax governance and helps countries to make informed choices as the global framework evolves. The paper was released during the October session of the UN Tax Committee, gained wide traction, and was also specifically disseminated to the developing country Members of the UN Tax Committee, some of whom are also delegates to the INC of the UN FCITC.

In October 2025, the South Centre and the International Tax Law Research Network (ITLRN) convened a Roundtable on Tax Certainty to promote dialogue between taxpayers, tax administrations, and other stakeholders on dispute prevention and tax certainty. The speakers included members of the UN Tax Committee from Nigeria, the Dominican Republic, Brazil, and Argentina, with audience constituting primarily tax professionals from multinational enterprises. Discussions highlighted challenges with the OECD Global Minimum Tax, particularly high compliance costs and increasing complexity, which were seen as undermining tax certainty. The roundtable reinforced the relevance of the UN Tax Convention process as a forum for developing simpler, more stable, and inclusive international tax rules that would benefit both taxpayers and tax administrations.





Taxation of Fossil Fuels

The South Centre supported ongoing global efforts towards taxation for climate justice to inform mobilization of domestic resources for sustainable development. In this regard, the South Centre prepared a paper titled *Plugging the Fiscal Leaks: Tackling Profit Shifting in the Oil and Gas Sector for a Just Climate Transition*. The paper was presented at an international conference organized by the Tax Justice Network in collaboration with academic and civil society partners themed [A climate for change: Towards just taxation for climate finance](#), which was held in October 2025 in Campinas, Brazil.

The paper was [presented in a panel](#) session on: Fossil Fuels, Subsidies and Sovereignty: Fiscal Tools at a Crossroads. The paper explores how oil and gas companies are major polluters and tax avoiders yet they shift significant profits from host states mainly through transfer mispricing, taking advantage of weak source taxation and permanent establishment rules, and enjoy generous tax incentives. To mitigate this, South Centre made proposals including strengthening transfer pricing administration, public Country by Country reporting as a minimum for oil and gas companies, tax treaty renegotiation, formulaic apportionment methods for profit allocation for extractives companies and strengthened international cooperation to curb harmful tax practices.

The presentation received strong engagement and support for fair taxation of extractive industries as a critical component of financing the green transition. A shorter version of the paper was later published in the Tax Justice Network blog, titled [“Tackling Profit Shifting in the Oil and Gas Sector for a Just Transition”](#) in November 2025.

Fourth Financing for Development Conference (FFD4)

The South Centre made submissions to the Elements Paper of FFD4, which included inputs on international taxation. The following inputs on international taxation were included in the subsequent Zero Draft: 1) the need for international cooperation for effective taxation of high-net worth individuals 2) creation of a public database for country-by-country reports, including for high net worth individuals.

To promote these issues, the South Centre, in collaboration with the Centre for International Corporate Tax Accountability and Research (ICTAR) and Public Services International (PSI) organized a closed webinar for its Member States and the G77+China on the importance of public Country by Country Reporting (pCBCR). South Centre staff provided recommendations on how developing countries could ensure pCBCR was retained in the FFD4 text and also on how it could be made a part of the UN FCITC.

These efforts, combined with previous South Centre activities to support pCBCR, resulted in both inputs being included in the final Outcome Declaration of FFD4 known as the *Compromiso de Sevilla*.

The global agreement on evaluating the creation of a central database for pCBCR marks a huge victory for tax transparency. Public data on how much tax multinational corporations pay in each country where they operate can act as a severe deterrent against tax avoidance and profit shifting. The South Centre will now focus on translating this high level agreement into reality, through the inclusion of pCBCR into the UN Tax Convention.

The South Centre co-organized a side event at the FFD4 with the EU Commission, Germany, Nigeria, and the Addis Tax Initiative secretariat on [Domestic Revenue Mobilisation \(DRM\) at the Heart of Sustainable Development: the Seville Declaration](#). The side event, which followed the adoption of the Seville Declaration, sought to reinforce political will to enhance fair and effective tax systems for DRM for development and provide a platform for dialogue on the same, considering the discussions and outcomes of the FFD4. The South Centre had provided technical inputs to the drafting of the Seville Declaration as part of the Task Force that steered its preparation.



During the side event, the Executive Director of the South Centre delivered a high-level statement highlighting the Declaration's call to build developing countries' capacity to tax high-net-worth individuals, combat tax-related illicit financial flows, and improve country-by-country reporting. He also indicated that the taxation of the digital economy remained a top priority for the South Centre Member States, though not covered by the Declaration, and referenced recent the South Centre research quantifying significant revenue losses from treaty restrictions on taxing services in Argentina, Brazil, and Nigeria. He reiterated the South Centre's commitment to support Member States in implementing the Declaration, including producing further quantitative assessments for additional countries, supporting them in the negotiations of the UN protocol for the taxation of cross border services, and collaborating with interested partners to evaluate the operationalization of PCBCR. The event reaffirmed the South Centre's position as a key partner in advancing DRM for sustainable development.

Wealth Taxation

In addition to the contributions to the UN's Wealth Tax Handbook and Sample Law, the South Centre also participated in an International Tax Reform Summit held in South Africa. The Centre presented on barriers to wealth tax reforms in developing countries, the UN tools available to address them, and what the South African Group of Twenty (G20) presidency could do for international tax reforms for the developing countries.

The Centre also participated in a closed roundtable organized by the Tax Justice Network on how asset beneficial ownership could help with the enforcement of wealth taxes.

The South Centre co-organized a workshop with the Platform for Tax Cooperation in Latin America and the Caribbean (PTLAC) under the Brazilian presidency, and the United Nations Department of Economic and Social Affairs (UN DESA) on the United Nations Handbook on Wealth and Solidarity Taxes and the UN Sample Net Wealth Tax Law in October 2025. The workshop provided officials from the Member States of the PTLAC and the South Centre with introductory training on the contents of the UN Handbook on Wealth and Solidarity Taxes and the UN Sample Wealth Tax Law, to inform wealth tax reforms.

Illicit Financial Flows

In May, the UN Human Rights Council's Working Group on the Right to Development held its 26th session which discussed various topics, including Illicit Financial Flows and Repatriation of Funds of Illicit Origin. The South Centre was invited to present on the topic. The Centre presented data showing how its Members like Liberia and Philippines were waiting for decades to have their assets returned from developed countries and how this was true for almost all developing countries. Further, the Centre provided concrete suggestions on what developing countries could do to speed up the asset recovery process.

The Centre also published an article examining how its Member State Mali could recover billions of dollars by cracking down on illicit financial flows in the mining sector that were revealed through tax audits and subsequently led to a major legal and regulatory overhaul to close the loopholes.

The South Centre, in partnership with the Graduate Institute of Geneva, prepared a study identifying tax avoidance by oil and gas multinationals in South Centre Member States. The study focused on the oil and gas sector because of the link with the green transition – tax avoidance in this sector worsens the climate crisis and weakens the green transition. The study identified the Philippines and Malaysia as two Members who were performing well in ensuring effective taxation of such multinationals, and identified Morocco, Colombia and Gabon as Members who were particularly negatively affected by tax avoidance. A briefing for Members will be held to disseminate the findings of the study.

Tax Incentives

The Platform for Collaboration on Tax, which reflects the views of the Secretariats (and not Member States) of the UN, World Bank, International Monetary Fund (IMF) and OECD, in December 2024 published a public consultation draft on "Tax Incentives Principles". The South Centre and the G-24 co-organized a briefing for the G-24's Tax Working Group on the document and provided suggestions on inputs. The South Centre subsequently submitted its own inputs on the Principles, in particular condemning the language threatening developing countries with blacklisting and denial of official development assistance (ODA) by the European Union for not adhering to political, legally non-binding commitments. Several of the South Centre's inputs were incorporated into the final version of the Principles.



Tax Treaties

The South Centre also held a briefing for its Member States and other developing countries where it presented the results of a study jointly produced with the Graduate Institute of Geneva which identified the [imbalanced tax treaties of South Centre Member States](#) with developed countries.

Taxation of Extractives

The South Centre made inputs to the [Africa Governance Report 2025 - Natural Resource Governance in Africa](#). The South Centre made inputs on taxation and mineral resource governance that was incorporated in the final report published in October 2025.

Taxation of Crypto Assets

Experts from the South Centre wrote a book chapter titled “Taxing Crypto Assets to Fund Sustainable Development Goals: Improving Evaluation of Crypto Functional Substitute Risks” in [Sustainable Digital Finance](#) (pages 157-178), published in October 2025. The chapter seeks to explore the fundamentals of crypto assets, including their definition, market growth statistics and the pressing need for regulation to ensure that they are taxed effectively, and makes recommendations for countries.

Tax Administration Data

An expert from the South Centre participated as a panelist in the global launch of the Admin Data for Tax Justice initiative, organized by the Tax Justice Network in December 2025. The event marked the launch of a new database compiling research based on administrative tax data. As one of the partner institutions supporting the initiative, the South Centre facilitated the participation of officials from its Member State, Iran, in an in-person workshop in Prague, Czech Republic, on using such tax administration data. During the launch

event the South Centre highlighted the value of the database in strengthening developing countries’ capacity to make informed tax policy decisions and contribute effectively to negotiations on international tax system reform. The database was also shared with its Tax Focal Points.

Engagement with Academic Institutions on International Taxation

In December 2025, the South Centre engaged with several academic and learning institutions to sensitize students and young professionals on international tax matters. The South Centre made a presentation in an event, Swiss Sustainability Transitions: Pathways, Partnerships, and Global Relevance, co-organized by the Indian Institute of Management (IIM) Bangalore and the Geneva Consensus Foundation at the United Nations in Geneva, discussing sustainability practices by multinational corporations including paying fair share of taxes. An expert from the South Centre also presented on the structure of the Global Minimum Tax (GMT) and its implications on developing countries. The South Centre expert also presented in another Workshop on International Tax Compliance also organised for IIM Bangalore students and presented on the importance of tax compliance and the risks of tax avoidance. These sessions inform the perspectives of future business leaders on the need for corporations to pay their fair share of taxes as part of responsible business conduct.

An expert from the South Centre continued to give lectures in universities on international taxation. In December 2025, lectures were delivered at Zhengzhou University and Henan University on The Legal Framework of International Taxation, and at the Law School of Zhongnan University of Economics and Law on Tax Policy Solutions for Climate Accountability in Fossil Fuel Industries. These engagements raise academic awareness on international tax systems, and tax policy for climate accountability from a developing country perspective.



RESPONSIBLE INVESTMENT, HUMAN RIGHTS AND CLIMATE JUSTICE

Investment and Social Dimensions of Development and Human Rights

The geopolitical and economic landscape of 2025 has been shaped by a deepening crisis in multilateral institutions, marked by fragmented global governance, increasing climate challenges, and growing development gaps. This landscape has highlighted the urgent need for systemic reform.

Major attention has been placed on the reform of the international investment regime. The conventional model of international investment agreements (IIAs), which provides investor protection, is under scrutiny, as evidenced by the termination of outdated IIAs and efforts to reform the contentious Investor-State Dispute Settlement (ISDS) mechanism through forums such as the United Nations Commission on International Trade Law (UNCITRAL).^[2] At the same time, this regime is being tested by the climate crisis, highlighting the urgent need for systemic reforms. A “Just Transition” has become prominent for developing countries, following the need to establish the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) as the core of all climate efforts. This calls for complex policy coherence, integrating climate goals with digital transformation, international investment law, and human rights, to deliver a comprehensive and fair response to the climate emergency.

The South Centre has solidified its support for developing countries in reforming the traditional international investment regime, guaranteeing their sovereign right to regulate. The Centre has actively worked to implement a “Just Transition” within international law by integrating responsible investment, human rights, and climate justice. This integrated approach was prominently featured in negotiations at the 16th Conference of the United Nations Trade and Development (UNCTAD XVI), where the Centre advocated for data sovereignty and the preservation of policy space, and in its influential contributions to the Inter-American Court of Human Rights’ advisory opinions on The Climate Emergency and Human Rights. The Centre’s approach has been instrumental in reframing climate and investment commitments as binding legal obligations, directly addressing the structural inequalities faced by developing nations.

As the South Centre celebrates its 30th anniversary, it continues to pursue a development-focused agenda for the Global South amid a complex and changing multilateral landscape. Serving as both an intellectual and political hub for developing nations, its efforts focus on navigating global trends and advocating for systemic reforms that enhance equity, support sustainable growth, and safeguard the policy space of sovereign countries. The following sub-sections outline the Centre’s strategic activities in these key areas during 2025.

[2] United Nations Trade and Development (UNCTAD), “International Investment Agreements Trends: The Increasing Dichotomy Between New and Old Treaties”, IIA Issues Note, No. 2 (October 2024), UNCTAD/DIAE/PCB/INF/2024/4. Available from https://unctad.org/system/files/official-document/diaepcbinf2024d4_en.pdf (accessed 18 August 2025).

Rebalancing the International Investment Regime for Sustainable Development

In the first half of 2025, the South Centre executed a comprehensive strategy to review and reform the international investment regime, with the overarching goal of aligning it more closely with the Sustainable Development Goals (SDGs) and international human rights standards. The cornerstone of this effort was a focus on rebalancing the international investment framework to reassert the sovereign right of States to regulate in the public interest and to promote a new generation of IIAs that incorporate development-oriented alternatives to the ISDS mechanism.

The Centre's work is predicated on the understanding that the current system, constructed mainly upon a network of outdated Bilateral Investment Treaties (BITs), continues to impose significant constraints on the "policy space" that developing countries require to achieve legitimate public policy objectives. These treaties, often characterised by their broad definitions of investment and expansive protections for foreign investors, have been repeatedly utilised to challenge essential regulations related to public health, environmental safeguards, and labour rights, as highlighted in the South Centre's [Inputs to Inform the Thematic Report of the Special Rapporteur on the Promotion and Protection of Human Rights in the Context of Climate Change](#). To address this, the South Centre has provided analytical tools and increased capacities for developing nations to review and reform old BITs, promoting leadership in a field often influenced by multinational corporations' interests. At the same time, it encourages other alternatives that support developing countries' efforts towards national development, for example, through the establishment of a robust domestic legal framework and investment contracts in strategic sectors.

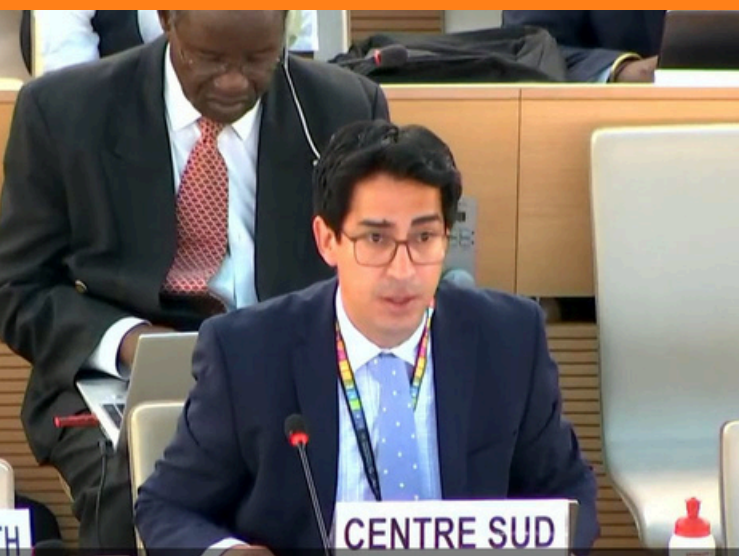
The Centre has provided developing nations with critical analytical tools and capacity-building support to empower them to review and reform traditional BITs. This work is designed to foster Southern leadership in a domain historically influenced by the interests of multinational corporations and capital-exporting states, thereby transforming developing countries from passive recipients of a pre-defined legal model into active architects of a system that serves their own interests. The organisation of preparatory meetings has characterised this for the work in UNCITRAL, and briefing sessions on the adoption of the [Legally Binding Instrument on Business and Human Rights](#), in the Human Rights Council (HRC).

At the same time, the Centre actively engages in supporting development-oriented alternatives to IIAs. It supports frameworks like Investment Facilitation Agreements (IFAs) that focus on creating transparent, efficient, and stable environments for sustainable investment, rather than relying on contentious, litigation-driven dispute resolution mechanisms. A key example of this proactive approach is the Centre's technical assistance for the African Continental Free Trade Area (AfCFTA) Protocol on Investment. This support plays a vital role in helping the continent develop a modern, forward-looking investment agreement that integrates development, environmental, and human rights issues from the outset, marking a significant shift in power dynamics toward a new generation of rule-makers.

The Centre's leadership and influence within the broader policy ecosystem are further exemplified through its targeted advisory activities. It helped shape United Nations (UN)-level perspectives by peer reviewing an UNCTAD issues note on how IIAs might support technology transfer for the energy transition. Its impact on academic discussions was also strengthened by reviewing a book chapter on the AfCFTA's climate connection for an upcoming publication. Additionally, it provided feedback on the International Institute for Sustainable Development (IISD)'s 'Investment Policy Forum Manila Tool Kit', thereby demonstrating the Centre's active engagement with other leading civil society organisations to develop global best practices.

In the second half of 2025, reforming the international investment regime remained a strategic focus. The South Centre addressed the limitations of IIAs through a comprehensive approach that included implementing new mandates, supporting the development of a legally binding instrument on business and human rights, and bolstering domestic legal defences for ISDS reform. Following the adoption of the "Geneva Consensus" at UNCTAD 16 in October, the South Centre acted swiftly to translate this political outcome into actionable policy. In December, the South Centre produced a note providing an analysis of the Consensus text, equipping negotiators with arguments to ensure that the mandate for "investment facilitation" is interpreted as a tool to increase quality investment and support domestic productive capacity, rather than merely granting new rights to foreign investors. This work was complemented by the South Centre's support to the UNCTAD Multi-Stakeholder Platform on IIA Reform, where it successfully framed ISDS awards as a direct drain on the fiscal space required for implementation of the SDGs.

The South Centre also intensified its technical support for the Legally Binding Instrument (LBI) on transnational corporations and human rights, serving as a key advisor to the Group of 77 (G77) and China in the Open-ended Intergovernmental Working Group (OEIGWG). In this process, the South Centre prepared technical notes and analyses that considered the "primacy" of human rights over investment treaties. The role of the legally binding instrument in advancing [responsible investment](#) was analysed, considering how mandatory Human Rights Due Diligence is essential to counter the "regulatory chill" of ISDS. During the 11th Session of the OEIGWG, the Centre's collaboration with developing countries reinforced the discussion on the protection of victims' rights and the prioritisation of corporate accountability.



The South Centre supported countries in developing their own mechanisms to promote more sustainable interaction between domestic jurisdictions and the international investment regime. The Colombian doctrine of '[conditional constitutionality](#)' presents a model for other developing nations to reassert interpretative authority over IIAs. Furthermore, [Bolivia's experience developing contract-based arbitration for extractive industries](#) demonstrates the feasibility of balancing responsible investment attraction while protecting state sovereignty and promoting sustainable development in key strategic sectors.

The South Centre's work also provided robust intellectual support for sovereign withdrawal from unfair systems. At a high-level side event during the 60th Human Rights Council, co-organised with the Permanent Mission of Honduras, the South Centre framed Honduras's denunciation of the International Centre for Settlement of Investment Disputes (ICSID) Convention not as isolationism, but as a necessary defence of human rights and fiscal sovereignty against a system biased toward transnational capital.

Advancing Systemic Reform of ISDS in Multilateral Fora

The South Centre continues to prioritise reforming the Investor-State Dispute Settlement (ISDS) system, particularly its risk of causing a "regulatory chill" that discourages governments from passing laws in the public interest. They also point out ongoing transparency issues in arbitration and signs of systemic bias that favour investors over states. To address these structural problems, the Centre actively participates in negotiations within UNCITRAL Working Group III, the leading international forum focused on ISDS reform.

The Centre's constant presence on this forum aims at ensuring that over time the interests of developing countries are taken into account and that the push for real reform continues. This approach was evident through a steady cycle of planning and action in the first half of 2025. The Centre held several preparatory meetings before the 50th and 51st sessions of Working Group III to foster consensus before formal negotiations. Besides preparing individual delegations, the Centre aims to build strong negotiating blocs. An example of this is its support for an informal African Union meeting in February, intending to clarify positions on a key working paper for UNCITRAL negotiations. This strategic coordination supports developing countries' stance during formal UNCITRAL sessions. The tangible impact of this support is seen in how the Centre assists delegations in advocating for specific, meaningful reform proposals, such as requiring investors to exhaust local remedies before pursuing international claims, setting limits on damages and ISDS procedure costs, and imposing strict restrictions on third-party financing of claims.

While supporting alternatives, the South Centre remained deeply engaged in reforming the ISDS system within UNCITRAL Working Group III. Acting as a technical secretariat for the G77 and China, the South Centre bridged the capacity gap between developing and developed countries through preparatory meetings. A major focus in 2025 was the issue of Damages. The South Centre facilitated strategic coordination for the African Group, providing technical inputs that argued for excluding speculative valuation methods such as Discounted Cash Flow (DCF) and for introducing caps on damages. This preparatory work enabled the African Group to table proposals to the draft texts. Additionally, the South Centre utilised preparatory meetings to consolidate a cross-regional coalition on Third-Party Funding (TPF). To ensure long-term sustainability, the South Centre invested in capacity building through its partnership with the Graduate Institute (IHEID) in Geneva. Expert meetings on "Reclaiming Authority in Investment Treaty Arbitration" and "Investment Treaties and Arbitration for Government Officials" were prepared to defend the "right to regulate" in future disputes.

Human Rights and Climate Justice Approach to Development

The South Centre's most innovative and impactful contribution is its pioneering effort to reshape the entire dialogue on international investment law. [The Centre emphasises the crucial links between development, human rights, and climate justice](#). This approach shifts the discussion from a narrow, technical focus on trade and investment to broader public and policy arenas such as human rights and climate change. By fostering this expanded dialogue, the Centre attracts key allies from human rights and environmental fields and increases interest among developing countries in advancing their national development goals.

This strategy transforms complex legal discussions into urgent matters of public policy and global equity, thereby building broad and diverse coalitions for change. The central pillar of this effort was the Centre's February 2025 [submission to the UN Special Rapporteur on human rights and climate change](#). This submission articulated a



compelling argument: a "Just Transition" away from fossil fuels is rendered impossible without significant reforms to the ISDS system. It posited that states cannot be expected to fully uphold the human right to a clean and healthy environment if they face the constant threat of multimillion-dollar lawsuits for enacting the very climate policies necessary to achieve it. This line of reasoning successfully positions ISDS not merely as a trade issue, but as a primary obstacle to effective climate action and, consequently, a core human rights concern.

The Centre employs a variety of forums and collaborations to promote this integrated agenda, systematically developing an epistemic community of experts and policymakers who share a common understanding of the issues and solutions. This network acts as a multiplier, reinforcing and spreading the message throughout the multilateral system. For example, the Centre joined the Geneva Environment Network's 25th anniversary forum on 29 January and participated in a discussion on human rights in the lifecycle of renewable energy on 21 May, directly engaging environmental stakeholders with the investment argument. It established significant partnerships, including a strategic session with the Centre for International Environmental Law (CIEL) on the intersection of investment agreements, climate action, and human rights on 26 May, and co-organised a high-profile side-event with E3G, CIEL, and others during the June Climate Meetings of Subsidiary Bodies of the United Nations Framework Convention on Climate Change (UNFCCC) in Bonn examining how investment treaties align with Article 2.1(c) of the Paris Agreement.

The Centre also broadens its impact by initiating high-level political discussions on vital issues of regional cooperation and South-South solidarity. For instance, its event on [Latin American integration](#), held jointly with the Mission of Colombia in Geneva and featuring former Colombian President Ernesto Samper Pizano, exemplifies this approach. As a board member, President Samper emphasised that such integration "has never been as necessary as it is now," proposing a regional model based on four pillars: generating economic value beyond extraction, fostering social inclusion, leading the energy transition, and redefining citizenship. The event stressed the importance of health sovereignty and combining technical advice with broader political dialogues to build consensus and promote development from within the Global South.

Participation and support in human rights forums formed a vital part of this strategy. It included active involvement in the 58th and 59th sessions of the Human Rights Council and related side-events, such as one on the right to food and peasant women's roles, and another on the human rights aspects of a just transition and mineral extraction. With a forward-looking approach, the Centre actively engaged in the debate on emerging technologies during the 58th session of the Human Rights Council. It contributed to the dialogue surrounding the [Special Rapporteur's report on neurotechnology](#), focusing on the profound risks these advancements pose to privacy, autonomy, and mental integrity.

The Centre also organised several briefings in preparation for the informal consultations of the Open-ended Intergovernmental Working Group on Business and Human Rights, linking excessive investor protections to the broader corporate accountability agenda. Additionally, the Centre partnered with academia through the Graduate Institute of Geneva's LLM Clinic, supporting student presentations on reclaiming state authority in the interpretation of investment agreements, and participation of affected communities in investment arbitration. By consistently emphasising these links, the South Centre argues that reforming the international investment system is not just a legal or technical issue, but a necessary step for climate justice, public health, and broad human rights protections. This unified stance offers a strong, consistent voice for developing countries in their collective effort to create a fairer, more equitable global system.

The South Centre increased its efforts towards ending the fragmentation of international law, specifically by integrating human rights and climate obligations with investment rules. The release of Advisory Opinions by the International Court of Justice (ICJ) and the Inter-American Court of Human Rights (IACtHR) provided the legal bedrock for this work.

The South Centre translated these judicial findings into actionable policy guidance through two influential publications. One analysed the [ICJ's opinion](#) to advise developing countries at the 30th United Nations Climate Change Conference of the Parties (COP30), framing climate finance not as aid but as a legal obligation of reparation. Another considered the need for [advisory opinions](#) in shaping international law, by synthesising the opinions to advocate for "climate carve-outs" in investment treaties, arguing that compliance with international climate obligations constitutes a necessity defence against ISDS claims.

The South Centre also increased its interaction with the Human Rights Council to facilitate understanding of how ISDS impacts the full enjoyment of human rights. The South Centre participated in the side event organised by the Mission of Honduras and the United Nations Special Rapporteur on the right to development on "Sustainable Development with an Unsustainable ISDS Mechanism", which facilitated a direct discussion between human rights and investment communities.



DIGITAL TRANSFORMATION AND DEVELOPMENT

The South Centre continued to monitor new regulatory developments and discussions, including in the United Nations (UN) Commission on Science and Technology for Development; digital health in the Group of Twenty (G20) Working Group on Health; intellectual property and frontier technologies and copyright in the digital environment; the UN Global Digital Compact; Artificial Intelligence (AI) and the human rights interface; digital regulation and governance issues; issues on regulation of AI including the AI for Good forum; and AI resolutions in the United Nations General Assembly (UNGA).

Various briefings were held for delegations on these issues, including for the African Group organized with the African Union, on the process of review of the World Summit on Information Society at 20 years in March, and in preparation for the 28th session of the Commission on Science and Technology for Development.

At the same time, the world is experiencing a swift and disruptive digital transformation. The adoption of the Global Digital Compact (GDC) in 2024 marked a significant milestone in multilateral digital cooperation, but by 2025, attention had shifted to the substantial challenges involved in its implementation. The growing "AI race" has highlighted contrasting regulatory approaches among major powers like the United States and the European Union, resulting in a fragmented governance landscape that risks widening the digital divide and sidelining developing countries. The discussion has moved beyond mere access to technology, addressing core issues of digital sovereignty, data governance, and the need to prevent AI's rise from exacerbating existing global inequalities.

The global digital transformation landscape is evolving rapidly, with initiatives to address AI and its impacts emerging as a high priority for developing nations. Despite the persistence of significant disparities in terms of AI access, infrastructure and regulatory capacity, the South Centre is supporting its countries with policy advice on how AI and other emerging technologies can be leveraged for promoting sustainable development.

It is also providing its technical assistance to countries to help them navigate complex multilateral deliberations on AI regulation and data governance, processes in which their voices and priorities are often underrepresented. Digital public infrastructure (DPI) has also gained increasing prominence as a pathway for developing countries to accelerate their digital transformation, build inclusive digital economies and bridge digital divides.

In September 2025, the South Centre released a Policy Brief on "[Taking Forward Digital Public Infrastructure for the Global South](#)", which addressed how realising the full potential of DPI in developing countries requires building policy and regulatory frameworks that foster trust, protect rights and address persistent digital divides. It highlighted the importance of robust institutions and governance mechanisms for ensuring that DPI adoption in global South nations is inclusive, equitable and aligned to national priorities.

In October 2025, the UN Working Group on Data Governance at All Levels accorded the South Centre with Observer status. The South Centre has been participating in the deliberations of the Working Group to contribute perspectives from developing countries for building equitable and interoperable data governance frameworks that support equitable access to the benefits of data for the global South.





In November 2025, the South Centre organised a Pre-Event to the India-AI Impact Summit on ‘[Advancing Innovation for Equitable AI Access](#)’. It underscored that AI must serve humanity as a whole, not only a privileged few, and highlighted the value of international cooperation for advancing innovation and promoting equitable access to technological innovations that can bridge global AI divides. The Pre-Event also provided a platform for developing country representatives and experts to articulate their perspectives on ensuring that AI governance frameworks support inclusive development, thereby also informing AI policy deliberations at the Summit.

The Pre-Event also launched the Policy Brief on “[Strengthening Southern Agency in Global AI Governance](#)” which examines the rapidly evolving landscape of AI governance. It underscores the need for coherent, development-oriented AI governance, linking AI regulation to industrial development, innovation and data sovereignty. The brief highlights how inclusive and responsible AI governance supports developing nations to enhance their capacities to harness AI and other frontier technologies for shaping their digital transformation and sustainable development.

As digital transformation reshapes the global economy, the South Centre expanded its work to prevent the deepening of the digital divide. The South Centre analysed how [fragmented AI governance regimes](#) require a UN-anchored framework to ensure equitable access to computing power and datasets, a position actively used by the Group of 77 (G77) negotiators to resist governance models dominated by major tech powers.

During the G20, the South Centre was involved in providing comments and textual language on the drafting of the declarations on the Digital Economy, the AI Task Force and the AI for Africa Summit.

Among other issues being monitored and where research is being done by the South Centre are digital health and intellectual property implications of artificial intelligence. Experts from the South Centre has participated in meetings on three issues, including in the context of the World Intellectual Property Organization (WIPO) Dialogues on AI and the Standing Committee on Copyright and Related Rights, and of a project with the London School of Economics.

OTHER ACTIVITIES

The South Centre organized a [meeting for its French-speaking member countries](#) on 24 April 2025. The meeting was entirely conducted in French. It aimed to discuss the perspectives of French-speaking member countries on various issues and to share updated information with them on research and capacity-building work carried out by the Centre. The topics addressed at the meeting were the negotiations on the World Health Organization (WHO) pandemic agreement and preparations for the 2025 World Health Assembly, the negotiations on intellectual property and traditional knowledge at the World Intellectual Property Organization (WIPO), the reform of the investment system, and the negotiations on the United Nations Convention on Taxation.

The South Centre became a partner of the Global South Media and Think Tank Joint Communication Partnership. A thematic report by the Global South Research Center (GSRC) titled [Global South Development Achievements and Challenges](#) was co-authored by Carlos Correa, South Centre Executive Director, and Yuefen Li, South Centre Senior Adviser on South-South Cooperation and Development Finance.

A Memorandum of Understanding (MOU) between the Gamani Corea Foundation and the South Centre was signed at Gamani Corea's house in Colombo. Corea was the former Secretary-General of the United Nations Trade and Development (UNCTAD) and former Chair of the South Centre Board. The South Centre's Executive Director also gave an oration at an event commemorating 100 years of the birth of Gamani Corea. A [special issue](#) on Corea was published by the South Centre as well.



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Front cover photo: 25th South Centre Council of Representatives Meeting

Back cover photo: First South Centre Council of Representatives Meeting

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