

With rise in tariffs, global goods imports take \$2.6 trillion hit

NEED OF THE HOUR. WTO Director-General Ngozi Okonjo-Iweala calls for urgent reforms to safeguard trade

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Global goods imports affected by new tariffs and other trade measures increased more than four times between mid-October 2024 and mid-October 2025 to about \$2,640 billion (\$2.64 trillion), compared to the prior 12-month period, according to the WTO Director-General's latest annual overview of developments in the international trading environment.

"Imports worldwide worth \$2,640 billion, or 11.1 per cent of total imports, were affected primarily by tariffs, along with other trade measures introduced between mid-October 2024 and mid-October 2025 -



TRADE IMBALANCE. Exports from India to the US fell 11.9 per cent to \$5.5 billion in September

more than four times the \$611 billion coverage recorded in the preceding period. Including similar measures on exports, the total trade affected was worth \$2,966 billion (more than 3x the \$888 billion recorded in the previous report)," according to

the report shared by the WTO on Tuesday. While the US was not singled out in the report, the imposition of reciprocal tariffs by Trump on most of its trade partners earlier this year, ranging from 10 per cent to 41 per cent, has hit imports from

several countries, including India, into the American market.

INDIA-US TRADE

The US not only imposed a 25 per cent reciprocal tariff on India, but also an additional 25 per cent penalty for buying Russian oil.

As a result of the tariffs, which affected India's shipments of over 50 per cent of items to the US, exports from India to America fell 11.9 per cent to \$5.5 billion in September 2025 (year-on-year), which was the first full month of tariff imposition.

In October 2025, India's goods exports to the US declined 8.6 per cent to \$6.3 billion. US imports from India, including labour-intensive ones, such as textiles, gems & jewellery, shrimps and en-

gineering goods, declined due to the new tariffs.

"The sharp jump in the trade coverage of tariffs reflects the increased protectionism we have seen since the start of the year. Nearly a fifth (19.7 per cent) of world imports are now affected by tariffs and other such measures introduced since 2009, compared to 12.6 per cent only a year ago," said WTO Director General Ngozi Okonjo-Iweala.

WTO members should use the trade disruptions to advance long-overdue reforms of the WTO, she advised. Members have an opportunity to tackle some of the underlying concerns linked to recent unilateral measures, while repositioning the WTO to help them seize new trade opportunities.