DIRECTOR-GENERAL

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DG Azevêdo announces he will step down on 31 August DG Azevêdo announces he will step down on 31 August

At a virtual meeting of all WTO members on 14 May, WTO Director-General Roberto Azevêdo announced that he would step down on 31 August, cutting his second term short by exactly one year. He said that bringing forward his departure would allow members to select his successor in the coming months, without diverting political energy and attention from preparations for the Twelfth Ministerial Conference, which is set to be held in 2021. "We must give my successor sufficient time to plan, together with you, the path not only for MC12, but for how that Conference fits into your plans for the future of the Organization," he told members. "The earlier the new DG takes office the better." His full statement is below:

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Statement by DG Azevêdo

Good afternoon, everybody.

Thank you for joining this meeting on short notice, ahead of tomorrow's special virtual General Council.

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This session is about one very specific administrative arrangement. I have an announcement to make. This August, I will complete 7 years as WTO Director General. And I have decided that I will step down from my current position on 31 August 2020, cutting short my second term in office by exactly one year.

Many of you will have seen the news reports about my decision. It was not my intention for you to hear it from the press before you heard it from me — but unfortunately it has worked out that way.

This is a decision that I do not take lightly. Between the lockdown and my recent knee surgery, I have had more time than usual for reflection. And I reached this decision only after long discussions with my family — my wife here in Geneva, and my daughters and my mother in Brasilia. It is a personal decision — a family decision — and I am convinced that this decision serves the best interests of this Organization.

I also want to be clear about what this is not: it is not health-related (thank goodness). Nor am I pursuing any political opportunities. I hope the future holds new challenges in store, but as of right now, I do not know what they will be.

Regardless of how fulfilling these last 7 years have been for me, I must now end this cycle. As members start to shape the WTO's agenda for the new post-COVID realities, they should do so with a new Director-General.

It is not easy for me to say this. The multilateral trading system has been at the centre of my career since I was first posted here in 1997. Since then, I have been working in the system, with the system, and for the system. A big chunk of my life, 23 years, has been dedicated to the system, and I have been grateful for this opportunity. My tenure as WTO Director-General has been the most demanding, exciting and gratifying period in my professional life. I have learned a great deal. And I believe that I have been able to contribute to maintaining the WTO as a key pillar of global economic governance amid challenging times for multilateral cooperation.

Together, we learned to be creative, innovative and pragmatic. We delivered the Trade Facilitation Agreement, the expansion of the Information Technology Agreement, and decisions on food security. We eliminated agricultural export subsidies, and enabled more goods and services exports from least developed countries. Groups of like-minded members have found ways to advance discussions on critical issues while protecting the right of other members to opt in or out.

And behind all this work, I want to pay special tribute to the staff of the WTO Secretariat. Working with such a professional and dedicated group of people has been one of the real highlights of my time here.

Yet while we have achieved a great deal, much more remains to be done. We have set ourselves ambitious and transformative goals for MC12 and for WTO reform. And now we must ensure that trade contributes to the global economic recovery from the COVID-19 pandemic.

But I will not be the leader with whom you will chart and walk the strategic path ahead.

The challenges facing the work of this Organization will always be formidable — commensurate with its relevance and role as an anchor of predictability and certainty in a fast-changing global economy.

- tion process (https://www.wto.org/english/thewto_e/dg_e/dg_selection_process_e.htm)
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In addition to ongoing work and negotiations, we must also consider what we need to advance the wider discussions around WTO reform. This ongoing process of pragmatic change is something we have discussed often over the years.

We know that the WTO cannot stand frozen while the world around it changes profoundly. Ensuring that the WTO continues to be able to respond to members' needs and priorities is an imperative, not an option. The "new normal" that emerges from the COVID-19 pandemic will have to be reflected in our work here.

True and meaningful reform is a long-term task. We have had some success in starting to do things differently, but it will take time and commitment from members to keep building paths forward. While I am convinced we have set out in the right direction, the road ahead will entail consequential choices and deep reflection.

MC12 will be a critical landmark for this exercise.

As I see it, MC12 should be a stepping-stone to the future of the WTO. It should tie together our various ongoing efforts in a coherent approach, and lay the foundations for subsequent reform. This means that MC12 will require careful preparation and execution from you, the members.

My departure in August will give you the time you need to work with my successor — whoever she or he may be — to shape the strategic direction for MC12 and the months and years that follow.

As things stand today, our next Ministerial Conference will take place either in the middle of 2021 or at the end of that year. We have an offer from Kazakhstan to host a June meeting, and there is a real possibility that this scenario will prevail.

In our normal calendar, the selection process for the next WTO DG would start this December, with the nomination of candidates. The selection process would then dominate the first trimester of 2021 — and maybe longer. I don't have to remind you how intense that process is.

This timing would clearly impair preparatory work for MC12, irrespective of whether it is held in the northern summer or at the end of the year.

In either case, the selection process would be a distraction from — or worse, a disruption to — our desired outcomes. Instead of focusing all efforts on the search for compromise — on finding flexibility and making concessions — we would be spending valuable time on a politically charged process that has proved divisive in the past.

For a mid-year ministerial, the selection process would overlap with the most intensive phase of pre-ministerial preparations, making it highly prone to compromise the planning and execution of MC12.

Even if MC12 is held at the end of 2021, staying on through the end of my term would leave my successor mere weeks to prepare. I faced this situation when I first took office and I can tell you, first hand, that this is far from ideal. It might work if we are having a tightly focused ministerial centred on a small number of issues, such as trade facilitation and public stockholding in 2013. But given the far-reaching implications of the choices you will make at MC12, and the wide range of issues likely to be before you there, I believe you and your stakeholders deserve more ambition.

We must decouple these two processes: the DG succession process and the preparation of MC12. Doing both would inevitably compromise MC12 and the reform impetus. I care too much for this Organization to allow this to happen.

These considerations on timing were on my mind as I considered my decision to step down. And my conclusion is that the sooner I allow you to proceed with the selection process, the better off we will be.

As we have seen, I think we must give my successor sufficient time to plan, together with you, the path not only for MC12, but for how that Conference fits into your plans for the future of the Organization. This is not a minor task by any standard. This requires careful deliberation — and sufficient time to advance such discussions. The earlier the new DG takes office the better.

Second, the pandemic has significantly slowed down many of our activities. Physical meetings remain suspended. Many of you have also advised against trying to advance negotiations for the time being. Even if conditions in Geneva improve, it is quite likely that many capitals and governments would be under duress in the months to come.

This offers us a window to launch the selection process with less impact than usual on our work. Members should seize this moment to start deliberating on how to effect the change in leadership at the WTO.

Again, my decision was reached after long and hard reflection, and much discussion with my family.

For the reasons I have outlined, I believe that it would be best if members promptly move ahead with the process for selecting the next Director-General.

The procedures for the DG selection process adopted by members in 2002 state that in the event of a vacancy, "the Chair of the General Council shall initiate, as soon as possible, a process for appointment of a new Director-General." I am and will continue to be in close contact with the Chairman of the General Council and with all of you to facilitate this process however you deem necessary.

I urge you not to treat the process of selecting the next DG as business as usual. This Organization must start 2021 with a focus on the real challenges: ensuring that the multilateral trading system responds to new economic realities, above all the post-COVID recovery. It cannot afford to be distracted by a protracted search for a new DG.

I will be with you, working to improve and strengthen this Organization until my last day in office — and beyond, for wherever I am, like my predecessors, I will always be advocating for this system, for the WTO.

The WTO may not be perfect, but it is indispensable all the same. It is what keeps us from a world where the law of the jungle prevails, at least as far as trade is concerned.

I am proud of our work and it has been a true privilege working with each and every one of you: both those who are here today and your predecessors as well.

It is not my intention to have a proper discussion today. I just wanted to share this information with you. And let me be clear that tomorrow's General Council is also not at all about this. We will be having a very important discussion about the COVID-related issues identified by the Chair, and you should use every second of your allotted five minutes for this purpose.

As I have said, I will still be with you for the next few months. It is time to roll up our sleeves and set out to find a leader worthy of you, our stakeholders and the multilateral trading system.

I will now open the floor in case anyone wishes to say something. As I have said, I don't expect a proper discussion today — we'll have plenty of time for this. The General Council Chair will be reaching out to you very soon to consult on the way forward. So if you do ask for the floor, please be very brief.

Thank you.

Statement by David Walker, Chair of the General Council

Thank you very much Roberto. I am personally very saddened by your decision — and I am certain all WTO members are as well. But I know that this is not a decision that you have taken lightly, and you have my full understanding and support.

It was exactly seven years ago, on 14 May 2013, that the General Council formally agreed to your appointment as the new WTO Director-General. Today is not the day for farewell but I am certain that I speak for all members when I say that this organization and the multilateral trading system as a whole is immensely grateful to you for your leadership, relentless efforts and unwavering commitment over these past seven years. Even in these most difficult times, you have always demonstrated great commitment and confidence, and this deserves our full admiration.

There is much substantive work to be done together as you continue to lead the organisation over these next several months and I look forward to working with you on that.

As the Chair of the General Council, I intend to immediately engage with members and initiate as soon as possible a process for the appointment of a new Director-General, as set out in the guidelines for the appointment of Directors-General agreed by the General Council and contained in WT/L/509.

In line with those guidelines, I will send a communication shorty to notify all members of the start of the process.

And in line with paragraph 23 of the guidelines, I will also be consulting with members to look at establishing expedited deadlines as necessary, given the very limited time that we have before 1 September.

Thank you Director-General.

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