WORLD TRADE

ORGANIZATION

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General Council 10-11 December 2002

PROCEDURES FOR THE APPOINTMENT OF DIRECTORS-GENERAL

Communication from the Chairman

Members will recall that at the May meeting of the General Council, I indicated my intention to pursue consultations on procedures for the appointment of Directors-General with the aim of trying to bring this matter to a conclusion by the end of the year as had been suggested by many delegations. Since then, I have held extensive consultations, including two open-ended informal meetings of the General Council in June and October, and I would like to thank all delegations for their constructive discussions and many helpful suggestions. On the basis of these consultations, I am circulating for your consideration the following text of draft procedures which, I believe, reflects a careful balance among the many views that have been expressed so far. At the informal General Council meeting on 2 December, Members will have the opportunity to comment on this draft text, in the light of which I hope to be able to submit the text for adoption at the formal General Council meeting scheduled for 10-11 December.

1. The General Council, acting pursuant to Articles IV.2, VI.2 and IX.1 of the WTO Agreement, agrees to the following procedures for the appointment of the Director-General.

Conduct of the appointment process

- 2. The appointment process shall be guided by the best interests of the Organization, respect for the dignity of the candidates and the Members nominating them, and by full transparency and inclusiveness at all stages, building on the best practices established over the past years with regard to internal transparency and participation of all Members.
- 3. The overriding objective of Members in this process shall be to reach decisions by consensus.
- 4. The process leading up to the decision by the General Council to appoint a Director-General shall be conducted by the Chair of the General Council in consultation with Members and in accordance with the procedures set out herein.

Facilitators

- 5. The Chair of the General Council shall be assisted in this process by the Chairs of the Dispute Settlement Body and the Trade Policy Review Body acting as facilitators. ¹
- 6. The Chair and the facilitators shall act impartially and objectively, and conduct their work in a transparent manner.
- 7. The Chair and the facilitators shall aim to encourage and facilitate the building of consensus among Members, and assist them in moving from the initial field of candidates to a final decision on appointment.

Time-frames for the process

- 8. The appointment process shall start nine months prior to the expiry of the term of an incumbent Director-General with a notification from the Chair to the General Council. The process shall conclude with a meeting of the General Council convened not later than three months prior to the expiry of an incumbent's term, at which a decision to appoint a new Director-General shall be taken.
- 9. Members shall have one month after the start of the appointment process to nominate candidates. Nominations shall be submitted by Members only, and in respect of their own nationals.² The candidates nominated shall then have three months to make themselves known to Members and to engage in discussions on the pertinent issues facing the Organization. The remaining two months prior to the conclusion of this process shall be devoted to selecting and appointing one of the candidates.

Qualifications of candidates

10. In broad terms, candidates should have extensive experience in international relations, encompassing economic, trade and/or political experience; a firm commitment to the work and objectives of the WTO; proven leadership and managerial ability; and demonstrated communications skills.

Nomination procedure

- 11. Nominations and supporting information shall be addressed to the Chair of the General Council and received not later than one month after the start of the process. These documents will be distributed to Members as they are received. Immediately after the close of the nomination period, the Chair shall communicate to Members a consolidated list of the candidatures received.
- 12. Nominations shall be accompanied by the curriculum vitae of the candidate and any additional supporting information.
- 13. Where a serving Director-General decides to seek reappointment, he or she shall so notify the Chair of the General Council before the start of the process, and shall thereby be considered to be a

¹ If one or more of these Chairpersons is unable to serve as a facilitator, the General Council Chair shall call upon one or more of the Chairpersons of the three sectoral Councils (Goods Council, Services Council, TRIPS Council).

² The term "nationals" as referred to in these procedures shall be deemed, in the case of a separate customs territory Member of the WTO, to refer to individuals who are entitled to the same or similar legal rights under its laws and regulations as those afforded by other Members with regard to their nationals.

candidate. The Chair shall inform Members of the candidature of the incumbent Director-General, in order that they may take this into consideration in submitting their nominations.

Representativeness of candidates

14. In order to ensure that the best possible candidate is selected to head the WTO at any given time, candidatures representing the diversity of Members across all regions shall be invited in the nominations process. Where Members are faced in the final selection with equally meritorious candidates, they shall take into consideration as one of the factors the desirability of reflecting the diversity of the WTO's membership in successive appointments to the post of Director-General.

Meeting with the candidates

15. As early as possible after the close of the one-month nomination period, candidates shall be invited to meet with Members at a formal General Council meeting. Candidates will be invited to make a brief presentation, to be followed by a question-and-answer period.

Consultation process

- 16. In the final two months of the process, the General Council shall proceed, through a process of consultations, to narrow the field of candidates and ultimately to arrive at its choice for appointment.
- 17. In arriving at its choice, the General Council shall aim to reach a decision by consensus.
- 18. The Chair, with the assistance of the facilitators, shall consult all Members, including non-resident Members, in order to assess their preferences and the breadth of support for each candidate. The ultimate aim of the consultation process shall be to identify the candidate around whom consensus can be built. In order to do this, it may be necessary to conduct successive consultations to identify the candidate or candidates least likely to attract such a consensus.
- 19. The outcome of the consultations shall be reported to the membership at each stage. It is understood that the candidate or candidates least likely to attract consensus shall withdraw. The number of candidates expected to withdraw at each stage shall be determined according to the initial number of candidates, and made known in advance. This process shall be repeated in successive stages on the basis of a revised slate of candidates each time, with the aim of establishing consensus around one candidate.
- 20. At the end of the final stage of the consultative process, the Chair, with the assistance of the facilitators, shall submit the name of the candidate most likely to attract consensus and recommend his or her appointment by the General Council.

Recourse to voting as a last resort

21. If, after having carried out all the procedures set out above, it has not been possible for the General Council to take a decision by consensus by the deadline provided for the appointment, Members should consider the possibility of recourse to a vote as a last resort by a procedure to be determined at that time. Recourse to a vote for the appointment of a Director-General shall be understood to be an exceptional departure from the customary practice of decision-making by consensus, and shall not establish any precedent for such recourse in respect of any future decisions in the WTO.

Term of office

- 22. The Director-General shall be appointed for a term of office of four years, and shall be eligible for reappointment for a further term not exceeding four years. There shall be no expectation of automaticity in the reappointment.
- 23. In order to ensure continuity at the senior management level, the terms of office of the Director-General and of the Deputy Directors-General shall be staggered, such that the terms of the Deputies expire subsequent to the expiry of the Director-General's term.
- 24. In the event of a vacancy in the post of Director-General, the General Council shall designate one of the existing Deputy Directors-General to serve as Acting Director-General until the appointment of a new Director-General. The Chair of the General Council shall initiate, as soon as possible, a process for appointment of a new Director-General, in keeping with the procedures set out herein, and may establish expedited deadlines as necessary in consultation with Members.

Remuneration package

25. The remuneration package for Directors-General shall be established by the Committee on Budget, Finance and Administration and subject to the approval of the General Council. It shall not be negotiable with a Director-General-designate.

Contract of appointment

26. The contract of appointment, including the remuneration package, shall be signed jointly by the Director-General-designate and by the Chair of the General Council acting in the name of the WTO.

<u>Note</u>: It will be understood, through a Chair's statement, that these procedures will apply in their entirety to the appointment of the next Director-General.