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**GPA/M/83** 

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**Committee on Government Procurement** 

## MINUTES OF THE FORMAL MEETING OF 2 JUNE 2021 (VIRTUAL MEETING)

## CHAIR: MR CARLOS VANDERLOO (CANADA)

The Chair opened the meeting by noting that prior to the meeting delegations had received an Airgram<sup>1</sup> setting out the proposed agenda. The proposed agenda for the meeting was as follows:

- 1. Election of the Committee's next chair; and
- 2. Other business, if any.

No items of other business had been proposed by delegations.

The Committee <u>adopted</u> the agenda, as proposed by the Chair.

## **1 ELECTION OF THE COMMITTEE'S NEXT CHAIR**

1.1. The <u>Chair</u> recalled that two nominations for the next chair of the Committee had been submitted by Parties, one by the European Union and the other by Chinese Taipei. He said that he had encouraged Parties to identify the next chair through bilateral consultations. To facilitate the process, he had invited Parties to make appointments to meet with him to share their views and preferences, and he had met with most Parties. On 21 May, he had circulated a communication to all Parties to report back on the results of his bilateral meetings. On 25 May, the European Union, on its own initiative, had withdrawn its candidate from the chair selection process. On 28 May, the Chair had organized an informal consultative meeting with Parties to discuss whether the Committee would be in a position to confirm the only remaining candidate from Chinese Taipei as the Committee's next chair. It became clear during the consultative meeting that the Parties had not reached a consensus and that more time was needed. Nevertheless, some Parties had requested that the election of the new chair be kept on the agenda of the formal meeting for further discussion.

1.2. At the outset of the discussion, the representative of <u>Hong Kong, China</u> said that prior to the first round of consultations, Hong Kong, China had met with both candidates personally to discuss their candidacies. Hong Kong, China had informed the Chair in the first round of consultations that it would only support the candidate from Poland and object to the candidate from Chinese Taipei as the next Committee chair. As Hong Kong, China had informed the Chair on two occasions before the meeting, Hong Kong, China remained resolute in its position notwithstanding the latest development on nominations. Hong Kong, China had also informed the Chair on those occasions that Hong Kong, China remained resolute in its position gany consensus to designate the candidate from Chinese Taipei as the next Committee chair.

1.3. The representative of the <u>United States</u> thanked both Chinese Taipei and the European Union for their interest in chairing the Committee and appreciated the European Union's withdrawal in light of the support that had been shown for Chinese Taipei. She expressed the United States' regret and disappointment that the Committee was unable to acclaim the only remaining candidate as its next chair today. The United States was particularly disappointed that the Committee and its long-standing tradition of collegiality was being impeded by this massive political agenda of those outside of the Committee. The United States wanted to make it clear that it did not take this

<sup>&</sup>lt;sup>1</sup> WTO/AIR/GPA/25

interference by a non-GPA Party lightly and it was highly inappropriate and not something that in the United States' belief had a place in this Committee.

1.4. Continuing, she said that WTO chairs were selected to act in their personal capacity and issues unrelated to that personal capacity should not be injected into this process. The United States also wanted to make it clear that accession candidates were not entitled to participate in the decision-making process of the Committee. The United States found the intrusion to be extremely damaging to the working of the Committee. It urged Hong Kong, China to carefully consider joining consensus to acclaim Chinese Taipei as the Committee's next chair. It also suggested that the Committee have the current Chair continue in his role to help the Committee find his successor in a very near term.

1.5. The representative of the <u>United Kingdom</u> said that her delegation wished to place firmly on record its full confidence in the consultative process led by the current Chair. The selection process for a new chair was a matter for the Committee and had now run its course. Through this process, all Parties had had the opportunity to present their preferences on the two excellent candidates that had been presented. The United Kingdom was satisfied with what it believed to be the final outcome, namely that one of the two candidates had formally withdrawn, and a coalescence of support had formed behind the one remaining candidate. It was therefore regrettable that the Committee found itself at this impasse. The Committee had important business to be getting on with. Therefore, the United Kingdom would strongly encourage all GPA Parties to get behind the one remaining candidate from Chinese Taipei who had the skills and expertise needed to be an effective Committee chair. Given that the Committee was not in a position to take a decision on this business today, the United Kingdom would be grateful if the current Chair could continue to serve as the Committee chair whilst discussions continued.

1.6. The representative of <u>Chinese Taipei</u> appreciated the Chair for his time and efforts to facilitate the whole process of the selection of the next chair in an impartial and professional manner. Chinese Taipei was also thankful for the time given by the Parties over the past few months to meet with its candidate and for their support of her candidacy. Chinese Taipei acknowledged the European Union for nominating an extraordinary candidate and for its withdrawal of that candidate after the Parties' clear preference had been revealed. The European Union's elegant demeanour had articulated its respect for the Parties' decision and its respect for the rules recognized by the Parties in this Member-driven Organization. However, it was regrettable to learn that the Committee was not able to reach a consensus on the chair election today despite the fact that the European Union had withdrawn its nomination and had joined the consensus on nominating the Chinese Taipei candidate as the next chair. Chinese Taipei looked forward to a meaningful conversation in order to conclude the chair election process in a timely manner.

1.7. The representative of <u>Japan</u> appreciated the Chair's constructive role played throughout the process of selecting the Committee's next chair. Japan regretted that the Parties could not reach a consensus until today in spite of the Chair's efforts. Japan was concerned by the current situation where a consensus had not been found despite the fact that there remained only a single candidate for the next chairmanship. Japan called on all the Parties to demonstrate the same solidarity which had been shown in another process which they had experienced recently, and to join the consensus that had almost been formulated. Japan was ready to continuously support all the efforts in order to achieve consensus. For that purpose, together with the United States and the United Kingdom, Japan proposed an extension of the current Chair's term to the extent the Parties considered necessary and appropriate, and if the circumstances around the Chair allowed.

1.8. The representative of the <u>European Union</u> thanked the Chair for his extensive efforts since the beginning of 2021 to help find the most qualified person to succeed him. It was often said that the greatest token of leadership was finding one's best successor. He said that, as delegations knew, the European Union had presented a candidate, the Deputy Permanent Representative of Poland, to chair this Committee whom the European Union had considered well suited for the position. The delegation of Chinese Taipei had presented the competing candidate, Ms Lianron Lin. The Parties had agreed from the start that it would be an open race based only on the merits of each person. According to the report of the Chair's subsequent informal consultations, GPA Parties had expressed their full confidence that either candidate would be well qualified to become the next chair. Ten days ago, the European Union had noted that the Chair's consultations had revealed a significant majority support for the candidate from Chinese Taipei. In keeping with the conventions of this Organization and to help the Chair reach consensus, the European Union had subsequently withdrawn its candidate last week, leaving only one candidate for confirmation to the post. As was customary, the European Union was ready to support whoever commanded the greatest support among Parties.

1.9. Continuing, he said that it had appeared during an informal meeting on Friday of last week that one Party would not be able to join the consensus around the sole remaining candidate. The European Union noted that this Party was also a customs territory, and one which had occupied many high-profile chairmanships, including at a higher level, during the GATT's and the WTO's history. The European Union recalled that WTO Chairs were meant to be selected on the merits of candidates and subsequently to act in their personal capacity. The Committee on Government Procurement had not heard anything about the candidates' qualifications that would support the withholding of consensus on the grounds that they would not be able to exercise their duties. It was said that this Organization's greatest current weakness was that it had become too easy for a Member to say "no". In conclusion, the European Union expressed regret that the Committee was not able to reach consensus on the next GPA chair today and called upon the outstanding Party to review its position. The European Union urged all Parties to show flexibility and encouraged the current Chair and Parties to engage in consultations with a view to finding a solution soon. In order to ensure the functioning of the Committee and to help find the next chair rapidly, the European Union invited the current Chair to consider continuing to exercise his role.

1.10. The representative of <u>Switzerland</u> thanked the Chair for his update regarding the selection process of the Committee's next chair and his efforts to move the process forward. Switzerland had recognized that the two candidates had the required profile and capabilities to perform the function and regretted that it had not been possible to reach consensus on a candidate so far. Switzerland would remain constructively engaged to find a solution. It was important for all Parties and other WTO Members in the process of GPA accession and with observer status that a new chair can take over the leadership without delay to progress the work of the Committee. Switzerland could join the suggestion by other Parties to ask the current Chair to continue his function and consultations to find a solution on this matter.

1.11. The representative of <u>Australia</u> thanked both Chinese Taipei and the European Union for nominating high-quality candidates and also thanked the European Union for its grace in withdrawing its candidate after Ms Lin attracted a clear majority of support. In accordance with established selection procedures, Australia had expected a smooth transition of the appointment of the remaining candidate. Australia was disappointed that a changeover would not occur today. Australia reiterated its confidence in the Chinese Taipei candidate's ability to perform professionally as chair. It remained optimistic that consensus could be achieved and urged all Parties to work together constructively. It was important that the work of the Committee continue unimpededly. Australia expressed its appreciation for the work of Mr Vanderloo as chair since June 2018 and the positive manner in which he had engaged with the Committee throughout his term. In particular, Australia thanked Mr Vanderloo for his welcome and valuable assistance in concluding Australia's accession to the Agreement in 2019. Australia supported the current Chair continuing in the interim until a new chair was confirmed.

1.12. The representative of <u>New Zealand</u> said that her delegation considered the candidate from Chinese Taipei to be a suitable person to chair the Committee. New Zealand had had the same view of the previous candidate from Poland. New Zealand thanked the European Union for its willingness to withdraw its candidate in the wider interests of following the rules and procedures and of securing a consensus for the appointment of a new chair. New Zealand considered that, in the same manner as Hong Kong, China, as a full participant in the GPA and a Member of the WTO, Chinese Taipei was subject to all the responsibilities of membership and was able to exercise all the rights of membership. Failure to reach consensus now on the appointment of a new Committee chair would send a negative signal in the context of the broader challenges confronting the wider WTO system, particularly as the WTO membership worked for a successful outcome from MC12 at the end of 2021. New Zealand, therefore, urged Hong Kong, China to reconsider its position and to join a consensus in favour of the appointment of the remaining candidate from Chinese Taipei. New Zealand thanked the current Chair for his work on the consultative process to date. Like others, New Zealand would be grateful if the current Chair could be in a position to continue to serve as the chair of the Committee whilst discussions continued.

1.13. The representative of <u>Canada</u> thanked the Chair for his active engagement in the process leading up to the selection of the new chair. Canada appreciated the crucial role that the chair of the Committee played in advancing the work of the Committee. In that regard, Canada had been

very pleased to see that two excellent and well-qualified candidates had been put forward. Following the consultation process for the selection of the new chair, the Committee was now left with one candidate for the position. In light of this and given that a significant majority of Parties had expressed a preference for the candidate from Chinese Taipei, Canada did not see any reasons as to why the Parties should not proceed with the election of the candidate, Ms Lianron Lin, as the new chair of the Committee. That said, Canada was disappointed and regretted that one Party was unable to join consensus in selecting the candidate from Chinese Taipei. Canada encouraged that GPA Party to reconsider and join the consensus expediently. In Canada's view, it was in the Committee's best interest to select its new chair as soon as possible.

1.14. The representative of China, speaking as an observer, said that his delegation had taken note that the Committee was not yet able to select its next chair. As the Committee was aware, the chair of the Committee was selected only by all GPA Parties through consultations. China, as an observer to the GPA, fully respected these practices and outcomes and had no intention to interfere. Nonetheless, China had closely followed the process of chair selection for the very simple reason that China was at the critical stage of its accession to the GPA. China hoped that the chair selected by the GPA Parties would play a positive role in China's accession to the GPA. On Tuesday of the meeting week, China had submitted documents of 33 pages in response to 96 questions that had been raised by the European Union and Australia regarding China's Sixth Revised Offer. China was also working hard on questions that had been raised by other Parties. This fully demonstrated China's sincere willingness and great efforts made to accelerate the process of its accession to the GPA. Meanwhile, China was considering the possibility of further improving its offer. As all GPA Parties knew, this would not be an easy task and a large number of internal coordination work needed to be done. Therefore, China hoped that the chair selected by the Parties would facilitate China's current and future work and not cause unnecessarily negative impact on China's accession to the GPA. China looked forward to working closely with the next chair and hoped that China could join the GPA at an early date, which, in China's view, served the interests of all GPA Parties.

1.15. The representative of <u>Japan</u> took the floor for the second time and said that Japan did not consider it appropriate for China, as an observer, to make a statement under the agenda item of the election of the Committee's next chair. China's statement should be made in the informal session. Which Party takes the chairmanship did not affect the chair's neutral and impartial character. Japan expected China to demonstrate its constructive attitude whoever the next chair would be, as constructive engagement of China would contribute to the facilitation of its own accession.

1.16. The representative of <u>Iceland</u> thanked the Chair for his efforts to find a successor as the next chair of the Committee. Iceland also thanked both candidates for their interest in chairing the Committee. Both candidates were highly qualified. Iceland had initially expressed its support for the candidate from the European Union. However, Iceland had also expressed its willingness to join a consensus in favour of the Chinese Taipei candidate after initial consultations had shown majority support for the Chinese Taipei candidate. Iceland thanked the European Union for withdrawing its candidate in light of this development. Iceland regretted that the Committee was not able to reach consensus. It was important for the Committee that the matter be resolved. The candidate from Chinese Taipei had Iceland's full support for being elected as the next chair.

1.17. The representative of the <u>United States</u> took the floor for the second time and echoed Japan's statement that it was inappropriate for China to be making a statement on the chair election, especially as China had stated that it was not interfering in this process. It was important to know that the impartial nature of a GPA chair does not affect the outcome of any accession negotiations. GPA accession was determined by GPA Parties and the quality of an accession candidate's offer and other related materials. It was not related to the impartial nature of the Selection of the GPA chair.

1.18. The <u>Chair</u> said that the Committee noted the statements made by delegations. He encouraged all Parties to engage and continue holding consultations without delay so that his successor could be selected as promptly as possible. He also noted that several Parties had proposed that the Committee consider an extension of his chairmanship beyond the day in order to ensure the continuity of the Committee's work and to have a chair in place to facilitate consultations as appropriate. He said that, if the Parties so wished, he was available to continue as chair, at least while he remained in post in Geneva. He therefore asked, in the light of the proposals made, whether Parties would be agreeable to his continuing as chair at least while he remained in post in Geneva.

1.19. Since no objection was made, it was so <u>agreed</u> by the Committee.

## **2 OTHER BUSINESS**

2.1. There were no items of other business.