



GENERAL COUNCIL - 15, 16 AND 17 JULY 2020

APPOINTMENT OF THE NEXT DIRECTOR-GENERAL - MEETING WITH THE CANDIDATES

**PRESENTATION TO THE GENERAL COUNCIL OF THE WORLD TRADE ORGANIZATION BY
DR JESUS SEADE KURI**

15 JULY 2020

Mr Chairman,

I would like to thank you and all the delegations for this opportunity to share my vision and commitment with the World Trade Organization and present the reasons for my candidature for the position of WTO Director-General.

With your permission, I shall use the Organization's three official languages.

Presenting my candidature to you is not only a huge honour, but also an especially emotional moment for me. I had the privilege of participating extensively in the complex and ambitious creation of the WTO,

- as a negotiator for my country;
- as a member of the successful facilitating team that, with Peter Sutherland, managed to salvage negotiations that were at a complete standstill; and finally
- as Deputy Director-General of the fledgling WTO.

These were the founding moments of this noble institution – moments of firm belief and of shared vision and keen determination as to how the WTO would contribute to both world governance and the development of many of the world's regions.

Much has certainly been achieved. The GATT, and subsequently the WTO, have played a central role in trade liberalization and in the establishment of rules, disciplines and understandings that have, over the course of three quarters of a century, enabled us to make significant progress in terms of global trade and the economic development of our peoples.

Looking to more recent times, the 2008 financial crisis, and now the economic scourge of COVID-19, have shown the multilateral trading framework to be a valuable stabilizing force. And even in the negotiations, the value of the results achieved in the areas of agricultural export subsidies and trade facilitation must be recognized.

Nevertheless, as Deputy Director-General, I experienced first-hand the high expectations that existed for the WTO, and it cannot be denied that the Organization's performance has fallen somewhat short.

To say that the Organization is going through a crisis is a big **understatement**. Its credibility has been undermined by limited results in the negotiating pillar, which has always been at the heart of the system. And this lack of results has been compounded by the paralysis of the Appellate Body.

To add to this double internal crisis at the WTO, and on top of the very sad loss of human life we have recently experienced, the whole world is now having to address the severely negative impact of COVID-19 on trade, which, according to the WTO, **may fall by a third this year**. And we should not forget that even before the pandemic, international trade **contracted for the first time in 11 years**, reflecting to a large extent the serious trade frictions between its leading players.

For all of these reasons, extraordinary efforts are urgently required from all Members to restore and maintain the relevance of the WTO as the central pillar of a strong and inclusive system that is able to meet the needs of our populations, businesses and consumers, including in terms of development.

The WTO has been compared to a bicycle that toppled over because it stopped moving forward – a bicycle that fell over and broke. It now needs to be properly repaired, and **this requires the leadership of a senior mechanic, a director who, as a chief negotiator and later Deputy Director-General, played a key role in designing and ensuring the functioning of the apparatus in question.**

If we are to repair the bicycle, negotiations must properly resume as a matter of urgency, and must cover not only issues already under negotiation, but also a balanced agenda of both 21st century issues and outstanding traditional issues, with all Members participating in this effort. It is also vital that **the strength and certainty** of the dispute settlement mechanism be restored. And lastly, discussions must begin to make the WTO more effective, transparent and inclusive.

In view of these challenges, if I have the honour of being appointed Director-General, I would, from the outset, embark upon the following plan of action:

- 1. In the first one hundred days:** I would work closely with Members to
 - i. reach an agreement on fisheries subsidies;
 - ii. reinstate the dispute settlement system's body of second instance; and
 - iii. take proper steps to meet with political, business and opinion leaders, so as to rapidly put an end to the indifference and pessimism that reign regarding our great institution;and naturally,
 - iv. I would immediately begin working with Members to address the COVID crisis; the WTO must redouble its efforts to ensure Members know about measures that have been introduced in response to the pandemic and about the lifting of such measures. We must also find mechanisms that will help the countries most affected by the crisis to reintegrate themselves into international trade.
- 2. Second phase – Working towards MC12:** While we are aware that no date has yet been set for MC12, it is important that we seek concrete outcomes between now and June 2021, both within the framework of joint initiatives and regarding issues that aim to ensure a more transparent and effective WTO. And, very importantly, we should at the very least establish a work programme at MC12 and resume discussions on issues in respect of which negotiations have been suspended.
- 3.** Lastly, in the **medium and long term**, mechanisms must be introduced to modernize the Organization so as to prevent it from becoming obsolete and outmoded. I would seek to establish an informal dialogue on the Organization's weaknesses and the challenges it currently faces, through yearly forums or specialized meetings.

When I think about long-term expectations, however, I am convinced that they have been affected by the lack of meaningful results in the negotiations since the WTO was founded. Therefore, while we need to achieve results regarding 21st century issues, it is also very important to ensure that renewed energy is put into addressing traditional priority issues that form part of the sustainable development agenda.

- 4.** I am also well aware of the efficiency and professionalism of the Secretariat staff. However, in all the seniors positions I have held, at both the WTO and the IMF, and as Vice-President of a large university in Hong Kong, China, I was always responsible for human resources. As Director-General, I would actively seek a balance between obtaining the greatest added value in the face of budgetary contributions from Members, and

guaranteeing the presence of a highly qualified team committed to the success of the Organization and at the service of its Members.

5. Lastly, society demands that certain issues be included in our agenda – environment-related concerns, for instance; I will be in close contact with Members to ensure that these issues are incorporated into our work, as has already occurred with the trade and gender initiative.

Then, why me?

It has been said, and I concur, that the WTO requires a Director General with vision, leadership and political capacity. I could not agree more. Nonetheless, I am also fully convinced that, with the WTO in crisis mode, and for a DG **more involved** as some Members may wish to have at this point in time, it is **of the essence** that the DG has a solid command of the **arcane** world of the WTO and trade negotiations; that he or she be aware and be sensitive to the reasons behind certain balances in the texts, and in command of the alternatives that may have been formulated or could be explored. In the absence of this fundamental sure-footedness on the WTO's inner workings, at the first serious discussion among senior trade negotiators, the new DG will quickly be marginalized and sidelined.

In this connection, please allow me to highlight the triple and perhaps unique participation I had in the creation of the WTO, as its:

- (i) Influential GATT Ambassador for Mexico and Chief Negotiator for the Uruguay Round;
- (ii) GATT Deputy Director General in the team called in to rescue the negotiations that were all but collapsed; and finally,
- (iii) Founding Deputy Director General of the WTO.

And I should mention two other central stages in my career that I had very much in preparation for this DG position, as:

- (iv) Senior Advisor at the International Monetary Fund where,
 - (a) I led and negotiated the write-offs of some 80% of the external debt of **fifteen African countries**; and
 - (b) also leading the work in support of three major countries in serious financial crises – Argentina, Brazil and Turkey, as well as extensive technical assistance to all developing regions.

These massive debt write-offs and giant financial support exercises were very challenging training exercises in top-level negotiations. Likewise, I more recently played the role of

Chief Negotiator of the Mexico-U.S.-Canada trade agreement that replaced the old NAFTA two weeks ago today, where under very difficult circumstances we achieved a magnificent agreement for my country and for the region.

This new North-American Treaty, together with the Agreement creating the WTO, must be the two most complex and ambitious trade instruments in force today. To have negotiated both of them gives me a unique experience that I will unequivocally put at the service of the WTO and its Members, to lead the reform this Organization needs as it moves forward.

All of these experiences, as well as my life as an academic in the UK and in France, in Mexico, in Hong Kong, China and in the PRC, makes me the international man that I am, fully multilingual, with a career spanning the four corners of the globe and a profound multilateral consciousness. Having contributed fundamentally to the creation of **our** WTO, my professional and personal commitment with this House is deep. This is why I am a candidate.

All along my career I have worked with Ministers and legislators, often Heads of State. I present myself to you with my fullest energy, passion and experience, at a difficult time for the WTO. My commitment is to achieve with you the reform and restoration of a WTO back at the centre of global governance for the benefit of world economic growth. **My solemn commitment to you is to be**

an effective DG and interlocutor, close to all Members north and south, east and west, and indeed fully equidistant from you all.

Thank you very much.
