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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 AMBASSADOR TUDOR ULIANOVSKI

16 JULY 2020

Ambassadors, delegates, members of the Secretariat,

It's good to be back in Geneva and see so many familiar and friendly faces. Many of you know me as the Moldovan Ambassador to the WTO, others may know me as Moldova's Foreign Minister. But all of you know me as a firm believer in the multilateral trading system and a person fully committed to the work and objectives of the WTO.

I have a diplomatic and political career of over 16 years. This experience helped me develop a particular set of professional skills and networking, which I believe make me suitable for this job.

Throughout my diplomatic career, I have participated in negotiations on bilateral, regional and multilateral levels with countries from all of the continents. I have always advocated for free, fair, inclusive and transparent trade.

What I bring to the table is my political experience as a Minister and my diplomatic and negotiating experience as an Ambassador to the WTO.

For my role as the future DG of the WTO, I bring a 3D vision and approach:

First D is Direct Access to Ministers and political decision makers – in my capacity as a recent Minister dealing with Ministers.

Second D is Dialogue and discussions with Geneva based Ambassadors – in my capacity as former Ambassador to the WTO – I was in your shoes and fully understand the process of work, its challenges and the potential efficient and effective solutions.

Third D is Driving the work of the WTO Management and Secretariat, so it can better and more efficiently serve Members' needs and continue bringing its contribution to a better system for all Members.

The experience of working shoulder to shoulder with you, as the Moldovan Ambassador in Geneva, has allowed me to gain sound knowledge on the current negotiations in the WTO, their challenges and opportunities. This understanding of the issues will further enhance my convincing capacity when dealing with Ministers, with a view to reach political decisions.

While in Geneva, I was also involved directly in consensus-building during negotiations as chair of various United Nations and WTO bodies, including Chair of the Balance of Payments Committee of the WTO.

As President of the Trade and Development Board, the highest-level body of UNCTAD, I led negotiations on revitalizing the intergovernmental pillar of UNCTAD within the broader UN reform process, with a view to bridging the developmental gap.

I had also the privilege to be involved as one of the 4 Geneva based facilitators for the negotiation of the MC11 Ministerial Declaration. Back in 2017, before MC11, and after, I was also an active supporter, like many of you, of a multitude of new initiatives which later contributed to the reinvigoration of various group discussions and negotiations within this house.

In these experiences, I have developed a network of decision makers from the technical to the high political level, having earned the reputation of a credible negotiator, capable of technical negotiations and political talks, with a view to identifying creative solutions for consensus building and being result-oriented.

We are all witnesses of the fact that the WTO is facing unprecedented challenging times being at the cross-roads.

The system requires a fresh/new, innovative, pragmatic, pro-active approach from Members, supported by a strong political will together with the relevant expertise, with a view to being able to strengthen the system, by **1)** reinvigorating the negotiations within the multilateral trading system as to achieve new meaningful outcomes, **2)** safeguarding and improving the WTO's two-tiered dispute settlement system **3)** improving compliance with notifications obligations, as well as in general, improving the efficiency and effectiveness of the WTO's monitoring and transparency function.

All of the Members agree that we need the WTO and all of us agree that efforts must be taken to ensure that this organization remains reliable, relevant, responsive and able to deliver the expected outcomes for the benefits of all.

In this context, Members collective efforts must be oriented as to support the system and find common ground and necessary flexibilities in order to overcome the current difficulties and work together on the relevant reformation of the WTO.

I believe that doing nothing or staying passive is not an option and the risk of not acting is not for the WTO itself, but it is for its Members and billions of people, who deserve to continue developing, benefiting from open markets and trade.

The WTO is one of the most complex organizations in the world today, and it's one of the most needed as to ensure open, predictable, inclusive, rule based multilateral trading system, as well as - to address global inequalities and bridge the gap between the least developed, developing and developed countries.

Everyone can be great because everyone can serve for a better system but serving and leading have a different approach especially when it comes to the tangible and concrete results.

Leading and serving for concrete results require a political experience and strong skills of an efficient facilitator who can rapidly build bridges and lead toward a win-win solution for all the parties involved.

Leading the most important organization in the trade field in an era of a global economic and pandemic crisis would be a very daunting task for anyone, it has several important current issues and opportunities that need to be dealt with head-on political level discussions, using existing expertise and combining it with new and innovative approaches.

What can be measured can be managed. If you try to solve all world's problems in one take it will less likely work.

That is why, the future Director General needs to take action with a view to bringing Members to the negotiating table, with the goal of focusing on achieving results and score some important wins - for the credibility of the negotiation function of this organization and re-create an atmosphere of trust among Members.

STRATEGIC VISION AND STEPS

WTO is a member-driven organization where decisions on rulemaking and implementation have to be made by the Members. However, in order to make progress there is a need to have a viable forum for negotiations where Members can meet to discuss and reach consensus. On a more conceptual level, we need to think of modernizing the global trade agenda, upgrade it so it responds better and faster to 21st century challenges.

At the strategic level, the future Director General should bear in mind four strategic priorities:

1. Engage in every effort to stop any deterioration or decline of the multilateral trading system;
2. Focus on smaller, incremental gains;
3. Get negotiations started again in the WTO;
4. Bring members together and come up with a long-term vision for the WTO.

In terms of immediate priorities for the future Director General of the WTO, the following should be considered (including in the preparation process for MC12):

1. Efforts to reactivate the Appellate Body, to ensure a prompt resolution of trade disputes;
2. Build upon the progress achieved already on the fisheries subsidies negotiations and strongly support Members to achieve a negotiated text by MC12;
3. Facilitating dialogue with Members regarding on-going negotiations on the remaining and other important issues.
4. Further encouraging and supporting discussions on new and existing Joint Initiatives, particularly: on Electronic Commerce, Investment Facilitation for Development, Domestic Services Regulation, as well as the dialogs of the informal group on MSMEs and SMEs and others.
5. Promoting negotiations of new commercial disciplines and address issues of the digital environment and new areas of intellectual property.
6. Dealing with the trade-environment nexus, including by supporting Members efforts and discussions to create a circular economy, addressing plastic pollution and other various trade and environment initiatives.
7. Ensuring further promotion of transparency and necessity of withdrawal (as soon as feasible and possible) of trade restrictive measures imposed in the context of COVID-19. Seeking ways and examining roles of existent programs (Aid for Trade, Enhanced Integrated Framework, the International Trade Centre, the Standards and Trade Development Facility) in supporting post pandemic economic recovery of some of the developing and least-developed countries.
8. Promotion of the transparency principle and the importance of compliance with notification obligations.

Dispute Settlement

The reform of the dispute settlement mechanism and particularly the reform of the Appellate Body will be one of the main priorities for the next Director General. This process needs to be open, inclusive and constructive. We need to find a way for all members to accept a two-step binding independent Dispute Settlement system.

I believe that the issues and concerns were clarified by the members already and now they have to be addressed.

I am aware of the on-going consultations on this important matter among the Members. In my opinion, there is a general common understanding on fundamentals of the DSU, which is already a good start.

The least a DG can do is to facilitate discussions among Members to agree together on how to move forward and eventually agree on a roadmap and mechanisms – "agree on how to agree" on this sensitive but crucial issue and devise a process of further engagement to reach an acceptable solution.

COVID-19

We understand that the COVID-19 pandemic had, has and continues to have a negative impact on citizens across all parts of the world and all sectors of the economy: demand has dropped, supply chains were disrupted, investments are put on hold. There are certainly lessons to be learned from this unprecedented situation. But one thing is clear: COVID-19 has highlighted the interconnectedness of global economies, trade and societies.

In the context of the COVID-19 pandemic, transparent, efficient information-sharing is crucial for traders and governments and as I have seen during current pandemic - WTO Members, with the assistance of the Secretariat, reacted promptly by commendably notifying the export restricting measures imposed in the context of pandemic, as well as by joining a series of initiatives supporting open and predictable, non-distorted, facilitated trade (including in agri-food products and medical supplies), well-functioning of supply chains, statements highlighting the importance of MSMEs in these unprecedented times, on the facilitation of the flow of goods and services as well as the essential movement of people, etc.

I believe that providing timely transparency with respect to trade and trade-related measures taken or withdrawn in the context of the COVID-19 crisis was of critical importance and relevance. Members need to seek further monitorization of these measures on an ad hoc basis, stressing *that trade restrictive emergency measures aimed at protecting health, shall be imposed only if deemed necessary... and these shall be targeted, proportionate, transparent and temporary, not create unnecessary barriers to trade or disruption to global supply chains, and be consistent with WTO rules*. In the same time, it's necessary to continue to advocate for withdrawal of such measures as soon as situation improves.

In the same context, the WTO should continue to join efforts of international organizations as WB, IMF, OECD, FAO, WFP, WHO to analyze the impacts of COVID-19 on global agricultural supplies, distribution chains and agri-food production and trade, as well as on seeking ways and examining roles of programs in supporting economic recovery, particularly of the developing and least-developed countries.

Digital trade has proven to be a critical issue in the current crisis and its development would contribute to building resilience and crisis response in the future. In this process we have to be fully aware of the issue of capacity and we need to make sure that this process should be inclusive. However, I do believe that WTO should be modernized in the digital world.

International rulemaking through the WTO on e-commerce cannot wait any longer. Digital transformation became a necessity following COVID's wake up call.

It's also important to be fully aware and correctly assess the preparedness of the Least-developed countries and developing countries and their needs in this process, with a view to provide targeted assistance to build capacity and assist countries to fully integrate into the global trading system.

Functioning and Management of the WTO

Let me now turn briefly to the fact that the Director General is the chief manager of the Organization and in this capacity, I would always be a promoter of competence and rewarding merit.

Additionally, as member of International Gender Champions, I am a strong proponent of women empowerment and if I have the honor to be your DG, I will openly and sincerely encourage gender diversification, including at the level of DDGs, with high professional credentials.

I was fortunate to get to know first-hand the workings of the Secretariat of the WTO and, most importantly, to appreciate the professionalism, expertise and dedication of this cadre of public servants. It would be a great honor to lead this remarkable group of people in a new capacity, while making sure that this very high caliber group of professionals remains motivated and engaged in serving Members.

To conclude, there were always big expectations for the WTO to deliver, which became even more nuanced in the context of the negative consequences of the global pandemic and economic crisis.

That is why, MC12 is the next clear and crucial deadline for us – as keepers of the multilateral trade system – to make sure that we send a clear signal to the world and to our nations:

WTO Members have regained the sense of purpose and direction, managed to rebuild trust and are going to negotiate and deliver results that the world urgently requires.

If you trust me with the honor to be your next Director General, I will use my political, ministerial, ambassadorial, managerial and negotiation experience at the strategic and tactical levels, to constantly pursue to drive the WTO to a brighter future, with fairness, independence, transparency, inclusiveness, bearing in mind that this is a member-driven Organization, where all members, including the smallest, must be part of the driving force and that the DG is an honest broker, who both understands the issues and has the capacity to facilitate political dialogue and a DG that Gets Things Done!

The time is always right to do what's right. Let's win together!
