



# Selecting a New WTO Director-General: Implications for the Global Trading System

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The United States and members of the World Trade Organization (WTO) are selecting new leadership for the WTO Secretariat, following Director-General (DG) Roberto Azevêdo's unexpected early [resignation](#) in August 2020. Eight candidates were in the running, and on October 8, Nigeria's Ngozi Okonjo-Iweala and South Korea's Yoo Myung-hee [advanced](#) as the top candidates with the "broadest and deepest support from the membership," apparently paving the way for the first woman to serve as WTO DG. After intensive consultations, on October 28 the selection committee [announced](#) Okonjo-Iweala as the candidate most likely to attract consensus, recommending her as the next DG—the process requires all 164 WTO members to aim to reach a decision by consensus on the appointment. The United States was the only country that signaled it would not back Okonjo-Iweala and seeks to block consensus, in a major setback for the selection process. The U.S. response was met with [critical reception](#) by observers, amid concerns of [prolonged gridlock](#) over a decision.

WTO members were to make a final decision at a November 9 meeting, which was ultimately [postponed](#). Renewed restrictions on in-person meetings in Geneva due to the Coronavirus Disease 2019 (COVID-19) pandemic, as well as the uncertainty over the U.S. presidential election outcome, were key factors. A new timeline has yet to be specified. Many expect the delay to allow for solidifying consensus among WTO members, and clarifying the U.S. position under the next administration.

WTO members and observers view the outcome of the DG race and fresh leadership as important to inject new momentum into the institution, amid efforts to salvage its relevance and chart a path forward. In the race, analysts have variously called for an "[honest broker](#)" and [dealmaker](#), [politician over technocrat](#), or a "[peacekeeper](#)." WTO leadership may be particularly critical at this juncture, given members' divergent views over needed reforms and new rules, a nonfunctioning dispute settlement system, and a recent spike in unilateral trade actions, which threaten the organization's legitimacy.

The WTO and global trading system face significant [challenges](#). The WTO's credibility hinges on the conclusion of outstanding negotiations, set back by the postponement of the 2020 Ministerial Conference, due to the pandemic. Meanwhile, a dispute settlement crisis continues and broader WTO reforms remain under discussion, complicated by wide differences and growing trade disputes. In the near-term, WTO members face challenges in responding to the [global trade and economic slowdown](#) and spread of [trade restrictions](#) in response to COVID-19. In the [words](#) of the outgoing DG: "The challenges facing the work

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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.”

Debate over the WTO’s future direction is of interest to Congress. Some Members have expressed support for ongoing WTO reform efforts (H.Res. 746) and advocated for an active U.S. leadership role (S.Res. 651). In May, [joint resolutions](#) (S.J.Res. 71, H.J.Res. 89) were introduced proposing to withdraw congressional approval of WTO agreements, but [rule changes](#) prevented votes from occurring,

## The Role and Selection of the DG

Since the WTO is member-driven, the Secretariat headed by the DG has no decisionmaking powers. Its [primary role](#) is to provide technical and professional support to members on WTO activities and negotiations, monitor and analyze global trade developments, and organize ministerial conferences. Notwithstanding the lack of formal power, the DG is an advocate for the trading system and often [wields “soft power,”](#) relying on diplomatic and political heft in helping members build consensus or break stalemates—an increasingly difficult task. [Some argue](#) that the Secretariat should be granted more authority to table proposals and advance new rules.

The WTO General Council (GC), comprised of members, adopted the [current DG selection procedures](#) in 2002. The DG typically serves a four-year term, with possible reappointment. DG qualifications broadly include “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 communication skills.” The original eight candidates in 2020 demonstrated a breadth of experience ([Table 1](#)). A recent [survey](#) suggests management and political experience, economics training, and WTO negotiating experience are preferred characteristics for the next DG.

DG candidates met with WTO members beginning mid-July to [present views](#) and answer questions, which was followed by several rounds of internal consultations among members. A selection committee leads this process, headed by the GC Chair. After the committee recommends the candidate with the majority of members’ support, the final decision lies with the members. In the (typically rare) absence of consensus, procedures specify that as a last resort there can be recourse to [voting procedures](#); however, many [observers view](#) such a break with tradition as highly unlikely.

WTO DG appointments generally have alternated between developing and developed countries, and have hailed from all regions except Africa, the Middle East and North America. No female has ever served as DG, which became an elevated issue in the current race.

**Table 1. WTO DG Candidates**

Candidate	Country	Background and Key Positions
<b>Advanced to final round</b>		
Ngozi Okonjo-Iweala*	Nigeria	<ul style="list-style-type: none"> <li>Former Finance Minister</li> <li>Former Managing Director World Bank</li> </ul>
Yoo Myung-hee	South Korea	<ul style="list-style-type: none"> <li>Trade Minister</li> </ul>
<b>Eliminated in second round</b>		
Amina C. Mohamed	Kenya	<ul style="list-style-type: none"> <li>Secretary for Sports, Culture and Heritage</li> <li>Former Foreign Affairs and Trade Minister; Chair of 2015 WTO Ministerial Conference</li> <li>Former Deputy Secretary-General United Nations</li> </ul>
Mohammad Maziad Al-Tuwaijri	Saudi Arabia	<ul style="list-style-type: none"> <li>Royal Court Adviser</li> <li>Former Economy and Planning Minister</li> <li>Former Banking Executive</li> </ul>
Liam Fox	United Kingdom	<ul style="list-style-type: none"> <li>Former Trade Secretary</li> </ul>

Candidate	Country	Background and Key Positions
<b>Eliminated in first round</b>		
Jesús Seade Kuri	Mexico	<ul style="list-style-type: none"> <li>Foreign Affairs Under Secretary for North America</li> <li>Former Deputy DG of the WTO</li> <li>Former Deputy DG of the GATT</li> </ul>
Abdel-Hamid Mamdouh	Egypt	<ul style="list-style-type: none"> <li>Senior Counsel, King &amp; Spalding LLP</li> <li>Former WTO official</li> </ul>
Tudor Ulianoschi	Moldova	<ul style="list-style-type: none"> <li>Former Foreign Minister</li> <li>Former Ambassador to WTO</li> </ul>

**Source:** WTO, “[Candidates for DG selection process 2020.](#)”

**Notes:** \* Recommended as next DG by selection committee.

## What’s at Stake

DG Azevêdo was motivated to resign early to prevent the DG selection from coinciding with the rescheduled 12<sup>th</sup> WTO Ministerial Conference (MC12) in 2021, potentially diverting political attention from achieving critical outcomes. Such timing would also allow the incoming DG to better shape the strategic direction for MC12. During Azevêdo’s tenure, WTO members advanced some important achievements, like the Trade Facilitation Agreement, but made little progress on resolving [major issues](#) leftover from the Doha agenda and advancing new priorities. [MC12 stakes are high](#), with final agreements pending on longstanding priorities like fisheries subsidies, and ongoing plurilateral talks, including on e-commerce. Many have also urged the WTO to tackle the [trade policy challenges](#) that emerged from COVID-19.

WTO members also confront reforming the WTO, a difficult process but highly consequential for the institution’s continued relevance. U.S. priorities include reform of the treatment of developing country status, notification and transparency requirements, and disciplines on nonmarket economies. Meanwhile, trade disputes have accelerated between the United States and China, countries have increasingly resorted to unilateral punitive trade actions (the subject of several WTO disputes), and, more broadly, protectionist trade policies are rising, which undermine the spirit and letter of WTO rules. WTO dispute settlement, generally considered a success of the system, is unable to function fully, amid sharp disagreements over the Appellate Body’s (AB) role. New WTO leadership will face ushering the trading system through these various challenges.

## U.S. Perspectives

In June testimony to [House Ways and Means](#), U.S. Trade Representative (USTR) Lighthizer called the WTO “a mess,” an institution that has failed the United States and the global trading system. The Trump Administration has widely documented its concerns in its [trade policy agenda](#) and [AB critiques](#). Regarding ideal qualities for a DG, Lighthizer has called for leadership that supports fundamental, across-the-board reform and understands the nature of problems facing market economies in dealing with China and current rules that fail to discipline large state-run economies. In an October 28 [statement](#), the Office of the USTR asserted its support for Korean Minister Yoo as the next DG, calling her “a bona fide trade expert who has distinguished herself during a 25-year career as a successful trade negotiator and trade policy maker,” with “the skills necessary to be an effective leader of the organization.”

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