



## Nigerian Okonjo-Iweala is the WTO's New Director-General

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On 15 February, the member states of the World Trade Organisation (WTO) elected Ngozi Okonjo-Iweala as Director-General of the organisation. She is the first woman and first African in this position. She will focus on fighting the COVID-19 pandemic, reforming the WTO, and mitigating the effects of the U.S.-China rivalry. Her election likely increases the importance of the interests of the least-developed members of the organisation, which may lead to a revival of talks that are sensitive to the EU, for example, concerning agriculture.

### What was the context of the Director-General election?

The process of electing a new Director-General (DG) of the WTO began after the unexpected resignation of Brazilian Roberto Azevedo in August 2020. Okonjo-Iweala defeated seven other candidates. In the final phase of the election, she competed with South Korea's trade minister, Yoo Myung-hee, who, however, withdrew her candidacy on 5 February. The Nigerian was supported by all 164 WTO members (consensus is not needed to elect the DG, but so far, the decision has been made in this way). An earlier attempt to select Okonjo-Iweala in November 2020 was blocked by the U.S. because the Trump administration accused her of a lack of experience in trade negotiations. The Biden administration, however, backed her candidacy. The new DG will take office on 1 March and her term of office will run until 31 August 2025, with an option to extend it for a second term.

### Who is the new DG?

Okonjo-Iweala holds a B.A. in economics from Harvard and a PhD in Regional Economics and Development from MIT. She served twice as Nigeria's finance minister and once as its foreign minister. For 25 years, among other positions, she worked at the World Bank as a managing director (her portfolio included trade policy reforms). In 2016-2020, she was the chairman of the board of Gavi, an organisation

supporting vaccination campaigns in poor countries, and in 2020 she became a special envoy of the WHO and the African Union on COVID-19. In 2020, she was named *Forbes Africa's* "African of the Year" and *Time* magazine named her one of the 100 most influential people in the world in 2014. She is cited for her work ethic and persistence in carrying out tasks.

### What is her programme for the WTO?

The new DG's priority is to increase the role of trade in improving the global health situation, for example, by facilitating the distribution of COVID-19 vaccines and medical equipment, and stimulating global economic growth. She also underlines the importance of trade in reducing global poverty. Okonjo-Iweala wants to [reform the WTO](#), including the rules on subsidies, the trade policy notification system, and dispute settlement (paralysed since December 2019 by [U.S. policy began under the Trump administration](#)). She sees greater value in global agreements than regional deals, and therefore will strive to finish talks, among others, on the issue of fisheries (aimed to be concluded in 2020). She also advocates a greater emphasis on climate and digital issues in trade negotiations.

# PISM SPOTLIGHT

## What are the challenges facing the WTO?

The organisation must deal with the effects of the COVID-19 pandemic and the rise of protectionism and economic nationalism. There is also an ongoing dispute over the suspension of intellectual property rights on COVID-19 vaccines, which many developed countries oppose. The long-term challenges include maintaining the importance of the WTO in the face of criticism of globalisation and the [U.S.-China](#) rivalry, as well as reform of the organisation, including finding agreement between developed and developing countries (e.g., [China](#)). The new DG wants to play a mediating role in solving these problems, however, she has formally limited capacity for action, with the most important decisions taken by the WTO members themselves. Nevertheless, its position may improve since the start of the new U.S. administration under President Joe Biden, who has announced a return to active multilateral cooperation.

## What does the choice of Okonjo-Iweala mean for the EU and for Poland?

The European Union supported the candidacy of the Nigerian due in part to her skills, experience in public positions, and widely held opinion that she is an effective negotiator. The EU also wanted a Director-General to be selected as soon as possible in order to increase the efficiency of the WTO amid the pandemic, which is a very difficult time for international trade. Support for Okonjo-Iweala can be seen as a positive signal sent by the EU to developing countries, especially the appreciation of Africa's growing importance and the Union's willingness to strengthen [partnerships](#) with this continent. This choice, however, will entail a greater WTO focus on the interests of the least-developed members. It may mean that talks in areas that are sensitive to many EU countries, including Poland, could be revived, for example, concerning the reduction of support for farmers.