

WORLD TRADE ORGANIZATION

G/L/326
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(99-4174)

REPORT (1999) OF THE COMMITTEE ON RULES OF ORIGIN

1. The Committee on Rules of Origin (CRO) held four meetings on 22-26 February, 23 April, 1 and 23 July, and 1 October 1999 (G/RO/M/21-25). The CRO elected Mr. Sandy Moroz (Canada) as Chairman, and Mr. S.I.M. Nayyar (Pakistan) as Vice-Chairman for 1999 at its meetings on 23 April and on 1 July 1999, respectively. Observer governments in the General Council of the WTO have observer status in the Committee. In addition, representatives of the ACP, EFTA, IADB, IMF, ITCB, OECD, UNCTAD, WCO and the World Bank attend meetings of the Committee in an observer capacity.

2. In connection with the Harmonization Work Programme (HWP) for non-preferential rules of origin, set out in Part IV of the Agreement, to be completed within three years of its initiation, i.e. by 20 July 1998, and in respect of which the CRO agreed to make its best endeavours to complete it by November 1999, the CRO:

- heard the three progress reports from the Chairman of the Technical Committee on Rules of Origin (TCRO) (G/RO/32, 35 and 37);
- received the final result of the work of the TCRO, in conformity with its mandate, in May 1999;
- discussed the remaining issues relating to the overall architecture of the harmonized rules of origin, drawing upon the technical work forwarded by the TCRO and additional contributions made by Members (G/RO/41);
- in accordance with the Work Programme agreed in July 1998, conducted formal, informal, plurilateral and bilateral negotiations at its meetings held in June, July, September and October 1999, on unresolved issues on product specific rules for chapters 25-27 (mineral products), 28-40 (chemicals), 44-49 (wood and paper) and 71 (precious stones and metals) (G/RO/41);
- made two progress reports to the Council for Trade in Goods on the HWP (G/RO/32 and 38); and
- discussed the issue "implications of the implementation of the harmonized rules of origin on other WTO Agreements" at its July 1999 meeting on the basis of an additional submission from India (G/RO/W/42), and agreed that detailed consideration of the issues will be undertaken at its November 1999 meeting.

3. At the request of the Chairman of the Council for Trade in Goods (CTG), the CRO had discussions on those aspects of trade facilitation which it regarded as being related to the Agreement on Rules of Origin. The summary of these discussions was sent to the Chairman of the CTG in a letter dated 26 February 1999 (G/RO/M/21, paragraph 4).

4. Pursuant to Article 5.1 and paragraph 4 of Annex II of the Agreement, all Members are required to notify their rules of origin, judicial decisions and administrative rulings of general application relating to rules of origin. To date, 72 Members have made notifications relating to

non-preferential rules of origin and 75 Members have made notifications relating to preferential rules of origin.

5. The CRO agreed to hold its next formal meeting on 5 November 1999, preceded by plurilateral and informal meetings on the overall architecture of the harmonized rules of origin and unresolved issues on product specific rules for chapters 25-27 (mineral products), 28-40 (chemicals), 44-49 (wood and paper) and 71 (precious stones and metals), 41-43 (leather) and 68-81 (ceramics and base metals) during the weeks of 25 October and 1 November 1999.
