

REPORT (2001) OF THE COMMITTEE ON RULES OF ORIGIN TO THE COUNCIL FOR TRADE IN GOODS¹

1. This report is being submitted to the CTG in accordance with Article 6.1 of the Agreement on Rules of Origin (the Agreement), which provides as follows:

"The Committee shall review annually the implementation and operation of *Parts II and III* of this Agreement having regard to its objectives (emphasis added). The Committee shall annually inform the Council for Trade in Goods of developments during the period covered by such reviews."

2. Since its regular report to the CTG made on 3 November 2000 (G/L/413), the Committee on Rules of Origin (CRO) held four meetings on 1 December 2000, 16 March/4 April, 18 May, 23 July and 8 October 2001 (G/RO/M/34-37). The CRO elected Mr. Ho-Young Ahn (Korea) as Chairman for 2001 and Mr. Stefan Moser (Switzerland) as Vice-Chairman at its meetings in March and May 2001, respectively. Observer governments in the General Council of the WTO have observer status in the CRO. In addition, representatives of the ACP, EFTA, IADB, IMF, ITCB, OECD, UNCTAD, WCO and the World Bank attend meetings of the CRO in the capacity of observers.

3. With regard to *the work under Part II* of the Agreement on Rules of Origin (the Agreement), the CRO, at its meeting in May 2000, discussed an issue "United States information on aspects of Germany's policy pertaining to certificates of origin. The Members concerned informed the CRO that informal consultations were ongoing. The Chairman stated that for purposes of transparency the CRO would benefit from the report by the related parties to the CRO on the outcome of the consultations (G/RO/M/36, paragraphs 5.1-5.3).

4. With regard to *the work under Part III* of the Agreement, the CRO:

- at each meeting, took note of the notifications under Article 5 and paragraph 4 of Annex II of the Agreement. To date 77 Members have made notifications of non-preferential rules of origin and 79 Members have made notifications of preferential rules of origin. The Chairman expressed concern that a number of Members had not yet complied with the notification requirements. He urged Members who had not yet notified to do so as early as possible (G/RO/M/34-37);
- at its meeting in December 2000, discussed an issue "responsibilities of the Technical Committee on Rules of Origin (TCRO)". The Chairman recalled that although the CRO had discussed this issue at the meetings in April and November 2000, there was no common view on a response to be given to the questions raised by the TCRO (G/RO/M/34, paragraphs 7.1-7.2). The Chairman transmitted an interim response stating this factual situation to the Chairman of the TCRO (G/RO/46).

[To be completed in light of the discussion at the meeting on 8 October 2001.]

¹ This report covers the period December 2000-October 2001.

5. Apart from the above-summarized implementation and operation *under Parts II and III* of the Agreement, most of the CRO's formal and informal sessions were devoted to its *work under Part IV*, namely the Harmonization Work Programme (HWP). The Chairman of the Committee made a report to the General Council on the progress of the HWP at every regular sessions of the General Council, as well as the General Council's Special Session on Implementation held on 3 October 2001. The CTG may wish to refer to the record of those reports contained in the minutes of the General Council (WT/GC/M/63, paragraphs 152-155; WT/GC/M/65, paragraphs 152-157 and Annex 1; WT/GC/M/66, paragraphs 155-182 and Annex 1; and G/RO/48).
