

## **Committee on Rules of Origin**

### **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/21-24). The CRO elected Mr. Sandy Moroz (Canada) as Chairman, and Mr. S.I.M. Mayyar (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, the CRO:

- heard the four progress reports from the Chairman of the Technical Committee on Rules of Origin (TCRO) (G/RO/32, 35 and 37);
- discussed the overall architecture of the harmonized rules of origin (G/RO/41);
- conducted formal, informal, plurilateral and bilateral negotiations on unresolved issues on product specific rules for chapters 25-27 (mineral products), 28-40 (chemicals), 44-48 (wood and paper) and 71 (precious stone and metals) (G/RO/41);
- made two progress reports to the Council for Trade in Goods on the HWP (G/RO/32 and 38);
- as concerns the issue "implications of the implementation of the harmonized rules of origin on other WTO Agreements", considered an additional submission from India (G/RO/W/42).

3. At the request of the Chairman of the Council for Trade in Goods, the CRO had a discussion on trade facilitation. It was noted that the preamble of the Agreement on Rules of Origin recognizes that "clear and predictable rules of origin and their application facilitate the flow of international trade", and that the clarity and predictability of rules of origin, in turn, is to be ensured when the Agreement itself is fully implemented by all Members. The following aspects of the Agreement were particularly relevant for trade facilitation: (i) implementation of Article 2 and paragraph 3 of Annex II of the Agreement; and (ii) harmonization of non-preferential rules of origin. Some delegations observed that the concept of trade facilitation may extend beyond the present provisions of the Agreement, for example, to administrative aspects of the application of the harmonized rules of origin.

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.

[Report to be finalized in light of discussions at the meeting of the CRO on 1 October 1999.]