



**REPORT (2020) OF THE COMMITTEE ON RULES OF ORIGIN
TO THE COUNCIL FOR TRADE IN GOODS**

1. This report of the Committee on Rules of Origin (CRO) summarizes the work undertaken by the Committee in 2020. Article 6.1 of the Agreement on Rules of Origin provides that *"The Committee shall review annually the implementation and operation of Parts II and III of this Agreement having regard to its objectives" and "inform the Council for Trade in Goods of developments during the period covered by such reviews."*

2. The CRO held two formal meetings in 2020: on 5 March and on 13 November. The minutes of these meetings are contained in documents G/RO/M/74 and [G/RO/M/75] respectively. On 4 March 2020, Members also participated in an event celebrating the 25th anniversary of the Agreement on Rules of Origin. In addition, the Committee held several small-group and bilateral consultations on different matters. Mr. Han-Ming HUANG (Chinese Taipei) was elected Chairperson of the Committee in July 2020. He followed Ms Uma MUNIANDY (Singapore) as Chairperson of the Committee.

3. At its meeting of 13 November, the CRO conducted the twenty-sixth review of the implementation and operation of the Agreement (document G/RO/W/199/Rev.1) and the annual review of developments with relation to preferential rules of origin for LDCs.

4. With relation to non-preferential rules of origin, the Committee did not hold discussions specifically related to the Harmonization Work Programme (HWP). Discussions on this work programme, mandated under Part IV of the Agreement, have been stalled since 2007. Members held different views regarding the implications of adopting harmonized non-preferential rules of origin for other trade policy measures. These "core policy issues" were described in the 2013 Report of the CRO to the Council for Trade in Goods (G/L/1047). Members continue to hold different views regarding the need to finalize or not the HWP.

5. Pending the continuation of the HWP, Members have been discussing ways to better access information about and better understand current national practices related to non-preferential origin. In that context, Members have continued their consideration of a proposal to "enhance transparency on non-preferential rules of origin" (G/RO/W/182/Rev.3). The proposal seeks to update and standardize notifications of non-preferential rules of origin and origin requirements. The information notified would be made available by the Secretariat through an electronic platform for easier access. Consultations are ongoing on the proposal.

6. Members also heard a presentation by the Secretariat describing some of the measures taken to temporarily ease rules of origin requirements in response to the COVID-19 pandemic. The Secretariat described measures taken by Argentina, the EU, the Eurasian Economic Union and Japan such as accepting electronic certificates of origin instead of paper documents, accepting copies instead of originals, or allowing for the retrospective issuance of certificates. Canada and India noted that their governments had also implemented similar measures to facilitate trade.

7. In addition, 2020 marked the 25th anniversary of the WTO Uruguay Round Agreements, including the WTO Agreement on Rules of Origin. An event, organized by the Secretariat, celebrated this milestone by bringing together government officials, international organizations and the private sector. The programme, presentations, video recordings and a summary (G/RO/W/196) of the event were made available through the rules of origin page of the WTO website. In reporting on the event to the CRO, the Chairperson encouraged all delegations to review those materials as they contained

interesting recommendations and messages that could be considered by Members when deciding how to advance the work of the Committee.

8. Finally, with respect to preferential rules of origin, the Committee continued to review the implementation of the 2013 and 2015 Ministerial Decisions on preferential rules of origin for least developed countries (LDCs) (WT/L/917 and WT/L/917/Add.1).

9. In that context, Members considered and raised concerns about communications from the LDC Group (G/RO/W/198; G/RO/W/202) on the Ministerial Decisions.

10. In addition, the Committee took note of reports by preference-granting Members about the efforts being made to implement the Decision. The Committee also reviewed the latest status of notifications in this area (G/RO/W/163/Rev.8) and examined substantive matters related to preferential rules of origin, including: rules based on the *ad valorem* percentage (value added) criterion and utilization rates for the LDC preferences in the minerals and metals sector. As required by the Ministerial Decisions, a detailed report describing these discussions and recent developments has been prepared for the General Council and an oral report will be delivered for the Sub-Committee on LDCs.
