Committee on Rules of Origin

Original: English

IMPLICATIONS OF CERTAIN MAJOR PROPOSALS FOR
HARMONISED RULES OF ORIGIN FOR ACCESS UNDER
THE AGREEMENT ON TEXTILES AND CLOTHING:
AN ANALYSIS OF POSSIBLE EFFECTS

Questions from the United States to India

The following communication, dated 20 October 1999, has been received from the Permanent Mission of the United States.

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The following questions of the United States concerning a submission of India (G/RO/W/42) previously submitted orally, are submitted in writing.

The submission of India (G/RO/W/42 "Implications of Certain Major Proposals for Harmonized Rules of Origin for Access under the Agreement on Textiles and Clothing: An Analysis of Possible Effects") states that "there should be general acceptance of the principle that origin rules be developed in such a way that they do not produce adverse effects."

- Under such a proposed principle, how would India propose defining "adverse effects"? Would it be from the standpoint of the final place of production? In the view of India, what if the penultimate place of production had a different view of whether the rule of origin resulted in an "adverse effect"? In the view of India, would the measure of "adverse effect" be in terms of the effect of the operation of a particular rule under a given Agreement, or all Agreements? In the view of India, what if the perspective of "adverse effect" differed from one Agreement to another?

- How would India view the relationship of such a principle it proposes with the Agreement's guiding principle of substantial transformation for the development of the harmonized rules of origin?

- Could India clarify whether its submission sets forth its understanding that "domestic industry or like products of domestic industry or similar terms wherever they apply" cannot be defined differently than under the harmonized rules of origin – notwithstanding the footnote at the end of Article 1, paragraph 2?

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