



Committee on Rules of Origin

**TWENTY FIFTH ANNUAL REVIEW OF THE IMPLEMENTATION AND
OPERATION OF THE AGREEMENT ON RULES OF ORIGIN**

BACKGROUND NOTE BY THE SECRETARIAT¹

1 INTRODUCTION

1.1 This note was prepared by the Secretariat to assist Members in conducting the 25th Annual Review of the implementation and operation of the Agreement. The review is to be conducted under Article 6.1 of the Agreement on Rules of Origin which provides that: "the Committee shall review annually the implementation and operation of Parts II and III of this Agreement having regard to its objectives". The outcome of such a review will be incorporated to the Committee's Annual report to the Council for Trade in Goods on the implementation and operation of the Agreement on Rules of Origin.

2 MEMBERS AND OBSERVERS OF THE COMMITTEE ON RULES OF ORIGIN

2.1 Government representatives of all WTO Members and Observers are also Members and Observers to the CRO. In addition, the following international organizations also have observer status at the Committee on Rules of Origin (CRO): ACP, EFTA, IADB, IMF, OECD, UNCTAD, WCO and World Bank.

3 RULES OF PROCEDURE OF THE COMMITTEE ON RULES OF ORIGIN

3.1 The rules of procedure for meetings of the CRO were adopted by the Committee in February 1997 (G/L/149 and WT/L/161).

4 OFFICERS OF THE COMMITTEE ON RULES OF ORIGIN

4.1 Ms Uma MUNIANDY (Singapore) was elected Chairperson of the Committee in June 2019. She followed Mrs Thembekile MLANGENI (South Africa) as Chairperson of the Committee.

5 MEETINGS OF THE COMMITTEE ON RULES OF ORIGIN

5.1 The CRO held two formal meetings in 2019: on 15-16 May and on 17-18 October. The minutes of these meetings are contained in documents G/RO/M/72 and [G/RO/M/73] respectively. In addition, the Committee held informal meetings as well as several small-group and bilateral consultations on several matters, in particular on the proposal on enhancing transparency on non-preferential rules of origin (G/RO/W/182/Rev.1).

6 NOTIFICATIONS UNDER ARTICLE 5 (NON-PREFERENTIAL RULES OF ORIGIN)

6.1 Two new notifications under Article 5 of the Agreement were received in 2019. First, one concerning revised non-preferential rules of origin adopted by the Russian Federation in the context of the Euro-Asian Economic Union (G/RO/N/179). Second, the first notification from Ecuador

¹ This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights and obligations under the WTO.

informing Members that Ecuador does not apply non-preferential rules of origin nor non-preferential origin requirements.

6.2 Following these notifications, 50 WTO Members have notified the Secretariat that they apply non-preferential rules of origin (counting the EU and its member states as one). Fifty-nine Members have informed the Secretariat that they do not apply any non-preferential rules of origin. The remaining 27 WTO Members have not yet submitted any notification under Article 5. The full list of Members under each of these categories as well as the relevant information notified to the WTO Secretariat is listed in 3 tables in Annex 1 to this note. All notifications and the related legislation or references can, in addition, be accessed through the section "Notifications" of the Rules of Origin webpage of the WTO website (https://www.wto.org/english/tratop_e/roi_e/roi_e.htm).

7 NOTIFICATIONS UNDER ANNEX II (PREFERENTIAL RULES OF ORIGIN)

7.1 As agreed by the Committee (G/RO/M/59), notifications made to the Committee on Regional Trade Agreements (CRTA) or to the Committee on Trade and Development (CTD) are deemed to discharge Members' notification obligations under the Agreement on Rules of Origin. The Committee therefore agreed that notifications which had initially been received by the CRTA or the CTD should be circulated by the Secretariat to the CRO. The information contained in such notifications, including information about preferential rules of origin, can be accessed through the WTO database of regional trade agreements (<http://rtais.wto.org>) and the WTO database of preferential trade agreements (<http://ptadb.wto.org>).

7.2 In addition, it should be noted that the Committee adopted a specific template for notifications of preferential rules of origin applied to least-developed countries in the context of non-reciprocal preferences (G/RO/84). All WTO preference-granting Members agreed to submit detailed information about their preferential rules of origin using the template. To date, 20 preference-granting Members submitted such notifications. These were circulated under the G/RO/LDC/N/ document series. A detailed overview of these notifications is available in document G/RO/W/163/Rev.6.

8 WORK OF THE COMMITTEE RELATED TO PARTS I, II AND III OF THE AGREEMENT

8.1. Part II of the Agreement relates to the multilateral disciplines which govern the application of non-preferential rules of origin by WTO Members during the "transitional period". This period refers to the time before the implementation of fully harmonized non-preferential rules of origin (Article 2). Since no harmonized non-preferential rules of origin have been adopted yet, these are the disciplines which currently apply to WTO Members.

8.2 As had been noted in the Committee's 2013 Annual Report to the CTG (G/L/1047), the implementation and operation of the Agreement is not satisfactory as the stalemate in the Harmonization Work Programme (HWP) compromises the attainment of the core objectives of the Agreement (i.e. the facilitation of global trade through the international harmonization of non-preferential rules of origin). The draft results of the HWP are contained in documents G/RO/W/111/Rev.6 (in HS96); JOB/RO/5/Rev.1 and JOB/RO/5/Rev.1/Corr.1 (rectified to reflect the 2002, 2007, and 2012 versions of the HS nomenclature).

8.3 In the period of this annual review, the Committee did not consider any item specifically related to the HWP.

8.4 Pending the continuation of the HWP, the Committee agreed, in 2015, to engage in an "educational exercise" to exchange information about non-preferential rules of origin and better understand the impact that existing rules have on international trade. No such information sessions were held in 2019. However, Members have engaged actively in a discussion about ways to enhance transparency of non-preferential rules of origin and non-preferential origin requirements. In particular, Members have been considering a proposal to adopt a template that would standardize and update notifications on non-preferential rules of origin and related requirements (G/RO/W/182/Rev.1).

9 AMENDMENTS, INTERPRETATIONS AND RECTIFICATIONS TO THE AGREEMENT

9.1 During the year under review the Committee has not dealt with any of these matters.

10 CONSULTATION AND DISPUTE SETTLEMENT

10.1. The Secretariat is not aware of any Member that has requested consultations under Article 7 of the Agreement on Rules of Origin. Similarly, there are currently no disputes with respect to the Agreement on Rules of Origin (Article 8 of the Agreement).

11 OTHER AREAS OF WORK OF THE CRO

11.1. In 2019, the CRO continued to work extensively on additional areas of work, namely preferential rules of origin applicable to LDCs under non-reciprocal preferential trade arrangements (PTA). This is a result of the implementation of the 2013 and 2015 Ministerial Decisions on preferential rules of origin for LDCs (WT/L/917 and WT/L/917/Add.1 respectively). According to the requirements of these Decisions, a separate report of recent developments in this area was prepared for the General Council (G/RO/89).

12 REPORT TO THE COUNCIL FOR TRADE IN GOODS

12.1. During its meeting on 17 and 18 October 2019, the CRO adopted its annual report to the CTG (G/L/1331).

ANNEX 1

A. List of Members that have notified to the Secretariat that they apply non-preferential rules of origin¹

Member	HAVE NP RO	Date	Link to the legislation/ scanned copy of the legislation
1. Afghanistan	G/RO/N/143	05.08.2016	http://customs.mof.gov.af/en
2. Albania	G/RO/N/47	06.07.2005	Scanned copy available
	G/RO/N/53	18.09.2007	Scanned copy available
3. Argentina	G/RO/N/2	22.06.1995	Scanned copy available
	G/RO/N/10	16.08.1996	Scanned copy available
	G/RO/N/16	05.03.1997	Scanned copy available
4. Armenia	G/RO/N/41	21.08.2003	Scanned copy available
5. Australia	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
6. Brazil	G/RO/N/14	02.12.1996	Formerly notified of non-application of NPROO
	G/RO/N/78	16.04.2012	http://www.planalto.gov.br/ccivil_03/_Ato2011-2014/2011/Lei/L12546.htm
7. Burkina Faso	G/RO/N/19	23.01.1998	n/a
8. Canada	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
9. China	G/RO/N/37	03.06.2002	n/a
	G/RO/N/37/Rev.1	02.08.2002	Scanned copy available
	G/RO/N/132	07.09.2015	Electronic copy available
10. Colombia	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
	G/RO/N/172	05.07.2018	http://www.mincit.gov.co/loader.php?!Servicio=Documentos&Funcion=verPdf&id=5263&name=DECRETO_637_DEL_11_DE_ABRIL_DE_2018.pdf
11. Cuba	G/RO/N/3	27.07.1995	Scanned copy available
	G/RO/N/125	13.01.2015	Scanned copy available
12. European Union ²	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
13. Georgia	G/RO/N/37	03.06.2002	n/a
	G/RO/N/37 Rev.1	02.08.2002	Scanned copy available
14. Hong Kong, China	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
	G/RO/N/10	16.08.1996	Scanned copy available
	G/RO/N/24	15.01.1999	Scanned copy available
	G/RO/N/30	21.11.2000	n/a
	G/RO/N/37	03.06.2002	n/a
	G/RO/N/37 Rev.1	02.08.2002	Scanned copy available
	G/RO/N/46	15.02.2005	Scanned copy available
	G/RO/N/59	23.09.2008	Scanned copy available
	G/RO/N/67	02.12.2010	Scanned copy available
15. Japan	G/RO/N/73	15.09.2011	Scanned copy available
	G/RO/N/86	01.10.2012	Scanned copy available
16. Jordan	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
17. Kazakhstan	G/RO/N/30	21.11.2000	Scanned copy available
	G/RO/N/148	12.09.2016	Unofficial translation available
	G/RO/N/148/Rev.1	27.10.2016	Unofficial translation available
18. Kyrgyz Republic	G/RO/N/175	15.11.2018	http://www.eurasiancommission.org/en/act/trade/dotp/prav_proish/Pages/default.aspx
	G/RO/N/177	28.11.2018	http://www.eurasiancommission.org/en/act/trade/dotp/prav_proish/Pages/default.aspx

¹ All documents notified to the Secretariat and the relevant Internet links are available for consultation through the "Notifications" section of the rules of origin page of the WTO website: https://www.wto.org/english/tratop_e/roi_e/roi_e.htm.

² All notifications received from countries prior to joining the EU do not appear in the table.

Member	HAVE NP RO	Date	Link to the legislation/ scanned copy of the legislation
19. Korea, Rep. of	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
	G/RO/N/63	18.09.2009	Scanned copy available
20. Lao People's Dem. Rep.	G/RO/N/96	24.07.2013	Scanned copy available
21. Lesotho	G/RO/N/56	27.05.2008	n/a
22. Liechtenstein	G/RO/N/60/Rev.1	08.04.2009	http://www.admin.ch/opc/fr/classified-compilation/19820160/index.html http://www.admin.ch/opc/fr/classified-compilation/20072514/index.html http://www.admin.ch/opc/fr/classified-compilation/20072515/index.html
23. Madagascar	G/RO/N/11	10.09.1996	Scanned copy available
24. Mexico	G/RO/N/12	01.10.1996	n/a
25. Moldova, Rep. of	G/RO/N/36	12.03.2002	Scanned copy available
	G/RO/N/110	14.02.2014	Scanned copy available
	G/RO/N/110/Add.1	10.10.2014	Scanned copy available
26. Mongolia	G/RO/N/20	14.05.1998	Formerly notified of non-application of NPROO
	G/RO/N/20/Rev.1	27.07.1998	
	G/RO/N/164	03.04.2018	http://www.customs.gov.mn/en/images/publishers/Customs_law_and_Customs_Tariff_and_Tax_law.pdf http://customs.gov.mn/2012-03-14-03-12-51/2017-12-12-03-51-09 www.legalinfo.mn/law/details/208
27. Montenegro	G/RO/N/126	20.02.2015	Electronic copy available
28. Morocco	G/RO/N/2	22.06.1995	n/a
29. New Zealand	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	n/a
30. Niger	G/RO/N/19	23.01.1998	n/a
31. North Macedonia	G/RO/N/45	09.11.2004	Scanned copy available
32. Norway	G/RO/N/8	05.03.1996	Scanned copy available
	G/RO/N/62	26.05.2009	Scanned copy available
	G/RO/N/149	22.09.2016	http://www.toll.no/PageFiles/4684/Regulations_to_the_act_on_customs_duties_and_movement_of_goods_july2016.pdf
33. Peru	G/RO/N/4	07.08.1995	Formerly notified no NPROO
	G/RO/N/5	01.11.1995	Scanned copy available
	G/RO/N/49	02.03.2007	Scanned copy available
	G/RO/N/50	10.05.2007	Scanned copy available
	G/RO/N/52	01.06.2007	Scanned copy available
	G/RO/N/77	12.03.2012	Scanned copy available
34. Qatar	G/RO/N/25	13.04.1999	n/a
35. Russian Federation	G/RO/N/84	27.09.2012	Electronic and scanned copy available http://www.eurasiancommission.org/en/act/trade/dotp/prav_proish/Pages/default.aspx http://www.comesa.int/attachments/article/28/COMESA_Treaty.pdf http://www.eac.int/customs/index.php?option=com_content&view=article&id=3:rules-of-origin&catid=3:key-documents
	G/RO/N/84/Corr.1	13.12.2012	
	G/RO/N/179	22.01.2019	
36. Rwanda	G/RO/N/75	24.02.2012	
37. Senegal	G/RO/N/10	16.08.1996	n/a
38. Seychelles	G/RO/N/141	02.05.2016	Description of obligations available in the notification & scanned copy available
39. South Africa	G/RO/N/3	27.07.1995	Scanned copy available
40. Suriname	G/RO/N/24	15.01.1999	Formerly notified of non-application of NPROO
	G/RO/N/43	15.03.2004	Scanned copy available
41. Switzerland	G/RO/N/4	07.08.1995	Scanned copy available
	G/RO/N/60	26.01.2009	http://www.admin.ch/ch/f/rs/c946_201.html
	G/RO/N/60/Rev.1	08.04.2009	http://www.admin.ch/ch/f/rs/c946_31.html http://www.admin.ch/ch/f/rs/c946_311.html
42. Chinese Taipei	G/RO/N/37	03.06.2002	n/a
	G/RO/N/37 Rev.1	02.08.2002	Scanned copy available
43. Togo	G/RO/N/70	16.06.2011	n/a

Member	HAVE NP RO	Date	Link to the legislation/ scanned copy of the legislation
44. Tunisia	G/RO/N/7	12.02.1996	Scanned copy available
	G/RO/N/61	19.02.2009	Scanned copy available
45. Turkey	G/RO/N/8	05.03.1996	Scanned copy available
	G/RO/N/28	30.05.2000	Scanned copy available
46. Ukraine	G/RO/N/57	07.07.2008	n/a
	G/RO/N/81	10.08.2012	Scanned copy available
47. United States	G/RO/N/1	09.05.1995	n/a
	G/RO/N/1/Add.1	22.06.1995	Scanned copy available
	G/RO/N/6	19.12.1995	Scanned copy available
	G/RO/N/12	01.10.1996	n/a
48. Venezuela, Bolivarian Rep. of	G/RO/N/1	09.05.1995	Formerly notified of non-application of NPROO
	G/RO/N/1/Add.1	22.06.1995	Formerly notified of non-application of NPROO
	G/RO/N/10	16.08.1996	Scanned copy available
	G/RO/N/14	02.12.1996	Scanned copy available
49. Yemen	G/RO/N/140	08.04.2016	Original available
50. Zimbabwe	G/RO/N/80	18.07.2012	Scanned copy available

B. List of Members that have notified to the Secretariat that they do NOT apply non-preferential rules of origin

Member	Document Symbol	Date
1. Angola	G/RO/N/176	27.11.2018
2. Belize	G/RO/N/147	01.09.2016
3. Benin	G/RO/N/150	10.11.2016
4. Bolivia, Plurinational State of	G/RO/N/9	19.04.1996
5. Brunei Darussalam	G/RO/N/5	01.11.1995
6. Burundi	G/RO/N/33	02.05.2001
7. Cameroon	G/RO/N/99	22.08.2013
8. Chad	G/RO/N/22	16.09.1998
9. Chile	G/RO/N/6	19.12.1995
10. Congo	G/RO/N/118	18.09.2014
11. Costa Rica	G/RO/N/1	09.05.1995
	G/RO/N/1/Add.1	22.06.1995
12. Côte d'Ivoire	G/NO/N/117	25.08.2014
13. Dominica	G/RO/N/24	15.01.1999
14. Dominican Republic	G/RO/N/9	19.04.1996
15. Ecuador	G/RO/N/180	18.03.2019
16. El Salvador	G/RO/N/10	16.08.1996
17. Eswatini	G/RO/N/128	24.04.2015
18. Fiji	G/RO/N/17	10.04.1997
19. The Gambia	G/RO/N/109	31.01.2014
20. Ghana	G/RO/N/44	06.05.2004
21. Guatemala	G/RO/N/21	20.07.1998
22. Guyana	G/RO/N/42	10.12.2003
	G/RO/N/42/Rev.1	12.09.2016
23. Haiti	G/RO/N/20/	14.05.1998
	G/RO/N/20/Rev.1	27.07.1998
24. Honduras	G/RO/N/3	27.07.1995
25. Iceland	G/RO/N/5	01.11.1995
26. India	G/RO/N/1	09.05.1995
	G/RO/N/1/Add.1	22.06.1995
27. Indonesia	G/RO/N/16	05.03.1997
28. Israel	G/RO/N/13	19.11.1996
	G/RO/N/163	15.02.2018
29. Jamaica	G/RO/N/4	07.08.1995
30. Kenya	G/RO/N/9	19.04.1996
31. Kuwait, the State of	G/RO/N/100	19.09.2013
32. Liberia	G/RO/N/173	05.07.2018
33. Macao, China	G/RO/N/21	20.07.1998
34. Malawi	G/RO/N/129	04.06.2015
35. Malaysia	G/RO/N/6	19.12.1995
36. Maldives	G/RO/N/22	16.09.1998

Member	Document Symbol	Date
37. Mali	G/RO/N/116	11.07.2014
	G/RO/N/146	12.09.2016
38. Mauritius	G/RO/N/1	09.05.1995
	G/RO/N/1/Add.1	22.06.1995
39. Myanmar	G/RO/N/151	23.05.2017
40. Namibia	G/RO/N/26	02.09.1999
41. Nepal	G/RO/N/165	03.04.2018
42. Nicaragua	G/RO/N/10	16.08.1996
43. Oman	G/RO/N/32	30.04.2001
44. Pakistan	G/RO/N/16	05.03.1997
45. Panama	G/RO/N/23	05.10.1998
46. Papua New Guinea	G/RO/N/32	30.04.2001
47. Paraguay	G/RO/N/21	20.07.1998
48. Philippines	G/RO/N/6	19.12.1995
49. Samoa	G/RO/N/97	02.08.2013
50. Saudi Arabia, Kingdom of	G/RO/N/48	08.11.2006
51. Singapore	G/RO/N/3	27.07.1995
52. Sri Lanka	G/RO/N/178	28.11.2018
53. Thailand	G/RO/N/1	09.05.1995
	G/RO/N/1/Add.1	22.06.1995
54. Trinidad and Tobago	G/RO/N/7	12.02.1996
55. Uganda	G/RO/N/13	19.01.1996
56. United Arab Emirates	G/RO/N/13	19.11.1996
	G/RO/N/17	10.04.1997
57. Uruguay	G/RO/N/12	01.10.1996
58. Viet Nam	G/RO/N/68	22.02.2011
	G/RO/N/79	01.06.2012
59. Zambia	G/RO/N/142	17.06.2016

C. Members who have not yet submitted notifications under article 5 of the Agreement on Rules of Origin

1. Antigua and Barbuda	11. Egypt	22. Sierra Leone
2. Bahrain, Kingdom of	12. Gabon	23. Solomon Islands
3. Bangladesh	13. Grenada	24. Tajikistan
4. Barbados	14. Guinea	25. Tanzania
5. Botswana	15. Guinea Bissau	26. Tonga
6. Cabo Verde	16. Mauritania	27. Vanuatu
7. Cambodia	17. Mozambique	
8. Central African Republic	18. Nigeria	
9. Democratic Republic of the Congo	19. Saint Kitts and Nevis	
10. Djibouti	20. Saint Lucia	
	21. Saint Vincent and the Grenadines	