



Committee on Rules of Origin

MINUTES OF THE MEETING OF 6 JUNE 2023

CHAIRPERSON: MS LAURA GAUER (SWITZERLAND)

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Members adopted the agenda for this formal meeting of the Committee on Rules of Origin ([WTO/AIR/RO/17](#)). An annotated agenda had also been prepared for the meeting ([JOB/RO/10](#)). Delegations attended the meeting in person or remotely via the "Interprefy" platform.

1 PREFERENTIAL RULES OF ORIGIN FOR LEAST DEVELOPED COUNTRIES ([WT/L/917](#) AND [WT/L/917/ADD.1](#))

1.1. The Chairperson informed delegations that, under the various sub-items of the above heading, the Committee was expected to review different aspects of the implementation of the 2013 Bali and the 2015 Nairobi Ministerial Decisions on Preferential Rules of Origin by Least Developed Countries (LDCs).

1.1 Review of Recent Developments in Relation to Preferential Rules of Origin for LDCs: Update and Report by Preference-Granting Members Wishing to Share Any Developments

1.2. The representative of China informed Members that his government had introduced developments on the LDC preferential agreements. He noted that, since 2005, China had been granting preferential treatment to a wide range of goods exported to China from LDCs, and that China had continued to expand the scope of the beneficiaries and the number of tariff lines enjoying duty-free treatment. The scheme covered 98% of all tariff lines since 2021 (from 95% previously), and the number of beneficiaries had increased from 22 to 44 countries. In addition, in 2020, China had launched a trial operation of the electronic issuing system for certificates of origin, which facilitated the issuance of certificates of origin for LDCs. Over the past 17 years, trade under the LDC Preferential Trade Agreement (LDC-PTA) had maintained a steady growth and strongly promoted LDC exports to China. In 2022, total imports under the PTA amounted to approximately USD 26 billion, with an overall preference utilization rate of about 72%. He noted that China would continue to fulfil its commitments under the Nairobi Decision and make positive contributions to the economic development of LDCs.

1.3. The representative of New Zealand informed Members that her government was still reviewing its generalized system of preference schemes in light of the WTO rules and New Zealand's free trade agreements to ensure that preferences continued to sustain the economic growth of LDCs. New Zealand was currently working to update the list of developing Members eligible for preferential trade arrangements under New Zealand's Generalized System of Preferences (GSP). LDCs in the UN LDC list would continue to receive duty-free treatment, and Members that had graduated from the UN LDC list, but which remained significantly less developed, would be subject to 80% of the normal tariff rates for specified goods. The ongoing review therefore concerned both categories of Members. She confirmed that the applicable rules of origin remained unchanged, but were under review. In addition, she informed Members that New Zealand would provide a revised notification prior to the changes coming into force later that year, and that New Zealand would bilaterally reach out to those Members affected by the changes.

1.4. The representative of the United Kingdom recalled that his government had previously updated the Committee on Rules of Origin (CRO) on the launch of the new UK Developing Countries Trading scheme (DCTS). The scheme would come into force on 19 June 2023. The UK would circulate a notification describing the applicable rules of origin shortly. This notification would include links to the amended UK trade preference legislation, which was also available online ([Legislation.gov.uk](#)). The scheme contained great improvements to the UK rules of origin for LDCs. The rules would be simpler and more generous. The UK had significantly simplified the product-specific rule of origin under the scheme, and LDCs would be allowed to cumulate with up to 95 other eligible Members. The UK had also amended its legislation to allow Members that signed a Free Trade Agreement (FTA) with the UK to remain in regional cumulation groups. He noted that, in revising its rules of origin, the UK had considered the Nairobi Ministerial Decision.

1.5. The Committee took note of the statements made.

1.2 Status of Notifications of Preferential Rules of Origin for LDCs and Preferential Import Data (G/RO/W/163/Rev.11) – Update and Report by the Secretariat

1.6. The Secretariat (Mr Simon Neumueller) updated the Committee on the status of notifications on rules of origin for LDCs and on related data notifications. He mentioned that the document would be corrected or updated in light of Members' comments and noted that notifications by Japan and by Thailand had been omitted from the document inadvertently.

1.7. The representative of Tanzania appreciated the commitment by preference-granting Members. He applauded the improvement in notification of import data in recent years, in comparison to previous years. He encouraged Members that had not notified all the necessary information, in particular import statistics, to follow suit by submitting their notifications.

1.8. The representative of China noted his delegation had always provided comprehensive data to the CRO. However, recent studies of preference utilization rates by the Secretariat, and from the LDC Group, had been based on partial data and required more processed data due to the complexity of China's foreign trade. Other factors also needed to be considered, such as imports under FTAs. Furthermore, China implemented interim duty rates, which temporarily offered tariff-free treatment for some products during a given period. He reported that his delegation had been meeting with the Secretariat to provide more details about these factors and, in that context, his delegation had provided additional data for 2021 to be used to study utilization rates.

1.9. The representative of Japan thanked the Secretariat for the update.

1.10. The representative of Australia informed Members that certain data submitted by his delegation had not been reflected in the update presented by the Secretariat.

1.11. The Chairperson requested the Secretariat to prepare a revision of the document. She also urged delegations whose notifications contained gaps to work with their Capitals to ensure that their notifications were comprehensive and up to date.

1.12. The Committee took note of the statements made and agreed to proceed accordingly.

1.3 The Impact of GSP Graduation on LDCs and Cumulation – The Case of Cambodia – Submission by Cambodia (G/RO/W/220)

1.13. The Chairperson invited the delegation of Cambodia to introduce its submission.

1.14. The representative of Cambodia congratulated the European Union for taking the initiative to reform its rules of origin for LDCs. The reformed rules had enabled Cambodia to substantially increase its exports to the EU, increase its utilization of preferences, and to diversify its exports. He noted, however, that the benefits of the reformed rules had begun to fade in 2014, with the amendment to the EU's GSP rules, which resulted in Members being excluded from the scheme when either (a) they had graduated from beneficiary status under the EU GSP, or (b) they had concluded an FTA with the EU.

1.15. The first challenge had arisen from the graduation of Malaysia from the EU's GSP in 2014. As a result, Cambodia's bicycle sector could no longer use components originating in Malaysia under ASEAN cumulation. This had seriously affected the supply chain of Cambodia's bicycle producers since the components originating from Malaysia could not be readily replaced with national or regional alternatives. This challenge had been the object of a specific request for derogation to the EU.

1.16. The second challenge had emerged from the entry into force, on 1 August 2020, of an FTA between the EU and Viet Nam. As a result of the Agreement, Viet Nam had also been excluded from the EU's GSP. Therefore, Cambodian producers could no longer source components from Viet Nam to meet the cap of 70% of value of non-originating materials, considering that most bicycles manufactured in Cambodia were made mainly with Vietnamese-origin materials.

1.17. In addition, he noted that, despite Cambodia's attempts to bring the issue to the European Commission's attention, current developments were unpromising. For example, he argued that the

current EU GSP Proposal 8 did not seem to contain any provision to remedy the existing imbalance. He asked the EU to consider redressing the damage that had resulted from graduation, including the negative impact on Cambodia's private sector. He also invited the EU to reintroduce the possibility of cumulation with other Members in a regional trade group. In this sense, he argued that the example of Canada could be useful. Following a consultative process, Canada had extended duty-free treatment to products originating in LDCs even if they included content from graduated developing countries.

1.18. In response, the representative of the European Union thanked Cambodia for the submission, noting that it demonstrated the importance of the EU system of preferences for Cambodia's bicycle sector. She argued that, although the economic status of Cambodia deserved assistance and preferential treatment, tariff preferences could not be extended to graduated Members, even if indirectly. She further informed Members that the EU was aware of the disruptions that could occur when a Member lost its beneficiary status under the GSP, and therefore offered possibilities for beneficiary Members to continue trading with Members with which it had signed an FTA, while citing the conditions set in Article 56 of the Commission Delegated Regulation (EU) 2015-2446. In addition, she informed Members that the Commission's proposal for a new GSP Regulation had modified the conditions under which a request for cumulation might be granted. She explained that the EU was still examining the request from Cambodia, and that her delegation stood ready to discuss the issues raised by Cambodia bilaterally.

1.19. The representative of Tanzania thanked Cambodia for the presentation and noted that the paper raised systemic issues for LDCs, especially in Asia. The Nairobi Decision called for the possibility of regional cumulation or cumulation with other developing Members that had concluded an FTA with the preference-granting Member. Such possibilities would spur economic activity in LDCs but have negligible fiscal consequences, since all Members involved would be trading under preferential terms in any case. He stressed the importance of seriously considering the issue of disruption of value chains in LDCs. Finally, he urged the EU to engage with Cambodia bilaterally to swiftly reach a solution to the challenges raised.

1.20. The Chairperson noted that the paper had contained some recommendations. She therefore proposed that the delegations followed up bilaterally, either through consultations or in writing, in order to report on any progress made at the CRO's next formal meeting.

1.21. The Committee took note of the presentation and statements made and agreed to proceed accordingly.

1.4 Preliminary Comments on the Reform of Rules of Origin in the Context of the UK Developing Countries Trading Scheme (DCTS) – Statement by the LDC Group

1.22. The representative of Bangladesh, speaking on behalf of the LDC Group, delivered preliminary comments on the UK's new preferential rules of origin. In particular, he praised the UK for introducing positive changes in its reformed rules, including the possibility to deduct freight and insurance costs from the calculation of the value of non-originating materials. This had been a long-standing request of the LDCs. He also asked the UK to clarify certain aspects of its new certification requirements, and requested the UK delegation to consider organizing an information session to brief LDCs about its new rules in greater detail.

1.23. The representative of the United Kingdom welcomed the preliminary analysis by the LDC Group and indicated that his delegation stood ready to engage with them bilaterally, and to share additional details with them once the new legislation had entered into force.

1.24. The Committee took note of the statements made.

1.5 Utilization of China's and India's Preferences by LDCs (G/RO/W/222) – Submission by Djibouti on Behalf of the LDC Group

1.25. The representative of Senegal presented the LDC Group's submission (RD/RO/102). The submission reported the rates of preference utilization under China's and India's preferential trade arrangements for LDCs. With respect to China, the paper noted that over two-thirds of tariff lines in which imports were recorded had a utilization of zero (full utilization was reported for only 272 tariff

lines). This illustrated the persistent difficulties in accessing the Chinese market under LDC preferences. He acknowledged that the results of the analysis could be skewed because only limited data was available. In this sense, he urged China to update and complement its import statistics in the WTO databases so that a full assessment of preference utilization could be undertaken. He also invited China to make its own calculations and present them to the CRO. With respect to India, he noted that an even higher proportion of tariff lines showed no utilization of preferences at all (that is, 1280 out of 1505 tariff lines with imports from LDCs showed a utilization of zero). He noted that these results covered significant imports, including wholly obtained products, clothing and textile products, and precious stones. He added that these results could be explained by the stringency of origin requirements. He also acknowledged that the absence of data regarding imports under regional trade agreements could also have influenced these results, in particular for Afghanistan, Cambodia, Myanmar, and Nepal. He invited India to submit complementary data to the Secretariat so that the calculations could be revised to take all factors into account, and also invited India to conduct calculations and present them to the CRO.

1.26. The representative of China thanked the LDC Group for its presentation, and confirmed that, in his delegation's view, the calculations had not taken all the necessary factors into account. He explained that some of the additional data needed had not been notified, and that some went beyond Members' WTO notification obligations. In this regard, he shared a presentation ([RD/RO/103](#)) with preference utilization rates, including imports under FTAs and all other duty-exemption schemes. In these calculations, non-utilization focused only on those imports that had actually paid an MFN customs duty. After such adjustments had been made, the overall rate of utilization of China's preferences was 72.2%, with a significantly higher proportion of tariff lines enjoying full utilization. In conclusion, he reported that China had been discussing the possibility of submitting additional data to the WTO Secretariat, and that his delegation would present a more detailed study of China's utilization rates at a future CRO meeting.

1.27. The representative of India commended the LDC Group for their detailed presentation. He noted that there were several other factors that had to be considered to have a comprehensive picture about utilization. When all factors were considered, the overall utilization rate would be much higher than that presented by the LDC Group. He also suggested that the LDC Group should engage with preference-granting Members earlier, during the preparation of such calculations, so that all the necessary factors could be taken into consideration. He pointed to examples of LDC beneficiaries under India's scheme, noting that almost 100% of their imports came under its preferential regime. In addition, he noted that certain tariff lines in India had very low tariff rates, thereby offering low preferential margins. Other lines, he explained, could benefit from other types of duty exemptions. As a result of such factors, he proposed to carry out a more detailed line-by-line analysis.

1.28. The representative of Niger thanked delegations for their comments and encouraged Members to stick to the methodologies agreed by the Committee to calculate utilization rates. He urged Members to share any additional data with the WTO Secretariat and with the LDCs.

1.29. The representative of Tanzania noted that the arguments by the Indian representative made sense. However, he did not believe that low preferential margins had a strong impact on utilization, especially if trade values were high, such as in the case of minerals and metals. In addition, he said that FTAs benefitted only a few LDCs, so additional data would not entirely change the overall picture presented by the LDC Group. He urged India and China to consider engaging more intensively with LDCs to be able to understand the practical reasons for under-utilization. Minerals, for instance, were wholly obtained goods. The difficulties in this sector could be related to the administration of rules of origin. He welcomed the assessment made by China and encouraged India also to share its own analyses with the Committee. He clarified that the intention of the LDCs was to engage and collaborate with preference-granting Members. He thanked them for their efforts to help LDCs on their journey to development, and for their efforts to integrate LDCs into the global multilateral trading system.

1.30. The representative of Togo thanked Senegal for the presentation. He also thanked China and India for providing data to enhance the calculation of preference utilization. He said that this would help to increase the LDC share of global trade.

1.31. The representative of Cambodia thanked China and India for their responses. He added that his delegation was eager to receive the full set of data from both India and China, upon completion of their respective internal procedures.

1.32. The representative of India reassured the LDC Group that the consideration of import statistics under FTAs and other concessions would make a big difference not only to Asian LDCs, but also to African LDCs. He confirmed that his delegation would be coming forward with new calculations in the future. He requested the LDCs to avoid rushing to conclusions, but rather to wait for information and the fruitful exchanges that his delegation would like to have with them.

1.33. The representative of China thanked delegations for their comments and explained that his delegation had been discussing the methodology for calculation of preference utilization rates with the Secretariat since March 2023. It was his delegation's view that there was nothing wrong in the methodology or the equation used. The main concern was on how different structures would be incorporated into the equation. He confirmed that China would present a more comprehensive report describing the real situation of utilization in China.

1.34. The representative of Australia, while referring to a presentation made in 2021 to the CRO, noted that utilization in the context of Regional Trade Agreements (RTAs) tended to be high when full data was considered. He cautioned against the danger of drawing hasty conclusions before getting a full understanding of the data. He appreciated that the LDCs had mentioned some of the factors that required attention and looked forward to the future presentations by China and India.

1.35. The representative of Senegal, on behalf of the LDCs, thanked China and India for their input. He urged other Members to complete their notification requirements.

1.36. The representative of Switzerland noted that there seemed to be a need for an assessment of utilization rates at the most detailed level. In this sense, it was essential that Members and the Secretariat had access to standardized, comprehensive, and reliable import statistics. He mentioned that Members should continue to engage on this discussion based on data and facts.

1.37. In conclusion, the Chairperson highlighted that the LDC Group had made specific requests in their presentations. Therefore, she proposed that the delegations could hold consultations or exchange views in writing to follow up. She would then turn back to this item at the CRO's next formal meeting.

1.38. The Committee took note of the statements made and agreed to proceed accordingly.

1.6 Proposal by the LDC Group Concerning the Content of a CRO Report to the General Council Ahead of the Next Ministerial Conference Reporting on Preferential Rules of Origin and the Implementation of the Ministerial Decisions ([G/RO/95](#) and Paragraph 8 of [WT/L/1135](#)) ([G/RO/W/221](#)) – Submission by Djibouti on Behalf of the LDC Group

1.39. The Chairperson recalled that the Decision on preferential rules of origin adopted by the Committee in 2022 ([G/RO/95](#)) required the CRO to prepare a report to the General Council ahead of the Thirteenth Ministerial Conference. She recalled that, in reality, the Committee prepared a report to the General Council on an annual basis, as prescribed by the Bali and Nairobi Ministerial Decisions. She also recalled that, during the last meeting of the CRO, she had sought to hear Members' views about how to structure such a report, and how to organize the work of the CRO in light of the 2022 Decision. At the time, the LDC Group had informed the Committee that it needed additional time to identify their expectations about the work of the CRO and the report. She also noted that the LDC Group had now submitted their proposal containing the headings which, in the Group's views, should be covered by such a report. Therefore, she invited delegations to give their views on the topics that should be covered, how Members wished to proceed to draft the report, and if there were any specific topic(s) related to preferential rules of origin which Members wished to focus on in the upcoming months.

1.40. The representative of the European Union expressed her delegation's support for the proposal of the LDC Group in terms of the content of the report, and appreciated the effort made by the LDCs in analysing how Members had implemented the 2013 and 2015 Ministerial Decisions. She sought to clarify whether the LDC Group would also circulate a first draft of the report, or if it was assumed that Members or the Secretariat would prepare a first draft.

1.41. The representative of the United States appreciated the work of the LDCs to generate some ideas for the report to the General Council. He noted that the LDCs had previously generated papers

describing their experiences with different preferences. In this respect, he noted that the US was sceptical about Members' ability to reach an agreement on what constituted best practices, since all Members were likely to prefer the practices under their own programmes. He recalled that the Committee had undertaken significant work on utilization, which could be an area of focus for the report. He also explained that it was unlikely that preference-granting Members would make major changes to their programmes in the short term. He informed Members that his government would try to find the reasons for low utilization, and that it would be willing to cooperate with other Members in pursuit of this goal. Finally, he noted that some of the topics proposed by the LDCs had not yet been substantially discussed in previous meetings of the Committee, while others had not yet been discussed thoroughly.

1.42. The representative of Canada welcomed the opportunity to report a summary of the work being undertaken by the CRO in line with the MC12 Ministerial outcome document. He also favoured the suggestion for a continued focus on the topic of preference utilization. Regarding the first draft of the report, Canada was open to Members' suggestions but favoured a first draft by the Secretariat, as was customary at the WTO. Finally, he asked the Chairperson to clarify whether there would be another formal meeting of the CRO before MC13 to consider and finalize the draft.

1.43. The representative of India appreciated the work of the LDCs in analysing preference utilization rates. He acknowledged that the topics enumerated in the Group's proposals were important, and that they contained some of the issues that India was also contemplating. However, he noted that, despite the importance of the topics, there was a need to examine further the issues therein before making a report. He reiterated the need to put timeliness on the tasks ahead to be sure of the long- and short-term goals given the limited time remaining before MC13, while suggesting the prioritization of the topics where the Committee could agree on meaningful language. He supported the idea of having the Secretariat preparing the first draft of the report, instead of specific groups. The Committee would then discuss the full draft report.

1.44. The representative of China expressed support for the LDC Group's initiative. China proposed that, instead of using the term "best practices" in item 4, Members could focus on their own analyses and different perspectives. He encouraged other preference-granting Members to share their experiences on utilization and their methods of calculation.

1.45. The representative of Tanzania said that the approach had to be bottom-up, meaning that the language had to be proposed by LDC delegations, followed by a consideration and discussion by the full Membership. The LDCs should take the lead since they were the ones affected by the issues under discussion.

1.46. The representative of Australia supported a first draft by the Secretariat. He noted that the outline presented by the LDCs included specific references from the point of view of the LDCs. However, the final report should reflect the views of the Committee as a whole.

1.47. The representative of the United States cautioned against a first draft report by the LDC Group, noting that the report should be a document prepared and endorsed by the full Committee and, as such, that it had to reflect the views of the whole Membership, following collective engagement. His concern was with the fact that, if a specific group was allowed to produce the initial report, the draft might be presented when insufficient time was available for other Members to review it, and to provide their input.

1.48. The representative of the European Union supported the preparation of the first draft by the Secretariat given the limited time available before MC13, and the fact that the LDC report contained some elements that required extensive discussions. She urged Members to agree on these next steps to avoid a lengthy discussion on process rather than substance.

1.49. The representative of Cambodia offered an alternative approach: he proposed that both the Secretariat and the LDC Group prepare draft reports. Members could then consider and consult on the best way to merge the two reports.

1.50. The representative of Canada suggested that the CRO should follow the practice of other Committees, namely that the Secretariat would usually be tasked with the drafting of an initial report.

1.51. The Chairperson confirmed that a formal meeting had already been scheduled for October 2023. She suggested that Members wishing to do so could send inputs of any type to the Secretariat for the compilation and preparation of a first report. Members would then meet informally ahead of the next CRO formal meeting to consider this first draft.

1.52. The representative of the United States sought a clarification regarding the type of inputs that Members were expected to submit.

1.53. The representative of Australia also sought to clarify what was expected from Members, in particular whether it was only comments, or also recommendations. However, he thought it might be premature for Members to make recommendations.

1.54. The representative of Tanzania informed Members that the LDC Group had been working on its inputs on the matters outlined in their submission, but that the Group needed additional time to gather together all its proposals.

1.55. In conclusion, the Chairperson clarified that Members could provide comments in general, or comments on specific topics, or make suggestions and recommendations for other Members to consider. She also encouraged the LDC Group to submit their proposal as soon as possible, ideally by 15 July, so that the Secretariat could consolidate it into a first draft for circulation. The Secretariat would also include a descriptive part to the draft report. After the circulation of a first draft, she would call an informal open-ended meeting of the CRO to discuss it, with a view to reaching agreement so that it could be adopted at the CRO's next formal meeting, in October.

1.56. Members agreed to proceed accordingly.

2 NOTIFICATIONS UNDER ARTICLE 5 AND UNDER PARAGRAPH 4 OF ANNEX II OF THE AGREEMENT ON RULES OF ORIGIN ([G/RO/N/246](#) – [G/RO/N/253](#) AND [G/RO/N/232/REV.2](#)) – UPDATE AND REPORT BY THE SECRETARIAT

2.1. The Secretariat (Mr Darlan Martí) presented a summary of notification obligations regarding rules of origin under the WTO Agreement on Rules of Origin. He distinguished obligations related to publication (in domestic sources) from notification (active information submitted to the WTO). He explained that notification obligations were contained in the WTO Agreement on Rules of Origin (Article 5.1 and Annex II, paragraph 4). These notification obligations were also complemented by obligations under the Trade Facilitation Agreement (Article 1.4) and the Bali and Nairobi Ministerial Decisions. Such obligations covered both non-preferential and preferential rules of origin. However, such obligations did not contain details about how they should be structured, and what their precise scope should be. In the case of preferential rules of origin for LDCs, Members had adopted a detailed notification template that helped improve and standardize the information available. In the case of preferential rules of origin under regional trade agreements, no such template existed. However, the Secretariat coordinated internally to avoid duplicative obligations, and to ensure that notifications made to the Committee on Regional Trade Agreements were also circulated to the CRO. Preferential rules of origin were accessible through the WTO website of the International Trade Centre (ITC), the World Customs Organization (WCO), and the WTO [Origin Facilitator](#). In the case of non-preferential rules of origin, Members had been discussing the adoption of a similar notification template to update and standardize the information presented by Members. The Secretariat mentioned that most notifications had been received in 1995-1996, and that it was impossible to verify whether the legislation notified was still in force or not. Similarly, it was impossible to know the specific sectors and trade policy instruments to which non-preferential rules of origin applied. All the legislation and references notified could be retrieved through the [rules of origin page of the WTO website](#) (Members menu under "non-preferential rules of origin"). On the basis of the information available to the Secretariat: 52 Members did not apply non-preferential origin requirements; 54 Members applied non-preferential origin requirements; and 21 Members had not yet informed the CRO about their practices ([RD/RO/104](#)).

2.2. The representative of Switzerland thanked the Secretariat for its report and recalled that these information gaps had been known to Members for a number of years now. It was precisely the desire to update and improve the information available that had motivated the proposal of a "draft transparency decision for non-preferential rules of origin", including a notification template to be used by all Members ([G/RO/W/182/Rev.4](#)). As a result of this situation, he expressed his delegation's

support for this draft decision and called on all Members to agree to updating their notification obligations.

2.3. The Committee took note of the report and the statement made.

3 DRAFT TRANSPARENCY DECISION ON NON-PREFERENTIAL RULES OF ORIGIN (JOB/RO/8) – STATEMENT BY THE CHAIRPERSON

3.1. The Chairperson recalled that the Committee had been considering ways to enhance the transparency of non-preferential rules of origin for some years already. It had considered five versions and revisions of a draft decision and notification template proposed by a group of Members. She further recalled that, in the last formal meeting of the Committee, it had been agreed that the Chairperson would hold consultations to explore textual options with a view to making progress with a Chairperson's text. In this regard, she reported that she had organized consultations with several Members and groups of Members. Her draft text had been circulated ([JOB/RO/8](#)) and discussed in an informal open-ended meeting on 2 December 2022. While the text had enjoyed large support, a few delegations had raised concerns over certain of its elements. She sought Members' guidance about next steps and indicated that she would be available to continue her consultations. She considered that there were only a limited number of issues still outstanding and believed it possible to find language that would accommodate all delegations.

3.2. The representative of Indonesia thanked the Chairperson for her report. His delegation thought that the notifications for developing countries and LDCs should be expected one year after the adoption of the decision, but only provided that technical assistance was available.

3.3. The representative of India noted that, while Members had made progress, his delegation had also raised its concerns over the Chairperson's text. India looked forward to continuing its bilateral consultations with the proponents regarding amendments that would address India's concerns.

3.4. The Chairperson concluded that she would continue consulting with Members on this initiative with a view to finalizing a text that could subsequently be proposed to the Committee for its adoption.

3.5. It was so agreed.

4 MC12 IMPLEMENTATION MATTERS: IMPROVING THE FUNCTIONING OF THE CRO – REPORT TO THE COUNCIL FOR TRADE IN GOODS BY THE CHAIRPERSON OF THE COMMITTEE ON RULES OF ORIGIN ([G/RO/W/217](#)) AND COMMUNICATION BY THE CHAIRPERSON ([JOB/RO/9](#) AND [JOB/RO/9/REV.1](#))

4.1. The Chairperson recalled that, following discussions at the Council for Trade in Goods (CTG) on possible improvements to the functioning of WTO bodies, she had consulted delegations about possible steps that could be implemented to improve the work of the CRO. In her communication to Members, she had suggested steps that she thought could more easily garner the support of Members, and which, as a result, could be implemented immediately. No delegation had objected to her proposals. As a result, she had proposed that the Committee immediately implement the following six steps:¹

- (a) Ask the Secretariat to organize introductory sessions describing the past and current work of the CRO as well as the legal instruments that underpin the work of the Committee;
- (b) Ask the Secretariat to prepare a manual describing the main procedural and substantive aspects of the work of the CRO (possibly to be made available online);
- (c) Start issuing an annotated agenda ahead of formal meetings to give delegations greater background about each of the items to be discussed and possible action or decisions expected at the meeting;
- (d) Circulate in writing any oral reports delivered by the Chairperson or the Secretariat when this could be helpful;
- (e) Systematically add hyperlinks to facilitate access to documents cited in documents circulated to Members; and

¹ [ICN/RO/1](#) and [ICN/RO/2](#).

- (f) Continue the current practice of organizing meetings in a hybrid format unless there was a decision to the contrary by the WTO.

4.2. She then proposed to hear delegations' views on other possible improvements, in particular:

- (a) Whether the CRO should implement the eAgenda platform;
- (b) Whether to cluster meetings of the CRO and other bodies or hold joint sessions;
- (c) Whether to implement any changes to the way the minutes of the CRO were prepared; and
- (d) Whether the Committee should be using the trade concerns database.

4.3. The representative of the European Union noted that the EU appreciated the transparent, step-by-step approach taken by the Chairperson on this matter. With reference to document [JOB/RO/9/Rev.1](#), her delegation agreed with the measures proposed for immediate implementation. The EU also welcomed the detailed annotated agenda that had been circulated, which had been very useful when preparing for the meeting. Regarding the eAgenda, the EU thought that it was a useful tool to build the agenda, and to prepare for and follow up on meetings, and also that it could contribute to a faster preparation of the minutes. She asked whether the implementation of the eAgenda would have budgetary implications. Furthermore, she welcomed the idea of circulating oral reports before the meetings. She also lauded the good practice of engaging with other stakeholders and international organizations, noting that this would be done on a needs basis or upon a proposal by Members.

4.4. The representative of the United Kingdom appreciated the proactive approach the Chair had taken. His delegation also supported the implementation of the six steps proposed by the Chairperson. He agreed that the eAgenda was helpful, especially to Members with capacity concerns, and that it facilitated information-sharing without cost implications. He stressed the need to prioritize the circulation of minutes as quickly as possible after Committee meetings.

4.5. The representative of Canada was pleased to discuss areas for improvement in the Committee's work. She added that Canada was keen to see how its proposals to the General Council would relate to the work of this body. She confirmed that the eAgenda, the hyperlinks, and the annotated agenda were very valuable tools. She looked forward to further engagement on these matters.

4.6. The representative of Ecuador welcomed the proposals, citing the limited resources available to his delegation. He also proposed an introduction to digital tools to Members to familiarize them with such tools. He welcomed the annotated agenda and hyperlinks. He mentioned that the eAgenda was useful in the preparation and follow-up to Committee meetings.

4.7. The representative of Japan noted that the CRO had been functioning well in its active discussions, series of webinars, and experience-sharing sessions, and that the proposals would help to further improve the Committee's functioning.

4.8. The representative of India complimented the Chairperson and the Secretariat for proposals that were good, and positive, and which contributed to a better functioning of the CRO. He noted that his delegation had proposed incremental changes to improve the work of WTO bodies. He welcomed the six areas proposed by the Chairperson, noting that these proposals were essential. He mentioned that the eAgenda would be beneficial provided that it did not have cost implications. He also stressed the need for improvements in the preparation and circulation of minutes.

4.9. The representative of the United States appreciated that the documents had been circulated in advance to help in preparing for the meeting. He agreed with the assessment in relation to improving coordination and coherence with the work of other WTO bodies, in particular the Committee on Trade and Development (CTD) and the Sub-Committee on Least-Developed Countries. Both bodies also discussed the integration of LDCs into the multilateral trading system and the impact of preferential rules of origin. He also proposed educational events, such as those on the history of harmonization, and on the background to, and work of, the CRO.

4.10. The representative of the Republic of Korea commended the Chairperson and the Secretariat for the useful next steps and timely overview table, noting that Korea was open to any meaningful engagement in the Committee. He informed Members that Korea supported the six measures

proposed. He further noted that the eAgenda would also be useful, provided that its implementation would have no budgetary implication.

4.11. The representative of Australia expressed support for the six items proposed. He also said that the clustering of meetings could be useful to provide a greater incentive for capital-based officials to travel to Geneva. One possibility would be to cluster meetings of the CRO with those of the Committee on Market Access – CMA (informal meetings). Regarding the trade concerns database, he noted that the Committee did not normally deal with many trade concerns; he was therefore sceptical concerning the relevance of the database to the work of the CRO.

4.12. The Chairperson thanked delegations for their comments and inputs and She proposed the following:

- (i) First, that the Committee move ahead and implement the six steps to which it had already agreed and to implement eAgenda subject to it being budget-neutral;
- (ii) Second, that the Chairperson circulate a written summary of additional steps discussed during the meeting, for further discussion; and
- (iii) Finally, the Chairperson would ask the Secretariat to prepare a draft report for the CTG describing the Committee's discussions and steps agreed. The Committee could consider this draft report – and revise it as necessary – at its next formal meeting.

4.13. It was so agreed.

5 RESPONSE TO THE PANDEMIC IN THE COMMITTEE ON RULES OF ORIGIN – REPORT TO THE COUNCIL FOR TRADE IN GOODS BY THE CHAIRPERSON OF THE COMMITTEE ON RULES OF ORIGIN ([G/RO/W/218](#)) AND COMPILATION PREPARED BY THE SECRETARIAT ([G/RO/W/219](#))

5.1. The Chairperson recalled that, at the request of the Chair of the CTG, she had prepared an overview of the activities of the CRO related to the COVID-19 pandemic. The report showed that the Committee had not recently reverted to this item. Therefore, she had asked the Secretariat to prepare a document listing the origin-related measures taken by WTO Members in response to the COVID-19 pandemic. The compilation had been prepared and was being proposed for information only. She emphasized that all the measures listed had been sourced from notifications made to the Committee on Market Access, the Committee on Trade Facilitation, and/or had been collected in the context of the WTO trade monitoring mechanism. She considered that the compilation would prove to be a useful document for future reference. Its relevance and usefulness would be additionally boosted if all delegations corrected and updated it. To this end, she requested Members to review the report and provide any comments to the Secretary, as necessary.

5.2. The representative of the European Union thanked the Secretariat for the document and indicated that it would send its comments on the document to the Committee's Secretary. In the case of the EU, one of the temporary measures listed had since been lifted.

5.3. The Chairperson reiterated her request to delegations to send any corrections or supplementary information to the Secretariat. If necessary, a revision of the document would be circulated in due course.

5.4. It was so agreed.

6 NEXT INFORMATION SESSION OF THE COMMITTEE OF RULES OF ORIGIN – STATEMENT BY THE CHAIRPERSON

6.1. The Chairperson recalled that the Committee had been holding regular information and experience-sharing sessions since at least 2014. She noted that this was a well-established and good practice, and a practice that had been proposed to improve the functioning also of other WTO bodies. In relation to such future sessions, different topics had been proposed by Members, as followed:

- (i) Self-certification of origin and exchange of experiences and possible best practices;
- (ii) Automation and digital certificates of origin also with an exchange of experiences and possible best practices;

- (iii) A continuation of previous sessions on the factors influencing the utilization of trade preferences with a focus on the impact of origin requirements (building on the two sessions organized in 2020 and 2021); and
- (iv) Methodological and statistical issues related to the calculation of preference utilization rates.

6.2. Going forward, the Chairperson asked delegations to inform the Secretariat about other possible topics of interest to them, and also about their willingness to contribute speakers for any of the topics. She would discuss possible dates and specific topics with the Secretariat and inform delegations in due course.

6.3. The Committee agreed to proceed accordingly.

7 ACTIVITIES OF THE WCO TECHNICAL COMMITTEE ON RULES OF ORIGIN (TCRO) IN 2022 – REPORT BY A REPRESENTATIVE OF THE WCO

7.1. The representative of the World Customs Organization (WCO) reported on the activities of the WCO Technical Committee on Rules of Origin (TCRO) in 2022 (RD/RO/105). She also informed Members of the launch of the Global Origin Conference, which would take place in Chile. In addition, she informed Members about the Master Trainer Programme that the WCO was offering in collaboration with the Japan International Cooperation Agency (JICA), whose aim was to train new trainers of customs officials. She also informed Members about the implementation of an EU-funded capacity building programme to support the implementation of the African Continental Free Trade Area.

7.2. The representative of Tanzania thanked the WCO for its work and capacity-building effort. He also lauded the WCO for incorporating preferential rules of origin and the Nairobi Decision in its capacity-building instruments. He welcomed the Global Origin Conference that would take place in Chile in November, noting that it would contribute to a better understanding of how rules of origin affected international trade.

7.3. The representative of Togo thanked the WCO and the sponsors of the capacity-building projects. He sought more clarity as to whether or not the WCO had carried out and completed a study on the digital certification of origin, and if so, whether there were any preliminary results that could be shared. He also requested the WCO to consider involving trade officials dealing with rules of origin, in addition to customs officials, in their training programmes.

7.4. The representative of the Russian Federation noted that, given that the WCO was an important observer to the CRO, the Committee could consider requesting the WCO to make a more detailed presentation of their work on rules of origin, including the history, an overview of their instruments, the background, and their achievements.

7.5. In response, the WCO representative informed Members that she would consult with JICA on the matter. The WCO representative further informed delegates that they could reach out to the WCO if they had any capacity-enhancement requests. The WCO, she explained, could collect and see how best to respond to Members' needs. She also confirmed that the digital certification survey had been completed, and that its results would be published later in June. The practices of 84 Members in this area would be described in the report, based on answers to a questionnaire.

7.6. The Committee took note of the report and the statements made.

8 ELECTION OF CHAIRPERSON

8.1. The Chairperson informed the Committee that the Council for Trade in Goods had just recently reached a consensus on a slate of names of officials to serve as chairpersons of regular bodies of the WTO in 2023. In the case of the CRO, she informed the Committee that Mr Elia Mtweve had been proposed as its new Chairperson. She asked the Committee to confirm Mr Mtweve's election by acclamation.

8.2. The Committee elected Mr Mtweve as the Chairperson of the CRO for the 2023-2024 period.

9 DATES OF NEXT MEETINGS OF THE COMMITTEE

9.1. The Chairperson informed delegations that the dates of the next formal meetings of the Committee had been scheduled for 12 October 2023 and 7 May 2024. These dates had been confirmed and were reflected in the WTO calendar of meetings.

9.2. The Committee took note of these dates.

10 OTHER BUSINESS

10.1. There were no items raised under "Other Business".

10.2. The meeting was adjourned.
