



TECHNICAL COMMITTEE
ON RULES OF ORIGIN

OC0117E1a

-
26th Session
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O. Eng.

Brussels, 18 December 2007.

DEVELOPMENTS RESULTING FROM LAST POLICY COMMISSION
AND COUNCIL SESSION

REPORT BY THE SECRETARIAT

(Item III (2) (c) on the Agenda)

Reference documents :

SP0237E1a (Impact of Regional Trade Agreements)
SP0250E1a, Item V (c), paras. 86–95 (Report of the 57th Session of the Policy Commission)
SC0082E1a, Annex VIII, para. 4 (Minutes of the 109th/110th Sessions of the Council)
SP0262E1a (Regional Trade Agreements – Progress Report on Implementation of Action Plan)

I. ACTION PLAN APPROVED BY THE COUNCIL

1. The number of preferential agreements has been steadily increasing over the last decades and the sluggish progress in the multilateral trade negotiations under the Doha Development Round appears to have given this trend a further boost. The proliferation of preferential trade agreements with their manifold rules of origin presents challenges both to Customs administrations and to the business community which are faced with more and more complex networks of preferential trade relations. Given the central role that Customs services play in the management of preferential rules of origin in most countries, the WCO is facing ever-increasing requests for assistance for the administration, simplification and application of preferential rules of origin.
2. Thus, WCO Members have endorsed to increase the profile of the Organization in the field of preferential rules of origin and an Action Plan focusing on the following key issues has been agreed:
 - Establishment of a database of preferential agreements with its rules of origin;
 - Launch of a comparative study of rules of origin under existing preferential agreements;
 - Enhancement of training and seminars for all rules-of-origin-related matters (both preferential and non-preferential);

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- Adaptation of the WCO structures in order to meet the needs of WCO Members and trade interests in all origin-related matters (administrative management – Technical Committee on Rules of Origin (TCRO) and regional groupings);
3. The Secretariat of the WCO has the intention to play a more active role in the field of preferential rules of origin and is starting to build up the instruments and tools to promote the Organization as a key player in origin matters, both for preferential and non-preferential rules.

II. PROGRESS REPORT ON IMPLEMENTING THE ACTION PLAN

4. The Secretariat started to work on the following topics of the Action Plan and the document sets out the progress achieved to date:

Establishment of a database of preferential agreements

5. The WCO Secretariat has prepared a detailed product specification and user requirements for the creation of a database of preferential arrangements with its rules of origin. Member administrations have been requested to provide the Secretariat with texts of regional trade agreements and the relevant rules of origin. The Secretariat is currently collating these texts (for more details see also document OC0120E1a).

Launch of a comparative study on preferential rules of origin

6. The WCO Secretariat has started to build up a concept for a comparative study of preferential agreements in which commonalities of the various preferential rules of origin would be identified and differences pinpointed. An example of the concept of the study will be presented to the Committee under Agenda Item V (b).

Training and seminars

7. The Secretariat had organized a national seminar on rules of origin in Vietnam at the beginning of November 2007.
8. An expert on rules of origin from the Secretariat participated in the training courses for a Master Degree in Customs Law at the University of Münster (Germany) and in a seminar organized by the Faculty of Economics at the University of Skopje (The Former Yugoslav Republic of Macedonia), briefing on the state of play with regard to the negotiations on the harmonization of non-preferential rules of origin.
9. The Origin Sub-Directorate welcomed two Fellows from Brazil and Cameroon in the framework of the WCO Fellowship Programmes.
10. A two-day expert training course for the private sector was organized at the WCO Headquarters in Brussels at the end of November 2007.

Administrative management – Technical Committee on Rules of Origin and regional groupings

11. The Secretariat is organizing a meeting of a Task Force of origin experts dealing with preferential rules of origin from all WCO regions in order to support the Secretariat in its efforts to improve its knowledge of rules of origin under the various preferential agreements. The participants of the Task Force meeting will also be encouraged to work actively in the

preparation of e-learning modules covering rules of origin in the various preferential agreements. They will also attend a Train-the-Trainer course in view of the establishment of a pool of origin experts capable of independently leading training activities bearing the WCO label in their respective region.

III. CONCLUSION

12. The Committee is invited to take note of (1) the more proactive role on the part of the WCO in the field of preferential rules of origin, (2) the start of the work with regard to the establishment of a database of preferential rules of origin and (3) the start of the work on undertaking a comparative study on preferential rules of origin.
