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Trade
Centre

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Rules of Origin

Inputs for the discussion on the NTM classification

Mondher Mimouni

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Classification of Non-Tariff Measures

February 2012 version

Imports	Technical measures	A SANITARY AND PHYTOSANITARY MEASURES B TECHNICAL BARRIERS TO TRADE C PRE-SHIPMENT INSPECTION AND OTHER FORMALITIES
	Non-technical measures	D CONTINGENT TRADE-PROTECTIVE MEASURES E NON-AUTOMATIC LICENSING, QUOTAS, PROHIBITIONS AND QUANTITY CONTROL MEASURES OTHER THAN FOR SPS OR TBT REASONS F PRICE-CONTROL MEASURES, INCLUDING ADDITIONAL TAXES AND CHARGES G FINANCE MEASURES H MEASURES AFFECTING COMPETITION I TRADE-RELATED INVESTMENT MEASURES J DISTRIBUTION RESTRICTIONS K RESTRICTION ON POST-SALES SERVICES L SUBSIDIES M GOVERNMENT PROCUREMENT RESTRICTIONS N INTELLECTUAL PROPERTY O RULES OF ORIGIN
Exports		P EXPORT RELATED MEASURES

Rules of origin cover laws, regulations and administrative determinations of general application applied by the governments of importing countries to determine the country of origin of goods.

Rules of origin are important in implementing such trade policy instruments as anti-dumping and countervailing duties, origin marking, and safeguard measures.

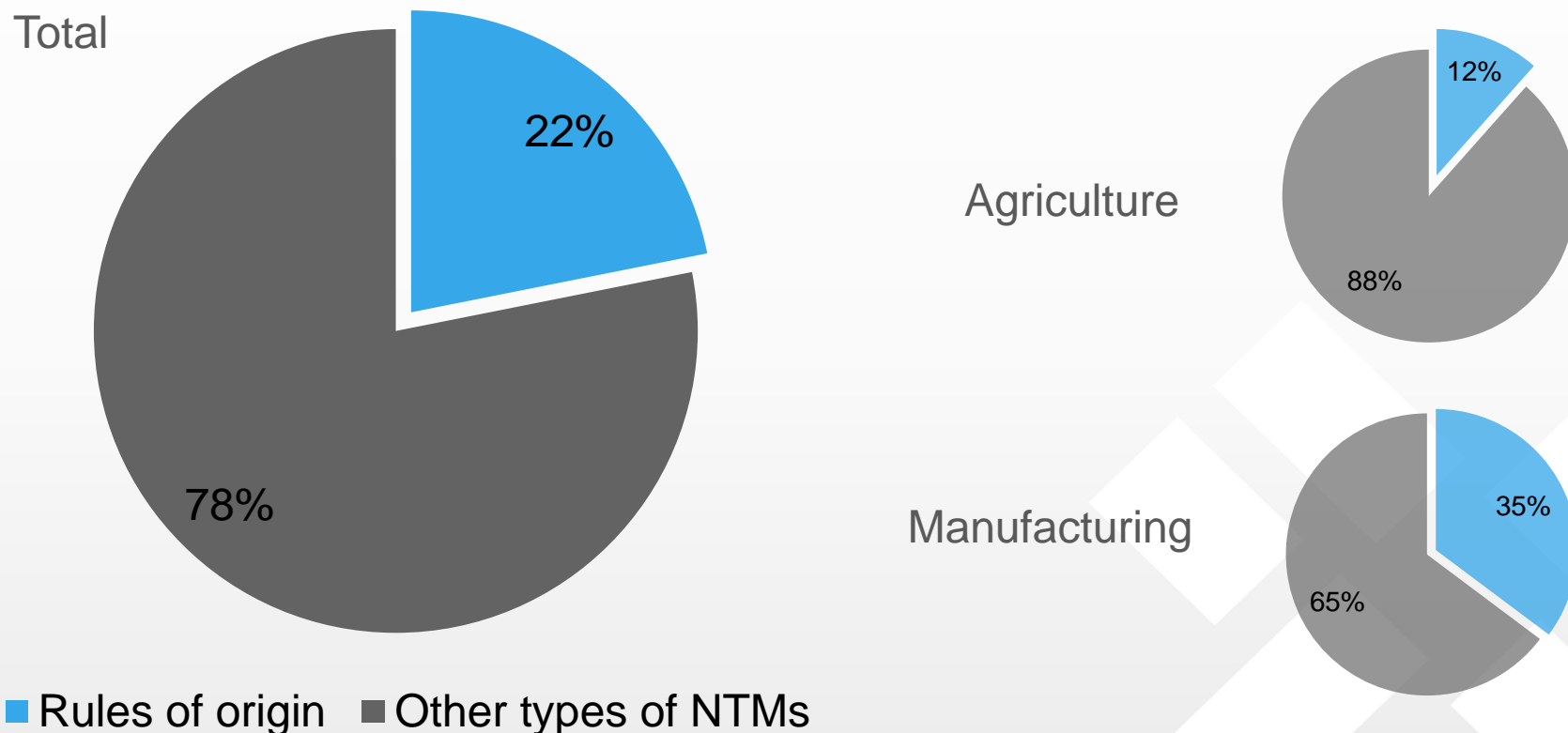


How do exporters and importers perceive rules of origin?



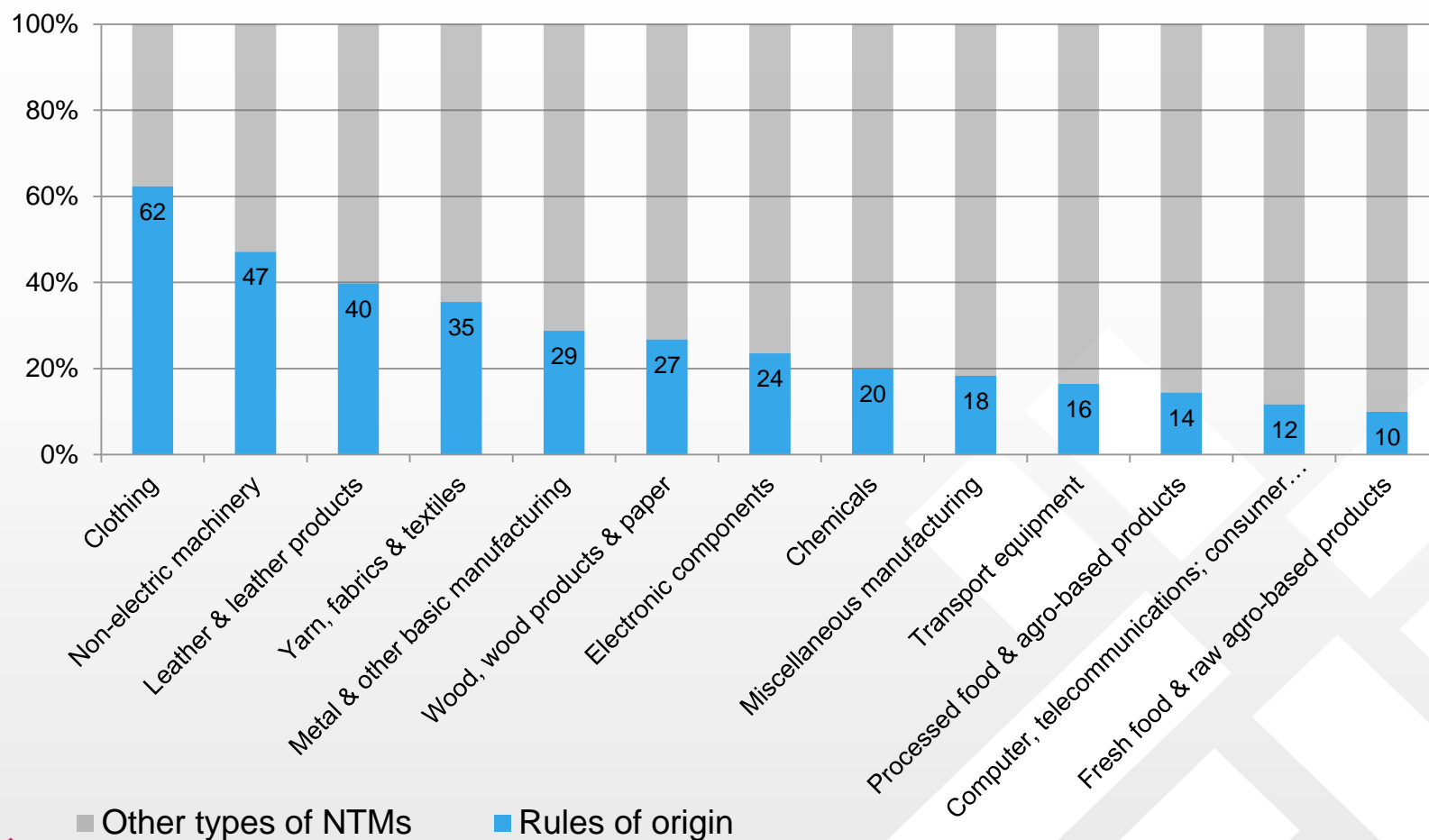
Rules of origin are among the NTM types that are perceived as most burdensome, especially in manufacturing

Share of NTM cases related to Rules of Origin*



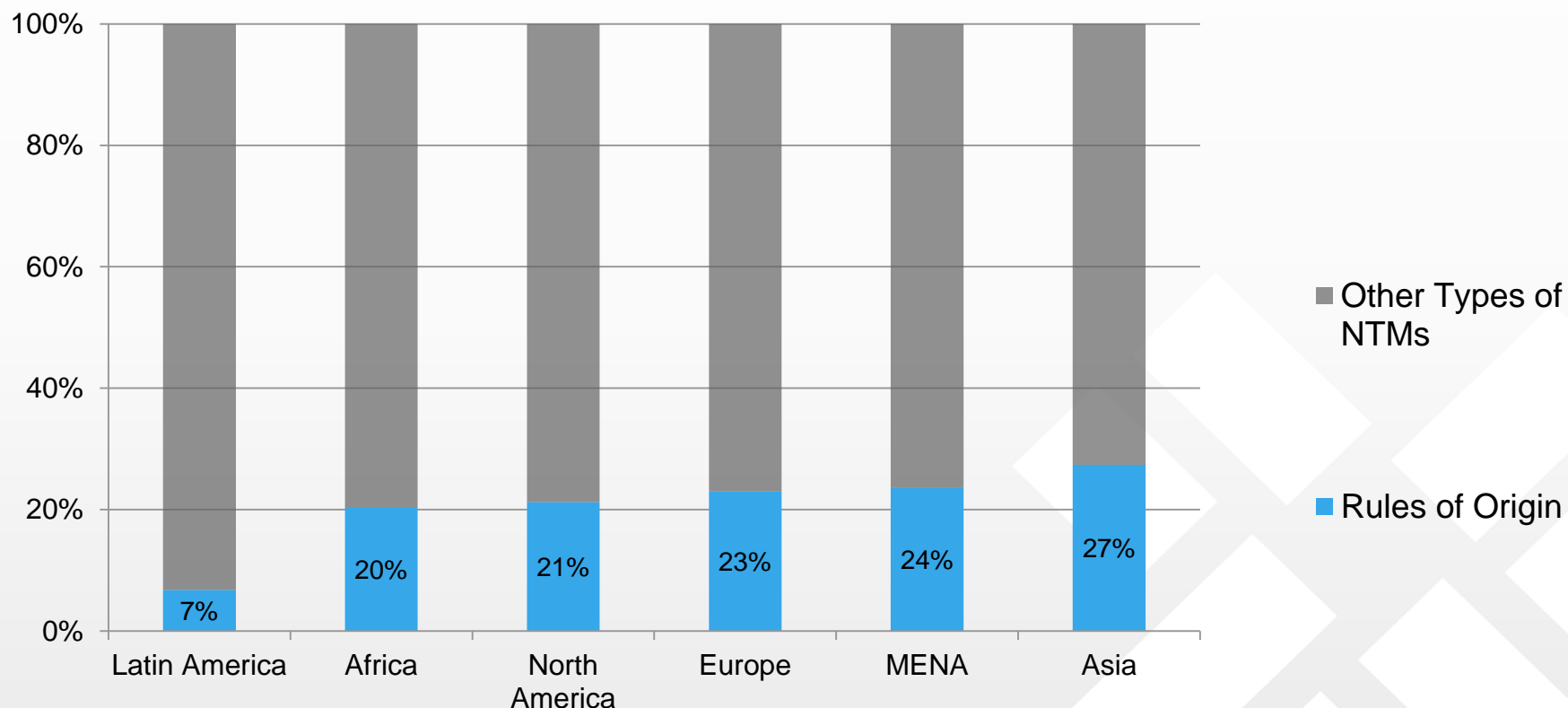
Clothing and textiles exports appear to be particularly affected by issues related to rules of origin

Share of NTM cases related to Rules of Origin*, by sector



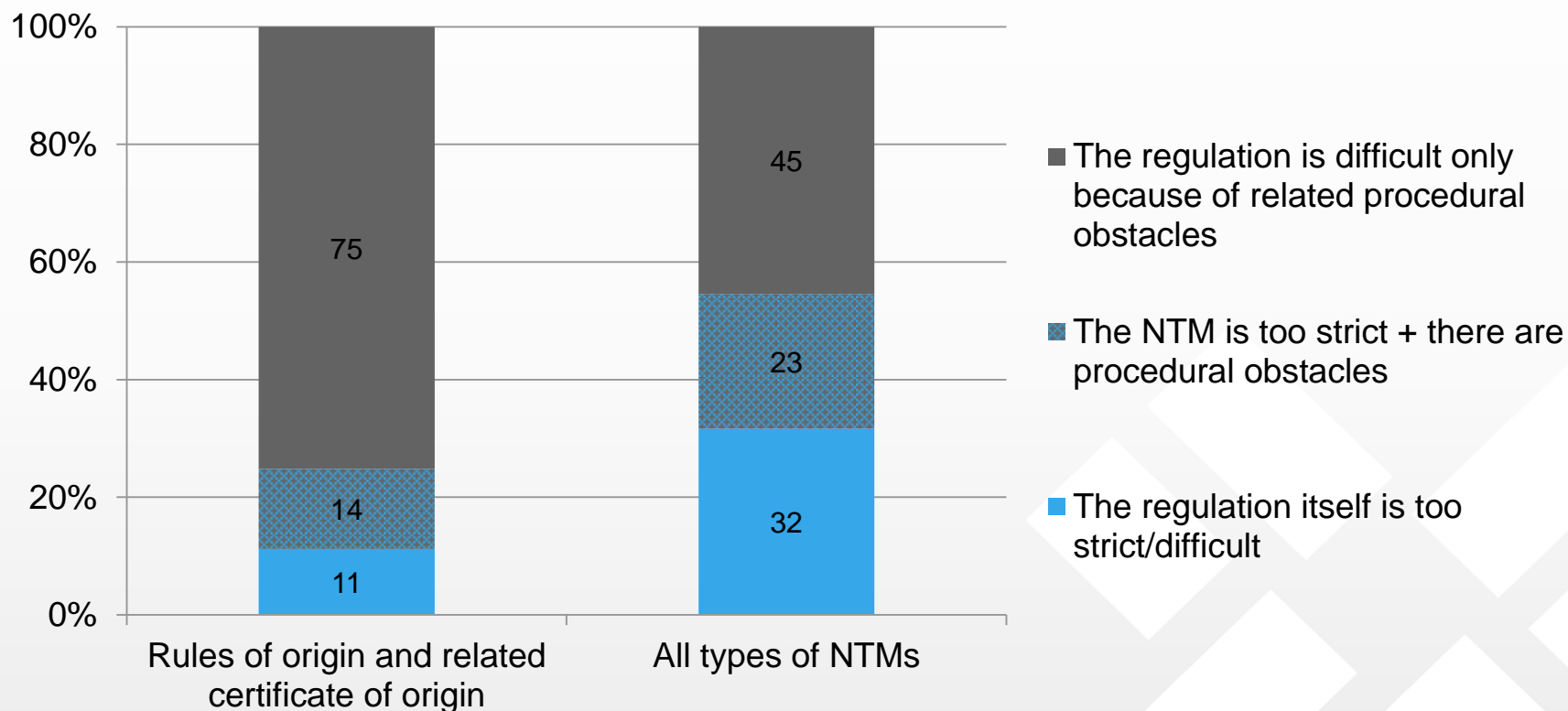
Who imposes the product origin requirements, with which exporters experience difficulties?

Share of NTM cases related to rules of origin*, by partner country



Is it the rules themselves that exporters find difficult?

Share of NTM cases*, by type of difficulty



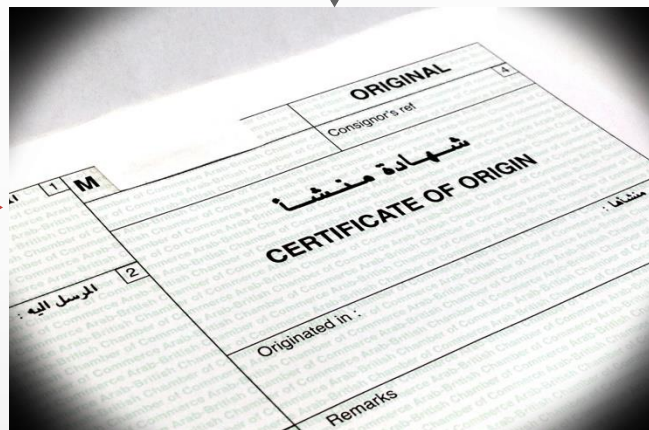
What types of procedural obstacles are reported?



High cost
21%



Admin
burden
16%



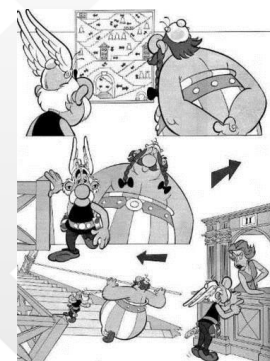
Delays
49%



Arbitrary
behaviour
of
officials
6%



Other
7%



The majority of difficulties linked to the certificate of origin are encountered at home (in the exporting country)

Share of procedural obstacles*, by location

Rules of Origin



In the home country



In the partner country

All types of NTMs



In the home country



In the partner country

- Exporter testimonies

Between one week and 10 days only for issuance

2 to 3 months to prepare the dossier. It's a waste of time. In addition, it's repetitive.

10 different documents, every time!

➤ Inefficiencies in issuing the certificate of origin

3-4 additional days just because I have to come to the capital

3-4 days

2 weeks to prepare the documents to be submitted, 5 days to receive the certificate

Points for discussion



Preferential versus non-preferential ROO

Is it necessary (→ policy making) / useful (→ WTO discussions, research) / possible (→ data collection) to distinguish between preferential and non-preferential ROO?

Non-preferential ROO versus traceability

Is it possible to draw a line between non-preferential ROO (chapter O) and traceability (A85 & B85)? Will it be easy in practice (i.e. coding)?

Rules or origin versus the requirement to have a certificate of origin

Are rules of origin and requirements for exporters to carry a certificate of origin for their products two different regulations? What about coherence with chapters A and B where the rules are separated from certification requirements (“conformity assessment”)? The ITC NTM Surveys show that exporters have more issues with the certificate than with the underlying rules, but is the distinction useful and possible for ‘official’ NTM data collection?

Explanatory text in the classification

May require reformulation / clarification

Thank you!



For further information:

<http://ntmsurvey.intracen.org>

Market Analysis and Research
International Trade Centre

ntm@intracen.org



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