

Study on Accumulation / Cumulation

NUMBER

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Executive round table on Rules of Origin: Rules of Origin in a fractioned world trade

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1.1



1. Introduction

2. Explanation of Accumulation/Cumulation

3. Document Review

4. Case Studies







2. Structure of the Study



Study on Cumulation

3 KEY ELEMENTS

1. Technical explanation of cumulation;

2. Overview of document review of existing FTAs relating to cumulation; and

3. Case studies.

4 SECTIONS

1. background and initiatives, the methodology used & the structure of the Study.

2. technical explanation and examples of cumulation in terms of different categories.

3. overview of existing practices on cumulation in FTAs, including cumulation rules and procedural requirements.

4. practices and cases provided by Members on administrative implementation relating to cumulation.

2. Explanation of Accumulation/Cumulation





3. Document Review (General overview of what was found)



3.1 Overview of categorization of cumulation in FTAs

Out of 398 FTAs studied,

- -- bilateral cumulation:148 FTAs (37.2%),
- -- diagonal/regional cumulation: in 99 FTAs (24.9%),
- -- cross/extended cumulation: 111 FTAs (27.9%),
- -- Not included: 21 FTAs (5.3%)
- -- Not Clear: 19 FTAs (4.8%) **a lack of rules of origin legal text in the WCO Trade Tools.

Overview of FTAs on Cumulation (In terms of whose input can be cumulated)



Bilateral cumulation Diagonal cumulation Cross cumulation Not included Not sure

3. Document Review



3.1 Overview of categorization of cumulation in FTAs

Among 358 FTAs with cumulation rules in the FTA rules of origin,

- partial cumulation: 221 FTAs (61.7)
- full cumulation: 137 FTAs (38.3%)

Overview of FTAs on Cumulation (In terms of which input can be cumulated)





3.2 Overview of legal wording on cumulation in FTAs

Out of 358 FTAs,

- cumulation rules stipulated as a specific article was observed in 327 FTAs (91.3%).
- In the remaining 31 FTAs, cumulative rules were paraphrased in other ways. In some FTAs, cumulative rules were found in the general requirements for origin determination

e.g. the United States-Jordan FTA, the United States-Israel FTA, and the Treaty on a Free Trade Area between members of the Commonwealth of Independent States (CIS).

• In some FTAs, cumulative rules were found in the definition.

e.g. Common Market for Eastern and Southern Africa (COMESA).



3.3 Overview of the certification requirement on cumulation in FTAs

Among 398 FTAs studied,

the certification requirement was observed in 41 FTAs (10.3%), while others did not specifically mention the certification requirement in the legal text.





5

WCO Far East, South and Southeast Asia, Australasia and the Pacific Islands Region - 7

WCO Europe Region 12

WCO East and Southern Africa Region

2

WCO North of Africa, Near and Middle East Region

2

WCO West and Central Africa Region 1

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4. Case Studies



Armenia	Costa Rica	Malaysia
Australia	Dominican Republic	Mauritius
Azerbaijan	Denmark	Moldova
Belgium	European Union	Morocco
Brazil	Hong Kong, China	New Zealand
Bulgaria	Hungary	Slovenia
Burkina Faso	Iraq	South Africa
Chile	Japan	Switzerland
China	Korea	Türkiye
Colombia	Latvia	





Annex I: Categorization of Cumulation in FTAs

Annex II: Structure of the Case Studies on Accumulation/Cumulation

Annex III: List of Members that replied to the Questionnaire



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