Interested candidates are invited to submit their applications to the World Customs Organization (Origin Sub-Directorate) by e-mail ori@wcoomd.org by 18 December 2023.

Terms of Reference

Consultancy Service to develop a comprehensive comparative study on Product-Specific Rules of Origin for Apparels of HS Chapters 61, 62 and 63 and Motor Vehicles of HS Headings 87.07 – 87.05
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1. BACKGROUND

1.1. Beneficiaries
The World Customs Organization (WCO) and its Members, Regional Economic Communities, World Trade Organization (WTO) Members, the AfCFTA Secretariat, government agencies involved in international trade negotiations and implementation of respective Trade Agreements, international organisations, and the private sector.

1.2. Contracting Authority
The World Customs Organization, European Union (EU) - WCO Rules of Origin Africa Program.

1.3. Relevant background
The Rules of Origin (RoO) are crucial legal instruments for applying preferential trade agreements. With the proliferation of these agreements, economic operators and Customs Administrations are faced with a plethora of divergent and often overlapping rules, which presents challenges for both authorities that establish and enforce RoO as well as the business community that must apply RoO in compliance with legal and procedural requirements. In this view, the African continent, with the advent of the AfCFTA and existing regional agreements, is not spared from this challenge, and it is therefore critical that countries have adequate capacities to implement rules of origin in trade agreements within their regions.

Rules of Origin constitute a significant part of international trade policy because their application assists Customs and other relevant authorities across the world to assess tariffs (preferential rules) and enforce trade measures and quantitative restrictions. In addition, the statistical aspect of their application helps policy organs in the various countries to define trade policy as well as guide future trade negotiations.

In a globally interconnected trading environment, Rules of Origin become complex to apply because many products are manufactured or assembled with components from many countries. Additionally, membership to multiple trading blocs also makes it hard to implement Rules of Origin as often the different provisions in the different sets of rules end up overlapping and sometimes even interacting when assessing the origin of goods (spaghetti bowl effect).

Considering the above, negotiation of trade agreements can be a long and arduous process especially when the Rules of Origin relate to granting preferential tariff treatment. This is further complicated when the negotiating countries attach particular economic importance to certain industries. The level of development or strategic importance of a particular industry within a country determines the strictness or leniency with which it is willing to liberalize the industry. While Rules of Origin are not supposed to be used as trade policy measures, their application often leads to similar effects.

Additionally in trade negotiations, countries open their markets up with the aim of attaining the maximum benefits to their citizens. For this reason, negotiations of trade agreements may take time as countries seek to find acceptable and mutually beneficial rules to balance often conflicting interests. In some cases, and to meet political and policy urgencies and commitments of governments, agreements are put into force before the finalization of the negotiations on rules of origin as it is the case for the AfCFTA where no agreements has been reached on rules of origin for textile and automotive.

As a contribution towards seamless implementation of Rules of Origin, the WCO seeks to conduct a comprehensive global comparative study on the applicable Product-Specific Rules (PSRs) for selected products in selected agreements throughout the world. The products concerned by the study are: Apparels of HS Chapters 61, 62 and 63 and Motor Vehicles of HS Headings 87.07 – 87.05. This study aims to assess similarities and differences of Rules of Origin within these
agreements, and provide recommendations based on its findings. These recommendations are expected to provide valuable guidelines to negotiating countries where Rules of Origin are outstanding.

1.4. Target audiences
The outcome of this Consultancy will address several target audiences:
- Technical Experts on origin of the WCO Members;
- Customs officers responsible for Origin work;
- Other Customs Technical Experts.
- Managers in charge of origin work.
- Officials of other government agencies involved in origin matters especially negotiation of Trade Agreements;
- Private sector stakeholders.
- Academia.
- Relevant international organizations.

2. DESCRIPTION OF THE ASSIGNMENT

2.1. Global objective
This assignment is linked to the following WCO Strategic Objectives under the Strategic Plan 2022-2025:
- Strategic Objective 1 – Trade Facilitation.
- Strategic Objective 2 - Revenue Collection
- Strategic Objective 4 - Organizational Development.

2.2. Scope

2.2.1. Products Covered
This study covers Rules of Origin applied to products of the following Harmonised System Chapters and Headings: (Here after referred to as products)

i. Chapter 61 - Articles of apparel and clothing accessories, knitted or crocheted.
ii. Chapter 62 - Articles of apparel and clothing accessories, not knitted or crocheted.
iii. Chapter 63 - Other made-up textile articles; sets; worn clothing and worn textile articles; rags.
iv. Motor Vehicles of Chapter 87 classified under Headings:
   a. 87.01 - Tractors (other than tractors of Heading 87.09).
   b. 87.02 - Motor vehicles for the transport of ten or more persons, including the driver.
   c. 87.03 - Motor cars and other motor vehicles principally designed for the transport of persons (other than those of Heading 87.02), including station wagons and racing cars.
   d. 87.04 - Motor vehicles for the transport of goods.
   e. 87.05 - Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological units).
2.2.2. Trade Agreements Covered

The rules of origin to be compared are as applicable under the following trading regimes and agreements: (here after referred to as Rules)

i. The African Continental Free Trade Area (AfCFTA) Agreement;
ii. The East African Community (EAC)
iii. The East African Community – European Union Economic Partnership Agreement (EAC-EU EPA)
iv. The Regional Comprehensive Economic Partnership (RCEP)
vi. Southern African Development Community (SADC)
vii. The Southern Common Market (MERCOSUR for its Spanish initials)
viii. The United States-Mexico-Canada Agreement (USMCA)

2.3. Specific objectives

The objective of the assignment is to conduct a globally comprehensive comparative study on product specific rules of origin applicable for the products specified in 2.2.1 above under the trade agreements specified in 2.2.2, to draft a detailed analytical report on findings as well as a one to two pages fact sheets one for Apparels of HS Chapters 61, 62 and 63 and one for Motor Vehicles of HS Headings 87.07 – 87.05.

2.4. Requested services.

Under this assignment, the Contractor is requested to:

- Conduct research on the applicable rules of origin in the agreements specified in 2.2.2 above.
- Produce a comparative study of the applicable rules of origin in for the products specified in 2.2.1 in those agreements.
- Produce a two RoO fact sheet one for Apparels and one for Motor Vehicles as specified in 2.3.
- Conduct up to three virtual consultations to present the progress and findings and integrate the feedback from the WCO and its partners.
- Submission of the final report of the assignment.

2.5. Deliverables

Upon initial and final stage of the assignment, the Contractor is requested to deliver to the WCO:

- An exhaustive comparative study on the applicable rules of origin for the specified products in 2.2.1 under the agreements specified under 2.2.2.
- A matrix comparing rules of origin in for the products.
- Clear recommendations on rules of origin based on the outcome of the study.
- Two fact sheets; one for Apparels and one for Motor Vehicles as specified in 2.3.

3. EXPERTS PROFILE

3.1. Number of Experts

One expert will be required to carry out this assignment in close cooperation with the team of the Origin Sub-Directorate.
3.2. Profile required.

**Minimum Qualifications and Skills**
- Bachelor’s or master’s degree in international Trade, Trade and Development, Economics, Customs Administration, Business Administration, or related areas.
- Understanding of the relevant WCO Instruments and Tools and trade agreements.
- Computer literacy (standard Microsoft packages) and communication skills.
- Strong analytical and synthesis skill.
- Excellent writing, editing and oral communications skills.
- Fluent in one of the official WCO languages (English and French).
- Knowledge of the languages of the specified agreements is an added advantage.

**General Professional Experience**
- Demonstrated extensive experience in international trade and customs procedures, Regional Integration programmes globally as well as international practices in the area of Rules of Origin, trade negotiations and trade policy.
- At least 10 (ten) years of work experience in rules of origin, customs procedures, or other related fields, etc.
- Good report-writing skills.
- Good presentation skills.
- Experience in developing analytical reports and studies.
- Proven experience in undertaking business analysis and data harmonization.
- Relevant working experience in Customs would be considered an added advantage.

**Specific Professional Experience**
- Proven experience in Rules of Origin, international trade policy, and research.
- Demonstrated working experience at the Regional Integration programs around the world.

4. LOCATION AND DURATION

4.1. Commencement date, duration of assignment, remuneration and payment

The tentative commencement date is **January 2024** and the period of execution of the contract will be 90 calendar days from the date of the signature of the contract with an estimated total of 30 working days.

The daily rate is 500 EURO per day for a total of 15,000 EURO remuneration for the assignment.

**Suggested Milestones, Submission Dates, and payment schedule**

<table>
<thead>
<tr>
<th>Milestone/Deliverable</th>
<th>Date Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Briefing meeting with WCO</td>
<td>January 2024</td>
</tr>
<tr>
<td>2. Delivery of the outline, methodology, content, and structure</td>
<td>February 2024</td>
</tr>
<tr>
<td>3. Delivery of the first draft of the report</td>
<td>March 2024</td>
</tr>
<tr>
<td>4. Delivery of the final report</td>
<td>April 2024</td>
</tr>
</tbody>
</table>

Payment will be made upon satisfactory completion and submission of outputs/deliverables as per the timeline above, corresponding to a total of 30 working days.
The expert is solely responsible to apply and pay any applicable tax in relation to the agreement, and it is his/her responsibility to declare and pay the relevant taxes. The expert should have a duly incorporated, organized and validly existing company/registration under the laws of their home country.

4.2. Location
All working days can be delivered remotely.

Interested candidates are invited to submit their applications to the World Customs Organization (Origin Sub-Directorate) by e-mail ori@wcoomd.org by 18 December 2023.

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i The wording Rules of Origin includes Product Specific Rules (PSRs)