Update: Comprehensive Review of RKC Specific Annex K

8 February 2023
Developments to date

Sponsoring Group: EU, JP, NZ, CN, NO, UNCTAD, Renault Nissan, EEC, Fonterra, CH

- Consolidation of proposals based on EU paper suggesting a comprehensive review and redrafting of SA K into one joint proposal
- Discussion of the joint proposal in a workshop back to back with TCRO in February 2020
- Consultative session with SA K contracting parties in July 2020
- Consultative session with private sector representatives facilitated by UNCTAD and the European University Institute in Florence, Italy, in November 2020
- Decision by the RKC Management Committee (RKC MC) that the proposal shall proceed to the further Steps of the RKC review process (2021).
- April/September 2022, Secretariat shares provisional draft text for SA K (non-preferential and preferential Rules of Origin)
The proposal

1) Establish a clear distinction in the structure and content of SA K between non-preferential origin and preferential origin, in line with the one established by the WTO Agreement on Rules of Origin (ARO), implying a complete reshaping (and not only amendments to) of the Annex.

2) Use the new SA K as a “toolbox”, building on the WCO Origin Compendium 2017 and other relevant literature and research, to provide RKC Contracting Parties (and other WCO members) with clear concepts allowing them to establish their origin rules and procedures using a “common language” and a common meaning, thus making them more easily understandable and applicable by customs, other competent authorities and stakeholders.

3) Identify and adopt into SA K some “common approaches” on aspects of substance which are commonly used in preferential trade arrangements and/or where there is a convergence on best practices - for the rest, limit the level of ambition to potential “Recommended Practices”. Note, for greater clarity, it is not intended that this include the harmonization of Product Specific Rules (PSR).
The proposal

4) Consider common approaches of preferential origin procedures, subject to reconciliating different long-standing traditions and practices inherited from the past, to balance the best of each procedural system.

5) Draft Guidelines for SA K taking into account the Notes of Annex D1 of the 1974 Kyoto Convention and the technical guidelines developed and included in the WCO Origin Compendium.

The current version of the proposal can be accessed on the WCO homepage, document: PO0174Ea
Next steps

- Discussion and further development of the provisional draft text on SA K by the Sponsoring Group and interested parties.
Thank you!

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