

"WHAT DRIVES THE UTILIZATION OF TRADE PREFERENCES?"

WEBINAR AT THE MARGINS OF THE FORMAL MEETING OF THE WTO COMMITTEE ON RULES OF ORIGIN

19 May 2021 - 10:45 - 14:30 CET (Geneva time)

Objectives and Programme

As free trade agreements continue to expand in numbers and complexity, preferential origin requirements also multiply and become more complex. Many recent preferential trade agreements have adopted increasingly tailor-made, more specific, and tighter rules of origin. As is well known, the resulting complexity associated with origin requirements increase trading costs and may diminish the appeal of preferential agreements. It is against that background that monitoring the utilization of preferential agreements vests a strategic interest for policy makers. The calculation and examination of utilization rates can help identify with greater precision rules of origin or origin requirements that may be hindering trade and hence diminishing the value of preferential agreements. The linkages between rules of origin and the utilization of preferences (with a focus on least developed countries) have been at the centre of the work of the WTO Committee on Rules of Origin in the past few years.

However, associating low levels of preference utilization with origin requirements and identifying best practices require the consideration of other factors that may influence the decision by businesses to utilize or not, preferential agreements.

This is the <u>objective of this webinar</u>: to explore other factors that drive the utilization of trade preferences and set rules of origin in that context.

What factors may explain that some agreements are very heavily used and others not so much? Are governments actively monitoring the utilization of their preferential trade agreements? What are some of the difficulties associated with the calculation of utilization? Are efforts being made to promote awareness and use of preferential agreements among the business community? How are governments building the capacity of companies to understand and comply with preferential origin requirements?

This webinar will be held via the platform Zoom and will be open to the public subject to prior registration. The format will be a 10-minute presentation followed by a moderated debate among the speakers.

Save the date and **REGISTER HERE** to attend.

Programme

10:45 OPENING

 Mr. Han-Ming HUANG (Chinese Taipei), Chair of the Committee on Rules of Origin 2020-21

11:00-11:30 THE WORK OF THE WTO CRO ON THE UTILIZATION OF TRADE PREFERENCES AND WHAT HAS BEEN LEARNT SO FAR

Darlan F. MARTÍ, Secretary of the Committee on Rules of Origin, World Trade Organization

11:30-13:00 ROUND TABLE 1: WHAT DRIVES THE UTILIZATION OF TRADE PREFERENCES?

What are the main factors which drive the integration of economies and the utilization of preferential trade agreements? How can the utilization of preferences be measured and how can it be associated with origin requirements? How significant are rules of origin and origin requirements among the drivers of utilization?

<u>Moderator</u>: Thomas VERBEET, Statistician, Economic Research and Statistics Divisions, World Trade Organization

Speakers:

- Michele RUTA, Lead Economist, World Bank
- Jaime DE MELO, Senior fellow, FERDI
- Lars NILSSON, Deputy Head of Unit, Chief Economist, Trade Analysis and Evaluation Unit European Commission
- Jeremy HARRIS, Economist, InterAmerican Development Bank
- Stefano INAMA, Chief, Technical Assistance, Trade and Customs in the Division on African and Least Developed Countries (LDCs), UNCTAD

13:00-14:30 ROUND TABLE 2: INCREASING THE CAPACITY OF BUSINESSES TO BENEFIT FROM PREFERENTIAL TRADE AGREEMENTS

Are governments monitoring the utilization of their preferential agreements and if so, what can be learnt from such efforts? How significant is the impact of rules of origin in explaining underutilization? What programmes are currently available to raise awareness about FTAs and preferential trade opportunities among the business community? Are there successful experiences to be shared? In addition to awareness raising and training programmes, what other tools are available to enhance business capacity?

<u>Moderator</u>: Simon NEUMUELLER, Economic Affairs Officer, Market Access Division, World Trade Organization

- Don SPEDDING, First Secretary and Consul, Australian Permanent Mission to the WTO
- Thembekile Thembi MLANGENI, Director: market access, The Department of Trade, Industry and Competition of South Africa
- Akinobu TOYODA, Assistant Director, Economic Partnership Division, Trade Policy Bureau, Ministry of Economy, Trade and Industry of Japan

- Michèle GLAUSER, Advisor, International Movement of Goods Division, State Secretariat for Economic Affairs SECO, Federal Department of Economic Affairs, Education and Research, Switzerland
- Wouter Decoster, Head of HR Department & Continuous Improvement, International Trade Analyst, Belgian Foreign Trade Agency
- Geraldine EMBERGER, Advisor for Implementation of EU Trade Agreements, Enforcement, Market Access, SMEs, Legal affairs, Technology and Security, DG Trade, European Commission