



NATIONAL WORKSHOPS ON OPPORTUNITIES FOR THE
EXPANSION OF TRADE AND ECOWAS RULES OF ORIGIN

Note of Presentation

NOT TO BE TAKEN AWAY

The ECOWAS Secretariat proposes the running of National Workshops on the above theme in each of the sixteen Member States. Since the Workshop would last only one day, it is necessary that adequate preparations are made before hand.

Ob

Objectives

1. To familiarise the trading Community in each of the ECOWAS Member States with:
 - a) the key economic objectives of the ECOWAS Treaty and general progress on ECOWAS programmes leading to the liberalisation of trade between ECOWAS Member States.
 - b) the main features of instruments being created for this purpose including rules of origin, common customs nomenclature and statistical standards, harmonisation of customs forms and procedures.
2. To exchange views with traders on the implications of the above for their future individual trading operations, with particular reference to origin rules and procedures.
3. To identify those goods which participants consider could benefit from trade liberalisation and what provisions should be made to facilitate and promote intra-community trade in such goods.

4. To identify products (mixtures) and production processes (involving inputs of both community and non-Community origin which are materially impossible to segregate) coming under Articles 7 and 8 of the Protocol on the Definition of the Concept of Goods Originating from Member States.

Participants

Executives representing import and export sectors

- private and public enterprises engaged in either producing for export or trading with ECOWAS or third countries
- import or export houses
- freight forwarders, customs agents
- transport and shipping firms
- port authorities

Federations/Representatives from Chambers of Commerce/ Industry

Other business organizations and Federations,

Banks and insurance companies/agents

Government officials concerned with

- foreign/ECOWAS trade
- industrial development
- financing of foreign trade and industry
- customs and excise
- transport, ports, shipping

Representatives of inter-governmental organisations concerned with regional economic cooperation

Economic/news media.

Preparation toward Workshop

During the Workshop, an attempt would be made to draw up a list of products of export interest to the country (goods already being exported or having considerable export potential). The affected participants (industrialists, exporters and officials of government in charge of industrialisation and trade development) are requested to bring to the Workshop relevant information on such exportable products.

Similarly, producers and exporters of goods falling within the provisions of Articles 7 and 8 of the Protocol on Originating Products (cited above) would be expected to make available at the Workshop the identity of the products concerned and/or details on the production process or activity involved.

Please find attached a set of Questionnaires designed to assist in compiling the information referred to above. It would be appreciated if the completed forms could be made available at the Workshop.

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COUNTRY

* Indicate whether actual export (insert the year) or projected.
** In national currency or U.S. Dollars.

IMPORT GOODS		ECOWAS MARKETS POTENTIAL			
Nomenclature No.	Product Description	Member State	Quantity	Year	Value*

* In National Currency or U.S. Dollars

ECOWAS RULES OF ORIGIN

PRODUCTS COMING UNDER ARTICLE VII OF PROTOCOL
ON DEFINITION OF ORIGINATING GOODS*

COUNTRY

P R O D U C T		EXPORT POTENTIAL WITHIN E C O W A S			
Nomenclature No.	Description	Member State	Quantity	Year	Value **

* See Notes Attached

** In National Currency or U.S. Dollars

ECOWAS RULES OF ORIGIN

PRODUCTS COMING UNDER ARTICLE VIII OF PROTOCOL
ON DEFINITION OF ORIGINATING GOODS*

COUNTRY

[illegible]

* See Note Attached

** In National Currency or U.S. Dollars

ATTACHMENT TO QUESTIONNAIRES IIIA AND IIIB

EXPLANATORY NOTES ON ARTICLES VII AND VIII OF THE PROTOCOL
ON THE DEFINITION OF THE CONCEPT OF GOODS ORIGINATING
FROM MEMBER STATES

ARTICLE VII: SEGREGATION OF MATERIALS

When a product is manufactured from Community originating and third country materials it is not usually possible for the Authorities to verify from the product what percentage of the different materials have gone into the process. For this reason manufacturers have to segregate the two classes of materials as a condition for the granting of a Certificate of Origin. Checks can then be made on receipts of materials and their delivery to the manufacturing process.

In the case of both materials in the form of liquids, powder, grain etc. the segregation might involve the costly construction of vats, tanks, silos to store separately material inputs obtained within and outside the Community. If the Authorities are satisfied that this operation would be an unreasonable demand, they can forego segregation and accept instead a form of recording of stocks and accounting which be approved for uniform application by the Council of Ministers. This accounting system would have to permit a verification which would be as effective as if the materials had been segregated. It is what system of accounting to adopt that is the subject of Article VII.

ARTICLE VIII: TREATMENT OF MIXTURES

As one of the principal objectives of instituting a trade preferential system in ECOWAS is to encourage and develop Community manufacturing production, it follows that simple processes which fall short of "production" (as the term is generally understood) should not be entitled to preference. In its Article IV, the Protocol lists the processes which do not qualify and 'mixing' is one of such processes named in Article IV. However, it is envisaged that within ECOWAS there may well be mixing

processes which are of sufficient commercial or economic importance to the Community to warrant special treatment. Processes which come to mind and which might merit special consideration are the blending of third country and originating liquor, coffee, cocoa, flour, etc.

In Article VIII therefore the Council of Ministers is given power to designate which products and under what conditions these products should be entitled to preference. It should be noted however, that the preference would be granted only on the originating ingredient of the mixture and not on the product as a whole. The approval of a mixing process therefore is not strictly a criterion of origin of the product but a device for preserving the origin status of the ingredient.

As by their nature mixing processes employ bulky materials, it is very probable that they would also benefit from the concession of Article VII by using an accounting system instead of physical segregation.

The present exercise is aimed at identifying, at the national level, goods that fall within the provisions of Articles VII and VIII of the ECOWAS Protocol on the Definition of Originating Products. The questionnaires accompanying these Notes are for obtaining a list of the products involved and their export potential within the West African Sub-Region.