

REPORT (1995) OF THE WORKING PARTY ON
STATE TRADING ENTERPRISES

1. This report is submitted under Paragraph 5 of the Understanding on the Interpretation of Article XVII of the GATT 1994 (hereinafter "the Understanding"). It sets out the activities of the Working Party on State Trading Enterprises during the period under review (1 January 1995 - 13 November 1995).
2. The Working Party was established by the Council for Trade in Goods at its meeting on 20 February 1995 in line with paragraph 5 of the Understanding, to review notifications and counter-notifications on state trading and to review, in the light of the notifications received, the adequacy of the questionnaire on state trading (BISD 9S/184-185) and the coverage of state trading enterprises notified under paragraph 1 of the Understanding. Mr. Peter May (Australia) was appointed Chairman of the Working Party.
3. Membership of the Working Party is open to all Members indicating their wish to serve on it. Participants in the Working Party's meetings to date are: Argentina, Australia, Austria, Bangladesh, Canada, Chile, Colombia, Costa Rica, Cuba, Cyprus, Czech Republic, Egypt, European Community, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Italy, Japan, Korea, Malaysia, Mauritius, Mexico, Netherlands, New Zealand, Pakistan, Peru, Philippines, Poland, Romania, Slovak Republic, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, United Kingdom, United States and Uruguay. Chinese Taipei, Ecuador and the Russian Federation participated as observers.
4. The Working Party held two meetings during the period under review: on 6 April 1995 and 13 November 1995.
5. During the period under review, substantive notifications of state trading enterprises submitted under Article XVII of GATT 1994 and paragraph 1 of the Understanding were received from the following Members: Australia, Canada, Colombia, Costa Rica, Cyprus, Czech Republic, European Community, Indonesia, Japan, Korea, Malaysia, Mauritius, New Zealand, Norway, Peru, Philippines, Poland, Slovak Republic, South Africa, Thailand, Turkey, the United States and Uruguay. The following Members notified that they did not maintain any state trading enterprises: Argentina, Hong Kong, Macau, Romania and Singapore.
6. No notifications were received from the following Members: Antigua and Barbuda, Bahrain, Bangladesh, Barbados, Belize, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Central African Republic, Chile, Côte d'Ivoire, Cuba, Djibouti, Dominica, Dominican Republic, Egypt, El Salvador, Gabon, Ghana, Guatemala, Guinea Bissau, Guinea, Guyana, Honduras, Hungary, Iceland, India, Israel, Jamaica, Kenya, Kuwait, Lesotho, Liechtenstein, Malawi, Maldives, Mali, Malta, Mauritania, Mexico, Morocco, Mozambique, Myanmar, Namibia, Nicaragua, Nigeria, Pakistan, Paraguay, Saint Lucia, Saint Vincent & Grenadines, Senegal, Sierra Leone, Slovenia, Sri Lanka,

Suriname, Swaziland, Switzerland, Tanzania, Togo, Trinidad and Tobago, Tunisia, Uganda, Venezuela, Zambia and Zimbabwe.

7. At its meeting on 6 April 1995, the Working Party discussed the question of notifications to be made under Article XVII of GATT 1994 and Paragraph 1 of the Understanding and the problem of non-notification. The Working Party decided that all new and full notifications on state trading enterprises should be submitted not later than 30 June in every third year after 1995, and that the updating notifications due in each of the two intervening years should be submitted not later than 30 June of the respective year, it being understood that these dates could be altered by a decision of the Working Party. The Working Party also discussed the issue of the background paper on the operations of state trading enterprises to be prepared by the Secretariat in compliance with Paragraph 5 of the Understanding, and established guidelines on the nature and scope of the paper and the sources to be used in its preparation. The programme of work for the Working Party was discussed and a timetable was agreed for the following elements: to review the notifications and counter-notifications submitted by Members, to review the adequacy of the 1960 questionnaire and the coverage of state trading enterprises notified under paragraph 1 of the Understanding, and to develop an illustrative list of the kinds of relationships between governments and state trading enterprises and the kinds of activities engaged in by these enterprises.

8. At its meeting on 13 November 1995 the Working Party conducted a review of 26 notifications that were submitted by Members in 1995 pursuant to the request in document G/STR/N/1. The Working Party agreed that Members having questions on any of the notifications reviewed would submit these in writing to both the delegation in question and to the Secretariat, and that responses to these questions would be submitted in writing by the respective delegation; both questions and answers would be circulated to all Members. It also agreed that in future, Members having questions on any future notification would submit these in writing to the delegation concerned and to the Secretariat three weeks in advance of the meeting at which the notification would be reviewed. Written responses would be submitted and circulated subsequent to the oral responses made at the meeting. At this meeting the Working Party expressed preliminary views on the Secretariat background paper on the operations of state trading enterprises (G/STR/2). It also conducted a preliminary review of the adequacy of the 1960 questionnaire followed by a discussion of possible elements for an illustrative list of relationships between governments and state trading enterprises and the activities engaged in by these enterprises. Members wishing to do so were invited to submit written proposals regarding both the questionnaire and the illustrative list. These would be circulated to all Members and considered at the Working Party's next meeting.

9. The Minutes of the Working Party's meetings are contained in documents G/STR/M/1 and 2.