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Page: 1/2

REPORT (2014) OF THE WORKING PARTY ON STATE TRADING ENTERPRISES

(ADOPTED 9 OCTOBER 2014)

1 ORGANIZATION OF THE WORK OF THE WORKING PARTY

1. The Working Party on State Trading Enterprises was established by the Council for Trade in Goods at its meeting of 20 February 1995, pursuant to paragraph 5 of the Understanding on the Interpretation of Article XVII of the General Agreement on Tariffs and Trade 1994 (hereinafter "the Understanding"). Membership of the Working Party is open to all Members indicating their wish to serve on it. Observer governments in the General Council of the WTO have observer status in the Working Party. During the year under review, the Working Party held one formal meeting under the Chairmanship of Mr Mohammed Al Mardhoof Al Saadi (Oman).
2. The mandate of the Working Party is set out in paragraph 5 of the Understanding. The Working Party completed its mandate to develop an illustrative list of state trading relationships and activities with the adoption of the Illustrative List by the Council for Trade in Goods on 15 October 1999 (G/STR/4). Having also completed the mandated revision of the questionnaire on state trading, the Working Party now reviews notifications in light of the revised questionnaire adopted on 14 November 2003 (G/STR/3/Rev.1).
3. This Report is submitted under paragraph 5 of the Understanding. It sets out the activities of the Working Party during the year under review.

4. In 2014, the Working Party held a formal meeting on 9 October. The minutes of this meeting will be circulated as document G/STR/M/26. The next regular meeting of the Working Party is scheduled for 12 October 2015.

2 NOTIFICATION AND REVIEW OF MEMBERS' STATE TRADING ACTIVITIES

5. Article XVII:4 of the GATT 1994 and paragraph 1 of the Understanding require Members to notify their state trading enterprises to the Council for Trade in Goods. New and full notifications were first required in 1995 and, subsequently, every third year thereafter, while updating notifications were to be made in the intervening years. On 11 November 2003, the Working Party adopted the recommendation contained in document G/STR/5 regarding the frequency of notifications. This recommendation, approved by the Council for Trade in Goods on 26 November 2003, modified the frequency of notifications on state trading enterprises to new and full notifications on a biannual basis only. The new frequency of notifications was to be implemented for a trial phase of four years, commencing on 30 June 2004. On 3 October 2008 and again on 16 June 2010, the Working Party extended the new frequency of notifications for two additional years.¹ On 8 June 2012, the Working Party adopted the recommendation contained in document G/STR/8 to extend the current frequency of notification on an indefinite basis.

6. In the period under review, 64 new and full notifications and 13 updating notifications were received. The Working Party reviewed all of these notifications at its regular meeting on 9 October 2014. The new and full notifications included: (a) the 2014 notifications from Albania; Australia; Burkina Faso; Canada; Chile; Colombia; Costa Rica; Egypt; European Union; Georgia;

¹ G/STR/6 and G/STR/7.

Honduras; Hong Kong, China; Japan; Kuwait, the State of; Liechtenstein; Macao, China; Mali; Mauritius; New Zealand; Norway; Oman; Peru; Senegal; Singapore; South Africa; Switzerland; Chinese Taipei; Ukraine and the United States of America; (b) the 2012 notifications from Albania; Burkina Faso; Costa Rica; Mauritius; Oman; Senegal; the Former Yugoslav Republic of Macedonia and Togo; (c) the 2010 notifications from Albania; Burkina Faso; Cabo Verde; Costa Rica; Oman; Senegal and the Former Yugoslav Republic of Macedonia; (d) the 2008 notifications from Burkina Faso; Costa Rica; Oman; Senegal; and the Former Yugoslav Republic of Macedonia; (e) the 2006 notifications from Burkina Faso; Costa Rica; Oman; Senegal and the Former Yugoslav Republic of Macedonia; (f) the 2004 notifications from Burkina Faso; Costa Rica; Oman and Senegal; (g) the 2001 notifications from Burkina Faso and Senegal; (h) the 1998 notifications from Burkina Faso and Senegal; (i) and the 1995 notification from Burkina Faso and Senegal.

7. The updating notifications reviewed were as follows: (a) the 2003 notifications from Burkina Faso; Costa Rica and Senegal; (b) the 2002, 2000, 1999, 1997 and 1996 notifications from Burkina Faso and Senegal.

8. At the October 2014 meeting of the Working Party, both the European Union and Chile posed questions regarding New Zealand's notification in G/STR/N/15/NZL.² In addition, the European Union submitted again a prior written question to India regarding its notifications in G/STR/N/14/IND, G/STR/N/13/IND and G/STR/N/12/IND.³

9. At the same meeting, the Working Party reviewed a Counter-Notification, submitted by the United States, of the state trading enterprises of China pursuant to paragraph 4 of the Understanding on the Interpretation of Article XVII.⁴ Furthermore, upon a joint request by the European Union and the United States, the Working Party discussed the issue of the notification of Gazprom by Russia as a state trading enterprise. Upon a joint request by Australia, Canada, the European Union and the United States, the Working Party also addressed the issue of non-notification and overdue notifications.

10. Finally, the Working Party adopted its Annual Report to the Council for Trade in Goods for the year 2014.

3 COMPLIANCE WITH THE NOTIFICATION OBLIGATION

11. During the year under review and up to 5 November 2014, 33 new and full notifications have been received for the 2014 notification period (G/STR/N/15).

12. The following Members have not submitted any notification for the current period: Angola; Antigua and Barbuda; Argentina; Armenia; Bahrain, the Kingdom of; Bangladesh; Barbados; Belize; Benin; Bolivia, the Plurinational State of; Botswana; Brazil; Brunei Darussalam; Burundi; Cabo Verde; Cambodia; Cameroon; Central African Republic; Chad; China; Congo; Côte d'Ivoire; Cuba; Democratic Republic of the Congo; Djibouti; Dominica; Dominican Republic; El Salvador; Fiji; Gabon; The Gambia; Ghana; Guatemala; Guinea; Guinea-Bissau; Guyana; Haiti; Iceland; India; Indonesia; Israel; Jamaica; Jordan; Kenya; Kyrgyz Republic; Lao People's Democratic Republic; Lesotho; Madagascar; Malawi; Maldives; Mauritania; Mexico; Moldova, Republic of; Mongolia; Montenegro; Morocco; Mozambique; Myanmar; Namibia; Nepal; Nicaragua; Niger; Pakistan; Panama; Papua New Guinea; Paraguay; Philippines; Qatar; Russian Federation; Rwanda; Saint Kitts and Nevis; Saint Lucia; Saint Vincent and the Grenadines; Samoa; Saudi Arabia, the Kingdom of; Sierra Leone; Solomon Islands; Sri Lanka; Suriname; Swaziland; Tajikistan; Tanzania; Thailand; The former Yugoslav Republic of Macedonia; Tonga; Trinidad and Tobago; Tunisia; Turkey; Uganda; United Arab Emirates; Uruguay; Vanuatu; Venezuela, the Bolivarian Republic of; Viet Nam; Yemen; Zambia and Zimbabwe.

13. Information on the status of state trading notifications since 1995 is set out in document G/STR/11.

² G/STR/Q1/NZL/8 and G/STR/Q1/NZL/9.

³ G/STR/Q1/IND/5.

⁴ G/STR/Q1/CHN/2.