

WORLD TRADE ORGANIZATION

G/L/716
11 November 2004

(04-4794)

REPORT (2004) OF THE WORKING PARTY ON STATE TRADING ENTERPRISES

I. 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 period under review (11 November 2003 – 9 November 2004), Ms. Judith Vanková (Slovak Republic) followed by Mr. Rethabile Mosisili (Lesotho) assumed the Chairpersonship of the Working Party. Ms. Vanková chaired the meeting of the Working Party on 11 November 2003. Prior to the Working Party's meeting on 9 November 2004, Mr. Mosisili resigned from the Chairpersonship of this Body. Following Mr. Mosisili's resignation, the Working Party was chaired by Mr. Benjamin Katjipuka (Namibia) who served as interim Chairperson for the purpose of the Working Party's meeting held on 9 November 2004, pending the election of a Chairperson by the Council for Trade in Goods.
2. The mandate of the Working Party, as set out in paragraph 5 of the Understanding, is: (i) to review notifications and counter-notifications on state trading; (ii) to review, in the light of the notifications received, the adequacy of the questionnaire on state trading (BISD 9S/184) and the coverage of state trading enterprises notified under paragraph 1 of the Understanding; and (iii) to develop an illustrative list showing the kinds of relationships between governments and enterprises, and the kinds of activities engaged in by these enterprises, which may be relevant for the purposes of Article XVII of GATT 1994. Regarding the review of notifications, the Working Party having completed the mandated revision of the questionnaire on state trading, now reviews notifications in light of the questionnaire adopted on 2 April 1998 (G/STR/3) and revised on 14 November 2003 (G/STR/3/Rev.1). Regarding the Illustrative List of State Trading Relationships and Activities, the Working Party completed its mandate with the adoption of the illustrative list by the Council for Trade in Goods on 15 October 1999 (G/STR/4).
3. This Report is submitted under paragraph 5 of the Understanding. It sets out the activities of the Working Party during the period under review.
4. Participants in the Working Party's meetings to date are: Argentina; Australia; Bangladesh; Brazil; Brunei Darussalam; Burundi; Canada; Chile; China; Colombia; Costa Rica; Cuba; Cyprus; Czech Republic; Egypt; El Salvador; European Communities; Guatemala; Hong Kong, China; Honduras; Hungary; Iceland; India; Indonesia; Israel; Japan; Jordan; Korea; Latvia; Lithuania; Malaysia; Malta; Mauritius; Mexico; Morocco; New Zealand; Norway; Oman; Pakistan; Paraguay; Peru; Philippines; Poland; Romania; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Singapore; Slovak Republic; South Africa; Switzerland; Thailand; Trinidad and Tobago; Turkey; United States; Uruguay; Venezuela; and Zambia. Ethiopia; Russian Federation; Saudi Arabia; Sudan; and Vietnam participated as observers.

5. Following the meeting held on 11 November 2003, the Working Party held one formal meeting during the period under review, on 9 November 2004. The Minutes of this meeting will be circulated in document G/STR/M/14.

6. The next regular meeting of the Working Party will be held on 17 October 2005.

II. NOTIFICATION AND REVIEW OF MEMBERS' STATE TRADING ACTIVITIES

7. Under Article XVII of GATT 1994 and paragraph 1 of the Understanding, all Members of the WTO are required to submit annual notifications of their state trading activities. 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, indicating any changes since the last new and full notification. On 11 November 2003, the Working Party adopted the recommendation contained in document G/STR/5 regarding the frequency of notifications. The said recommendation, approved by the Council for Trade in Goods on 26 November 2003, modified the periodicity of state trading notifications so that new & full notifications on state trading are due every two years instead of every three years and the requirement of updating notifications in the intervening years is eliminated. At the formal meeting held during the period under review, the Chairperson made a statement concerning the need for timely compliance with notification requirements.

8. New and full notifications for 1998 were received from 52 Members and updating notifications for 1999 and 2000 were received from 45 & 42 Members respectively.¹ In 2001, new and full notifications were received from 52 Members and updating notifications for 2002 and 2003 were received from 37 & 26 Members respectively². New and full notifications for 2004 have been received from 17 Members³. (See Annex to this Report).

9. At its meeting of 9 November 2004, the Working Party reviewed 41 notifications: 2004 new and full notifications⁴ of Armenia; Bulgaria; Croatia; Ghana; Hong Kong, China; Indonesia; Japan; Latvia; Liechtenstein; Macao, China; Panama; Singapore; Suriname; Switzerland; Chinese Taipei and Thailand, 2003 updating notifications of Australia; Colombia; Croatia; Czech Republic; Estonia; Oman; Panama; Romania; Singapore; Slovak Republic; Chinese Taipei; Thailand; the United States and Zambia, 2002 updating notifications of Australia; Colombia; Croatia; and the United States, 2001 new and full notifications of Australia; Colombia; and the United States, 2000 updating notifications of Australia; and the United States, 1999 updating notifications of the United States and 1998 New and full Notifications of the United States. At that meeting, the Working Party also adopted its Annual Report to the Council for Trade in Goods for the year 2004.

10. At the 9 November 2004 regular meeting of the Working Party, Australia posed questions relating to Bulgaria's 2004 new and full notification contained in document G/STR/N/10/BGR and to the United States' 1998 new and full notification contained in document G/STR/N/4/USA. Under other business, Australia also posed questions to the European Communities regarding the new and full notification of Cyprus contained in G/STR/N/1/CYP. It questioned whether the newly acceded Members to the European Communities will continue to grant special privileges to entities engaged in international trade and when the European Communities would expect to submit its next state trading notification. It requested India, Israel and Korea to provide an update on the status of certain entities notified previously and indicate when they would expect to submit their next state trading

¹ The European Communities and its then 15 Member States are counted as one Member.

² The European Communities and its then 15 Member States are counted as one Member.

³ As Cyprus; the Czech Republic; Estonia; Hungary; Latvia; Lithuania; Malta; Poland; the Slovak Republic and Slovenia became European Communities' Member States on 2004, they were counted separately and not as part of the European Communities in order to reflect their previous notification obligation.

⁴ New Zealand submitted a 2004 new and full notification the day before the meeting. This notification will be reviewed at the subsequent meeting of the Working Party.

notifications. Under other business, The United States reminded Egypt of its questions posed at the last meeting of the Working Party in November 2003 regarding the Alexandria Cotton Exporters Associations (ALCOTEXA). Additionally, the European Communities reminded New Zealand of its questions posed at the last meeting of the Working Party in November 2003 regarding an enterprise called Fonterra.

III. COMPLIANCE WITH THE NOTIFICATION OBLIGATION

11. At its meeting of 11 November 2003 the Working Party adopted the Recommendation on the Frequency of Notifications pending agreement by one Member. The Recommendation was circulated as document G/STR/5 and was approved by the Council for Trade in Goods on 26 November 2003. At the 9 November 2004 meeting of the Working Party, the Chairperson expressed deep concern with the unsatisfactory state of compliance with the notification obligation. He drew Members' attention to the importance of prompt compliance with such an obligation as being the prime target of the modification of the frequency of notifications. He referred to the recommendation contained in document G/STR/5 modifying the periodicity of state trading notifications and expressed his sincere hope that by the end of the current trial period, the Membership could achieve a tangible improvement in the notification status and thus be able to extend further the application of this recommendation.

ANNEX

**NOTIFICATIONS SUBMITTED BY WTO MEMBERS UNDER
ARTICLE XVII:4(A) OF GATT 1994 AND PARAGRAPH 1 OF THE
UNDERSTANDING ON THE INTERPRETATION OF ARTICLE XVII OF GATT 1994**

Status as of 9 November 2004⁵

Member	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6	New and Full Notification (2001) G/STR/N/7	Updating Notification (2002) G/STR/N/8	Updating Notification (2003) G/STR/N/9	New and Full Notification (2004) G/STR/N/10
Albania	n.a.	n.a.					
Angola							
Antigua and Barbuda							
Argentina	X	X	X	X			
Armenia	n.a.	n.a.	n.a.	n.a.	n.a.		X
Australia	X	X	X	X	X	X	
Bahrain	X	X	X				
Bangladesh							
Barbados							
Belize							
Benin							
Bolivia		X	X	X			
Botswana							
Brazil							
Brunei Darussalam							
Bulgaria				X	X		X
Burkina Faso							
Burundi				X			
Cambodia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Cameroon							
Canada	X						
Central African Republic							
Chad	X	X	X	X			
Chile	X	X	X	X			
China	n.a.	n.a.	n.a.	X	X	X	
Colombia	X			X	X	X	
Congo							

⁵An "X" indicates that a notification has been made. An "n.a." indicates that the notification obligation did not apply to the country in question as it was not a WTO Member at the time (a copy of document WT/INF/43/Rev.5 containing the WTO Membership entry into force of all WTO Members is attached). An § indicates that the country in question is currently a Member of the European Communities.

Member	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6	New and Full Notification (2001) G/STR/N/7	Updating Notification (2002) G/STR/N/8	Updating Notification (2003) G/STR/N/9	New and Full Notification (2004) G/STR/N/10
Costa Rica	X	X	X	X	X		
Côte d'Ivoire							
Croatia	n.a.	n.a.			X	X	X
Cuba							
Cyprus ⁶ §				X	X	X	
Czech Republic ⁷ §	X	X	X	X	X	X	
Democratic Republic of the Congo							
Djibouti							
Dominica	X	X	X				
Dominican Republic							
Ecuador							
Egypt	X						
El Salvador	X	X	X				
Estonia ⁸ §	n.a.			X	X	X	
European Communities	X	X	X	X			
Fiji	X						
Former Yugoslav Republic of Macedonia	n.a.	n.a.	n.a.	n.a.	n.a.		
Gabon							
Gambia							
Georgia	n.a.	n.a.		X	X		
Ghana				X			X
Grenada							
Guatemala	X	X	X	X	X		
Guinea, Republic of				X	X	X	
Guinea Bissau							
Guyana							
Haiti	X	X	X				
Honduras				X			
Hong Kong, China	X	X	X	X	X	X	X
Hungary ⁹ §	X	X	X	X	X	X	
Iceland	X	X					
India				X			

⁶ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

⁷ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

⁸ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

⁹ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

Member	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6	New and Full Notification (2001) G/STR/N/7	Updating Notification (2002) G/STR/N/8	Updating Notification (2003) G/STR/N/9	New and Full Notification (2004) G/STR/N/10
Indonesia	X			X	X		X
Israel							
Jamaica				X			
Japan	X			X			X
Jordan	X.	X	X	X	X	X	
Kenya							
Korea, Republic of	X						
Kuwait							
Kyrgyz Republic							
Latvia ¹⁰ \$	X	X	X	X	X		X
Lesotho							
Liechtenstein	X	X	X	X	X	X	X
Lithuania ¹¹ \$	n.a.	n.a.	n.a.	X			
Macao, China	X	X	X	X	X	X	X
Madagascar							
Malawi							
Malaysia							
Maldives							
Mali							
Malta ¹² \$	X	X	X	X	X		
Mauritania							
Mauritius					X		
Mexico	X	X	X				
Moldova	n.a.	n.a.	n.a.	X	X		
Mongolia	X	X	X	X			
Morocco							
Mozambique							
Myanmar							
Namibia	X	X	X				
Nepal	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
New Zealand	X	X	X	X			X
Nicaragua							
Niger							

¹⁰ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

¹¹ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

¹² As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

Member	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6	New and Full Notification (2001) G/STR/N/7	Updating Notification (2002) G/STR/N/8	Updating Notification (2003) G/STR/N/9	New and Full Notification (2004) G/STR/N/10
Nigeria	X	X	X	X	X		
Norway	X	X	X	X			
Oman	n.a.	n.a.		X		X	
Pakistan	X	X	X	X	X	X	
Panama	X	X	X	X	X	X	X
Papua New Guinea							
Paraguay	X						
Peru							
Philippines	X	X	X	X			
Poland ¹³ §	X	X	X	X	X	X	
Qatar		X					
Romania	X	X	X	X	X	X	
Rwanda							
Saint Kitts & Nevis							
Saint Lucia							
Saint Vincent & Grenadines	X	X	X				
Senegal							
Sierra Leone							
Singapore	X	X	X			X	X
Slovak Republic ¹⁴ §	X	X	X	X	X	X	
Slovenia ¹⁵ §	X	X	X	X	X	X	
Solomon Islands							
South Africa	X	X	X	X	X		
Sri Lanka							
Suriname							X
Swaziland							
Switzerland	X	X	X	X	X	X	X
Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu	n.a.	n.a.	n.a.	n.a.	X	X	X
Tanzania							
Thailand				X	X	X	X
Togo							

¹³ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

¹⁴ As this Member became a European Communities' Member State on 2004, it will appear on this table separately and not as part of the European Communities in order to reflect its previous notification obligation.

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Member	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6	New and Full Notification (2001) G/STR/N/7	Updating Notification (2002) G/STR/N/8	Updating Notification (2003) G/STR/N/9	New and Full Notification (2004) G/STR/N/10
Trinidad & Tobago	X						
Tunisia	X	X	X	X	X		
Turkey	X	X	X	X	X		
Uganda	X	X	X				
United Arab Emirates							
United States	X	X	X	X	X	X	
Uruguay							
Venezuela	X	X	X	X			
Zambia	X	X		X	X	X	
Zimbabwe							
Number of Notifying Members/Total Number of Members ¹⁶	52/120	45/121	42/125	52/128	37/129	26/131	17/133

¹⁶ The numerator and denominator used for the years 1998-2003 reflect the fact that, for each notification obligation, the European Communities submits a single notification that covers all its then 15 Member States. As Cyprus; the Czech Republic; Estonia; Hungary; Latvia; Lithuania; Malta; Poland; the Slovak Republic and Slovenia became European Communities' Member States on 2004, they were counted separately in this table and not as part of the European Communities in order to reflect their previous notification obligation.

ATTACHMENT

**WORLD TRADE
ORGANIZATION**

WT/INF/43/Rev.5
12 October 2004

(04-4261)

MEMBERSHIP OF THE WORLD TRADE ORGANIZATION

Revision

Upon the accession of the **the Kingdom of Cambodia**, on **13 October 2004**, the number of Members of the World Trade Organization will have reached **148**. The following is the list of Members, together with the effective dates of their membership:

<u>Government</u>	<u>Entry into Force/ Membership</u>
Albania	8 September 2000
Angola	23 November 1996
Antigua and Barbuda	1 January 1995
Argentina	1 January 1995
Armenia	5 February 2003
Australia	1 January 1995
Austria	1 January 1995
Bahrain , Kingdom of	1 January 1995
Bangladesh	1 January 1995
Barbados	1 January 1995
Belgium	1 January 1995
Belize	1 January 1995
Benin	22 February 1996
Bolivia	12 September 1995
Botswana	31 May 1995
Brazil	1 January 1995
Brunei Darussalam	1 January 1995
Bulgaria	1 December 1996
Burkina Faso	3 June 1995
Burundi	23 July 1995
Cambodia	13 October 2004
Cameroon	13 December 1995
Canada	1 January 1995
Central African Republic	31 May 1995
Chad	19 October 1996
Chile	1 January 1995
China	11 December 2001
Colombia	30 April 1995
Congo	27 March 1997
Costa Rica	1 January 1995
Côte d'Ivoire	1 January 1995
Croatia	30 November 2000

<u>Government</u>	<u>Entry into Force/ Membership</u>
Cuba	20 April 1995
Cyprus	30 July 1995
Czech Republic	1 January 1995
Democratic Republic of the Congo	1 January 1997
Denmark	1 January 1995
Djibouti.....	31 May 1995
Dominica.....	1 January 1995
Dominican Republic	9 March 1995
Ecuador.....	21 January 1996
Egypt	30 June 1995
El Salvador.....	7 May 1995
Estonia	13 November 1999
European Communities.....	1 January 1995
Fiji	14 January 1996
Finland	1 January 1995
Former Yugoslav Republic of Macedonia	4 April 2003
France	1 January 1995
Gabon	1 January 1995
The Gambia.....	23 October 1996
Georgia	14 June 2000
Germany	1 January 1995
Ghana	1 January 1995
Greece	1 January 1995
Grenada	22 February 1996
Guatemala.....	21 July 1995
Guinea	25 October 1995
Guinea Bissau.....	31 May 1995
Guyana	1 January 1995
Haiti	30 January 1996
Honduras	1 January 1995
Hong Kong, China	1 January 1995
Hungary	1 January 1995
Iceland	1 January 1995
India	1 January 1995
Indonesia	1 January 1995
Ireland	1 January 1995
Israel	21 April 1995
Italy	1 January 1995
Jamaica	9 March 1995
Japan	1 January 1995
Jordan	11 April 2000
Kenya	1 January 1995
Korea, Republic of	1 January 1995
Kuwait	1 January 1995
Kyrgyz Republic	20 December 1998
Latvia	10 February 1999
Lesotho	31 May 1995
Liechtenstein	1 September 1995
Lithuania.....	31 May 2001
Luxembourg	1 January 1995
Macao, China	1 January 1995

<u>Government</u>	<u>Entry into Force/ Membership</u>
Madagascar	17 November 1995
Malawi	31 May 1995
Malaysia	1 January 1995
Maldives	31 May 1995
Mali	31 May 1995
Malta	1 January 1995
Mauritania	31 May 1995
Mauritius	1 January 1995
Mexico	1 January 1995
Moldova	26 July 2001
Mongolia	29 January 1997
Morocco	1 January 1995
Mozambique.....	26 August 1995
Myanmar	1 January 1995
Namibia	1 January 1995
Nepal	23 April 2004
Netherlands - For the Kingdom	1 January 1995
in Europe and for the Netherlands Antilles	
New Zealand	1 January 1995
Nicaragua	3 September 1995
Niger	13 December 1996
Nigeria	1 January 1995
Norway	1 January 1995
Oman	9 November 2000
Pakistan	1 January 1995
Panama	6 September 1997
Papua New Guinea.....	9 June 1996
Paraguay	1 January 1995
Peru	1 January 1995
Philippines.....	1 January 1995
Poland	1 July 1995
Portugal	1 January 1995
Qatar	13 January 1996
Romania	1 January 1995
Rwanda.....	22 May 1996
Saint Kitts and Nevis	21 February 1996
Saint Lucia.....	1 January 1995
Saint Vincent and the Grenadines	1 January 1995
Senegal	1 January 1995
Sierra Leone	23 July 1995
Singapore.....	1 January 1995
Slovak Republic	1 January 1995
Slovenia.....	30 July 1995
Solomon Islands	26 July 1996
South Africa	1 January 1995
Spain	1 January 1995
Sri Lanka	1 January 1995
Suriname.....	1 January 1995

<u>Government</u>	<u>Entry into Force/ Membership</u>
Swaziland	1 January 1995
Sweden	1 January 1995
Switzerland.....	1 July 1995
Chinese Taipei.....	1 January 2002
Tanzania	1 January 1995
Thailand.....	1 January 1995
Togo	31 May 1995
Trinidad and Tobago.....	1 March 1995
Tunisia	29 March 1995
Turkey	26 March 1995
Uganda	1 January 1995
United Arab Emirates	10 April 1996
United Kingdom.....	1 January 1995
United States of America.....	1 January 1995
Uruguay	1 January 1995
Venezuela.....	1 January 1995
Zambia	1 January 1995
Zimbabwe.....	5 March 1995