



20 October 2023

(23-7091)

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**Council for Trade in Goods
Working Party on State Trading Enterprises**

**REPORT TO THE COUNCIL FOR TRADE IN GOODS
ON IMPROVING THE FUNCTIONING OF
THE WORKING PARTY ON STATE TRADING ENTERPRISES**

ADOPTED ON 20 OCTOBER 2023

1 INTRODUCTION

1.1. This report is being prepared at the request¹ of the Council for Trade in Goods (CTG). All CTG subsidiary bodies were asked to produce written reports summarizing their discussions on improving their respective functioning, and describing the improvements they had agreed on. On 30 June 2023, the CTG Chair held a meeting with the Chairs of the subsidiary bodies at which all Chairs were requested to submit their reports no later than in the first week of November 2023, and to ensure that all improvements made since the conclusion of MC12 were appropriately reflected in those reports.²

1.2. Reference is made to document [G/L/1456 - G/STR/32](#) containing the report on the functioning of the Working Party submitted on 28 November 2022 by the Chair of the Working Party, under his own responsibility, to the CTG. The report described the functioning of the Working Party as well as steps taken over the years to improve that functioning. Based on what was contained in that report and in all other reports of Chairs of CTG subsidiary bodies, the CTG Secretariat circulated a "Comparison Matrix" providing a general overview of the main elements that seemed to be comparable across the reports.³

1.3. At the regular autumn meeting of the Working Party on 21 October 2022, the Chair of the Working Party reported to Members on the consultations ongoing at the time at the level of the General Council and the CTG regarding WTO reform, and indicated that all subsidiary bodies were tasked to take stock of what had been done in their respective bodies and explore ways to improve their daily functioning and better deliver on their respective mandates. The Chair of the Working Party also referred to the consultations held by the Chair of the CTG with delegations and with the Chairs of the CTG subsidiary bodies, and to the request by the CTG Chair to all those Chairs to submit, under their own responsibility, reports on the current functioning of their different bodies.⁴

2 PROCESS AND PROPOSALS

2.1. The following summarizes the key procedural aspects and proposals considered:

- a. Members discussed possible improvements to the functioning of the Working Party in an informal mode at the regular Working Party meeting of 28 April 2023⁵, and at the informal meeting held on 9 June 2023.⁶
- b. During the informal discussions of 28 April 2023, Members proposed eight possible steps to improve the functioning of the Working Party. Among those eight steps, there appeared to be an emerging consensus around five, with some delegations however requiring more

¹ [JOB/CTG/29](#) and [JOB/CTG/33](#).

² [JOB/GC/345/Add.1](#), p. 2.

³ [G/C/W/824/Rev.1](#).

⁴ [G/STR/M/41](#).

⁵ [G/STR/M/42](#) and [RD/STR/51](#).

⁶ [RD/STR/52](#).

time to consider them. The Chair therefore proposed submitting those five steps to Members for possible approval through a written procedure.⁷ The written procedure was conducted in May 2023 and resulted in agreement on the five steps at issue⁸, which are described in section 3, below.

- c. As regards the other three of the eight steps proposed at the meeting of 28 April 2023, some Members had objections. A further informal meeting was therefore scheduled for 9 June 2023 to hold further discussions on those three steps, and to consider any additional proposals for improvement by Members. No additional proposals were made⁹, and there continued to be no consensus on the three steps that had not been agreed in May 2023.¹⁰

3 IMPROVEMENTS TO THE FUNCTIONING OF THE WORKING PARTY

3.1. As a result, the Working Party has agreed to implement the following five steps to improve its functioning:

General area¹¹	Improvements in the functioning of the Working Party on State Trading Enterprises
A. Assistance to delegates	<ul style="list-style-type: none"> • The Secretariat will organize relevant hybrid training in the autumn/winter 2023, with a focus on how to comply with the notification requirements under Article XVII:4(A) of the GATT 1994 and paragraph 1 of the Understanding on the Interpretation of Article XVII of the GATT 1994.
B. Planning and organization of meetings	<ul style="list-style-type: none"> • The Working Party will agree on the dates of both formal meetings of each year at the autumn meeting of the previous year; • For each formal meeting of the Working Party, the final airgram will be issued 15 days before the meeting or, if that is a WTO non-working day, the previous WTO working day.
C. Conduct of formal meetings	<ul style="list-style-type: none"> • The time taken to produce minutes will be shortened.
F. Substantive work	<ul style="list-style-type: none"> • The "Status of Notifications Submitted by WTO Members under Article XVII:4(A) of the GATT 1994 and Paragraph 1 of the Understanding on the Interpretation of Article XVII of the GATT 1994" will be circulated twice a year, before each formal meeting of the Working Party, after the closing of the airgram for the meeting.

⁷ RD/STR/51.

⁸ G/STR/33.

⁹ See ICN/RUL/STR/2.

¹⁰ RD/STR/52.

¹¹ For the present reports on improving the functioning of CTG subsidiary bodies, these categories are harmonized across all CTG subsidiary bodies. As a result, some categories do not apply and the corresponding headings (D, E, and G) are absent from this table.