

WORLD TRADE ORGANIZATION

G/L/418
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(00-4950)

REPORT (2000) OF THE WORKING PARTY ON STATE TRADING ENTERPRISES¹

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 (21 October 1999 – 20 November 2000), Mr. Breffini Carpenter (Ireland) served as Chairman of the Working Party.

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.

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; Colombia; Costa Rica; Cuba; Cyprus; Czech Republic; Egypt; El Salvador; European Communities; Guatemala; Hong Kong, China; Honduras; Hungary; Iceland; India; Indonesia; Israel; Japan; Korea; Latvia; Malaysia; Malta; Mauritius; Mexico; Morocco; New Zealand; Norway; Pakistan; Paraguay; Peru; Philippines; Poland; Romania; Singapore; Slovak Republic; South Africa; Switzerland; Thailand; Trinidad & Tobago; Turkey; United States; Uruguay; Venezuela; and Zambia. China, P.R.; Chinese Taipei; Ethiopia; Jordan; Russian Federation; Saudi Arabia; Sudan; and Vietnam participated as observers.

5. The Working Party held two formal meetings during the period under review: On 14 July 2000 and on 20 November 2000. The Minutes of these meetings are contained in documents G/STR/M/17-18.

¹ Please note that this report is being forwarded directly to the General Council following adoption by the Working Party on State Trading Enterprises at its meeting of 20 November 2000.

II. NOTIFICATION AND REVIEW OF MEMBERS' STATE TRADING ACTIVITIES

6. 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 are to be made in the intervening years, indicating any changes since the new and full notification. At both formal meetings held during the period under review, the Chairman made a statement concerning the need for timely compliance with notification requirements.

7. New and full notifications for 1995 have been received from 59 Members and for 1998 from 39 Members. Updating notifications for 1996 have been received from 32 Members, for 1997 from 33 Members, for 1999 from 31 Members, and for 2000 from 20 Members. (See Annex to this Report.)²

8. At its meeting of 14 July 2000, the Working Party reviewed 23 notifications: 2000 updating notifications of Bolivia; Haiti; Hong Kong, China; Hungary; Macau, China; Malta; Mongolia; and Slovenia; 1999 updating notifications of Argentina; Chile; Guatemala; Haiti; Hungary; Mongolia; Singapore; and Turkey; 1998 new and full notifications of Argentina; Chile; Guatemala; Haiti; and Singapore; 1997 updating notification of Guatemala; and 1996 updating notification of Guatemala.

9. In light of the poor compliance record since 1995, it was decided at the July 2000 meeting of the Working Party that the Chairman would write to those Members who had made no state trading notification thus far in order to urge them to do so. On 15 November 2000, such a letter was sent by the Chairman to the 53 Members who had made no state trading notification to date. Those Members, in order of date of accession, are: **Antigua and Barbuda; Bangladesh; Belize; Brunei Darussalam; Dominica; Gabon; Ghana; Guyana; Kenya; Kuwait; Myanmar; Saint Lucia; Saint Vincent and the Grenadines; Sri Lanka; Suriname; Swaziland; Tanzania; Zimbabwe; Dominican Republic; Cuba; El Salvador; Burkina Faso; Central African Republic; Djibouti; Guinea Bissau; Lesotho; Malawi; Mali; Maldives; Mauritania; Togo; Burundi; Sierra Leone; Mozambique; Nicaragua; Madagascar; Cameroon; Benin; Rwanda; Solomon Islands; Angola; Niger; Democratic Republic of Congo; Republic of Congo; Ecuador; Saint Kitts and Nevis; Grenada; Papua New Guinea; Panama; Kyrgyz Republic; Estonia; Jordan; and Georgia.**

10. At its meeting of 20 November 2000, the Working Party reviewed 26 notifications: 2000 updating notifications of Bahrain; Chad; Chile; Czech Republic; Mexico; Namibia; New Zealand; Norway; Turkey; and Venezuela; 1999 updating notifications of Australia; Bahrain; Chad; Czech Republic; Liechtenstein; Mexico; Switzerland; and Venezuela; 1998 new and full notifications of Australia; Bahrain; Chad; Czech Republic; Liechtenstein; and Switzerland; 1997 updating notification of Czech Republic; and 1996 updating notification of Czech Republic. At that meeting, the Working Party also adopted its Annual Report for the year 2000 to the Council for Trade in Goods.

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

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**

Status as of 20 November 2000³

Member	New and Full Notification (1995) G/STR/N/1	Updating Notification (1996) G/STR/N/2	Updating Notification (1997) G/STR/N/3	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6
Albania	n.a.	n.a.	n.a.	n.a.	n.a.	
Angola	n.a.					
Antigua and Barbuda						
Argentina	X		X	X	X	
Australia	X	X	X	X	X	
Bahrain				X	X	X
Bangladesh						
Barbados	X					
Belize						
Benin	n.a.					
Bolivia					X	X
Botswana	X					
Brazil	X		X			
Brunei Darussalam	n.a.					
Bulgaria	X					
Burkina Faso						
Burundi						
Cameroon						
Canada	X	X	X			
Central African Republic						
Chad				X	X	X
Chile	X	X	X	X	X	X
Colombia	X	X		X		
Congo						
Costa Rica	X	X	X	X		
Côte d'Ivoire	X					

³An "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.

Member	New and Full Notification (1995) G/STR/N/1	Updating Notification (1996) G/STR/N/2	Updating Notification (1997) G/STR/N/3	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6
Cuba						
Cyprus	X					
Czech Republic	X	X	X	X	X	X
Democratic Republic of the Congo	n.a.	n.a.				
Djibouti						
Dominica						
Dominican Republic						
Ecuador	n.a.					
Egypt				X		
El Salvador	X					
Estonia	n.a.	n.a.	n.a.	n.a.	n.a.	
European Communities	X	X		X		
Fiji	n.a.			X		
Gabon						
Gambia	X					
Georgia	n.a.	n.a.	n.a.	n.a.	n.a.	
Ghana						
Grenada	n.a.					
Guatemala	X	X	X	X	X	
Guinea Bissau						
Guinea, Republic of	X					
Guyana						
Haiti	X	X	X	X	X	X
Honduras	X					
Hong Kong, China	X	X	X	X	X	X
Hungary	X	X	X	X	X	X
Iceland	X			X	X	
India	X					
Indonesia	X	X		X		
Israel	X					
Jamaica	X		X			
Japan	X	X	X	X		
Jordan	n.a.	n.a.	n.a.	n.a.	n.a.	
Kenya						

Member	New and Full Notification (1995) G/STR/N/1	Updating Notification (1996) G/STR/N/2	Updating Notification (1997) G/STR/N/3	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6
Korea, Republic of	X	X		X		
Kuwait						
Kyrgyz Republic	n.a.	n.a.	n.a.	n.a.		
Latvia	n.a.	n.a.	n.a.	X	X	
Lesotho						
Liechtenstein	X	X	X	X	X	
Macau, China	X	X	X	X	X	X
Madagascar						
Malawi						
Malaysia	X					
Maldives						
Mali					X	
Malta	X			X		X
Mauritania						
Mauritius	X	X	X			
Mexico	X	X	X	X	X	X
Mongolia	n.a.	n.a.		X	X	X
Morocco	X					
Mozambique						
Myanmar						
Namibia	X			X	X	X
New Zealand	X	X	X	X	X	X
Nicaragua						
Niger	n.a.	n.a.	n.a.			
Nigeria	X	X	X			
Norway	X	X	X	X	X	X
Oman	n.a.	n.a.	n.a.	n.a.	n.a.	
Pakistan	X		X			
Panama	n.a.	n.a.				
Papua New Guinea	n.a.					
Paraguay				X		
Peru	X	X	X			
Philippines	X	X				
Poland	X					
Qatar	X				X	

Member	New and Full Notification (1995) G/STR/N/1	Updating Notification (1996) G/STR/N/2	Updating Notification (1997) G/STR/N/3	New and Full Notification (1998) G/STR/N/4	Updating Notification (1999) G/STR/N/5	Updating Notification (2000) G/STR/N/6
Romania	X	X	X			
Rwanda	n.a.					
Saint Kitts & Nevis						
Saint Lucia						
Saint Vincent & Grenadines						
Senegal						
Sierra Leone						
Singapore	X	X	X	X	X	
Slovak Republic	X	X	X	X	X	
Slovenia	X	X	X	X	X	X
Solomon Islands	n.a.					
South Africa	X	X	X	X	X	X
Sri Lanka						
Suriname						
Swaziland						
Switzerland	X	X	X	X	X	
Tanzania						
Thailand	X	X	X			
Togo						
Trinidad & Tobago				X		
Tunisia	X					
Turkey	X		X	X	X	X
Uganda				X	X	X
United Arab Emirates	X					
United States	X	X	X			
Uruguay	X		X			
Venezuela, Bolivarian Republic of	X	X	X	X	X	X
Zambia	X			X	X	
Zimbabwe						
Total*	59/108	32/108	33/117	39/117	31/119	20/124

* The denominator used here reflects the fact that, for each notification obligation, the European Communities submits a single notification that covers all 15 Member States. The total membership of the WTO (139 at present) includes the European Communities plus the 15 Member States.