

WORLD TRADE ORGANIZATION

G/L/829
10 October 2007

(07-4350)

REPORT (2007) 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 (12 October 2006 – 8 October 2007), Mr. Benjamin KATJIPUKA (Namibia) assumed the Chairpersonship of the Working Party and was succeeded by Mr. Pornvit SILA-ON (Thailand). Mr. Sila-on was appointed by the Council for Trade in Goods at its meeting on 19 March 2007 to assume the chairpersonship for the year 2007-2008.

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 the 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; Egypt; El Salvador; European Communities¹; Guatemala; Haiti; Hong Kong, China; Honduras; Iceland; India; Indonesia; Israel; Japan; Jordan; Kenya; Korea; Macao, China; Malaysia; Malta; Mauritius; Mexico; Morocco; New Zealand; Norway; Oman; Pakistan; Paraguay; Peru; Philippines; Saudi Arabia; Singapore; South Africa; Switzerland; Chinese Taipei; Thailand; Trinidad and Tobago; Tunisia; Turkey; United States; Uruguay; Venezuela; Zambia and Zimbabwe. Ethiopia; Russian Federation; Sudan; Ukraine and Vietnam participated as observers.

¹ The European Communities and its 27 Member States are counted as one.

5. Following the regular meeting held on 12 October 2006, the Working Party held one regular meeting during the period under review. The meeting was held on 8 October 2007. The minutes of the regular meeting held on 8 October 2007 will be circulated in document G/STR/M/17.

6. The next regular meeting of the Working Party will be held on 3 October 2008.

II. NOTIFICATION AND REVIEW OF MEMBERS' STATE TRADING ACTIVITIES

7. Under Article XVII of the 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.

8. Updating notifications for 1999 and 2000 were received from 47 and 44 Members, respectively.² New and full notifications were received from 54 Members for the year 2001 and updating notifications for 2002 and 2003 were received from 42 and 33 Members, respectively.³ New and full notifications for 2004⁴ and 2006⁵ were received from 34 and 22 Members, respectively. (*See Annex to this Report*).

9. At its regular meeting of 8 October 2007, the Working Party reviewed 29 notifications: 2006 new and full notifications of Canada; Chile; Colombia; European Communities; Japan; Macao, China; Qatar; Saudi Arabia; Singapore; Chinese Taipei; Turkey; the United States, Zambia and Zimbabwe, 2004 new and full notifications of Australia; Canada; Chile; Colombia; the European Communities and Zambia, 2003 and 2002 updating notifications of Canada; Chile and the European Communities, 2001 new and full as well as 2000 and 1999 updating notifications of Canada. At that regular meeting, the Working Party also adopted its Annual Report to the Council for Trade in Goods for the year 2007.

10. At that meeting of the Working Party, the United States posed questions regarding Canada's 2006 new and full notification contained in document G/STR/N/11/CAN and Australia posed questions pertaining to the 2006 new and full notification of Japan and 2006 new and full notification of the United States contained in documents G/STR/N/11/JPN and G/STR/N/11/USA respectively. The European Communities referred to the New Zealand company "Fonterra", operating in the dairy sector, which it considered to be a state trading enterprise, and requested that New Zealand submit a notification concerning the operations of this company in accordance with Article XVII of GATT 1994. New Zealand did not agree with the European Communities' statement. The European Communities noted that the annex to the Annual Report contained blanks for certain European Communities' Member States that acceded to the European Communities on 1 May 2004. The European Communities stated that it would discuss with the Secretariat the appropriate way to provide the missing notifications in due course.

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

³ The European Communities and its then 15 Member States are counted as one.

⁴ As Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia became European Communities' Member States on 1 May 2004, they were counted separately and not as part of the European Communities, for the period 1999-2004, in order to reflect their previous notification obligation.

⁵ The European Communities and its then 25 Member States are counted as one.

III. COMPLIANCE WITH THE NOTIFICATION OBLIGATION

11. With respect to the status of compliance with the notification obligation, the Chairman welcomed the slight improvement detected in the area of new and full notifications especially for the period 2004-2006. He urged Members to promptly comply with the notification obligation which became far less burdensome after the modification of the periodicity of state trading notifications.

12. The Chairman also raised the issue of the "Frequency of Notifications". He referred to the recommendation⁶ adopted by the Working Party on 11 November 2003 and approved by the Council for Trade in Goods on 26 November 2003 which modified the periodicity of state trading notifications so that new and 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. He also referred to paragraph 4 of that recommendation according to which a trial phase of four years commenced on 30 June 2004, after which the Working Party should review the situation, with regard to compliance with the notification obligation and the frequency of notifications, with a view to determining whether to extend the application of this recommendation, whether as presently drafted or in a modified form for a further period. The Chairman thus proposed to hold informal consultations with Members on 31 March 2008 in order to explore Members' views as to whether the application of this recommendation should be extended, either as presently drafted or in a modified form for a further period. He added that the outcome of such consultations will be conveyed to the regular meeting of the Working Party on 3 October 2008 for a decision to be referred to the Council for Trade in Goods for approval.

⁶ G/STR/5.

ANNEX
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
Status as of 8 October 2007⁷

Member	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	New and Full Notification (2006) G/STR/N/11
Albania	n.a.					X	
Angola							
Antigua and Barbuda							
Argentina	X	X	X	X	X	X	X
Armenia	n.a.	n.a.	n.a.	n.a.		X	X
Australia	X	X	X	X	X	X	X
Bahrain	X	X					
Bangladesh							
Barbados							
Belize							
Benin							
Bolivarian Republic of Venezuela	X	X	X				
Bolivia	X	X	X				
Botswana							
Brazil							
Brunei Darussalam							
Bulgaria ⁸ §			X	X		X	
Burkina Faso							
Burundi			X				
Cambodia	n.a.	n.a.	n.a.	n.a.	n.a.		
Cameroon							
Canada	X	X	X	X	X	X	X
Central African Republic							
Chad	X	X	X				
Chile	X	X	X	X	X	X	X
China	n.a.	n.a.	X	X	X		

⁷An "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.8 listing all WTO Members, together with the effective dates of their membership is attached). An § indicates that the country in question is currently a Member of the European Communities. The shaded boxes indicate that the corresponding notification was submitted by the European Communities.

⁸ As this Member became a European Communities' Member State on 1 January 2007, it will appear on this table separately and not as part of the European Communities, for the period 1999-2006, in order to reflect its previous notification obligation.

Member	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	New and Full Notification (2006) G/STR/N/11
Colombia			X	X	X	X	X
Congo							
Costa Rica	X	X	X	X			
Côte d'Ivoire							
Croatia	n.a.			X	X	X	
Cuba							
Cyprus ⁹ \$			X	X	X		
Czech Republic ¹⁰ \$	X	X	X	X	X	X	
Democratic Republic of the Congo							
Djibouti							
Dominica	X	X					
Dominican Republic							
Ecuador							
Egypt							
El Salvador	X	X					
Estonia ¹¹ \$			X	X	X		
European Communities	X	X	X	X	X	X	X
Fiji							
Former Yugoslav Republic of Macedonia	n.a.	n.a.	n.a.	n.a.		X	
Gabon							
The Gambia							
Georgia	n.a.		X	X			
Ghana			X			X	
Grenada							
Guatemala	X	X	X	X			
Guinea, Republic of			X	X	X		
Guinea Bissau							
Guyana							

⁹ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

¹⁰ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

¹¹ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

Member	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	New and Full Notification (2006) G/STR/N/11
Haiti	X	X					
Honduras			X				
Hong Kong, China	X	X	X	X	X	X	X
Hungary ¹² \$	X	X	X	X	X		
Iceland	X						
India			X				
Indonesia			X	X		X	
Israel							
Jamaica			X				
Japan			X			X	X
Jordan	X	X	X	X	X		
Kenya							X
Korea, Republic of							
Kuwait							
Kyrgyz Republic							
Latvia ¹³ \$	X	X	X	X		X	
Lesotho							
Liechtenstein	X	X	X	X	X	X	
Lithuania ¹⁴ \$	n.a.	n.a.	X				
Macao, China	X	X	X	X	X	X	X
Madagascar							
Malawi							
Malaysia							
Maldives							
Mali							
Malta ¹⁵ \$	X	X	X	X			
Mauritania							
Mauritius				X			
Mexico	X	X					
Moldova	n.a.	n.a.	X	X	X	X	X

¹² As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

¹³ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

¹⁴ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

¹⁵ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

Member	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	New and Full Notification (2006) G/STR/N/11
Mongolia	X	X	X				
Morocco							
Mozambique							
Myanmar							
Namibia	X	X					
Nepal	n.a.	n.a.	n.a.	n.a.	n.a.		
New Zealand	X	X	X			X	
Nicaragua							
Niger							
Nigeria	X	X	X	X			
Norway	X	X	X				
Oman	n.a.		X		X		
Pakistan	X	X	X	X	X		
Panama	X	X	X	X	X	X	
Papua New Guinea							
Paraguay							
Peru	X	X	X	X	X	X	
Philippines	X	X	X				
Poland ¹⁶ §	X	X	X	X	X		
Qatar	X					X	X
Romania ¹⁷ §	X	X	X	X	X	X	X
Rwanda							
Saint Kitts & Nevis							
Saint Lucia							
Saint Vincent & Grenadines	X	X					
Saudi Arabia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	X
Senegal							
Sierra Leone							
Singapore	X	X			X	X	X
Slovak Republic ¹⁸ §	X	X	X	X	X		
Slovenia ¹⁹ §	X	X	X	X	X		

¹⁶ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

¹⁷ As this Member became a European Communities' Member State on 1 January 2007, it will appear on this table separately and not as part of the European Communities, for the period 1999-2006, in order to reflect its previous notification obligation.

¹⁸ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

Member	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	New and Full Notification (2006) G/STR/N/11
Solomon Islands							
South Africa	X	X	X	X			
Sri Lanka							
Suriname						X	
Swaziland							
Switzerland	X	X	X	X	X	X	
Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu	n.a.	n.a.	n.a.	X	X	X	X
Tanzania							
Thailand			X	X	X	X	X
Tonga	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Togo							
Trinidad & Tobago							
Tunisia	X	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	X
Uruguay							
Vietnam	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Zambia	X		X	X	X	X	X
Zimbabwe							X
Number of Notifying Members/Total Number of Members ²⁰	47/121	44/125	54/128	42/129	33/131	34/133	22/124

¹⁹ As this Member became a European Communities' Member State on 1 May 2004, it will appear on this table separately and not as part of the European Communities, for the period 1999-2004, in order to reflect its previous notification obligation.

²⁰ The numerator and denominator used for the years 1999-2003 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 1 May 2004, they were counted separately in this table and not as part of the European Communities, for the period 1999-2004, in order to reflect their previous notification obligation. The numerator and the denominator used for the year 2006 reflect that the European Communities and its then 25 Member States are counted as one. The total number of Members of the World Trade Organization is currently 151.

WORLD TRADE ORGANIZATION

WT/INF/43/Rev.8
18 July 2007

(07-3046)

MEMBERSHIP OF THE WORLD TRADE ORGANIZATION

Revision

Upon the accession of Tonga, on **27 July 2007**, the number of Members of the World Trade Organization will have reached **151**. 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
Bolivarian Republic of Venezuela	1 January 1995
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

<u>Government</u>	<u>Entry into Force/ Membership</u>
Côte d'Ivoire	1 January 1995
Croatia	30 November 2000
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

<u>Government</u>	<u>Entry into Force/ Membership</u>
Lithuania.....	31 May 2001
Luxembourg	1 January 1995
Macao, China	1 January 1995
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 in Europe and for the Netherlands Antilles	1 January 1995
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
Saudi Arabia.....	11 December 2005
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

<u>Government</u>	<u>Entry into Force/ Membership</u>
Spain	1 January 1995
Sri Lanka	1 January 1995
Suriname.....	1 January 1995
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
Tonga	27 July 2007
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
Viet Nam	11 January 2007
Zambia	1 January 1995
Zimbabwe.....	5 March 1995