



9 October 2013

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REPORT (2013) OF THE WORKING PARTY ON STATE TRADING ENTERPRISES

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 Humberto Jimenez Torres (Ecuador).
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 2013, the Working Party held a formal meeting on 7 October. The minutes of this meeting will be circulated as document G/STR/M/25. The next regular meeting of the Working Party is scheduled for 9 October 2014.

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 16 June 2010, the Working Party respectively adopted the recommendations contained in documents G/STR/6 and G/STR/7, each time concluding that it would be desirable to extend the new frequency of notifications for two additional years.
6. Paragraph 6 of the recommendation in document G/STR/7 directed the Working Party to review the situation with regard to compliance with the notification obligation and the frequency of notifications at the end of the two year extension period. At its formal meeting 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.
7. In the period under review, 39 new and full notifications and 12 updating notifications were received. The Working Party reviewed all of these notifications at its regular meeting on 7 October 2013. The new and full notifications included: (a) the 2012 notifications from Armenia;

Ecuador; India; Lichtenstein; Malaysia; Mali; Moldova; Peru; Singapore; South Africa; Thailand; and Uruguay (b) the 2010 notifications from Armenia; Malaysia; Mali; Peru; South Africa; Thailand and Uruguay (c) the 2008 notifications from Barbados; Malaysia; Mali; Peru; South Africa; and Uruguay; (d) the 2006 notifications from Barbados; Malaysia; Mali; Peru; South Africa; and Uruguay; (e) the 2004 notifications from Mali; South Africa; and Uruguay; and (f) the 2001 notifications from Mali; Singapore; and Uruguay; and (g) the 1998 notifications from Mali and Uruguay; (h) and the 1995 notification from Mali. The updating notifications reviewed were as follows: (a) the 2003 notifications from Mali; South Africa; and Uruguay; (b) the 2002 notifications from Mali; Singapore; and Uruguay; (c) the 2000 and 1999 notifications from Mali and Uruguay; and (d) the 1996 and 1997 notifications from Mali.

8. At the October 2013 meeting of the Working Party, the European Union posed a written question to India regarding its notification in G/STR/N/14/IND.¹ Pakistan posed two questions at this meeting, the first regarding India's notification in G/STR/N/14/IND, and the second regarding Malaysia's notification in G/STR/N/14/MYS.²

9. The Working Party adopted its Annual Report to the Council for Trade in Goods for the year 2013.

3 COMPLIANCE WITH THE NOTIFICATION OBLIGATION

10. During the year under review to 7 October 2013, 11 new and full notifications have been received for the 2012 notification period (G/STR/N/14), as listed in paragraph 7 above. The following Members have not submitted any notification for the current period: Albania, Angola, Antigua and Barbuda, the Kingdom of Bahrain, Bangladesh, Barbados, Belize, Benin, the Plurinational State of Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Central African Republic, Chad, China, Congo, Costa Rica, Côte d'Ivoire, Cuba, the Democratic Republic of the Congo, Djibouti, Dominica, the Dominican Republic, Egypt, Fiji, Gabon, The Gambia, Ghana, Grenada, Guinea, Guinea-Bissau, Guyana, Haiti, Iceland, Indonesia, Israel, Jamaica, Jordan, Kenya, the Kyrgyz Republic, Lesotho, Madagascar, Malawi, Maldives, Mauritania, Mauritius, Mexico, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Oman, Pakistan, Papua New Guinea, Paraguay, Philippines, Qatar, Rwanda, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, the Kingdom of Saudi Arabia, Senegal, Sierra Leone, Solomon Islands, Sri Lanka, Suriname, Swaziland, Tanzania, the former Yugoslav Republic of Macedonia, Togo, Tonga, Trinidad and Tobago, Tunisia, Uganda, United Arab Emirates, the Bolivarian Republic of Venezuela, Viet Nam, and Zimbabwe.

11. Information on the status of state trading notifications since 1995 is set out in document G/STR/10.

¹ G/STR/Q1/IND/5.

² G/STR/Q1/IND/6 and G/STR/Q1/MYS/1 to be issued.