



REPORT (2020) OF THE WORKING PARTY ON STATE TRADING ENTERPRISES

ADOPTED 2 NOVEMBER 2020

1 ORGANIZATION OF THE WORK OF THE WORKING PARTY

1. The Working Party on State Trading Enterprises (the Working Party) 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 (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.

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), as well as counter-notifications.

3. This Report is submitted under paragraph 5 of the Understanding, which provides that the Working Group shall report annually to the Council for Trade in Goods. It sets out the activities of the Working Party during the review period, which runs from 2 November 2019 through 2 November 2020. During this period, the Working Party held one formal meeting under the Chairmanship of Ms Johana Méndez (Panama), on 2 November 2020. The minutes of the meeting will be circulated as G/STR/M/37. The meeting originally scheduled for 24 April 2020 could not be held because of the COVID-19 pandemic.¹

4. During the first part of the review period, Mr Kristian Henk (Austria) was Chair of the Working Party, and in April 2020 the Working Party elected Mr Tayutic Mena Retana (Costa Rica) as Vice-Chair. In July 2020 the Council for Trade in Goods elected Ms Johana Méndez (Panama) as Chair of the Working Party and in November 2020 the Working Party elected Ms Laura Gauer (Switzerland) as Vice-Chair of the Working Party.

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, with updating notifications to be made in the intervening years. Beginning in 2003, updating notifications were eliminated and the frequency of new and full notifications was increased to once every two years. This new approach was initially implemented on a trial basis. On 8 June 2012, the Working Party adopted the

¹ On 24 April 2020, the Chair of the Working Party, Mr Kristian Henk, proposed to Members to reassess the situation by 30 June 2020, the deadline for new and full notifications for the most recent notification period (G/STR/N/18). On 29 June 2020, the Chair noted the limited number of notifications received, urged Members to submit their notifications, and proposed to hold the following meeting of the Working Party on 2 November 2020, the date already scheduled for the autumn meeting of the Working Party, which would follow the regular meetings of the Committees on Anti-Dumping Practices, Safeguards, and Subsidies and Countervailing Measures. This proposal was met with no objections.

recommendation contained in document G/STR/8 to extend the current frequency of notifications on an indefinite basis.

6. During the period under review, the Working Party reviewed new and full notifications from: Albania; Argentina; Cambodia; Canada; European Union; Georgia; Honduras; Hong Kong, China; Indonesia; Japan; Republic of Korea; Kyrgyz Republic; Macao, China; Mauritius; Republic of Moldova; Montenegro; New Zealand; North Macedonia; Panama; Kingdom of Saudi Arabia; Seychelles; Singapore; Switzerland; Chinese Taipei; Thailand; Tonga; Ukraine; United Arab Emirates; United States; Uruguay; and Vanuatu.² It also returned to the previously reviewed notifications of India and Viet Nam.

7. The Working Party also took up the following agenda items: (i) continued non-notification of state trading enterprises by Brazil (item requested by the United States); and (ii) continued non-notification of state trading enterprises by the Russian Federation (item requested by the United States).

3 COMPLIANCE WITH THE NOTIFICATION OBLIGATION

8. As of 2 November 2020, 30 new and full notifications have been received for the 2018-2019 notification period. Between 2 November 2019 and 2 November 2020, the Working Party has also received 30 new and full notifications for earlier notification periods.³

9. The following Members have not submitted any notification for the 2018-2019 notification period: Afghanistan; Angola; Antigua and Barbuda; Armenia; Australia; Kingdom of Bahrain; Bangladesh; Barbados; Belize; Benin; Plurinational State of Bolivia; Botswana; Brunei Darussalam; Burkina Faso; Burundi; Cabo Verde; Cameroon; Central African Republic; Chad; Chile; China; Colombia; Congo; Costa Rica; Côte d'Ivoire; Cuba; Democratic Republic of the Congo; Djibouti; Dominica; Dominican Republic; Ecuador; Egypt; El Salvador; Eswatini; Fiji; Gabon; The Gambia; Ghana; Grenada; Guatemala; Guinea; Guinea-Bissau; Guyana; Haiti; Iceland; India; Israel; Jamaica; Jordan; Kazakhstan; Kenya; the State of Kuwait; Lao People's Democratic Republic; Lesotho; Liberia; Liechtenstein; Madagascar; Malawi; Malaysia; Maldives; Mali; Mauritania; Mexico; Mongolia; Morocco; Mozambique; Myanmar; Namibia; Nepal; Nicaragua; Niger; Nigeria; Norway; Oman; Pakistan; Papua New Guinea; Paraguay; Peru; Philippines; Qatar; Russian Federation; Rwanda; Saint Kitts and Nevis; Saint Lucia; Saint Vincent and the Grenadines; Samoa; Senegal; Sierra Leone; Solomon Islands; South Africa; Sri Lanka; Suriname; Tajikistan; Tanzania; Thailand; Togo; Trinidad and Tobago; Tunisia; Turkey; Uganda; Vanuatu; Bolivarian Republic of Venezuela; Viet Nam; Yemen; Zambia; and Zimbabwe.

10. Document G/STR/25/Rev.1 sets out the status of state trading notifications since 1995.

4 VICE-CHAIRPERSON FOR THE WORKING PARTY

11. Following discussions of the matter of a vice-chairperson in the Working Party, the Council for Trade in Goods agreed that the Working Party could elect a vice-chairperson, as do other subsidiary bodies of the Council for Trade in Goods.⁴

5 ADOPTION OF THE ANNUAL REPORT

12. The Working Party adopted its Annual Report to the Council for Trade in Goods for the year 2020.

² The notification of Brazil, submitted on 30 October 2020, will be reviewed at the next meeting of the Working Party. Document G/STR/N/18/BRA.

³ Document G/STR/25/Rev.1.

⁴ See documents G/STR/24 and G/STR/23, paras. 10-12.