

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

STATE-TRADING

Request for Submission of Replies to New Questionnaire

At their fourteenth session the CONTRACTING PARTIES adopted the Report of the Panel on Subsidies and State-Trading (L/970) and a recommendation that a new questionnaire should be distributed to governments¹. Contracting parties are, therefore, invited to furnish the information requested in the attached questionnaire in the light of the remarks contained in paragraphs 12, 13, 14, 16 and 17 of that report.

So as to make sure that the information collected is complete, governments which do not maintain enterprises in the sense of Article XVII should submit a statement to that effect.

Contracting parties are invited to transmit their replies as soon as possible and not later than 1 September 1959.

ANNEX

NEW QUESTIONNAIRE ON STATE-TRADING

1. Does your country maintain enterprises covered by the provisions of Article XVII? If so, list the products or groups of products for which a State enterprise is maintained or for which an enterprise has exclusive or special privileges.
2. State for each product the reason and purpose for introducing and maintaining the enterprise (it should be indicated, for example, whether the purpose or the effect of the enterprise is to prevent prices to consumers from exceeding certain maximum limits, or to protect domestic producers by the control of imports and/or the purchase of domestic supplies at above world price levels, or to facilitate export sales, or to make it possible to establish or administer a stabilization arrangement). A description of the legal provisions should be included in so far as this has not been submitted in earlier notifications.

¹ The document number of the first questionnaire on State Trading was L/784. The replies received from contracting parties were published in addenda to that document.

3. Describe, item by item, the functioning of such enterprises and state in particular¹:

Whether the enterprise deals with exports or with imports; or both.

Whether private traders are allowed to import or export and, if so, on what conditions. Whether there is free competition between private traders and the State-trading enterprise.

The criteria used for determining the quantities to be exported and imported.

How export prices are determined. How the mark-up on imported products is determined. How export prices and the resale prices of imports compare with domestic prices.

Whether long-term contracts are negotiated by the State-trading enterprise. Whether State-trading methods are used to fulfil contractual obligations entered into by the government.

4. Furnish statistics (where possible by quantity and value) of imports, exports and national production on the products notified, on the following lines:

- (a) the figures should cover the last three available years;
- (b) the figures for the three groups (imports, exports and national production) should be given, where possible, in a comparable form;
- (c) the figures should be broken down so as to show:
 - (i) trade by the enterprise;
 - (ii) other trade.

5. In cases where no foreign trade has taken place in the products affected, state the reasons.

6. Provide any additional information that may be appropriate.

¹ These questions are identical to those in the questionnaire on State-trading prepared by Committee II on Expansion of Trade. In so far as contracting parties have reported to Committee II on State-trading in agricultural products they need, in respect of these products, merely to provide a copy of their relevant replies.

