

GENERAL AGREEMENT ON TARIFFS AND TRADE

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STATE-TRADING ENTERPRISES

Notification Pursuant to Article XVII:4(a)

SPAIN

In accordance with the provisions of Article XVII, the Spanish authorities are furnishing the following information concerning State-trading enterprises, updating earlier submissions.

I. Enumeration of State-trading enterprises

At the present time, the undertakings and products which can be considered as covered by the provisions of Article XVII of the General Agreement are the following:

1. National service for agrarian products (SENPA)

Vegetable oils, wheat, sugar, meat (beef, pigmeat and poultry meat), coffee and ethyl alcohol.

2. Tabacalera, S.A.

Unmanufactured and manufactured tobacco

3. Petroleum Monopoly Administration (CAMPSA)

Petroleum products

II. Reason and purpose for introducing and maintaining State-trading enterprises

(a) Under Royal Decree 2024/1981 of 4 December 1981, SENPA, which is an autonomous State agency, under the authority of the Ministry of Agriculture, took over the goods, rights and obligations of the General Commissariat for Supply and Transport (CAT). The latter had been established by a law dated 10 March 1939 as a State agency under the authority of the Ministries of Agriculture and of Trade. Apart from the above-mentioned functions, SENPA continues to carry out those already assigned to it.

The principal task of SENPA, as the successor body to CAT, is to ensure normal foodstuff supplies for the country.

(b) Tabacalera, S.A.

The tobacco monopoly dates back a long while, having been established in 1632. It is fundamentally of a fiscal character.

The present concession was granted to Tabacalera by a decree dated 17 June 1971, for a period of twenty years.

(c) Petroleum Monopoly Administration (CAMPSA)

The petroleum monopoly, which is of a fiscal character, is under the authority of the Ministry of Economy and Finance. It was established under a Royal Decree-Law dated 28 July 1927. CAMPSA was set up in order to operate the monopoly, and the contract between the Spanish State and CAMPSA was approved on 10 January 1928. It was amended by a law dated 17 July 1947, and implementing regulations were established by a decree dated 20 May 1949.

III. Description and functioning of the State-trading enterprises

(a) National service for agrarian products

SENPA has the exclusive right to import the products for which it has responsibility, namely: beef, pigmeat and poultry meat, coffee, alcohol, vegetable oils, sugar and wheat.

Other foodstuff products subject to State trading are imported directly by individual persons, either freely or under individual licence.

In the exceptional event of market disturbance, SENPA is empowered to carry out imports in parallel with those by individual persons and under the same conditions.

SENPA does not normally export any of the articles under its control (listed in the first paragraph of this Section (a)) because they are imported products. Nevertheless, SENPA could export on an exceptional basis in the event of a substantial surplus of one or other of those products; in practice this would apply only in respect of wheat and when the annual harvest is particularly abundant. In such cases, international market prices of the product concerned will be applied. Nevertheless, any such exports are to be considered as exceptional. Spain's production is not sufficient to meet domestic requirements and in no way could SENPA be said to have the export of foodstuffs as one of its tasks.

Direct purchases by SENPA are made through a tendering procedure in which all countries can participate without discrimination, except the East European countries which have a special trade structure.

For each product, the volume of imports is determined in the light of market requirements so as to cover the shortfall in domestic production and avoid causing any injury for the latter by admitting excessive foreign supplies, and while guaranteeing a normal price level for the various consumer products.

The fixing of export prices - with which, as already stated, SENPA is concerned only rarely - is made on the basis of international prices for each of the products concerned; SENPA receives any profits accruing from the operation and likewise covers any losses.

Prices of imported products are fixed at levels corresponding to the prices of domestic products. Any difference, whether upwards or downwards, between prices of imports and of domestic products accrues to SENPA as profits or losses as the case may be.

SENPA does not negotiate any long-term contracts for either exports or imports in its capacity as a State-trading enterprise; nor does it apply the traditional State-trading methods to meet contractual obligations taken on by the Government, although there is no legal or practical obstacle to its doing so.

SENPA does not negotiate any long-term contracts for the purchase of cotton; nor does it apply State-trading methods to carry out the contractual obligations taken on by the State.

(b) Tabacalera, S.A.

The tobacco monopoly is administered by Tabacalera S.A. which is the only body in the Peninsula and the Balearic Islands empowered to import unmanufactured and manufactured tobacco. It is likewise the only body in the Peninsula that exports unmanufactured and manufactured tobacco. In the Spanish territories in North Africa the monopoly is entrusted to TACASEMA (Tobacco Company of Ceuta and Melilla) whose functions are similar to those of Tabacalera S.A.

Tabacalera S.A. purchases domestically-produced tobacco through the National Tobacco Cultivation and Fermentation Service of the Ministry of Agriculture.

Private traders in the Peninsula and Balearic Islands are not authorized to make any imports or exports.

The volume of imports is determined by national consumption requirements.

The principal tasks of Tabacalera S.A. are the following:

1. Import and export of unmanufactured and manufactured tobacco.

2. Purchase of such quantities of tobacco products from the Canary Islands as are determined by the Government.
3. Manufacture of products in the Peninsula from domestic and imported tobacco.
4. Storage, transportation, distribution and sale of products manufactured by Tabacalera, as well as those coming from the Canary Islands and products imported from abroad. It must maintain stocks at a level sufficient to cover four months' consumption of cigarettes and cut tobacco, and six months' consumption of cigars.
5. Repression of smuggling.
6. Determination of selling prices of domestic and imported tobacco products. Any difference between import prices and selling prices, after deduction of the cost of handling, storage and transport, accrues to Tabacalera S.A. Export prices are fixed on the basis of international prices for like qualities.

Although this is not stipulated in the contract between the Spanish State and Tabacalera S.A., there is nothing to prevent the latter from entering into long-term contracts, although in practice it has never done so.

In practice there are no exports of tobacco produced in the Peninsula, whether unmanufactured or manufactured. The Canary Islands export manufactured tobacco freely, since the tobacco monopoly has no jurisdiction nor effect in these islands.

Although the Spanish State has a majority holding in Tabacalera S.A., a large part of the shares of the latter are held by private individuals and they are quoted daily on Spanish stock exchanges.

(c) Petroleum Monopoly Administration (CAMPSA)

CAMPSA operates and administers the petroleum monopoly.

In principle, it has responsibility for the import, industrial handling of all kinds, storage, distribution and sale of petroleum and petroleum products in the solid, liquid or gaseous state in the Peninsula and the Balearic Islands.

Crude is imported directly by the refineries. CAMPSA only imports finished products when refinery production capacity is not sufficient, or in certain cases of special fuels not produced by the domestic refineries. Exports consist almost exclusively of ships' supplies, delivered by CAMPSA in the Peninsula and the Balearic Islands. Fuel supplies for airlines are delivered with no differentiation by CAMPSA and by foreign companies.

Although the Spanish State has a major holding in this corporation, a very large part of the shares are held by private individuals and they are quoted daily on the Spanish stock exchanges.

The principal tasks entrusted to CAMPSA are the following:

1. To purchase petroleum products needed to meet domestic consumption requirements.
2. To intensify and ensure prospection activities in the national territory.
3. To purchase domestic alcohol for the manufacture of liquid fuels.
4. To establish refining industries.
5. To purchase oilfields in producing countries.
6. To organize contraband repression services.
7. To collect for the Treasury the taxes charged on petroleum products.
8. To authorize the installation of delivery points.
9. Study and construction of tankers in Spanish shipyards.

The Government determines selling prices of the petroleum products covered by the monopoly. Any difference between the purchase prices of raw materials and the selling prices of finished products, after deduction of the costs of transport, handling and refining, accrues to CAMPSA.

CAMPSA draws up and submits to the Government import plans for petroleum products, the relevant quantity being determined on the basis of domestic fuel needs.

Private persons are not authorized to import or export the petroleum products covered by the monopoly.

CAMPSA can negotiate long-term contracts and carry out transactions in pursuance of its contractual obligations vis-à-vis the Spanish Government.

IV. Statistical information

Annexed to this report are three tables showing products imported and exported by CAT (the predecessor of SENPA, as already indicated), Tabacalera, and CAMPSA. The tables contain data in respect of these products with an

indication of the relevant tariff heading. The data relate to 1978, 1979 and 1980 because it is difficult to make the series homogeneous by reason of a substantial amendment made to the Spanish tariff structure in 1981. Accordingly the Spanish authorities intend to furnish additional information in due course corresponding to 1981, 1982 and 1983.

V. Reasons why no foreign trade has taken place (if this is the case) in products affected

This section has not been completed, since there have been transactions in all the products mentioned.

GENERAL COMMISSARIAT FOR SUPPLY AND TRANSPORT

IMPORTS AND EXPORTS

Tariff heading No.	Description of products	Imports		M.t.	Exports		Domestic production (in m.t.)
		M.t.	Value (in dollars)		M.t.	Value (in dollars)	
02.01	Beef	1978	38.260	3.831	-	-	391.120
		1979	44.782	6.352	-	-	394.252
		1980	-	-	-	-	-
	Pigmeat	1978	-	-	-	-	803.024
		1979	10.865	1.194	-	-	939.418
		1980	-	-	-	-	-
	Poultry meat	1978	-	-	-	-	754.599
		1979	1.777	163	-	-	746.700
		1980	-	-	-	-	-
09.01	Coffee	1978	97.715	28.934	-	-	9
		1979	93.528	21.230	-	-	9
		1980	23.591	6.308	-	-	9

GENERAL COMMISSARIAT FOR SUPPLY AND TRANSPORT

IMPORTS AND EXPORTS

Tariff Heading No.	Description of products	Imports		Exports		Domestic Production (in m.t.)
		M.t.	Value (million pesetas)	M.t.	Value (million pesetas)	
10.01	Wheat	-	-	-	-	4.805.900
		-	-	-	-	4.082.000
		-	-	1.002.877	16.307	6.039.200
10.03	Barley	-	-	-	-	8.068.300
		164.000	2.132	-	-	6.251.700
		-	-	500.049	7.000	8.705.000
15.02	Crude sunflower-seed oil	-	-	-	-	188.000
		67.509	3.524	-	-	201.500
		6.925	353	-	-	196.700
17.01	Raw sugar	-	-	-	-	1.041.600
		76.832	1.308	-	-	660.800
		-	-	-	-	903.800
22.08	Alcohol	570.706 hl	2.789	-	-	-
		710.696 hl	2.947	-	-	-
		213.198 hl	1.090	-	-	-

IMPORTS AND EXPORTS FOR THE ACCOUNT OF TABACALERA S.A.

The data refer to the Peninsula and the Balearic Islands.

In 1981 the tariff sub-headings of heading 24.02 were amended. The old sub-heading numbers are shown in parentheses.

Statistical heading No.	Product	Year	Imports		Exports		Domestic production (tons) (dry and not fermented)
			Tons	Value ('000 pesetas)	Tons	Value ('000 pesetas)	
24.01	Unmanufactured tobacco	1979	40.976	5.447.026	2.187	131.074	34.900
		1980	46.859	9.027.866	6.597	635.350	36.800
		1981	49.928	14.034.037	2.447	255.425	43.500
24.02.20 (03)	Cigars	1979	387	660.662	22	14.833	
		1980	495	1.158.038	68	64.916	
		1981	482	1.650.787	0,5	254	
24.02.10 (02)	Cigarettes	1979	5.051	2.924.252	376	144.995	
		1980	2.808	2.067.918	354	175.087	
		1981	811	897.918	460	342.819	
24.02.30 (90)	Manufactured tobacco	1979	1.464	33.051	---	---	
		1980	2.460	1.000.151	---	---	
		1981	64	40.249	---	---	
Total		1979	47.878	9.064.991	2.585	290.902	
		1980	52.622	12.353.973	7.019	879.853	
		1981	51.265	16.622.991	2.907,5	598.498	

ANNEX 3

IMPORTS AND EXPORTS BY CAMPSA UNDER THE STATE-TRADING REGIME

(Tariff headings 27.10 and 27.11)

Year	Imports		Exports	
	Tons	\$'000	Tons	\$'000
78	2.626.799	310.937	1.445.645	166.926
79	3.994.999	759.730	1.166.694	211.233
80	4.680.534	1.225.049	1.306.337	350.865

A - CAMPSA (Tariff heading 27.10)

Year	Imports		Exports	
	Tons	\$'000	Tons	\$'000
78	490.308	64.899	1.445.605	166.920
79	1.569.142	433.645	1.164.523	210.907
80	1.562.476	410.314	1.306.283	350.746

B - NATURAL GAS (Tariff heading 27.11)

Year	Imports		Exports	
	Tons	\$'000	Tons	\$'000
78	2.136.491	246.038	40	6
79	2.426.857	326.085	2.171	331
80	3.118.058	814.735	49	119