

WORLD TRADE ORGANIZATION

RESTRICTED

G/STR/Q1/PAK/3

1 October 1996

(96-3926)

Working Party on State Trading Enterprises

Original: English

Reply to questions from NEW ZEALAND¹ concerning
the Article XVII Notification of PAKISTAN²

The following communication, dated 19 September, has been received from the Permanent Mission of Pakistan.

Question

We understand that a number of government agencies play a major role in the marketing process for agricultural products, although there is no attempt to impose monopoly procurement. For example, the Cotton Export Corporation and the Rice Export Corporation are involved in trade. We would appreciate any further clarification Pakistan could provide as to why it has judged that these bodies do not fall under the Article XVII notification requirements.

Answer

We believe that the Cotton Export Corporation and Rice Export Corporation of Pakistan do not fall under the working definition of state trading enterprises given in the Understanding on the Interpretation of Article XVII of GATT 1994. These entities have not been granted exclusive or special rights or privileges including statutory or constitutional powers in the exercise of which they can influence through their purchases or sales the level or direction of imports or exports. The private sector traders are also free to import or export and there is a free competition between public and private sectors.

¹G/STR/Q1/PAK/2

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