

# WORLD TRADE ORGANIZATION

G/STR/N/4/FJI  
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(99-0652)

Working Party on  
State Trading Enterprises

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## STATE TRADING

New and Full Notification Pursuant to Article XVII:4(a) of the GATT 1994 and  
Paragraph 1 of the Understanding on the Interpretation of Article XVII

FIJI

The following communication, dated 8 February 1999, has been received from the Permanent Mission of Fiji.

### I. ENUMERATION OF STATE TRADING ENTERPRISES

STE: Fiji Sugar Corporation (FSC)  
Product(s): Raw Sugar and Molasses

### II. REASON AND PURPOSE FOR INTRODUCING AND MAINTAINING FSC

The FSC was established to develop and manage Fiji's sugar industry including all aspects of production and marketing.

- FSC was incorporated by an Act of Parliament in 1972 to take over all milling activities in the industry.
- Under the Sugar Industry Tribunal Master award, the FSC is responsible for the marketing of sugar and molasses.

### III. DESCRIPTION OF THE FUNCTIONING OF THE FSC

- The FSC is engaged in the export of raw sugar and molasses through its marketing arm, the Fiji Sugar Marketing Company Limited (FSM).
- Under the Master Award, the FSC has exclusive rights to export raw sugar and molasses.
- Sugar is exported to the UK under the Sugar Protocol (LOME Convention). Exports to Malaysia are made under a bilateral agreement, while exports to Finland and Portugal are under Special Preferential Sugar (SPS) arrangement. Shipments to the

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US are made under the US global quota arrangement. Quantities and prices are either set under these agreements, or are on world market terms.

- Sugar is also exported to Japan, China, Singapore and the Republic of Korea on world market terms.

#### IV. STATISTICAL INFORMATION

##### **Sugar and Molasses Production (mt)**

Year	Sugar	Molasses
1996	453,757	185,857
1997	347,389	138,559

##### **Sugar Export by Destination (mt)**

Year	SP	SPS	US	Malaysia	China	Japan	Singapore	Rep. of Korea	Total
1996	137,554	30,151	19,930	90,216	20,000	77,045	19,995	14,981	409,872
1997	145,566	33,733	18,980	59,717	-	45,343	-	-	303,339

##### Note

1. The statistics above are on the basis of a crop year.
2. SP – Sugar Protocol.
3. SPS – Special Preferential Sugar Agreement.
4. Balance of export to make up the SP's annual delivered quantity (175,000 mttq) is sourced from the next crop.
5. The balance of the crop in any one year is available for local and regional consumption.

#### V. REASON WHY NO FOREIGN TRADE HAS TAKEN PLACE

(Not applicable)

#### VI. ADDITIONAL INFORMATION

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