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14 March 2017

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Working Party on State Trading Enterprises

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

TUNISIA

Supplement

The following communication, dated 3 March 2017, is being circulated at the request of the Permanent Mission of Tunisia.

NATIONAL EDIBLE OILS BOARD (ONH)

I. STATE TRADING ENTERPRISE

Trade name:National Edible Oils Board (ONH)Products covered:Refined seed oils: Soyabean 1507100; Palm oil 1511909; Olive oil 1509100.

II. REASONS FOR MAINTAINING A STATE TRADING ENTERPRISE

The ONH is a State enterprise constituted as a non-administrative public establishment, the organization and functioning of which were laid down by Decree-Law No. 70-13 of 16 October 1970.

It was created and is maintained in order to implement the State's policy on the following in particular:

- Protecting the country's interests in relation to the production, promotion and export of olive oil, which is of great social and economic importance to Tunisia.
- Ensuring the country's supply of refined seed oil for consumption.

The Decree-Law under which the ONH was created and is maintained provides for State control exercised through the Ministry of Agriculture.

III. DESCRIPTION OF THE FUNCTIONING OF THE ENTERPRISE

As a State enterprise, the ONH assists olive oil producers, promotes the olive oil sector and regulates the market by purchasing and exporting a limited quantity, not exceeding 8% of domestic production over the period 2011-2014, through a subsidiary of the ONH created at the end of 2009 as the National Oil Exports Board (ONHE).

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Since the enactment of the Law of 24 February 1994, the ONH has no longer had the monopoly of sales of edible oils granted to it under the Decree-Law of 16 October 1970, except for the export of a tariff quota of olive oil to the European Union market, which it was granted by Decree No. 94-1166 of 23 May 1994.

Under Decree No. 2001-1523 of 25 June 2001, private exporters may export organic Tunisian olive oil and bottled olive oil within the quota.

Similarly, since 2005, specific decrees have enabled private traders, regardless of the level of production, to export oil in bulk within the quota as from the month of January, as is the case for 2016.

The olive oil market is free in Tunisia and there is free competition between private operators and the ONH. The latter's presence in the market does not lead to any distortion of market mechanisms. The reason for its existence is to regulate the market and protect domestic producers if there is a drop in demand.

The State entrusts the ONH with buying up seed oil for consumption at lower prices determined by the State using a subsidy granted under the State's budget. Edible oils may be freely imported and sold with the exception of the seed oil purchased by the ONH, which receives a subsidy.

The volume of local or imported purchases of seed oil is not determined in advance, but since the introduction of quotas for sale on the domestic market in order to rationalize the consumption of subsidized oils, the annual volume of purchases has been better controlled.

In conformity with its responsibility to ensure a regular supply, the ONH resorts to purchases through international calls for tenders for short-term commercial contracts. Tendering and procurement procedures comply with the competition rules under the government procurement regulations in force.

Following the start-up of a private soyabean crushing company in Tunisia, with capacity to produce around 80,000 tonnes of soyabean oil annually, in 2011 the Government decided to include this company in the list of potential suppliers of unrefined soyabean oil to the ONH through participation in calls for tenders under the same rules and terms as foreign suppliers.

IV. STATISTICAL TABLES

TABLE I

STATE TRADING: NATIONAL EDIBLE OILS BOARD (ONH) STATISTICAL INFORMATION, IMPORTS

2010-2014 crop year

Description of product(s) and HS number(s)	Crop year (November -October)	Total volume imported	Volume imported by the State trading enterprise (tonnes)	Average import price (D/metric tonne)	Average representative domestic sales price (D/metric tonne)	Mark-up	Domestic production
	2010-2011	-	141,822	1,698	752	-	60,000
1507.100	2011-2012	-	109,049	1,849	752	-	80,000
Soyabean oil	2012-2013	-	80,093	1,836	752	-	80,000
	2013-2014	-	111,282	1,566	752	-	80,000
1511.909 Palm oil	2010-2011	-	26,237	1,695	752	-	0
	2011-2012	-	30,487	1,805	752	-	0
	2012-2013	-	31,201	1,485	752	-	0
	2013-2014	-	24,906	1,472	752	-	0

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TABLE II

STATE TRADING: NATIONAL OIL EXPORTS BOARD (ONH SUBSIDIARY) STATISTICAL INFORMATION, EXPORTS

2011-2014

Description of product(s) and HS number(s)	Crop year (January- December)	Total volume exported	Volume exported by the State trading enterprise (tonnes)	Average purchase price (D/metric tonne)	Average representative domestic sales price (D/metric tonne)	Average export price (D/metric tonne)	Domestic production
	2011	-	5,181	3,399	-	3,846	120,000
1509.100	2012	-	12,310	3,112	-	3,415	182,000
Olive oil	2013	-	7,715	4,872	-	5,457	220,000
	2014	-	2,565	5,688	-	5,475	70,000

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TABLE III

STATE TRADING: NATIONAL EDIBLE OILS BOARD (ONH) STATISTICAL INFORMATION, DOMESTIC ACTIVITIES

2010-2014 crop year

Description of product(s) and HS number(s)	Crop year (November- October)	Domestic purchases by the State trading enterprise (tonnes)	Domestic production (tonnes)	Domestic sales by the State trading enterprise (tonnes)	Domestic consumption (D/metric tonne)
	2010-2011	0	60,000	148,330	-
1507.100	2011-2012	41,642	80,000	146,473	-
Soyabean oil	2012-2013	73,164	80,000	155,490	-
	2013-2014	58,862	80,000	155,376	-
	2010-2011	-	-	26,000	-
1511.909	2011-2012	-	-	25,500	-
Palm oil	2012-2013	-	-	30,000	-
	2013-2014	_	-	28,000	-

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TABLE III

STATE TRADING: NATIONAL OIL EXPORTS BOARD (ONH SUBSIDIARY) STATISTICAL INFORMATION, DOMESTIC ACTIVITIES

2011-2014

Description of product(s) and HS number(s)	Crop year (January-December)	Domestic purchases by the State trading enterprise (tonnes)	Domestic production (tonnes)	Domestic sales by the State trading enterprise (tonnes)	Domestic consumption (D/metric tonne)
1509.100 Olive oil	2011	4,678	120,000	13	-
	2012	11,801	182,000	378	-
	2013	8,405	220,000	178	-
	2014	5,655	70,000	118	-

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