Committee on Balance-of-Payments Restrictions

1985 CONSULTATIONS WITH GHANA UNDER ARTICLE XVIII:12(b)

Statement Submitted by Ghana under Simplified Procedures for Consultations

Addendum

The following information has been received from Ghana on its "Core" import programme, in response to requests by some members of the Committee during the consultations held on 10 December 1985.

GHANA'S 'CORE' IMPORT PROGRAMME

The Core import programming concept is intended to guarantee that at the end of every year and before the budget and import programme for the in-coming year are released the importation of certain basic recurrent inputs will be assured so that production and essential services can be maintained well into the new year without interruption. Items imported under the three stages of the programme include the following:

(a) Basic Core

Essential priority imports of capital goods, minimum stock of food commodities (rice, Sugar, maize) raw materials for key local industries (soap, cement, matchets, tobacco, breweries) essential drugs and chemicals, spare parts, inputs for the export sector (cocoa, timber, mining) and petroleum products.

(b) Outer core or periphery of the core

Under the second priority programme i.e. outer core, the imports expected to be covered include inputs which are related to items required in the manufactured and use of basic core items: these include:-

(i) drugs and medical supplies;

(ii) agricultural implements;

(iii) industrial inputs whose end-use cuts across sectors:

(iv) central government requirements (eg. stationery).
(c) **The rest of the programme**

With basic inputs taken care of under the basic core, services functioning without interruption and industries producing normally under the outer core, other sectors and areas which were either not covered by the basic and outer core at all or which were covered partially are provided for in the third priority programme. This would normally constitute the regular import programme.

It must be pointed out that there are no fixed lists of items that are to be imported under the different categories. The idea is to ensure that normal production and services continue whilst the annual budget is under preparation.

Although basically meant to solve the problem of delays and to introduce an automatic element in placing orders for basic items, the new approach also makes it compulsory for the issuing of import licences and the establishment of letters-of-credit to conform to fixed priorities. It seeks furthermore to support general efforts to open up the economy, remove obstacles, restore confidence and enable business houses plan ahead.