Suggested outline of studies to be prepared by the secretariat

1. It will be recalled that paragraph 7 envisages work to be undertaken under three headings. The preparation of background papers on each of the individual countries selected for study (7(ii)(a)) will constitute an important though by no means the major aspect of work to be undertaken under the expanded programme of country studies.

2. The scope and content of these background papers on trade and payments aspects of development plans is determined by the objectives set by Ministers for the studies, namely to permit the CONTRACTING PARTIES to obtain a clear analysis of export potential, market prospects and any further action that may be required to overcome any difficulties that the studies reveal. Further, the objective of the studies is to enable the CONTRACTING PARTIES to co-operate effectively with the lending agencies in the co-ordination of trade and aid policies.

3. To provide the necessary background information in pursuing these objectives, the following outline of subjects to be covered is suggested for the consideration of the Committee. While the outline attempts to take into account all points necessary to an understanding of the plan, the sections dealing with an assessment of trade prospects, financing requirements, or the identification of particular problems which require the urgent attention of the CONTRACTING PARTIES are, of course, of particular significance and will, therefore, have to be given due emphasis. It should be understood, however, that the subject coverage and the emphasis to be given to the topics covered under the various subject headings might have to be varied to take into account the characteristics of each case.

1Correction.

The following corrections should be made to COM.III/118:

Page 3: The fourth word appearing in line 3 of paragraph 8 should read "applying".

Page 4: The penultimate word appearing on the last line of paragraph 10 should read "relevant".
SUBJECTS TO BE COVERED IN THE COUNTRY STUDIES

Section A

Basic economic data

1. Subjects normally to be covered would include in summary form data on: population, area, national income, importance of the various economic sectors, major resources, chief exports and imports, major markets, import and export policy, special trading and payments arrangements, balance-of-payments data, present economic conditions and developments in economic indicators, major trends of development over a relevant reference period, and any other data useful in providing the necessary perspective for information appearing in later sections of the study.

Section B

Overall objectives and priorities of the development plan

Objectives of the development plan as regards GNP, per caput income, growth of production required for the attainment of these objectives, required investments, total plan expenditure and breakdown by principal sectors.

Foreign trade and payments aspects of the plan

Total foreign exchange component of the plan. Imports and exports (composition, volume, markets, destinations), terms of trade, invisibles, repayment obligations, foreign exchange reserves, balance-of-payments prospects.

Financing the plan

Internal resources, external resources; gap, if any, between resources and requirements for implementing the plan, both in terms of internal and external resources.

Financial assistance arrangements

Relevant data on multilateral and bilateral assistance arrangements entered into.

Policies adopted for implementing the plan

Fiscal and monetary policies, investment policy, special measures to mobilize internal resources, policy measures to diversify production and markets, export promotion measures, import and export policy.

Special trading arrangements

Summary, where appropriate, of major provisions in free-trade-area agreements, association arrangements, etc.
Section C

Overall production targets, estimated exports and import substitution

Summary of past trends in production, consumption, exports and imports by sectors or by principal commodities. Planned production, consumption, exports and imports, by different commodities or commodity groups, including the newer lines of products. Investment required to achieve the targets and foreign exchange components of investment. Net foreign exchange savings expected to be realized from the production of import substitutes.

Obstacles to trade applied against products of special export interest

Tariffs, quantitative restrictions and other measures having an inhibiting effect on trade, applied in important markets on products of major export interest to the country concerned.

Assessment of trade prospects for important export commodities

In this section an attempt would be made to examine trade prospects for some of the commodities at present or potentially important in the country's trade by relating export targets to global trends affecting production and trade.

Section D

Summary of the salient features of the trade and payments aspects of the plan

This section would summarize, wherever appropriate in tabular form, the salient features of the plan. Summary tables might be provided for the following subjects:

(i) planned investment in different industries and foreign exchange component thereof;

(ii) present and planned production, exports and import substitution;

(iii) import requirements (investment goods and maintenance imports);

(iv) estimated foreign exchange earnings during the plan period and foreign exchange requirements;

(v) summary information on obstacles in major markets on products of special export interest.