At the meeting of 3-7 November 1975, the Group instructed the secretariat to initiate compilation of readily available data on trade flows, tariffs, non-tariff measures and production for sectors which have not already been taken up (see paragraph 12 of document MTN/SEC/3).

In view of the importance of the task entrusted, and of the resources available, it was necessary to carry out the work by stages and, moreover, to rely, as much as possible, on data already available in the secretariat or compiled by other agencies. Thus, the secretariat first used the data which had initially been produced for the purpose of the tariff study and subsequently updated for the MTN, as well as the information collected for the Inventory of Non-Tariff Measures and the Joint Working Group tables.

The definitions of industrial product categories agreed by the Working Party on the Tariff Study have been adopted for the Sector Approach documentation on the understanding, however, that these definitions would not imply a commitment by any delegation as to the way in which the items would be dealt with, or sectors eventually defined, in the negotiations.

Two volumes based on the tariff study files have so far been circulated to delegations. The first volume reports 1972 most-favoured-nation trade flows among the tariff study countries and their imports from other major suppliers by sectors, sub-divided where possible by stages of processing. The second volume reports most-favoured-nation, GSP and other preferential imports into the Tariff Study countries by heading of the BTN. In the first volume, the level of most-favoured-nation duties facing all the major trade flows is identified for each sector or sub-sector, whereas in the second volume the range of most-favoured-nation duties and averages of tariffs applicable to all most-favoured-nation imports are shown for each BTN heading.

---

The list of non-tariff measures shown in MTN/SEC/W/12 is based on the information available in the Inventory of Non-Tariff Measures and the Joint Working Group tables and covers only those measures which were officially notified to the secretariat. It shows the measures of particular application to products on the individual sectors, generally at the BTN heading level. Measures which are, in principle, applicable across the board to all products are shown in document MTN/SEC/W/1/Add.3/Rev.1. It could not be established whether all the measures reported in this paper are relevant for each of the sectors reported.

The compilation from published sources of production statistics comparable with foreign trade data for the sectors not yet covered in the secretariat papers raised a number of problems which are principally due to deficiency of detailed statistics on manufacturing production in countries participating in the negotiations. As described in the Secretariat Note of 10 October (MTN/SEC/W/4), these problems could not be solved without further assistance of national authorities, except in cases where special enquiries had already been undertaken by other agencies. In producing further data relating to production and trade for various sectors, the secretariat therefore concentrated initially on the sectors for which an attempt had already been made to elaborate internationally comparable production data and to supplement these data by export and import statistics established, as far as possible, according to the product definitions used in the production series. With respect to one or two other sectors, it is possible that information may become available in other context. The compilation of these statistics, however, gave rise to a number of unforeseen difficulties which had been overcome only recently. As a result, the processing of the data has been delayed and the reproduction of the tables could only be started this week. The tabulations are expected to be circulated before the end of this month.

The production statistics which will be submitted at this stage, together with the trade data, have been prepared by United Nations Economic Commission for Europe, by the OECD and by the United Nations Statistical Office. The sectors shown in these compilations correspond to chemical industries (Category 10 of the Tariff Study) as covered by the United Nations/ECE annual review of chemical industry1, engineering industries (Categories 11, 12, 13 and 14 of the Tariff Study) covered by the special enquiries of the OECD2 and rubber and glass (Categories 2 and 06.06) as reported in the United Nations regular surveys.3 The series cover, in principle, the countries which are members of the respective organizations. However, for most

2. The Engineering Industries in OECD Member Countries, OECD.
3. The Growth of World Industry, United Nations
products information is not available for all reporting countries. As a result, no world estimated or regional totals could be calculated. The coverage of the products reported for the various sectors is incomplete in all cases. It appears, however, that the information is more comprehensive with respect to chemicals and to electrical and non-electrical machinery than for the other sectors covered in this paper.

The trade data are derived from tapes prepared for the publication of the United Nations Yearbook of International Trade Statistics which the United Nations Statistical Office kindly made available to the secretariat. These data cover most of the countries participating in the negotiations and all the products classified in the sectors reported. However, the correlation between the production and the trade data is, in general, not fully satisfactory. The units in which quantities are reported in the production and the trade series are not always the same and the trade and production values do not generally refer to the same marketing stage. Moreover, in certain countries, or for certain product groups, problems of double counting intermediate products or components arise in the production data. Problems of reporting military equipment (included, e.g., in Categories 13 and 14) occur with respect to both the production and the trade figures. In spite of these shortcomings, it is believed that these data go a part of the way towards meeting the required information on the sectors which were not yet taken up in the Group. An improvement of comparability between the production and the trade data would require active participation of the national authorities responsible for collection and elaboration of the basic data.

Detailed definitions and explanation of sources and methods are indicated in the introductory notes to each volume.