

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/W.7
5 March 1965

Limited Distribution

Committee on Trade and Development

DEVELOPMENT PLAN STUDIES

Procedures for Examination and Discussion of Individual Studies Submitted by the Secretariat

1. At its meeting on 9 and 10 February, the Committee agreed that the detailed examination of the development plan studies¹ could best be carried out by a Group of Experts and the secretariat was instructed to prepare both an outline of the points which discussion in the Group could cover and the terms of reference for the Group.²

Suggested outline of the points to be covered

2. The secretariat considers that the primary objective of the examination conducted by the Committee should be to bring out the rôle of the foreign trade sector in the development plan under study. This would involve an examination by the Committee of the relationship between the growth targets in the plan and its external balance and to focus attention on such factors as foreign aid, inflow of capital and, more particularly, the increase in export earnings, all of which affect this relationship.

3. For this purpose, it would be necessary for the Committee to review the development programme taking into account past trends in and present structure of the economy, the balance-of-payments situation, including changes in current and capital account, the projected growth in the production of goods and services for domestic consumption, domestic capital formation and exports. Against this background, the Committee could discuss the export targets in the plan in the light of the possibilities on world markets and taking account of production and export projections for these commodities in other countries. Finally, attention

¹As notified in COM.TD/2 paragraph 9, the secretariat's studies on Kenya, Nigeria and Uganda will be circulated shortly. (It is hoped that at least one study will be circulated to the Committee during the present meeting. The studies will, pending the formal approval of the Government concerned, be in draft form but will provide an indication of their final structure and content.)

²COM.TD/4 paragraph 12.

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would be directed towards policy measures which could serve to strengthen the export sector and expand export earnings. This would include such matters as provision of tax reliefs or other forms of assistance to exports in the less-developed country concerned, the enlargement of export opportunities by the removal of barriers in other countries and the possibilities of other types of action such as that aimed at stabilizing and improving commodity prices or promoting more rapid growth in production and exports through arrangements for regional integration or co-operation, etc.

Suggested terms of reference

4. If the Committee agrees with this description of the substance and scope of the examination to be conducted in respect of the development plan studies, it might delegate this task to a Group of Experts who might be given the following terms of reference:

"To examine studies submitted by the secretariat on the development plans of individual less-developed contracting parties with a view to analysing (a) the trade and aid relationships in the plan and (b) the rôle of the export sector in the development programme, including an assessment of possibilities and prospects, and, on the basis of this examination, to transmit appropriate conclusions and recommendations to the Committee on Trade and Development."

Proposal on composition of the Group of Experts

5. On the assumption that the suggested terms of reference are generally acceptable, it would seem appropriate that, in addition to those from the country studied, the Group should comprise experts from about nine or ten developed and developing countries as well as representatives of IED, IMF and the OECD, and, where appropriate, the International Coffee Organization.

6. On the same assumptions, the following functional breakdown of the Group's membership would seem appropriate:

- (a) country studied and developing countries: officials from Ministries concerned with planning, trade and finance;
- (b) developed countries: officials from Ministries (or organizations) concerned with trade and aid, and
- (c) international organizations: officials with experience of the region into which falls the country studied.