

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/W/383/Corr.1  
24 October 1983

Limited Distribution

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Committee on Trade and Development  
Fiftieth Session  
25-26 October 1983

## PART IV CONSULTATIONS: BACKGROUND INFORMATION

### Finland, Norway and Sweden

#### Note by the Secretariat

#### Corrigendum

The Delegation of Norway has advised that the following corrections should be made to the document COM.TD/W/383:

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#### Pages 4 and 5 Section I: Economic Background

Replace paragraphs 11 to 15 with the following:

11. Norway's real GDP growth rate ranged from 5 per cent in 1972 to 4 per cent in 1973 and 5 per cent in 1974, and then from 4 per cent to 7 per cent in 1975 and 1976 respectively. The growth rate declined to about 4 per cent in 1977, 1978 and 1980, and 5 per cent in 1979. After 1980, the situation deteriorated markedly, with a growth rate of only 0,3 per cent in 1981 and -0,6 per cent in 1982. The 1981 and 1982 rates are the lowest recorded since the war, and in both years increased domestic demand was offset by a decline in net foreign demand, with the deterioration being much more pronounced in 1982.

12. Total employment growth was static in 1973 and 1975, and registered an average compound growth rate of somewhat less than 2 per cent in the years from 1975 to 1981. Unemployment has remained low by international standards, rising to 2,4 per cent (yearly average) of the labour force in 1982 as compared to 2,0 per cent (yearly average) in 1981. Norway's inflation rate measured by the rise in the consumer price index, has also remained fairly low, rising above 10 per cent only once between 1971 and 1979 (to 12 per cent in 1975). Inflation was 11 per cent in 1980, then rose to almost 14 per cent in 1981, but fell back again to below 12 per cent in 1982.

13. Norway ran a trade deficit throughout the years from 1970 to 1979. During 1979 a turnaround occurred and the trade balance showed a surplus of 6,3 billion NOK (i.e. about 1,26 billion USD). As indicated in table 1, however, the country has enjoyed a substantial trade account surplus in the last three years, mainly due to increased export earnings from the the growing petroleum sector.

The invisible account has shown a negative balance over the whole period 1970-82. In sum this implies that the current account showed a deficit upto 1980. The last three years the current account balance has been positive.

The Norwegian currency depreciated vis-à-vis US dollars during 1981 and 1982 by about 16 per cent and 12 per cent respectively.

14. The growth of total exports during the 1970's has been heavily influenced by developments in oil and gas export earnings. In 1970 total exports amounted to some 33,4 billion NOK (i.e. about 4,7 billion USD). Of this, exports of goods (including ships and oilrigs) accounted for 53 per cent, gross receipts from shipping about 37 per cent and services the remaining 10 per cent. In 1982 total exports reached 165,6 billion NOK (i.e. 25,6 billion USD). The individual share of the main components was, however, for

goods (including ships and oilrigs etc.) about 37 per cent, for oil and gas 32 per cent, gross receipt from shipping 18 per cent and other services the remaining 13 per cent. The volume of exports of goods, excluding oil, gas and ships, increased by about 5 per cent (compounded yearly rate) from 1970 to 1975 and by 3,5 per cent during 1975-1982. From 1975 to 1982 the annual compounded rate of growth for the volume of oil and gas exports reached the level of 24,5 per cent. The volume of imports over the period 1970 to 1975 increased by about 6 per cent annually (compounded rate) whilst the recorded annual increase during the period 1975 - 1982 was 1,5 per cent. The modest rise in import volume over the last 8 years, is due to a fairly low level of increase for goods (13%), and a sharp decline in volume of imports related to shipping and petroleum exploration. This downward trend has only partially been compensated for by increased imports of travel expenses (up 10% annually).

15. The figures in Table 2 show the shares of different country groupings in Norway's trade in commodities, indicating that developing countries accounted for below 10 per cent of Norway's imports in 1982. This represents the lowest developing country share of imports into the three Nordic countries. The share of developing countries in Norway's imports actually declined from 10,2 per cent in 1971 to 7,4 per cent in 1982, although the developing country share had been gradually increasing in the intervening years and reached as high as 9,6 per cent in 1980. The developing countries' share of exports has established itself on the level of about 7 per cent the last three years. As far as other trading partners are concerned, developed countries supplied almost 88 per cent of Norway's imports (taking 90 per cent of Norway's exports) and countries in the Eastern trading area supplied the balance of almost 4 per cent (and providing markets for about 1 per cent of Norway's exports).

TABLE 1

Balance - of - Payments, 1980, 1981, 1982.			(US\$ mill.)
		<u>Norway</u>	
	<u>1980</u>	<u>1981</u>	<u>1982</u>
Exports of goods and services	27.246	27.140	25.580
Imports of goods and services	-23.724	-22.532	-22.432
Interests and transfers	-2.421	-2.322	-2.361
Current account balance	1.101	2.286	787
Direct investment			
Portfolio investment n.e.s.			
Other long-term capital n.e.s.			
Other short-term capital n.e.s.			
Net errors and omissions			
Other transactions			
Change in net debt	-1.657	-1.308	1.454

(Source: National accounts, SSB. All figures at current prices, transferred to USD by average exchange rate between NOK and USD for the individual years.)



Page 12, para 27, the following sentence should be added:  
"Seasonal restrictions apply, however, to certain agricultural products included in the Norwegian GSP-scheme".

Page 12, para 30:

Line 5 should read: "..... Republic of Korea covers 4 items ..."

Line 6 should read: "..... for Romania and Bulgaria covers 24 CCCN headings, ....."

Page 13, para 32:

Line 5 should read: "..... treatment now covers 36 countries".

Page 13, para 36:

Line 7 should read: "..... addition of 22 agricultural items and the deletion of one ...."

Line 8 should read: "....., and three agricultural items and ..."

Page 29, para 65:

Item (VI) should read: "Fresh vegetables that are domestically grown".

Item (VII), add after "berries" (ref. (VIII))

Item (VIII), at the end of the sentence please add:

"(ref. (VI) and (VII))"

Item (IV), at the end of the sentence please add:

"... and hay"

Page 29, para 67, line 9 and 10 should read:

"...plastics from Japan and the Republic of Korea, and radio- and TV-equipment, motorcycles and slide fasteners from Japan".

Page 36, para 82, line 8 should read:

"... on 31 December 1982".