1. It is a pleasure for me to speak, in compliance with the wishes of a number of previous speakers in this Committee, on the establishment of a Trade Information and Trade Promotion Advisory Service in the GATT.

2. To put this subject in its proper context, I would point out that it figured in the Trade Expansion Programme which was inaugurated in 1958, the principal executive arms of which are Committee III and now also the Action Committee. When the Trade Expansion Programme, as it relates to the expansion and increase of the exports earnings of the less-developed countries, got under way, the less-developed countries felt that priority should be given to work relating to the removal of barriers hampering their exports. Thus, the main emphasis was at first placed on the removal of obstacles to the exports of products of current or potential export interest to the less-developed countries. At the same time, Committee III recognized, of course, the need for action in the field of trade promotion.

3. At the meeting of GATT Ministers in May 1963 it was felt that, whilst the impetus of work on the removal of trade barriers should not be diminished, and should even be increased, the time had come to extend the activities of the CONTRACTING PARTIES to other areas of work which would be of assistance to less-developed countries in their endeavour to diversify their export capacity, increase their export earnings, and, more generally, to develop their economies.

4. Two major areas, in which it was felt such an extension could take place, were: (i) an expansion of the work relating to studies of development plans and trade-aid relationships; and (ii) assistance to less-developed countries in the fields of trade promotion and trade information.

5. In implementation of the guidelines and directives established by Ministers at their meeting in May 1963, these questions were taken up by Committee III and also by the Action Committee. As regards the provision of assistance to less-developed countries in the field of trade promotion and trade information, the preparatory work has already been concluded. The CONTRACTING PARTIES, at their twenty-first session in March this year, decided to establish, in Geneva, a Trade Information and Trade Promotion Advisory Service. At the same time, they made the necessary budgetary provision, so that the centre could start operating without delay. In fact, it has been decided that the centre should open and start its operations on 1 May this year.
6. I would like to emphasize that the services of the Centre, both in the dissemination of trade information and as regards trade promotion, will be available to all interested less-developed and developed countries, irrespective of whether or not they have acceded to the General Agreement on Tariffs and Trade.

7. One may ask what reasons have prompted the GATT to engage in these new lines of activity. Our experience, and certainly that of others dealing with these matters, has shown that the removal of trade barriers, however important, is not in itself sufficient to ensure that exports from the less-developed countries, particularly the newer lines of manufactured products which are now becoming available for export from these countries, do, in fact, move into international trade.

8. Prerequisites for the successful marketing of the more complex types of manufactures are: market research; the availability of accurate and up-to-date trade information; adaptation of standards to the requirements of particular markets; and the use of advertising and the provision of after-sales service.

9. Exporters in the larger industrialized countries have at their disposal well-organized and extensive national trade promotion and trade information services, together with a far-flung network of trade commissioner posts. Facilities on this scale are costly and are often too expensive for developing countries. Obviously we have a field here in which new suppliers may find themselves at a disadvantage in comparison with producers in industrialized countries.

10. As regards trade information proper, it is realized that there is no lack of publications. Nevertheless, discussions in the GATT have shown that exporters in less-developed countries often found that the information which was available to them did not meet their special requirements because it was either too diffused, difficult to assimilate, or based on assumptions which did not apply to exporters in less-developed countries.

11. This problem was, of course, recognized by Committee III and the provision of a possible solution in this regard was given concrete form in a proposal, submitted by the delegation of Brazil, calling for the establishment of an international trade information centre in the framework of GATT. Committee III also examined possibilities for assistance to developing countries in the fields of marketing and production techniques and export promotion schemes.

12. After the ministerial meeting in May 1963, Committee III took up these questions for more detailed discussion at its meeting in the autumn of 1963. I must emphasize that, in order to avoid duplication of efforts in this field,
the Committee surveyed the work being done in other organizations, and also on a national level on the basis of a detailed questionnaire sent to all GATT countries. On this basis the Committee established the type of services required to meet the needs of the less-developed countries.

13. This survey showed that, although trade information was readily available in the industrialized countries, most less-developed countries would welcome the provision of a centralized service in the framework of GATT for the dissemination of trade information.

14. At its meeting in October last year, Committee III, therefore, went one step further and established an Expert Group to examine and make recommendations on the most efficient means of establishing and operating a trade information service, and also to consider action which might be taken, within the framework of GATT, to assist the less-developed countries in relation to production for export, marketing and export promotion schemes generally.

15. The Expert Group, composed of experts from developed and less-developed countries, met in February of this year. The members of the Group reached unanimous agreement on a number of specific suggestions on how to establish and operate such a service during the initial stage of its operation, and proposed a procedure for keeping the future development of the service under review, so as to ensure that it would achieve its objective of assisting exporters in less-developed countries to expand their exports. The Group recognized that, although much of the information required for the operation of the service was already being made available to the GATT under established procedures, notification procedures would have to be further extended.

16. The Group recommended that the Centre should co-operate, to the greatest possible extent, with national services and suggested that each government should nominate an officer or an agency which could keep in close contact with the new centre; close contact and collaboration will also be sought with other international organizations.

17. The Group felt that it was of the utmost importance that the information made available should be utilized effectively and recommended, therefore, the establishment of a combined Trade Information and Trade Promotion Advisory Service with, one might say, the emphasis on the trade promotion aspect.

18. The Group proposed that, in order to avoid a waste of resources, the Centre should be built up step-by-step and, as I have already indicated, should be under continuing supervision by the Expert Group itself.
19. Committee III and, subsequently, the CONTRACTING PARTIES at their twenty-first session, unanimously endorsed the proposals of the Expert Group and took the necessary administrative steps to enable the centre to start operating at an early date.

20. In accordance with the programme and procedures recommended by the Expert Group, the Centre will perform the following functions during the initial stage of its operation:

(a) Establishment of a "documents centre" and operation of a "clearing house" for trade information. "Trade information" is to be understood in its broadest sense and will relate not only to information on commercial policy matters (such as tariffs, quantitative restrictions, trade regulations, etc.) but also to market intelligence and market research (in this context it might be pointed out that the CONTRACTING PARTIES recommended a procedure for the exchange of market research studies), information on shipping, grading requirements, advertising, insurance and last, but not least, assistance to exporters in making the necessary contacts with trade organizations and importers in the importing countries, either through the GATT service, or through the national liaison agencies being established in connexion with the coming into operation of the Centre.

(b) Provision of a "correspondence-answering service" pertaining to trade regulations, customs tariffs, market opportunities and the other elements of the service to be provided, as mentioned above. This service should be particularly useful in enabling exporters in less-developed countries to direct their enquiries to one central organ to obtain answers to their enquiries with a minimum of delay and with a minimum of red-tape.

(c) Publication of a "Register of Sources of Trade Information" in a form designed to take account specifically of the special needs of the less-developed countries in regard to such information.

(d) Publication of a bi-monthly and, later, monthly trade news bulletin. While the exact contents of the new publication remains to be decided, it is envisaged that the bulletin will serve inter alia as a means for acquainting importing countries with the products which the less-developed countries are now and will in the future be, in a position to supply. Conversely, it will also inform exporters in less-developed countries of market openings for their products, both in other developing countries and, particularly, in the industrialized countries.

(e) Preparation, in collaboration with national trade promotion services, of a manual on the operation of efficient export promotion services. Inter alia, the manual will collate the experience of national trade promotion services so as to avoid a misdirection of the scarce resources of the developing countries.
(f) The Centre will arrange for, and will provide, training facilities in export promotion. This training will be provided (i) within the framework of the service itself; (ii) in the context of the established GATT in-service training programme for officials from less-developed countries; and (iii) through facilities to be provided by national governments and trade promotion agencies.

21. Towards the end of 1964, the Expert Group will examine both the operation of the centre and any additional facilities which it should provide. In particular, the experts will consider the question of any additional publications, and of an extension of the services in relation to marketing and production techniques and the more technical aspects of the various export promotion schemes.

22. Before concluding my remarks relating to the trade information and promotion Centre, let me point out that we have been particularly pleased that, in the discussions preceding the decision to establish a GATT centre, a considerable number of governments have indicated their willingness to co-operate fully in supplying relevant information and documentation and in the provision of counsel and advice to exporters in less-developed countries, either through the intermediary of the GATT centre or directly, and also in the provision of training courses.

23. We realize, of course, as I have already indicated, that the provision of such a service will not, and cannot, alone solve all the problems of the less-developed countries in regard to the expansion of their export earnings. For this reason this new line of activity should only be regarded as one of the elements of a multifaceted programme which the CONTRACTING PARTIES have undertaken to assist the expansion of exports of the less-developed countries.

24. It would, therefore, in my view, be appropriate to mention another aspect of the work in progress in the GATT which is of particular relevance in relation to the trade information and trade promotion Centre. I am referring to the expanded programme of studies of development plans and trade and aid relationships, which was entrusted to Committee III by an unanimous decision of the GATT Ministers at their meeting last May.

25. It may be recalled that the GATT Ministers decided that "the work of Committee III should be extended, in collaboration with other interested agencies, particularly the lending agencies, through the adoption of concerted, systematic and prompt studies of trade and aid relationships in individual less-developed countries, aimed at obtaining a clear analysis of export potential, market prospects and any further action that may be required to overcome any difficulties that the studies reveal."
26. Thus, the work which will be undertaken under our studies will be directly relevant to the trade information and promotion centre, just as the operation of that centre will reinforce the work in relation to the study of development plans.

27. This fact was clearly recognized in the report of the Expert Group and has been taken into account in our programme for the conduct of the development plan studies. In particular, this work will assist the developing countries to take into consideration, in their own planning, production and market trends and developments in other developing countries.

28. A broad outline of these studies has been brought to the attention of this Conference in the paper submitted by the GATT (E/CONF./46/38 and Add.1). It may therefore suffice to refer only very briefly to the contents and purpose of these studies.

29. Based on the mandate by Ministers, Committee III has drawn up a programme and a time-schedule which provides for some twenty detailed studies to be carried out over a period of approximately two years. So far, twelve countries have been selected for study on a priority basis. Work on these studies has commenced and is progressing.

30. The actual scheme adopted by Committee III for the studies consists of three major parts: (i) a general survey of the over-all economic situation and examination of trends in development, so as to enable the Committee to base its discussion and findings on an accurate assessment of the current situation; (ii) detailed studies of development plans and trade and aid relationships, in respect of some twenty countries. In addition to the background papers to be prepared by the secretariat on the country in question, an important, probably the most important, aspect of the studies will be the detailed discussion and analysis in Committee III of the various problems of development and remedies for solving these problems; and (iii) assessment, from time to time, by Committee III, probably with assistance from experts, of trends in trade and development affecting products of special export interest to less-developed countries.

31. In conclusion, I should like to underline the fact that the studies, with which Committee III was entrusted by Ministers were, of course, never intended to be an academic exercise. The studies are designed to provide the background documentation and findings on which the CONTRACTING PARTIES can base their operations. In fact, one of the main purpose of the studies is to ensure that, once the export potential is developed in the developing countries, their efforts aimed at the expansion of exports will not be frustrated by various restrictive measures in importing countries.
32. To make the greatest possible headway in this important work, the GATT is collaborating fully with other agencies active in this field, particularly the international financial institutions which, in turn, will derive information from our studies of use to them in their operations.

33. As I have pointed out earlier, these studies will also be of considerable assistance to the less-developed countries in drawing up their development plans, in that they will be able to obtain quick and reliable information about the trends of planning in other less-developed countries and about trade prospects and opportunities.