Mr. Chairman, Gentlemen,

It is a source of very special gratification to me that my first official act as newly-elected President of the International Chamber of Commerce is to represent my organization at this meeting. Two things make it so. First, the fact that the Contracting Parties have agreed to study three sets of proposals the International Chamber of Commerce has put forward for improving and simplifying the administrative machinery of international trade and that they have set up this Working Party specially for that purpose. Secondly, this is the first time the International Chamber of Commerce has had the privilege of appearing before representatives of the Contracting Parties to state its case directly and answer questions. May I therefore begin by expressing our very real gratitude and appreciation to the Contracting Parties on both these counts and at the same time the hope that this occasion will mark the beginning of a long and fruitful cooperation between the General Agreement on Tariffs and Trade and the International Chamber of Commerce.

I speak of cooperation advisedly. You have seen from all our documents the immense importance attached by the International Chamber of Commerce to close cooperation both nationally and internationally between representatives of governments and representatives of trade and industry. We believe, in fact, that since both are seeking the same goal - the expansion of international trade - nothing but good can come of comparing notes on the difficulties and problems each encounters within its own field. I should like, however, to remove at the outset any possibility of misunderstanding one one point. The Contracting Parties have roughly, as I understand, two functions. One is to negotiate tariff reductions and the other to implement as far as possible the other provisions of the Agreement. Now, we in the International Chamber of Commerce perfectly appreciate that anything connected with tariff negotiations must go on behind closed doors. When we speak of cooperation, we therefore take it for granted that that whole important side of your work is entirely outside our purview. We are thinking exclusively of the second function of the Contracting Parties and primarily of the kind of activity going on in this Working Party. Here we are on common ground and share common experiences, and we are therefore convinced that we can both learn from you and, at the same time, help.

Before taking up the technical questions on the Agenda of the Working Party may I say one more word of a general character. The International Chamber of Commerce has constantly upheld the view that there is a real need for a world-
wide inter-governmental body to deal with all problems of international trade, the International Chamber of Commerce has been following the development of the General Agreement with the greatest interest and, as you will have seen from a recent resolution confirmed by its Lisbon Congress last June, it believes that the organization which has grown up around the General Agreement should be made permanent so as to form the nucleus of that international trade organization we all want to see established.

I now come to the three International Chamber of Commerce proposals which the Contracting Parties have selected for immediate consideration. The views of the International Chamber of Commerce have already been stated at some length in the documents before you, so with your permission I shall confine myself to singling out a few points in connection with each proposal concerning which our written statements may perhaps usefully be amplified.

SAMPLES AND ADVERTISING MATERIAL

I understand that you have already made considerable progress in connection with the International Chamber of Commerce proposal for an international convention on the customs treatment of samples and advertising material. I shall therefore try to avoid going over familiar ground. An international convention on this subject would be of great and real value to trade. The whole system of commercial travellers, samples and the circulation of advertising material is an essential part of the machinery used by business for expanding trade and has grown considerably with the development of a more scientific approach to market research and advertising. Anything that can be done to oil the wheels of this machinery will therefore benefit trade.

In suggesting as a point of departure the League Draft of 1935 the International Chamber of Commerce had in mind that it might be best to follow the example of the League by starting with the comparatively simple problem of samples of no commercial value and of the treatment of commercial travellers and advertising material, leaving till later the probably more complex problem of samples of value. This is not, of course, a point upon which the International Chamber of Commerce would wish to insist, but I felt it might be useful to mention this fact as guidance to the Working Party.

A second point is that when the International Chamber of Commerce speaks of the need for bringing the League Draft up to date with later developments, it had in mind specifically the need for broadening it to include the problem of import licences and controls other than customs tariffs as well as of exchange control formalities.

Another point which may be useful as an indication to the Working Party is the experience both of the League and of the International Chamber of Commerce that it is probably impossible to find a satisfactory definition of samples of no commercial value and that if the convention is to be workable something in the way of a list of products will be necessary as a guidance to the customs officials. It would of course be essential that such a list be carefully scrutinised to ensure that it is in line with present-day practice in the trades concerned.
DOmENnCmRY REQUIREMENTS

The subject of documentary requirements is such a vast one that it can probably be dealt with more satisfactorily by the method of question and answer. But I should like to mention one thing. In the discussions which took place within the International Chamber of Commerce concerning the question of a combined invoice form, the importers and exporters of all countries were pretty well unanimous in their praise of the system adopted by the countries and customs territories within the British Commonwealth of having a standard invoice form for each territory of destination, combining in a single document the functions of commercial invoice, consular or certified invoice and certificates of origin. This is a system which I therefore recommend to the attention of the Working Party.

I may add that the International Chamber of Commerce has abandoned for the time being its original proposal for the immediate introduction of a world-wide standard form of commercial invoice to be accepted by all customs administrations. Further investigation and discussion within the International Chamber of Commerce made it clear that such an invoice would only be workable if customs regulations, for instance those concerning valuation and nationality, were first standardised universally.

CONSULAR FORMALITIES

The question of consular formalities is obviously closely bound up with that of documentary requirements in general. If the International Chamber of Commerce has singled it out for special treatment, it is first because of its gravity and secondly because it appears to be capable of separate solution.

Complaints are constantly pouring into the International Chamber of Commerce from importers and exporters and from their trade associations concerning the unnecessary complexity of consular formalities and the excessive charges accompanying them. When you look into these complaints carefully, it is clear that there is only one effective solution and that is to get rid of the whole system of consular invoices and of consular visas for invoices and other commercial documents. They serve no useful purpose, the International Chamber of Commerce found, except in those rare - and I repeat rare - cases where the existence of special regulations concerning valuation for instance, compels the importing country to establish some official system of checking in the exporting country. I do not say that the International Chamber of Commerce approves the system even in these exceptional cases, but at least it understands the reasons for which the system is maintained. It is to meet those rare cases that the International Chamber of Commerce has listed certain rules which should be observed if consular formalities are not to act as an unnecessary hindrance on the movement of goods. But I must emphasize again that generally speaking the International Chamber of Commerce is convinced that the whole system of consular formalities should and could be abolished.
We are now ready to answer to the best of our ability any questions you may wish to put and to help in any way within our power. The International Chamber of Commerce will be happy to give its considered views, after full consultation with its members, on any proposals the Contracting Parties may formulate on these important practical issues. And we shall willingly place at your disposal the services of the International Chamber of Commerce to obtain whatever data or advice from trades and industries or individual experts you may need in your future work. Our only desire, Mr. Chairman and Gentlemen, is to be helpful.