

from the investment of such foreign capital to be transferred to the country of origin. The Chamber believes that the capital importing country should treat foreign investments on the same favourable basis as investments made by its own nationals.

III. *Simplification of Trade Formalities*

The International Chamber of Commerce's Committee on Formalities in International Trade has worked assiduously over a long period of time towards the simplification of trade formalities. The work of the International Chamber of Commerce in this regard has met with considerable response from national governments.

The 34 governments being the Contracting Parties to the General Agreement on Tariffs and Trade at their 7th Session in November, 1952, adopted two sets of recommendations with regard to trade formalities and approved the text of an International Convention to Facilitate the Importation of Samples and Advertising Material, all of which were based on submissions made by the International Chamber of Commerce.

The first set of recommendations calls for the abolition of all consular formalities (consular invoices and visas) as soon as possible and, in any case, by the end of 1956, and a sharp reduction of consular fees and formalities during the interim period. The second aims at cutting down to the strict minimum the number of documents required by the customs authorities for the entry of goods. The Convention on Commercial Samples and Advertising Material was opened for signature by governments on February 1st, 1953.

In response to a resolution of the Council of the International Chamber of Commerce on "sanctity of contracts" the Contracting Parties of GATT also issued a recommendation calling upon all the signatory governments to make every effort to permit the fulfilment of bona fide contracts concluded before the imposition or intensification of quantitative restrictions.

The Contracting Parties have also decided to investigate two other subjects proposed for study by the International Chamber of Commerce, namely, customs valuation under Article VII of GATT and administrative regulations concerning the nationality of goods.

IV. *State Trading*

The International Chamber of Commerce has consistently opposed the intervention of governments in international trade. At its XIth Congress in Montreux, Switzerland, in June, 1947, the International Chamber of Commerce adopted a resolution on: "The Merchant's Role in International Trade" which declared that,

The International Chamber of Commerce is of opinion that bulk buying by governments, as a method of ensuring supplies from abroad, is frequently both uneconomic and unsuccessful, fails to stimulate increased world production of the commodity in short supply, leads almost inevitably to collective selling by the producers of the commodities involved and, by introducing politics into business, creates international tension.

The Chamber urges that the functions of purchasing should return as soon as possible to the recognized trade channels and to Exchanges, which have acquired a detailed and expert knowledge of the various markets over a long period of trading, and which provide facilities essential to industry and commerce.

The Canadian Council of the International Chamber fully subscribes to the above resolution and particularly draws the attention of the Committee to the last paragraph of the resolution which urges that the functions of