BRAZILIAN SCHEDULE - RENEGOTIATION

Communication from the Delegation of Brazil

The following communication, dated 20 November 1967, has been received from the Brazilian delegation to the Negotiations for the Recomposition of Schedule III - Brazil.

1. According to the terms of the decision which granted Brazil a waiver of the provisions of Article II of the GATT to apply the rates of duty provided in its new customs tariff approved by Decree Law No. 63, of 21 November 1966, pending completion of negotiations for the modification or withdrawal of concessions in Schedule III, the Brazilian delegation is herewith presenting Brazil's offers to the interested contracting parties of the General Agreement on Tariffs and Trade (GATT) for the recomposition of that Schedule.

2. As the contracting parties will notice, the tariff rearrangements carried on under Decree Law No. 63 authority did not affect widely the bound rates. Indeed, most of these rates have been maintained at the bound levels, some have been decreased and some others increased. The reasons for these alterations will be explained by the Brazilian negotiators in the course of the negotiations.

3. The Brazilian delegation is sure that, when considering the present offers, the contracting parties will take in due account the fact that the tariff reform is only a part of the vigorous efforts undertaken by the Brazilian Government towards the rationalization of its foreign trade regulating mechanism in accordance with its programme of stabilization and development. The measures adopted by Brazil towards this objective were communicated to GATT contracting parties at the time of the negotiations for the above-mentioned waiver and are, therefore, duly registered in several GATT documents.

In this context, it is worthwhile mentioning that imports into Brazil have increased by over 30 per cent from 1965 to 1966 alone. This trend is going on. This fact gives by itself an idea of the positive results ensued from the dismantling of restrictions carried on by the Brazilian Government.

\[1\] L/2760
\[2\] C/W/110
4. The Brazilian delegation does not consider it necessary to formally refer to the fact that, according to the decision of the CONTRACTING PARTIES, "Article XXXVI:8 is applicable to the negotiations between Brazil and the contracting parties which have accepted the Protocol amending the General Agreement on Tariffs and Trade to introduce a Part IV on Trade and Development; and other contracting parties, negotiating with Brazil, likewise accept the principle enunciated in Article XXXVI:8 as applicable to the negotiations".