The Brazilian Delegation has informed the Tariff Negotiations Working Party in connection with the adjustment of the tariff rates on which Brazil is negotiating at this Conference. The Brazilian Delegation has received instructions from its Government to the effect that, in accordance with Annexure 10 of the London Report and with communications made previously to all negotiating countries, these rates are to be now rectified by 40 per cent so as to compensate in some degree the reduction of the protective incidence which occurred from 1934 and to the extent that this reduction was caused by currency depreciation.

The Tariff Negotiation Working Party appointed a sub-committee composed of representatives of the Belgium-Luxembourg-Netherlands Customs Union, France, United Kingdom and the United States, which discussed this question with the Brazilian Delegation on July 29. After considering the report of its sub-committee, the Tariff Negotiations Working Party agrees that this matter should be dealt with by the Preparatory Committee in executive session. The Brazilian Delegation had agreed to present the reasons which made this measure necessary.

Accordingly, it has been arranged that a statement from the Brazilian Delegation will be distributed this week and that the Preparatory Committee shall meet in executive session on Friday, August 8 at 10.30 a.m. to consider the matter.