In accordance with the procedure laid down in document E/PC/T/220, the Chilean Delegation has submitted the following letter which it has circulated to those Delegations with which it has been engaged in tariff negotiations:

"Translation from Spanish.
Letter from: Mr. Fairvovitch, Chairman of the Chilean Delegation, Trade and Employment Conference, Geneva.

to: Head of the Delegation.
dated: 8 October, 1947.

Dear Sir,

In accordance with the terms of the Secretariat Note, Document E/PC/T/220, of 1 October 1947, the Chilean Delegation wishes to notify you of its intention to append to Part 1 of Schedule VII-Chile, the following "General Observation":

"The Specific duties and charges included in the present Schedule VII are expressed in Chilean gold pesos, of 0.183057 grammes fine gold".

The inclusion of this note is justifiable on the following grounds:

The Chilean Customs Tariff has for many years been based on the gold currency referred to in this note, and the negotiations conducted by the Chilean Delegation have at all times referred to Customs duties expressed in gold pesos.

Recently, when the Chilean Delegation's tariff negotiations were virtually concluded, a provision was inserted in Article II, Paragraph 6(a) of the General Agreement on Tariffs and Trade, to the effect that the specific duties and charges included in the Schedules relating to contracting parties members of the International Monetary Fund are expressed in the appropriate currency at the par value accepted or provisionally recognised by the Fund at the date of this Agreement.

As the negotiations conducted by the Chilean Delegation have, as explained above, always referred to gold currency, which does not constitute the currency mentioned in the provision quoted, it has consequently become necessary to include the note reproduced above, to which I beg to draw your attention for all useful purposes.

I have the honour to be,

Etc."