The Brazilian Delegation agrees with Article 9 of the American Draft Charter, in the form of the draft prepared by the rapporteurs of the Technical Sub-Committee of Sub-Committee II, subject to the following reservations:

1. National treatment should not apply to government purchases. Consequently, a clause to that effect should be included in Article 9, or in a separate Article of the Charter.

2. Discrimination by central governmental laws etc. as between national and foreign goods etc. should be eliminated by a gradual process, after the coming into force of the Charter. The process should be adapted to the special conditions of each country. The Brazilian Delegation feels that undue hardship might be created in certain countries by a too sudden cessation of such discriminations.

3. National treatment on internal taxation, etc. shall be understood to refer to the totality of taxes, etc. imposed.

4. The provision of paragraph 2 of the amended draft shall not be understood to preclude the application of internal requirements restricting the amount or proportion of an imported product permitted to be mixed, processed, exhibited or used. Such requirements should be subject to negotiation, in the same way as protective tariffs, under Article 12 (b) of the Brazilian Suggestions. The Brazilian Delegation
feels that such requirements in certain cases may constitute the only practicable means of protecting a basic domestic industry, while in certain other cases they may constitute the least burdensome method, from the point of view of domestic consumers and of exporting countries, of attaining a given protective effect.