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BRAZIL (RIO DE JANEIRO)

March 20, 1967

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CODE : 1 AL; CERP D

AGRICULTURAL POLICY (National Council for Foreign Trade
Resolution No. 12 and Bank of Brazil Foreign Trade
Department Communiqué No. 194.)

SUMMARY

The National Council for Foreign Trade (CONCEX) issued Resolution No. 12 simplifying export procedures. All commodities are free for export with the exception of products listed in Annex A of this resolution, which require previous authorization from the Foreign Trade Department of the Bank of Brazil (CACEX). Export of commodities listed in Annex B of Resolution No. 12 continue prohibited.

The Foreign Trade Department of the Bank of Brazil (Cacex) issued communiqué No. 194 complementary to CONCEX resolution No. 12. CACEX communiqué sets minimum export prices for exports of cotton lint, tobacco, peanuts, Brazil nuts, peppermint oil, menthol, castor oil and sisal.

This report includes English translation of CONCEX resolution No. 12 and CACEX communiqué No. 194. The newly set minimum export prices are also included as enclosures 1, 2 and 3.

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On March 10, 1967 the National Council for Foreign Trade (CONCEX) issued Resolution No. 12 published by the press on March 12.

CONCEX Resolution No. 12

The National Council for Foreign Trade, as decided upon during the March 10, 1967 meeting and bearing in mind provisions in articles 25 and 30 of Decree no. 59,607 of November 28, 1966;

Considering the convenience of maximum simplification, and reduction of controls on export operations to strictly essential cases;

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Resolves:

- 1 - All commodities not listed in annexes A and B are considered free for export, independently of previous licensing from CACEX (Foreign Trade Department of the Bank of Brazil) or of other requirements by government institutions.

Sole Paragraph - Provisions of this paragraph are not applicable to coffee exports which are subject to specific legislation and are under control of the Brazilian Coffee Institute.

- 2 - Price control referred to in item 2 of Article 20 of Decree No. 59,607 of November 28, 1966 for commodities mentioned in item "1" above shall be carried out by CACEX "a posteriori" in general.
- 3 - For the purpose of provisions in item 2 above, bills of lading referred to in Decree No. 55,866 of March 25, 1965 for commodities exempted of export license shall have two extra copies destined to CACEX.
- 4 - Exports for hard currency, consignment exports, re-exports and exports without exchange coverage of commodities listed in annex A continue to be subject to previous CACEX licensing.

Paragraph 1 - Inclusion of new commodities in annex A shall depend on CONCEX approval and shall be limited to cases considered of national interest through fundamental justification by CONCEX Secretary General.

Paragraph 2 - CACEX could free exports of the commodities referred to in this item whenever deemed feasible at its criteria.

- 5 - Exports of commodities listed in annex B continue to be prohibited.
- 6 - CACEX shall publish, periodically, lists of minimum (export) prices for exportable products including commodities referred to in item 1 above whenever considered of national interest.
- 7 - CACEX shall issue the necessary instructions to carry out provisions in the present resolution.

Rio de Janeiro, March 10, 1967

CONCEX
Secretary General

(Continued on next page)

Annex A to Resolution No. 12

The agricultural commodities listed in Annex A (exportable with prior authorization of CACEX) are:

- Beef cattle for fattening or breeding
- Semen
- Babaçu kernels
- Cotton seed
- Cashew nuts (raw in the shell)
- Castorbeans
- Seedlings and bulbs
- Seeds
- Wool
- Cotton thread to the U.S. and the U.K.
- Jute, jute thread and other vegetable fibers including malva
- Carnauba wax
- Beef
- Eggs for incubation
- Wheat, wheat flour, wheat starch and wheat germ
- Macaroni
- Sugar and molasses
- Cocoa and by-products
- Mate
- Seed potatoes
- Fresh palmito (edible heart of palm)
- Wheat meal and wheat gluten
- Cotton seed cake
- Balanced feed
- Raw peppermint oil

Annex B to Resolution No. 12

The agricultural commodities listed in annex B (export prohibited) are:

- Shelled peanuts graded as "waste" or with over 15% of moisture content and over 10% moisture content for shelled or unshelled peanuts.
- Oiticica seeds
- Soybean graded as "waste"
- Plant material from the genus hevea and derris
- Sisal graded as "waste"
- Dried meat of 4th quality
- Honey of type 3
- Corn with over 15% moisture content
- Pepper graded as "waste"

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On March 16 the press published CACEX Communiqué No. 194 dated March 15, 1967.

Bank of Brazil - Foreign Trade Department (CACEX)

Communiqué No. 194

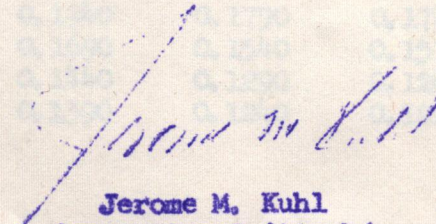
Bearing in view provisions in item 2 and 6 of CONCEX Resolution No. 12 of March 10, 1967, the Foreign Trade Department makes public the following:

- a) The following minimum export prices for export of the respective commodities in U.S. dollar or its equivalent in other currencies FOB shall be observed.
- b) Exporters not observing these quotations shall be subject to sanctions foreseen in the legislation in force:

Enclosure 1	Minimum export prices for cotton
" 2	" " " " tobacco
" 3	" " " " peanuts, Brazil nuts, peppermint oil, castorbeans, and sisal.

Comments

We have been informed by CACEX that these minimum export prices are the current export prices and in some cases are even below current price levels, however, the main purpose of CACEX Communiqué No. 194 is to maintain a floor for export price levels, as a complement to CONCEX Resolution No. 12. In the case of cocoa beans and by-products export prices are individually approved by CACEX. In the case of rice and corn exports, CACEX will establish in the near future minimum export prices for the new crop.


Jerome M. Kuhl
Agricultural Attaché

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Distribution made to Embassy and U.S. agencies in Rio, Brasilia and to all U.S. Consulates within Brazil.

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Cotton Lint Minimum Export Prices

1 - Southern Region

<u>Type</u>	<u>US\$ per pound</u>
4	0.2500
4/5	0.2450
5	0.2350
5/6	0.2250
6	0.2160
6/7	0.2050
7	0.1940
7/8	0.1840
8	0.1740
9	0.1630
below 9	0.1475

2 - North and Northeastern Region

----- US\$ per pound -----							
<u>Types</u>	<u>Serid6</u> <u>40/42 mm</u>	<u>Serid6</u> <u>38/40 mm</u>	<u>Serid6</u> <u>36/38 mm</u>	<u>Serid6</u> <u>34/36 mm</u>	<u>Sert6o</u> <u>32/34 mm</u>	<u>Sert6o</u> <u>30/32 mm</u>	<u>Matas</u> <u>-</u>
2	0.2870	0.2770	0.2670	0.2540	0.2390	0.2360	0.2230
3	0.2770	0.2670	0.2570	0.2440	0.2290	0.2260	0.2130
4	0.2670	0.2570	0.2470	0.2340	0.2190	0.2160	0.2030
5	0.2520	0.2420	0.2320	0.2190	0.2040	0.2010	0.1880
6	0.2270	0.2170	0.2070	0.1940	0.1790	0.1760	0.1630
7	0.2020	0.1920	0.1820	0.1690	0.1540	0.1510	0.1380
8	0.1770	0.1670	0.1570	0.1440	0.1290	0.1260	0.1130
9	0.1720	0.1620	0.1520	0.1390	0.1240	0.1210	0.1080

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Tobacco Minimum Export Prices1) Leaf Tobacco from Bahia and Alagoas in US\$ per 100 kilos

Type	Mata Fina	Mata Sul	Mata Norte	Feira	Sertão	Sertaneja
PFS	324.00	280.80	252.00	169.20	126.00	137.00
PF	270.00	234.00	210.00	141.00	105.00	117.00
PP	252.00	218.40	196.00	131.60	98.00	106.00
P	225.00	195.00	175.00	117.50	87.50	85.50
1 ^a	153.00	132.60	119.00	79.90	59.50	67.00
2 ^a	126.00	109.20	98.00	65.80	49.00	55.00
22 ^a	108.00	93.60	84.00	56.40	42.00	49.80
FA	103.50	89.70	80.50	54.05	38.00	47.70
3 ^a	103.50	89.70	80.50	54.05	40.25	-
33 ^a	99.00	85.80	77.00	51.70	38.50	-
O	90.00	78.00	70.00	47.00	35.00	-
FL	90.00	78.00	70.00	47.00	32.95	40.00
FF	112.50	97.50	87.50	58.75	43.75	45.50
FIM	67.50	58.50	52.50	35.25	26.25	29.70
FR	31.50	27.30	24.50	16.45	12.25	23.00
XXA	135.00	117.00	105.00	70.50	52.50	72.00
XXA-S/D	180.00	156.00	140.00	94.00	70.00	92.00
XA	117.00	101.40	91.00	61.10	45.50	62.00
XB	81.00	70.20	63.00	42.30	31.50	48.50
BG	18.00	15.60	14.00	9.40	7.00	16.00
BM	14.40	12.48	11.20	7.52	5.60	13.00

2) Leaf Tobacco from Rio Grande do Sul in US\$ per 100 kilos

Shed - Fermented or sterilized

Extra - amarelo & castanho	60.00
Claro I	51.00
Claro II	47.00
Amarelo I	47.00
Amarelo II	45.00
Castanho I	45.00
Castanho II	42.00
Misto	32.00
Fôlhas soltas	29.00

Heater - Class A	60.00
Class B	58.00
Class C	56.00
Class D	53.00
Class E	51.00
Class EE	49.00
Class F 1	46.00

Class F 2	38.00
Class F 3	33.00
Fôlhas soltas	29.00

Stalkless leaf prices shall be increased by 50% over above prices.

3) Twist Tobacco

<u>Type</u>	<u>US\$ per kilo</u>
1	0.50
2	0.40
3	0.30

4) Leaf Tobacco from Santa Catarina with stalks fermented and sterilized

Burley:

	CLS	US\$ 0.52 per kilo
Semimeieiras	-	
	CLI	US\$ 0.49
	CHFS	US\$ 0.48
Meieiras	-	
	CHFI	US\$ 0.43
	TFS	US\$ 0.38
Ponteiras	-	
	TFI	US\$ 0.34
	XLS	US\$ 0.42
Baixeiros	-	
	XFI	US\$ 0.36
	AP or N	US\$ 0.25
	PDF	US\$ 0.40
Residues	-	
	FSF	US\$ 0.34
	SC	US\$ 0.20
	ST	US\$ 0.08
Shed	-	
	CLS, CFS, CDS, CMS	US\$ 0.66 per kilo
Semimeieiras	-	
	CLI, CFI, CDI, CMI	US\$ 0.46
	CHLS, CHFS, CHDS, CHMS	US\$ 0.44
Meieiras	-	
	CHLI, CHFI, CHDI, CMI	US\$ 0.38
	TLS, TFS, TDS, TMS	US\$ 0.36
Ponteiras	-	
	TLI, TFI, TDI, TMI	US\$ 0.34
	XLS, XFS, XDS, XMS	US\$ 0.36
Baixeiros	-	
	XLI, XFI, XDI, XMI	US\$ 0.34
	AP or N	US\$ 0.25

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	FDF	US\$ 0.40
	FSP	US\$ 0.34
Residues -	SC	US\$ 0.20
	ST	US\$ 0.08
Heater		
	XDS, XDI	US\$ 0.52
Baixeiros -	XES, XEI	US\$ 0.50
	XFS, XFI	US\$ 0.40
	CDS, CDI	US\$ 0.54
Meleiros -	CES, CEI	US\$ 0.50
	CFS, CFI	US\$ 0.44
	TFS, TFI	US\$ 0.36
Ponteiros -	TES, TEI	US\$ 0.50
	TDS, TDI	US\$ 0.52
	AP cat N	US\$ 0.25
	FDF	US\$ 0.40
	FSP	US\$ 0.34
Residues -	SC	US\$ 0.20
	ST	US\$ 0.08

Stalkless and semi-stalkless tobacco shall have an increase of 40% and 35% respectively over above prices.

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Minimum Export Prices1) Peanuts

a - Unshelled	US\$ 215 per metric ton
b - Shelled	US\$ 230 " " "

2) Brazil Nutsa - Unshelled

Type 1	US\$ 0.13 per pound
" 2	US\$ 0.10 " "
" 3	US\$ 0.10 " "

b - Shelled

Type 1A/2A	US\$ 0.44 per pound
" 3A	US\$ 0.43 " "
" 4A/5A/6A	US\$ 0.41 " "
" 7A	US\$ 0.40 " "
" 8A	US\$ 0.35 " "
" 9A	US\$ 0.30 " "
Assortment	US\$ 0.40 " "

3) Menthol

a - Menthol	US\$ 3.90 per pound
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b - Peppermint oil (dementholated)	US\$ 2.85 per kilo
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4) Industrial Castorbean Oil

Type 1	US\$ 0.1150 per pound
" 2	US\$ 0.1125 " "
" 3	US\$ 0.1125 " "

5) Sisal

<u>Types</u>	US\$ 165 per metric ton
Superior	US\$ 150 " " "
1	US\$ 140 " " "
2	US\$ 135 " " "
3	US\$ 92 " " "
Bucha	