Brazil

Brazil carried out a major revision of its exchange control system during 1961, eliminating the former multiple-rate structure and establishing a free exchange market. However, in order to assure some uniformity of rate, the Bank of Brazil quotes a free market rate for the cruziero which other banks and exchange brokers are urged to use.

The two categories of commodities for exchange purposes, the general and the special, remain in effect. All imports require either a prior import license or, in the case of goods in the general category for which exchange has been obtained, a certificate of exchange cover.

Importers must make a 150-day prior deposit in Bank of Brazil notes bearing interest at 6 percent. These notes are often discounted but at rates between 30 and 40 percent. The amount of deposit required at the end of 1961 was 150 percent of the value of the merchandise, but this requirement is to be reduced in monthly stages of 10 percentage points beginning in January 1962 until completely eliminated in March 1962.

Imports in the special exchange category (luxury and other less essential imports) also require the purchase of a "promise of license." These are offered in very limited amounts at public auction.

British Caribbean territories

Imports from the United States and other dollar countries into British territories in the Caribbean are largely free from import licensing restrictions as a result of liberalization steps taken during 1959 and 1960. Exchange approval is generally required by most of the territories for imports from outside the Commonwealth, but this is usually granted freely for goods not subject to licensing control. British Guiana's exchange controls cover transfers to all countries, including those within the Commonwealth. Bermuda and the Bahamas have no exchange controls.

Import licenses are required for only 30 commodity groupings in Trinidad and Tobago. Similarly, only 30 items remain on the controlled list of the British Guiana Commodity Board. Goods subject to licensing generally fall into two groups. Raw material imports are regulated in line with regional agreements aimed at prohibiting importation from outside the area except when local supplies are inadequate. Licenses are also generally required for manufactures having a high labor content, such as textiles and fabrics, metal wares, and furniture.

Many of the territories have a strong interest in developing their local industries. In pursuing this objective, however, they have largely avoided the use of licensing and exchange controls, relying instead on preferential tariff treatment of raw materials imports and concessions on income tax payments.

The Caribbean islands are organized, as follows: Bermuda, the Bahamas, the British Virgin Islands, British Honduras, and British Guiana are nonfederated colonies; Antigua, St. Christopher-Nevis-Anguilla, Monserrate, Dominica, St. Lucia, St. Vincent, Grenada, and Jamaica comprise the Federation of the West Indies; and the Turks and Caicos Islands and the Cayman Islands are dependencies of Jamaica. The United Kingdom has accepted GATT obligations on behalf of all these territories with the exception of Jamaica and its dependencies.

Burma

Burma's import licensing policy continues to be highly restrictive to conserve scarce foreign exchange and to maximize imports of industrial development goods. Open general license imports account for only 5 to 10 percent of total import trade and cover only the most essential consumer goods. Imports of less essential goods are severly limited or prohibited. About 70 percent of total foreign exchange allocations for imports are reserved for the Government or for Government-affiliated agencies.

Although all formal discrimination against dollar goods has ended, the obstacles to expanding sales of American goods in Burma are many. One obstacle is the high percentage of Burmese imports, which are now restricted for procurement