

WORLD TRADE ORGANIZATION

RESTRICTED

G/SCM/Q2/BRA/10

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**Committee on Subsidies
and Countervailing Measures**

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SUBSIDIES

Questions from the UNITED STATES Regarding the New and Full and Updating Notifications of BRAZIL¹

The following communication, dated 17 May 2001, has been received from the Permanent Mission of the United States.

Export Financing Programme (PROEX)

1. The notification states that the beneficiaries of the PROEX programme are banks and financial institutions. Does the Government of Brazil have knowledge of the recipients of PROEX supported loans provided by these banks and financial institutions? If so, can you please provide a breakdown by industry or sector?

Constitutional Funds for the Financing of the Northeast, the North and the Midwest

1. According to the notification, interest rates on loans given under this programme range from 6 per cent to 16 per cent. On what basis is the specific interest rate determined for individual companies?

2. Please provide a more detailed explanation of the column in the table on page 17 of the notification concerning "additional charges", including when rebates of interest are given?

¹ G/SCM/N/25/BRA, G/SCM/N/38/BRA, G/SCM/N/48/BRA, G/SCM/N/60/BRA.