

LEAGUE OF NATIONS

Communicated to the
Council and Members
of the League.

C.8.M.8. 1944.XI.

Geneva, March 29th, 1944.

TRAFFIC IN OPIUM AND OTHER DANGEROUS DRUGS

LEGISLATIVE DECREE No.4720. DATED SEPTEMBER 1ST.1942,
PRESCRIBING GENERAL RULES CONCERNING THE CULTIVATION
OF NARCOTIC PLANTS AND THE EXTRACTION, CONVERSION AND
PURIFICATION OF THERAPEUTIC ACTIVE SUBSTANCES DERIVED
THEREFROM.

Communicated by the Government of Brazil.

Note by the Acting Secretary-General.

In accordance with Article 21 of the Convention of 1931 for limiting the Manufacture and regulating the Distribution of Narcotic Drugs, the Acting Secretary-General has the honour to communicate herewith to the Parties to the Convention the text of the following law. The text is also communicated to other States.

Translation

The President of the Republic, in the exercise of the Powers conferred upon him under Article 180 of the Constitution, decrees:

Article 1. The Union may grant concessions to individual firms, regularly constituted, for the cultivation of narcotic plants and for the extraction and commercial use of active substances derived therefrom, for therapeutic purposes, provided that it is not in the interest of the Union to undertake such activities, directly in accordance with the provisions of Article 2, §2, of Legislative Decree No.891, dated November 25th, 1938.

Article 2. Application for concessions shall be made, by the firms concerned, to the National Service for the Inspection of Medicine of the National Health Department. Applications submitted for consideration, when accompanied by favourable reports of the National Service for the Inspection of Medicine and of the National Drug Control Committee, shall be submitted, through the intermediary of the Ministry of Foreign Affairs, for the decision of the President of the Republic who may, by means of a decree, grant the concession referred to in Article 1 of the present Legislative Decree.

Article 3. In order to obtain the said concession the applicant must comply with the following requirements:

(a) He must submit the articles of association of his firm, bearing the visa of the National Service for the Inspection of Medicine, for the purpose of registration and deposit in the National Department of Industry and Trade and in the Registry of Deeds and Documents. Two-thirds of the capital of the firm must belong to Brazilian nationals.

(b) He must submit a list of the technical experts who will carry on their activities in the firm, together with sufficient evidence of their qualifications. The firm must have as technical

manager a person who is capable of discharging the duties of such a position, in accordance with the Federal Sanitary Regulations.

(c) He must submit evidence to show that the firm is duly equipped for the carrying out of the work it proposes to undertake.

(d) He must submit evidence of having made a deposit, in the Federal Economic Fund, of the amount of 50:000\$000*) as security against failure to comply with the clauses of agreements and as security for costs of legal proceedings.

Sole paragraph. The same requirements as are specified in the present Article shall apply to firms who make application for the licence referred to in Article 15 of Decree Law No.891, dated November 25th, 1938, save as regards the amount of the security which shall be 25:000\$000.

Article 4. There shall be attached to the firm holding a concession embodying the authorisation of the Government for the cultivation of narcotic plants, and to the laboratory holding a special licence for the manufacture, purification and conversion of substances of the said nature, Government inspectors, officially recognised or appointed under contract in accordance with the provision of the Laws in force, the said inspectors being duly qualified medical practitioners, pharmacists, chemists or agricultural experts.

Sole paragraph. The firm holding a concession shall pay annually an inspection fee, the amount of which shall be prescribed in the instructions that shall be issued by the National Health Department, and which shall be equivalent to the amount of the expenditure incurred by the Union in carrying out the said inspection.

Article 5. In the event of any infringement of any of the Articles of the present Law or of the "Instructions" issued in virtue thereof, the person responsible or the firm in question shall be liable to a fine of not less than 1:000\$000 and not more than 25:000\$000.

§1. Cases of repeated offences shall be punished by the withdrawal of the authorisation granted and the offending establishment shall, on the requisition of the National Drug Control Committee be definitively closed by the police.

§2. Any person guilty of any offence against any Article of the present Law shall be liable, in so far as they are applicable to him, to the penalties prescribed in Chapter IV of Legislative Decree No.891, dated November 25th, 1938.

Article 6. The Director of the National Health Department shall issue instructions prescribing such requirements as may prove to be necessary in respect of the intervention of the Union in regard to firms applying for the concession referred to in Article 1 of the present Legislative Decree and prescribing quotas for planting and for the production of alkaloids and narcotic substances necessary for medical and scientific purposes, in accordance with the International Conventions of which Brazil is a signatory. The said instructions shall be drawn up by the National Service for the

*) Note by the Secretariat.
Milreis, national currency.

Inspection of Medicine and shall be submitted for the preliminary consideration of the National Drug Control Committee.

Article 7. All provisions to the contrary shall be repealed.

Rio de Janeiro, September 21st, 1942, the 121st year of Independence and the 54th year of the Republic.

GETULIO VARGAS,

Oswaldo Aranha,

Alexandre Marcondes Filho,

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