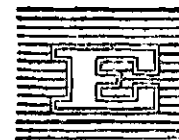


NACIONES UNIDAS



CONSEJO  
ECONOMICO  
Y SOCIAL



GENERAL  
E/CN.12/431/Add.1  
20 December, 1957

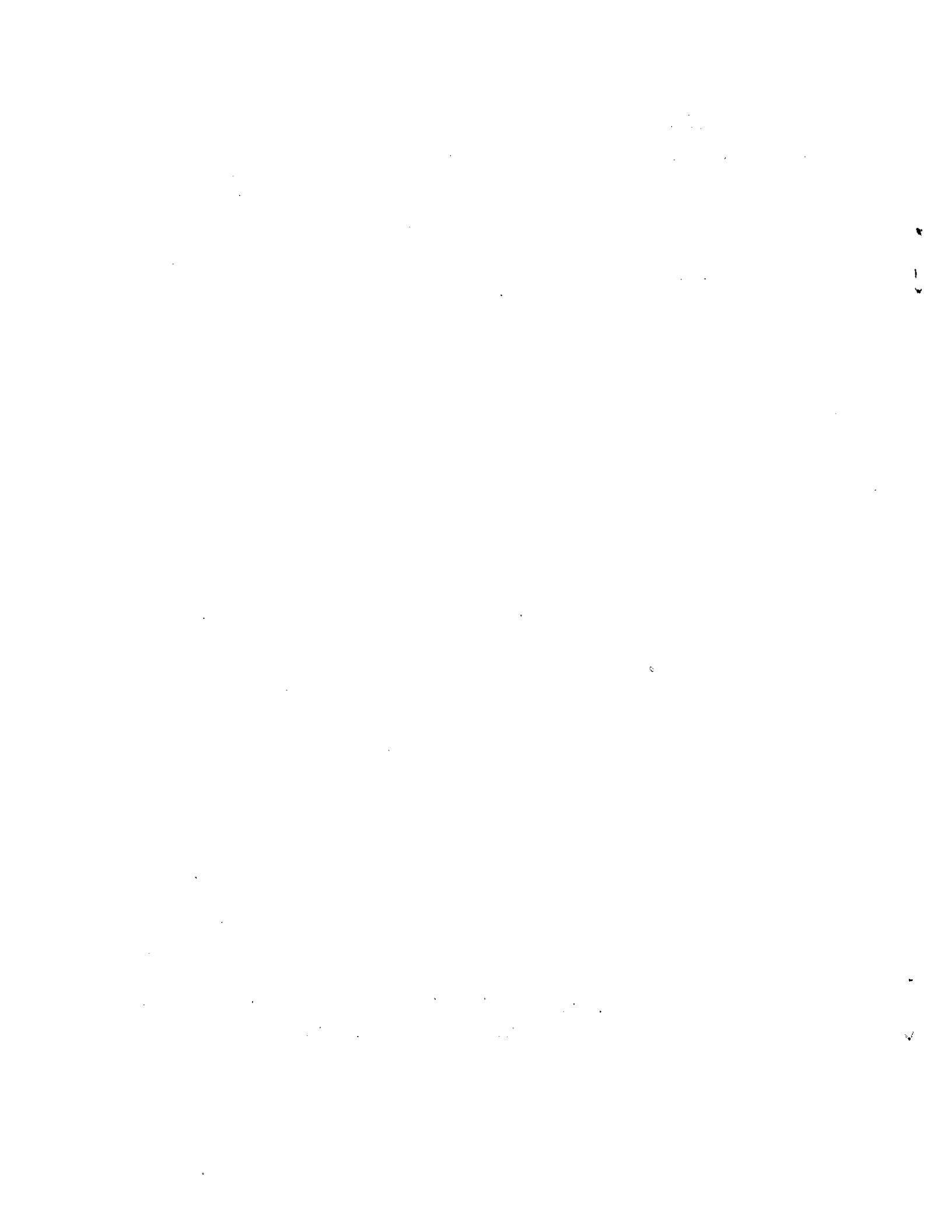
ENGLISH  
ORIGINAL: SPANISH

ECONOMIC COMMISSION FOR LATIN AMERICA

PROGRESS REPORT ON THE CENTRAL AMERICAN  
ECONOMIC INTEGRATION PROGRAMME

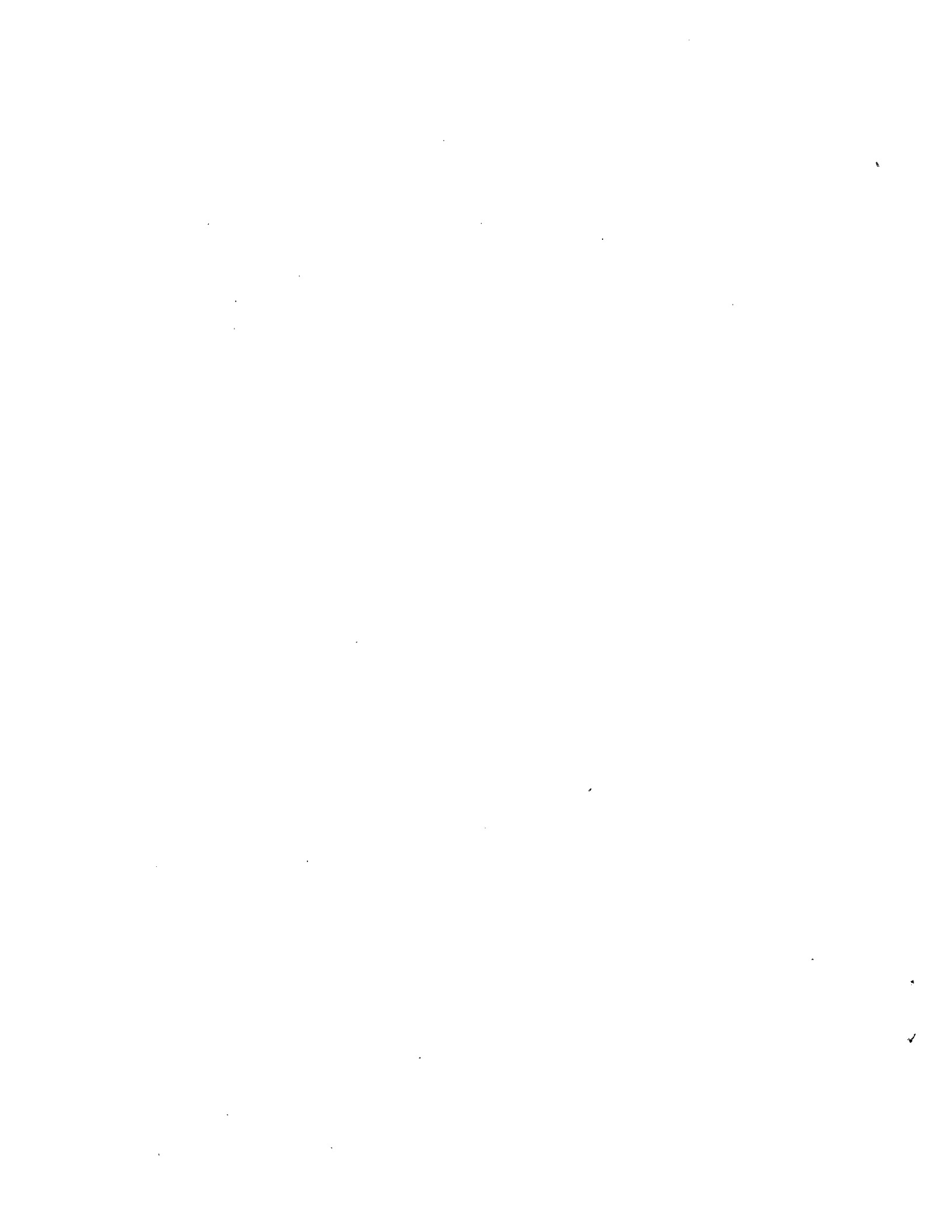
(Annexes)

Note: The annexes contained in this document complete the English version of document E/CN.12/431 presented in partial form to the Seventh Session of the Commission (La Paz, Bolivia, 15-29 May 1957).



## CONTENTS

	<u>Page</u>
Draft Central American multilateral free trade and economic integration treaty .....	1
Agreement on Central American integration .....	29
Manual on road signs, signals and markings .....	46



DRAFT CENTRAL AMERICAN MULTILATERAL FREE TRADE  
AND ECONOMIC INTEGRATION TREATY

The Governments of the Republics of Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica, desirous of intensifying and strengthening their common bonds of origin and brotherhood, and with a view to effecting the progressive integration of their economies, ensuring the development of their markets, promoting the production and exchange of goods and services, raising the standards of living and employment of their respective populations, thereby contributing to the economic unity of Central America, have agreed to conclude the present Central American Multilateral Free Trade and Economic Integration Treaty, which shall be progressively implemented, and to that effect have designated their respective plenipotentiaries as follows:

H.E. The President of the Republic of Guatemala:  
H.E. The President of the Republic of El Salvador:  
H.E. The President of the Republic of Honduras:  
H.E. The President of the Republic of Nicaragua:  
H.E. The President of the Republic of Costa Rica:

who, having exchanged their respective full powers, found to be in due and proper form, have agreed as follows:

Part I

TRADE REGIME

Article 1

The Contracting States, with a view to creating a customs union between their respective territories as soon as conditions are favourable, hereby agree to establish a free-trade régime which they shall endeavour to put into operation within a period of ten years from the date on which the present Treaty enters into force. To this end they resolve to abolish, as between their territories, the customs duties, taxes and regulations hereinafter mentioned in respect of the commodities specified in the appended schedule which shall constitute annex A of this Treaty.

/Accordingly, the

Accordingly, the natural products of the Contracting States and the articles manufactured in their territories, provided they are included in the aforesaid schedule, shall be exempt from import and export duties as well as taxes, duties and charges levied on imports and exports or on the occasion of such importation or exportation, whether such duties, taxes and charges be of a national, municipal or other nature, and irrespective of their purpose.

The exemptions provided for in this article shall not include charges for lighterage, docking, warehousing and handling of goods or any other charges which may legitimately be levied for port, warehouse and transport services; nor shall they include exchange differentials resulting from the existence of two or more rates of exchange or from other exchange regulations in any of the Contracting States.

When a commodity or article included in the schedule is liable to internal taxes, charges and duties of any kind, levied on production, sale, distribution and consumption in any of the Contracting States, the State concerned may levy an equivalent amount on similar commodities imported from another Contracting State.

#### Article 2

Goods originating in the territory of the Contracting States and included in the schedule appended to this Treaty shall be accorded national treatment in all the Contracting States and shall be exempt from any restrictions or quantitative measures of control except for such measures as may be legally applicable in the territories of the Contracting States for reasons of public health, security or police control.

#### Article 3

Goods originating in one of the Contracting States and which are not mentioned in the schedule shall be accorded unconditional and unlimited most-favoured-nation treatment in the territory of the other Contracting States.

The above treatment shall not, however, be extended to concessions granted pursuant to other free trade treaties concluded between Central American States.

/Article 4

Article 4

The Contracting States, convinced of the advisability of equalizing their customs tariffs and firmly determined to establish a customs union between their territories, undertake, as soon as possible after consideration by the Central American Trade Commission mentioned below, to equalize the duties and other charges imposed by them individually on imports of commodities mentioned in the schedule appended hereto or which may be subsequently included in the said schedule, and on their main raw materials and containers.

Article 5

The Governments of the Contracting States shall endeavour to refrain from enjoying or granting customs exemptions on imports from outside Central America of articles produced in any one of the Contracting States and mentioned in the schedule appended hereto.

The Contracting States shall further endeavour to equalize the advantages granted by them to industries manufacturing articles which are mentioned in the schedule, to the extent that such advantages might otherwise, in the opinion of the Central American Trade Commission, entail unfair competition with respect to the said commodities.

Article 6

Subject to consideration by the Central American Trade Commission, the schedule appended to this Treaty may be extended by mutual agreement between the Contracting States, by means of subsequent protocols and in accordance with the constitutional procedures of the Contracting States.

Article 7

In order that the goods specified in the schedule appended hereto may enjoy the advantages deriving from this Treaty, a customs form shall be completed in respect of them, which shall be signed by the exporter and shall include a declaration of origin. This form shall be submitted to the customs officers of the countries of origin and of destination for inspection and necessary action, as provided for in annex B of this Treaty.

/Article 8

Article 8

The Central Banks of the Contracting States shall co-operate closely with a view to precluding currency speculations that might affect the rates of exchange, and maintaining the convertibility of the currencies of the respective countries on a basis which, in normal conditions, shall guarantee the freedom, uniformity and stability of exchange rates.

If any Contracting State imposes or maintains quantitative restrictions on transfers of international payments or other exchange measures, it shall not apply them in a discriminatory manner against any of the other Contracting States.

Part II

DISCRIMINATORY PRACTICES

Article 9

Subject to the provisions of the bilateral Central American treaties in force and to any provisions agreed to in subsequent treaties between Central American States, the Contracting States agree to the following provisions with a view to giving broad application to the principle of non-discrimination in their trading relations:

- (a) Any commodity which is not included in the schedule appended to this Treaty and which is subject to quantitative control measures imposed by a Contracting State shall, upon importation from the territory of another Contracting State or upon exportation to such a territory, be accorded treatment no less favourable than that accorded to like commodities of any other origin or destination;
- (b) No Contracting State shall introduce or maintain internal duties, taxes or other charges levied on a commodity, whether or not included in the appended schedule, originating in the territory of another Contracting State, nor shall it enact or prescribe regulations regarding the distribution or sale of such a commodity, when such charges or regulations place or tend to place the said commodity in an unfavourable position with respect to like commodities of domestic origin or imported from any other country;

/(c) should



- (c) Should a Contracting State establish or maintain an agency or service or grant special privileges to a specific enterprise to deal exclusively or principally, permanently or temporarily with the production, exportation, importation, sale or distribution of a commodity, the said State shall grant to the trade of any other Contracting State equitable treatment with respect to purchases or sales carried out abroad by the said agency, service or enterprise. The entity concerned shall be required to act in accordance with private business practice and shall afford the trade of the other countries adequate opportunity to compete for participation in such purchases or sales.

### Part III

#### INTERNATIONAL TRANSIT

##### Article 10

Each of the Contracting States shall maintain full freedom of transit through its territory in respect of goods going to or coming from another Contracting State.

Such transit shall be exempt from withdrawal, discrimination or quantitative restrictions. Should there be traffic congestion or any other form of force majeure, each Contracting State shall give equitable attention to the forwarding of the goods intended for its own population and the goods in transit to the other States.

Transit operations shall be carried out by the routes prescribed by law for that purpose and subject to the customs laws and regulations applicable in the transit territory.

Goods in transit shall be exempt from all duties, taxes and other fiscal charges of a municipal or other character imposed for whatever purpose, except charges generally applicable for services rendered and for reasons of security, public health or police control.

Part IV

EXPORT SUBSIDIES AND UNFAIR BUSINESS PRACTICES

Article 11

No Contracting State shall grant directly or indirectly any subsidy in favour of the export of any commodity intended for the territories of the other States, or introduce or maintain any system resulting in the sale of such commodity for export to any other Contracting State at a price lower than the comparable price charged for a similar commodity to buyers in the domestic market, due allowance being made for differences in the conditions of sale, differences in taxation and other differences affecting price comparability.

Any measure which involves the fixing of prices or price discrimination in a Contracting State shall be deemed to constitute an indirect export subsidy if it involves the establishment of a sales price for a specific commodity in the other Contracting States which is lower than that resulting from normal competition in the market of the exporting country.

Tax exemptions or refunds granted by a Contracting States with a view to encouraging the production in its territory of certain commodities shall not, however, be deemed to constitute an export subsidy.

Likewise, exemption from internal taxes on production, sales or consumption levied in the exporting country on goods exported to the territory of another State shall not be deemed to constitute an export subsidy. Normally the differences resulting from the sale of foreign exchange in a free market at a rate of exchange higher than the official rate shall not be deemed to be an export subsidy; but in case of doubt on the part of one of the Contracting States, the matter shall be submitted to the Central American Trade Commission for its consideration and opinion.

Article 12

Each Contracting State shall, in so far this is permissible under the law, prevent the exportation of goods from its territory to the territories of other States at a price lower than their normal value if this would jeopardize or be liable to jeopardize the production of the other States,

/or to

or to retard the establishment of a domestic or a Central American industry, since exportation under such circumstances would be inconsistent with the purposes of this Treaty.

A commodity shall be considered to be exported at a lower price than its normal value if the price of the commodity exported is

- (a) less than the comparable value in the ordinary course of trade, for a similar commodity when destined for consumption in the exporting country; or
- (b) in the absence of such domestic price, less than either
  - (i) the highest comparable price for a similar commodity for export to any third country in the ordinary course of trade; or
  - (ii) the cost of production of the commodity in the country of origin plus a reasonable addition in respect of the sales cost and profit.

Due allowance shall be made in each case for differences in conditions of sale, differences in taxation and other differences affecting price comparability.

#### Article 13

In order to eliminate the effects of any direct or indirect export subsidy which, in any of the Contracting States, might result from general and non-discriminatory measures, and to offset the effects of the unfair commercial practices referred to above, the affected State may impose countervailing duties in an amount equal to the artificial price differential resulting from the aforesaid subsidies or practices and shall notify thereof the State concerned.

### Part V

#### TRANSPORT AND COMMUNICATIONS

#### Article 14

The Contracting States shall construct and maintain lines of communication to facilitate and increase traffic between their territories.

They shall likewise endeavour to standardize the transport rates between their territories as well as the relevant laws and regulations.

/Article 15

Article 15

Commercial and private vessels and aircraft belonging to any of the Contracting States shall be accorded the same treatment as that extended to national vessels and aircraft in ports and airports of the other States open to international traffic. The same treatment shall be extended to passengers, crews and freight of the other Contracting States.

Land vehicles registered in one of the Contracting States shall enjoy the same treatment in the territory of the other States, for the duration of their stay there, as that accorded to vehicles registered in the State of sojourn.

Enterprises in a Contracting State engaged in providing inter-Central American services for passenger and freight motor transport shall enjoy national treatment in the territory of the other States.

Private vehicles, and vehicles which are not used for the regular inter-Central American transport of persons and goods, shall be admitted to the territory of the other Contracting States under a temporary duty-free importation system, and shall be subject to the corresponding legislative provisions.

Vessels of any Contracting State plying between the ports of Central America shall be subject, in the ports of the other States, to the national coastal trading régime.

The provisions of this article shall be interpreted subject to compliance with the formalities of registration and control applied in each country in respect of the entry, sojourn and exit of the vessels, aircraft and vehicles, for reasons of public health, security or police control and for the protection of the public interest, and with fiscal requirements.

Article 16

The Contracting States shall endeavour to improve the telecommunications systems between their respective territories and shall direct their combined efforts towards the attainment of this objective.

Part VI

INVESTMENTS

Article 17

Each of the Contracting States, acting within the framework of its constitution, shall grant national treatment to capital investments by nationals of the other States, and shall accord in respect of such investments the same rights to organize and manage or to participate in producing, commercial and financial enterprises, as those accorded in respect of investments by its own nationals; each Contracting State shall likewise grant equitable and non-discriminatory treatment for transfers of funds accruing from capital investments by nationals of the other States.

Part VII

CENTRAL AMERICAN TRADE COMMISSION

Article 18

The Contracting States agree to establish a Central American Trade Commission which shall be composed of representatives of each Contracting State. The Commission shall meet as frequently as its work may require or at the request of a Contracting State.

The Commission, or any member of the Commission, may travel freely in the Contracting States to study in the field matters within the Commission's competence; the authorities of the Contracting States shall provide them with whatever information and facilities may be necessary for the proper discharge of their functions.

The Commission shall have a permanent secretariat which shall be responsible to the secretariat of the Organization of Central American States.

The Commission shall adopt its rules of procedure unanimously.

Article 19

The Central American Trade Commission shall perform the following functions:

/(a) It

- (a) It shall propose to the Contracting States measures conducive to the development and perfecting of the Central American free-trade zone referred to in this Treaty, as well as measures designed to attain the objectives of Central American economic integration, and prepare a specific plan for such purposes, including a customs union and the establishment of a common market in Central America;
- (b) At the request of one or several Governments, it shall study the questions and matters relating to the development of inter-Central American trade, in particular those connected with the implementation of this Treaty, and propose measures to solve any problem which may arise;
- (c) It shall study production and trade in the Contracting States, recommend additions to the appended schedule and adopt appropriate measures to ensure:
  - (i) the standardization of customs tariffs and regulations;
  - (ii) the establishment of a single fiscal system for articles under State monopoly and for goods liable to production, sales and consumption taxes;
  - (iii) the conclusion of agreements designed to avoid double taxation in respect of direct taxes;
  - (iv) the improvement of inter-Central American transport through the conclusion of appropriate agreements;
  - (v) the application of the decimal metric system of weights and measures.
- (d) It shall collect and analyse statistics and other data relating to trade between the Contracting States.

In fulfilling these functions, the Commission shall avail itself of the reports and studies made by other Central American and international organizations and agencies.

#### Article 20

The competent authorities of the Contracting States shall collect, classify and publish the statistical data relating to import, export and transit operations carried out under the terms of this Treaty, in accordance with the rules laid down, by mutual agreement, by the Central

/American Trade

American Trade Commission and the statistical organizations of the Contracting States.

Part VIII

INDUSTRIAL INTEGRATION

Article 21

With a view to promoting industrial development consistent with the purposes of this Treaty, the Contracting States shall adopt, by mutual agreement, measures designed to further the establishment and expansion of regional industries directed towards a Central American common market, and offering particular interest for the economic integration of Central America.

Part IX

GENERAL PROVISIONS

Article 22

The Contracting States shall adopt as a basis for the establishment of their customs tariffs and statistics, the Standard Central American Tariff Nomenclature for Imports (Nomenclatura Arancelaria Uniforme Centro-americana - NAUCA) and the Standard Central American Nomenclature for Exports.

Article 23

The nationals of any Contracting State shall enjoy national treatment in respect of commercial, civil and social matters in the territory of all other Contracting States.

Article 24

Considering that this Treaty is specifically Central American in character and is designed to lay the foundations for a customs union of the Contracting States and for the progressive integration of their economies, the Contracting States agree that, prior to signing or ratifying multilateral agreements relating to commodities, trade or customs concessions, and prior

/to acceding

to acceding to any international organization established under these agreements, or negotiating any arrangements within the purview of such organizations, they shall hold mutual consultations with a view to agreeing, if possible, on a common and united policy.

The Contracting States shall likewise endeavour to unify their views at inter-American or world economic conferences or meetings.

The Contracting States agree to maintain the "Central American exception clause" in any trade agreements they may conclude with third countries on the basis of most-favoured-nation treatment.

The Contracting States declare that, in concluding this Treaty, they are prompted by the desire to establish closer links between one another as States of Central America governed by the special principles of a Central American public law. To that end, they agree that, should any of the trade agreements they conclude with other countries or their participation in other international arrangements constitute an obstacle to this Treaty, particularly as a result of the provisions embodied in the other treaties permitting those countries to demand no less favourable treatment, they will denounce them at the earliest opportunity with a view to avoiding the difficulties or prejudice which might ensue for the Contracting States as a result of claims of that kind.

#### Article 25

The Contracting States agree to settle amicably, in conformity with the spirit of this Treaty, and through the Central American Trade Commission, any differences which may arise with respect to the interpretation or application of any provision of this Treaty. If agreement cannot be reached, they shall submit the matter to arbitration. For the purpose of constituting the arbitration tribunal each Contracting State shall nominate to the Secretariat of the Organization of Central American States three judges from its Supreme Court of Justice. The Secretary-General of the Organization of Central American States and the Government representatives in the Organization shall select by drawing lots from the complete list of persons nominated three arbitrators no two of whom may be nationals of the same State. The award of the arbitration tribunal shall require

/the concurring



the concurring votes of no less than two members, and shall have the force of res adjudicata for all the Contracting States in respect of any ruling concerning the interpretation or application of the provisions of this Treaty.

Article 26

Any provisions of this Treaty that are broader in scope than those in other trade treaties between Central American countries shall take precedence over the latter.

Part X

TEMPORARY REGIMES

Article 27

With a view to the gradual application, whenever advisable, of the free-trade regime established by virtue of the present Treaty, the Contracting States may conclude special protocols for the adoption of temporary regimes of progressive tariff reduction, to be implemented by stages and which shall be applicable to commodities not listed in annex A, for the ultimate purpose of incorporating them in the said annex.

The Contracting States may likewise adopt special temporary regimes for commodities not included in annex A and which may be subject to quantitative import or export restrictions.

Part XI

FINAL PROVISIONS

Article 28

This Treaty shall come into force, in the case of the first three States to ratify it, on the date of deposit of the third instrument of ratification; and in the case of the States which ratify it subsequently, on the date of deposit of the corresponding instruments of ratification.

/The duration

The duration of this Treaty shall be ten years from the initial date of its entry into force; it shall be renewed by tacit extension for successive periods of ten years.

Any Contracting State may secede from this Treaty provided that notice is given not later than six months before the date on which the initial or any subsequent period of validity expires. Secession shall take effect in respect of the seceding State as from the date of expiry of the corresponding period of validity of the Treaty. The Treaty shall remain in force as between the other Contracting States so long as at least two States continue to be parties to it.

This Treaty shall be submitted for ratification by each Contracting State in conformity with its constitutional or legal procedures.

The Secretariat of the Organization of Central American States, after consultation with the Governments, shall open this Treaty for signature. It shall act as depository of the respective instruments, of which it shall send a certified copy to each of the Ministries of Foreign Affairs of the Contracting States. It shall also notify the latter of the deposit of the corresponding instruments of ratification and of any withdrawal which may occur within the prescribed time-limit. Upon ratification by all the Contracting States, it shall also transmit a certified copy of the Treaty to the Secretary-General of the United Nations in compliance with Article 102 of the United Nations Charter.

IN WITNESS WHEREOF the respective plenipotentiaries have signed this Treaty.

DONE at the Headquarters of the Organization of the Central American States, in the City of San Salvador, this ..... day of ..... 1957.

For the Government of Guatemala:

For the Government of El Salvador:

For the Government of Honduras:

For the Government of Nicaragua:

For the Government of Costa Rica:

Annex A

SCHEDULE OF COMMODITIES COVERED BY THE FREE  
TRADE AGREEMENT BETWEEN THE CONTRACTING  
STATES

General note

In so far as the description of headings or commodities coincides with the description given in the NAUCA to the group (three digits), items (five digits) or sub-items (seven digits) which appear in the left hand column, those headings or commodities shall be understood to include all commodities included in the sub-groups, items or sub-items of the NAUCA and the related Coding Manual. Whenever the description of the heading or commodity is more restricted than the description corresponding to the group, item or sub-item indicated in the left hand column, that description shall be understood to include only the article or articles specifically mentioned in the list, to the extent that they belong to the group, item or sub-item under which they have been classified.

It is understood that the exemptions referred to in article 1 of the present Treaty shall apply also to the containers of the commodities listed hereunder, as well as to the return of the respective empty containers.

---

NAUCA group, item  
or sub-item

Description

---

SECTION O. FOOD

001-01-01	Pure-bred
001-02-01	Pure-bred
001-03-01	Pure-bred
001-04	Poultry
001-09	Live animals, chiefly for food, n.e.s.
001-09-01	Goats, pure-bred
001-09-02	Goats, ordinary
001-09-03	Game birds
001-09-04	Live animals, chiefly for food, n.e.s.

/013-09-02

NAUCA group, item or sub-item	Description
013-09-02) 032-01-07) 055-02-01)	Soups and broths of all kinds
021-01-02	Yoghourt
023-01-00	Natural butter from milk of any kind, in any form or in any container
024-01-00	Cheese and curd, of any kind
026-01-00	Honey and natural syrups
031-01	Fish, including live fish and edible fish flesh and roe, fresh, chilled or frozen
031-02	Fish, including edible fish flesh and roe, dried, salted, smoked or pickled, but not otherwise prepared
031-03	Crustaceans and molluscs, fresh, chilled, frozen, salted, dried, smoked, pickled or simply cooked
047-09-00	Rice flour
051-01-00	Fruit, fresh
051-07	Edible nuts (including fresh coconuts) other than nuts chiefly used for the extraction of oil
052-01-00	Dried fruits, including artificially dehydrated, in airtight containers or not
053-01	Preserved fruits, whole or in pieces, with or without added sugar, in containers or not
053-01-01	Olives, in wooden containers
053-01-02	Olives, in containers, n.e.s.
053-01-03	Fruit preserved in alcohol, wine or spirits
053-01-04	Fruit, frozen, pickled or otherwise preserved, n.e.s.
053-02-00	Fruits, fruit peel, parts of plants, dried, <u>glacé</u> or crystallized, with or without artificial flavouring
053-03	Jams, marmalades, fruit jellies, fruit pulps and pastes, in airtight containers or not
053-03-01	Groundnut paste and butter
053-03-02	Fruit jellies, jams and marmalades
053-03-03	Other fruit pulps and pastes

NAUCA group, item or sub-item	Description
053-04	Fruit juices, unfermented, whether frozen or not (including syrups and natural fruit extracts)
053-04-01	Fruit syrups
053-04-02	Fruit juices, unfermented
053-04-03	Fruit extracts
055-04-03	Yucca starch
055-04-04	Potato starch and flour
062-01-01	Chicle and other chewing gums
072-03-00	Cocoa butter
075-01-00	Pepper and pimento, ground, unground or otherwise prepared
075-02	Spices, unground, ground or otherwise prepared
075-02-01	Vanilla, except vanilla essence
075-02-02	Nutmeg
075-02-03	Cinnamon
075-02-04	Saffron
075-02-05	Cloves, anise, cumin seeds, fennel seeds, annatto, ginger, thyme and other spices, n.e.s.
081-01-00	Hay and other fodder, green and dry, including carobs
081-02-00	Bran, pollard, sharps and other by-products from the preparation of cereals and cereal products
081-03-00	Oil-seed cake and meal and other vegetable oil residues
081-04-00	Meat meal (including tankage) and fish meal
081-09	Food wastes and prepared animal feed, n.e.s.
081-09-01	Animal feed mixed with chemical and biological products such as bone meal, dried blood, etc.
081-09-02	Food wastes and prepared animal feed, n.e.s.

NAUCA group, item or sub-item	Description
091-02-02	Shortening, of animal or vegetable origin, except lard
099-09-01	Vinegar
099-09-04	Sauces of all kinds and similar condiments
<u>SECTION 2. CRUDE MATERIALS, INEDIBLE, EXCEPT FUELS</u>	
242-01-00	Pulpwood (except sawlogs)
242-09-00	Poles, piling, posts and other wood in the round, including pitprops (except sawlogs)
243-01-00	Railway sleepers (ties), whether sawn or not
243-02-00	Lumber, sawn, planed, grooved, tongued, etc.
262-05-00	Horsehair and other coarse hair (except bristles and hair classified under sub-item 291-09-11)
263-03-00	Cotton linters and waste
271-01-00	Natural fertilizers of animal or vegetable origin, not chemically treated
271-03-00	Natural phosphates, ground or unground, and crude potash salts
272-01-00	Natural asphalt
272-02-00	Sand, gravel and crushed stone (including ground quartz and tarred macadam)
272-04	Clay, kaolin, chamotte and refractory rock
272-06-00	Sulphur, unrefined, in any form
272-07	Pumice stone, emery, corundum and similar abrasives, in the natural state
272-08	Building, monumental and dimension stone, not worked
272-08-01	Marble, in blocks or slabs, sawn or not, unpolished, including marble powder
272-08-02	Alabaster, blocks or slabs, sawn or unsawn, not worked
272-08-03	Slate, blocks or slabs, sawn or unsawn, not worked
272-08-04	Other building and dimension stone, not worked (calcareous stone n.e.s., granite, porphyry, basalt, sandstone, etc.)

NAUCA group, item or sub-item	Description
272-11	Stone for industrial uses, except dimension
272-11-01	Gypsum, crude
272-11-02	Gypsum, calcined, in powder
272-11-03	Stone, lithographic, unprepared
272-11-04	Stone n.e.s. for industrial uses (dolomite, limestone and similar kinds of stone used for manufacture of cement and lime and for industrial uses)
272-12-00	Asbestos and amianthus, crude, washed or ground
272-13-00	Mica, uncut or unmanufactured, in sheets or blocks films and splittings, scrap mica, unground or ground
272-14-00	Feldspar, fluorspar and cryolite
272-16-00	Natural graphite or plumbago
272-19	Non-metallic minerals, n.e.s. (excluding ice)
272-19-02	Infusorial earth
272-19-03	Jet, amber and meerschaum, crude or simply prepared
272-19-04	Steatite, natural or powdered, except toilet talcum powder
272-19-05	Earth-colours, calcined or not, mixed or not
272-19-06	Quartz and other non-metallic minerals, crude, n.e.s.
281-01-00	Iron ore and concentrates
291-01-02	Horns, crude
291-01-04	Tortoise shell, crude
291-01-09	Bones
291-09-03	Feathers, crude
291-09-11	Bristles, crude
292-02-01	Chicle, crude or simply prepared
292-02-03	Black balsam
292-04-00	Plants, seeds, flowers and parts of plants, n.e.s., mainly for use in medicine or perfumery (fresh or dried, whole, crushed, ground or pulverized)

NAUCA group, item or sub-item	Description
292-05-00	Seeds, bulbs, tubers and rhizomes of flowering or foliage plants, cuttings, slips, live trees and other plants
292-09	Vegetable saps, juices and extracts and vegetable materials, n.e.s. (unsuitable for direct consumption)
292-09-01	Vegetable extracts for medicinal use, soft, dry or liquid
292-09-03	Vegetable flavouring extracts, soft, dry or liquid, suitable for culinary use, for the preparation of syrups, etc.
292-09-04	Vegetable extracts for the manufacture of insecticides, fungicides and the like
292-09-05	Vegetable saps, juices and extracts, n.e.s., pectin, agar-agar and other natural mucilages and thickeners
292-09-06	Algae, kapok, vegetable hair and other vegetable materials used mainly for stuffing or padding
292-09-07	Other vegetable materials, n.e.s.

SECTION 4. ANIMAL AND VEGETABLE OILS AND FATS

412-01-00	Linseed oil, unrefined
412-02-00	Soyabean oil, unrefined
412-03-00	Cottonseed oil, unrefined
412-04-00	Groundnut (peanut) oil, unrefined
412-05-00	Olive oil, unrefined
412-07-00	Coconut (copra) oil, unrefined
412-11-00	Castor oil, unrefined
412-12-00	Tung oil, unrefined
412-19	Oils from seeds, nuts and kernels, n.e.s., unrefined
412-19-01	Sesame oil, unrefined
412-19-02	Maize or corn oil, unrefined
412-19-03	Other vegetable oils, n.e.s., unrefined

/413-01-00



NAUCA group, item or sub-item	Description
413-01-00	Oils, oxidized, blown or boiled
413-02-00	Hydrogenated fats and oils
413-03	Acid oils, fatty acids and solid residues from the treatment of oils and fats
413-03-01	Stearic acid (commercial stearine)
413-03-02	Oleic acid (commercial olein), palmitic acid (commercial palmitine) and other fatty acids
413-03-03	Acid oils and solid residues from the treat- ment of oils and fats
413-04	Waxes of animal or vegetable origin
413-04-01	Spermaceti (white or whale sperm)
413-04-02	Beeswax
413-04-03	Other animal or vegetable waxes, n.e.s.

SECTION 5. CHEMICALS

511-01-02	Sulphuric acid
511-01-07	Carbonic acid gas
511-01-08	Silica
511-09-01	Oxygen
511-09-29	Paroxyde
512-05	Spirits of turpentine
512-05-01	Oil and essence of turpentine
512-05-02	Sulphate of turpentine; pinewood oil and other similar products of the distillation or other treatment of coniferous woods; pine oil and crude terpineol
531-01-01	Indigo, natural or synthetic, in any form, not prepared for household use
532-02	Vegetable tanning extracts
532-02-01	Oak bark extract
532-02-02	Sumach leaf extract
532-02-03	Tannic acid and tannins
532-02-04	Vegetable tanning extracts, n.e.s.

/533-01-01

NAUCA group, item or sub-item	Description
533-01-01	Mineral colours, in powdered form
533-03-04	Indigo, prepared for household use
541-09-03	Medicaments prepared for parenteral administration (injectable), n.e.s.
541-09-04	Medicaments prepared for oral adminis- tration, n.e.s.
541-09-05	Prepared medicaments for external use, n.e.s.
541-09-08	Sterilized absorbent cotton wool
561-02-00	Phosphatic fertilizers and phosphatic fertilizer materials, other than natural, including superphosphates and basic dephosphorization slag
561-03-00	Potassic fertilizers and potassic fertilizer materials, except crude potash salts
561-09-00	Fertilizers, n.e.s., including mixed fertilizers
599-02-00	Insecticides, fungicides and disinfectants
599-04-03	Gelatin for industrial use
599-04-04	Glues and adhesives, other than with a rubber base
599-09-04	Wood tar
599-09-05	Colophony
<u>SECTION 6. MANUFACTURED ARTICLES CLASSIFIED CHIEFLY BY MATERIAL</u>	
612-01-00	Machine leather belting and other articles of leather for use in machinery
621-01-01)	Rubber thread, whether or not textile-covered
621-01-04)	
621-01-02	Glues and adhesives, with a rubber base
631-02-00	Laminboard
631-03-00	Sheets or boards, of bagasse
632-09-00	Wooden tool handles
632-09-00	Shoe trees, of wood
652-01	Cotton cloth, unbleached
655-09-01	Absorbent cotton wool, not sterilized

NAUCA group, item or sub-item	Description
661-01	Quicklime, slaked lime, and hydraulic lime or cement
661-02-00	Cement
661-03-00	Building and monumental stone, worked in the form of polished slabs, flagstones, tiles, bricks, etc.
661-09-00	Building materials, n.e.s., of asbestos, cement, plaster, asphalt, vegetable fibre agglomerated with mineral substances, etc. in the form of bricks, slabs, tiles, columns, tubes, etc.
662-01-00	Bricks, tiles, pipes and other products of brick earth or of ordinary baked clay
662-03-00	Refractory bricks and other refractory construction materials
663-01-00	Grindstones, whetstones and polishing stones of calibrated natural or artificial stone
663-06	Non-metallic minerals, worked or manufactured, n.e.s. (except ceramics), such as statuettes, statuary, flower pots, vases and similar articles and rock wool
663-07-00	Refractory products other than refractory construction materials
666-01-00	Articles of ordinary baked clay or ordinary stoneware
681-01-00	Pig iron and sponge iron
685-01-00	Lead and lead alloys, unwrought
699-12-01	Hand tools used in agriculture
699-12-02	Shoe trees, of metal
699-21-03	Metal barrels, casks, drums and tanks, of a capacity not exceeding 500 litres (including milk cans and insulated containers for transporting ice cream, etc.)
699-21-05	Collapsible tubes of lead, tin, aluminium, etc. for pomades, ointments and creams
699-21-06	Boxes, cans and similar containers, n.e.s., of metal or metal alloys (tinplate, etc.)

NAUCA group, item or sub-item	Description
<u>SECTION 7. MACHINERY AND TRANSPORT EQUIPMENT</u>	
721-08-01	Electricity meters
735-09	Fishing boats
<u>SECTION 8. MISCELLANEOUS MANUFACTURED ARTICLES</u>	
841-07-01	Capes and ponchos, of cotton, rubberized
851-03-02	Sandals and similar footwear, with soles of coarse fibres
851-04-00	Knee boots, of rubber
861-01-07	Contact lenses
861-09-05	Gas, liquid and similar meters
863-01-00	Cinematographic films, exposed in Central America
891-02	Gramophone records, blank or cut
891-09	Musical instruments, n.e.s.
892-01	Books and pamphlets, printed
892-02-00	Newspapers and periodicals
892-03-00	Music, printed, engraved or in manuscript, unbound or bound
892-09-02	Photographs and photostats, including negatives
899-01-03	Tablets, pastilles, sticks and wicks, fumigant, for repelling and destroying insects
899-05	Buttons, studs, cuff-links, fasteners or materials of any kind except precious metals and precious stones
899-05-01	Buttons of all kinds, except of precious metal and precious stones; button blanks
899-05-02	Studs, cuff-links, hooks and eyes, snap-fasteners, links and press studs, of materials of any kind, except precious metal and precious stones; blanks of such articles
899-06-00	Articles of mother-of-pearl
899-13-03	Tooth brushes
899-13-05/06	Brooms and brushes of vegetable materials

---

NAUCA group, item or sub-item	Description
899-14	Sports goods, n.e.s. (except footwear)
899-15	Toys, of wood or rubber
899-15-02	Billiard tables
899-99-08	Dressing combs and ornamental combs, of synthetic plastic materials or mother-of-pearl
899-99-12	Tailors' dummies

SECTION 9. LIVE ANIMALS, N.E.S.

921-01-01	Horses, pure-bred
921-09	Live animals, n.e.s., not for food
921-09-01	Bees
921-09-02	Birds, not for food
921-09-03	Live animals, n.e.s., not for food

Annex B

CUSTOMS PROCEDURES

Article 1

The commodities, in which free trade is engaged under the Central American Multilateral Free Trade and Economic Integration Treaty, shall be forwarded by the customs offices of exit and of entry in the Contracting States, subject to compliance with the customs regulations and formalities applicable in the States concerned, and upon submission of the customs form mentioned in article 8 of the Treaty. This form shall serve both as an application for forwarding and as a certificate of origin.

Article 2

The declaration of origin contained in the aforesaid customs form shall be inspected by the central customs office or by the customs office of exit in the exporting country and checked by the customs office of entry in the importing country.

If the customs officer responsible for inspecting or checking the declaration of origin has doubts as to its accuracy, he shall refer the matter for decision to the central customs office to which he is responsible.

Article 3

The customs form concerned shall be made out at least in triplicate according to the following model:

/CUSTOMS FORM

CUSTOMS FORM

In execution of the Central American Multilateral  
Free Trade and Economic Integration Treaty

Exporter .....  
(Name and domicile)

Seller .....  
(Name and domicile)

Consignee .....

Customs office of destination .....

Place of shipment .....

Means of transport .....

Markings and numbers	Number and nature of packages	Gross weight in kgs	Units	Commercial description of goods	NAUCA <sup>32</sup> classifi cation	FOB value in national currency
----------------------------	-------------------------------------	------------------------	-------	---------------------------------------	---	--------------------------------------

Total

Transport \_\_\_\_\_

Other expenses \_\_\_\_\_

Insurance \_\_\_\_\_

<sup>32</sup> Should the party concerned not fill in this column, the customs at place of shipment shall proceed to do so.

/The above-mentioned

The above-mentioned exporter hereby declares that the goods referred to above originate from ..... and that the values, costs of transport, insurance and other information as entered in this form are correct.

.....  
(Signature of exporter)

The undersigned certifies that, to the best of his knowledge, the goods referred to in this customs form originate from .....

.....  
(Signature and stamp of the authorized official  
of the Department of Customs Revenue or of the  
customs office of exit)

(The following shall be printed on the  
reverse side of the form)

Notes:

- (a) The original shall be handed to the party concerned to be delivered to the customs office of destination; one copy shall remain with the party concerned; a second copy shall be filed by the customs of the country of origin authorizing exportation of the goods.
- (b) The party concerned shall add to the value of the goods the transport and insurance costs incurred.
- (c) The party concerned shall give details in this form concerning each of the goods he wishes to export when the corresponding item of the schedule annexed to the Treaty covers various commodities.



AGREEMENT ON CENTRAL AMERICAN INTEGRATION INDUSTRIES

The Governments of the Republics of Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica,

Bearing in mind resolution 26, adopted by the Central American Economic Co-operation Committee on 26 January 1956, and article 21 of the Central American Multilateral Free Trade and Integration Treaty,

Being anxious to strengthen the natural and traditional bonds of brotherhood which have united their countries, and to co-operate in solving their common economic problems,

Being convinced that advantages will ensue from the economic integration of the Central American Isthmus for the subsequent development and expansion of trade between their countries as a result of the implementation of an industrialization process, carried out on a mutually advantageous basis and through the adequate distribution of manufacturing activities and free trade in their commodities,

Have resolved to conclude the present Agreement, which prescribes a régime for Central American integration industries, and to that effect have designated their respective plenipotentiaries as follows:

H.E. the President of the Republic of Guatemala:

H.E. the President of the Republic of El Salvador:

H.E. the President of the Republic of Honduras:

H.E. the President of the Republic of Nicaragua:

H.E. the President of the Republic of Costa Rica:

who, having exchanged their respective full powers, found to be in due and proper form, have agreed as follows:

Part I

CENTRAL AMERICAN INTEGRATION INDUSTRIES

Article 1

The Contracting States undertake to encourage and promote the establishment of new industries and the specialization and expansion of existing industries within the framework of Central American economic /integration and

integration and agree that the development of the various activities which are, or may be, included in such a programme shall be effected on a reciprocal and equitable basis in order that economic advantages may accrue progressively to each and every Central American State.

#### Article 2

The Contracting States, through supplementary agreements to this Agreement and in conformity with the recommendations laid down by the Central American Economic Co-operation Committee, shall determine those branches of industrial activity to which this Agreement shall apply, and the number, manufacturing capacity and situation of industrial integration plants necessary to meet the joint Central American demand for the commodities of such industries within a reasonable period. Similarly, they shall agree as to the successive expansion stages required to meet future increases in such demand.

#### Article 3

In making the determination referred to in article 2 hereof, the Contracting States shall regard as Central American integration industries those industries comprising one or more plants which, in order to manufacture a commodity or commodities on a reasonably economic and competitive scale, given the conditions obtaining in Central America, require to use individually a group of installations of machinery and equipment the minimum capacity of which significantly exceeds the demand for their commodities on the domestic market of the Central American country where they are situated.

Those industrial plants which belong to Central American integration industries and to which this Agreement applies, shall be called "industrial integration plants".

#### Article 4

The industries referred to in article 3 hereof may be new or existing industries.

The term "new industries" shall be taken to mean those industries which do not exist in any Central American country, or those industries which exist already in an elementary state in one or more Central American /countries but

countries but which modify their structure through the installation of new plants or by reorganizing existing ones, and to that effect resort to more advanced production processes and techniques, as a result of which their characteristics are fundamentally changed.

Existing industries may be covered by the régime provided for under this Agreement when, as a result of a co-ordinated plan previously examined by the Central American Industrial Initiatives Commission and approved by the Contracting States, the plants which they comprise:

- (a) specialize in the manufacture of given types of commodities, intended for the Central American market, provided however that such specialization is likely to result in a higher volume of production, a qualitative improvement of production and lower cost levels; or
- (b) raise their production level for the purpose of developing their sales on the Central American market and, as a result of such expansion, achieve levels of efficiency and economy that would not otherwise be attainable within the framework of the domestic market of the country where they are situated.

#### Article 5

Industrial integration plants shall enjoy, in respect of their commodities, the benefits of free trade and, in addition, such privileges and exemptions as ensue from this Agreement.

#### Article 6

The Contracting States shall, within a reasonable period, complete the equalization of the customs duties and other charges which each of them individually levies upon imports of commodities which are the same as those manufactured by Central American integration industries, or like commodities or substitutes, and upon imports of the principal raw materials and containers necessary for their production and distribution.

In any case, the supplementary agreements referred to in article 2 hereof shall specify the rates of duty which shall be applicable to such commodities, raw materials or containers.

/Article 7

Article 7

Save in cases of emergency, with respect to imports from countries outside Central America of goods which are also produced or manufactured in any Central American country by industrial integration plants, or with respect to such imports of like commodities or substitutes, the Governments of the Contracting States shall not grant duty exemptions or rebates below the level referred to in article 6 or apply preferential exchange rates amounting to such duty exemptions or rebates.

Similarly, the Governments of the Contracting States shall endeavour to refrain, except where justifiable, from importing such commodities from countries outside the Central American area when destined for official use.

The provisions of this article shall be applied without prejudice to acquired rights.

Article 8

In their respective territories the Contracting States shall grant national treatment to capital originating from other Central American countries to be invested in Central American integration industries and to personnel and workers coming from other Contracting States to work in those industries.

Article 9

Where there exist in any Central American country restrictions upon the international transfer of payments, the companies or enterprises owning industrial integration plants shall receive most favourable treatment with respect to purchases of the foreign exchange necessary to pay for imported goods and services essential to the establishment and operation of such plants, or for the payment of dividends, interests, royalties and amortization quotas payable in foreign currencies.

Article 10

In their requests for international technical assistance in the industrial field, the Contracting States agree to grant preference to activities related to Central American integration industries.

/Article 11

Article 11

The Contracting States undertake to exchange information concerning the expansion of the activities of industrial integration plants and to grant one another, on a basis of reciprocity, all the facilities necessary for the purpose of assessing the development of Central American integration industries.

Part II

SITES AND RECIPROCITY

Article 12

The Contracting States shall endeavour to ensure that the programme of Central American economic integration is implemented in such a way that, within a reasonable period, each and every Central American country may share in the economic and social advantages ensuing from the establishment of Central American integration industries.

To that end, the Contracting States, when concluding the supplementary agreements relating to the establishment, specialization or expansion of industrial integration plants, shall take into account in particular the total amount of investment, the volume of exports or commodities manufactured by industrial integration plants to the Central American market and the loss of revenue, calculated on the basis of the rates of duty instituted in conformity with the provisions of article 6 hereof, suffered by each country as a result of the duty-free imports of such commodities.

Article 13

In determining the geographical distribution of industrial integration plants as between Central American countries, the Contracting States shall take account of technical and economic factors applicable to the sites of the undertakings, in order to secure the greatest possible economic advantages for the region as a whole, and to ensure efficient distribution of such commodities. The Contracting States shall also take account of any other factors which have, or may have, an influence on the relative economic appropriateness of different sites, or on an assessment of the benefits resulting for each country from the establishment of industrial integration plants.

/Article 14

Article 14

With a view to facilitating the attainment of the objectives laid down in articles 12 and 13 of this Agreement, the Contracting States agree that those countries which derive the smallest advantages from the programme shall have preference as regards the establishment of industrial integration plants in their territories, the technical and economic features of which shall be such that they can supply the Central American market in conditions of equal or similar economic efficiency regardless of the Contracting State in which they are situated.

Article 15

Wherever the evolution of the combined Central American demand for commodities manufactured by an integration industry justifies further expansion of the latter, the Contracting States, in considering whether it would be more advantageous to establish new plants or to expand the capacity of existing ones, shall duly take into account the principles concerning sites and the equalization of benefits referred to in this Part of the Agreement.

Part III

COMPOSITION OF CAPITAL

Article 16

The registered capital of enterprises owning plants classified as integration plants shall, in accordance with this Agreement, be composed preferably of Central American capital, and steps shall be taken to ensure that the joint participation of such capital as originates in the five countries in relation to the total capital of each enterprise shall not be less than 50 per cent of the registered capital.

Central American capital shall be understood to mean capital subscribed by national individuals or corporations of any of the Contracting States or by nationals of other States residing in Central American countries whose capital is regarded as national capital in conformity with the laws and regulations of the State concerned.

Article 17

When a new enterprise is established, 30 per cent of the capital shall be offered for subscription in the country where it has been agreed that the plant should be situated and not less than 10 per cent in each of the other four Central American countries, the country where the enterprise has its headquarters being free to secure from outside the Central American area a proportion of the capital it is entitled to subscribe not exceeding two thirds. The distribution of the residual percentage of the registered capital shall be determined in the relevant supplementary agreement, in which, depending upon the conditions obtaining in the enterprise concerned, a percentage of the capital offered to foreign countries for subscription may be fixed or the percentage allocated to the country where the enterprise has its headquarters may be increased.

With respect to capital offered for subscription to Central American countries, such capital shall be constituted by the same types of shares or securities as constitute the total capital of the undertaking and in identical proportions.

If one or several Central American countries where an offer for subscription has been made do not subscribe the whole amount of capital which they are entitled to subscribe or do not disburse the capital they have undertaken to subscribe within the time-limit prescribed for that purpose, a second offer of that part which has not been subscribed or paid shall be made, in the following order:

- (a) in equal proportions as between those countries where the project is not situated and those countries in which the first offer is fully subscribed to;
- (b) in the country where the project is situated; and
- (c) on any other financial market.

The time-limit for subscription shall be 180 days from the date on which the first offer is made, and 90 days in respect of the second offer. The time-limit and form of payment of the capital subscribed shall be determined in each case depending upon the amount of the investment and the nature of the industrial project concerned.

/Where undertakings

Where undertakings already established in Central America and the production of which is destined for the domestic market decide, in conformity with this Agreement, to increase their scale of operation or to specialize in specific types of commodities in order to constitute industrial integration plants and supply a multi-national market, the distribution of capital and other operating conditions shall be determined in the coordinated plans referred to in article 4 and in the relevant supplementary agreements.

#### Article 18

Enterprises owning new industrial integration plants shall constitute themselves into joint stock companies (sociedades anónimas), in conformity with the legislation of the country where they are domiciled.

The offer of stock for public subscription shall be effected simultaneously and through the existing media of information in the five countries, the necessary formal and procedural adjustments being made to comply with the national laws of each country concerning the sale to the public of shares or securities.

#### Part IV

#### CONDITIONS OF COMPETITION

#### Article 19

The Contracting States agree to enact the necessary legislation and to adopt the necessary measures to prevent, in their respective territories and in respect of the commodities of Central American integration industries, any monopolistic practice such as the limiting of supply, the fixing or allocating of markets, or any other activity on the part of enterprises owning integration plants which tends to fix prices different from those which would otherwise prevail as a result of free competitive forces on the Central American market.

#### Article 20

When two or more industrial integration plants producing the same categories of goods are established simultaneously, or when additional plants are set up after the first plant has been established, the



enterprises created for the operation of such plants shall be set up as independent companies and shall not effect consolidations or mergers which might result in perpetuating on the Central American market the single producer position which the integration plant first set up would otherwise enjoy. However, where justifiable, the Contracting States may authorize the establishment of various plants within the framework of one enterprise.

Any agreements concerning specialization, exchange of technical information, use of patents and manufacturing processes, or the participation of the stockholders of one integration enterprise in the capital of any other enterprise, shall not be regarded, for the purpose of this Agreement, as contributing to a merger or consolidation.

#### Article 21

Other things being equal, the enterprises shall sell the commodities of industrial integration plants at the same ex-factory price, irrespective of the Central American consumer country.

#### Article 22

Enterprises owning industrial integration plants shall not put to unfair use the privileges and exemptions provided for under this Agreement.

Unfair use of such privileges shall be understood to mean any sale effected in violation of the provisions of article 21 hereof, or involving rebates or advantages not extended in other countries, or any wilful action designed to eliminate competitor plants from the Central American market.

### Part V

#### TAX EXEMPTIONS

#### Article 23

The Contracting States agree not to grant enterprises owning Central American integration plants established in their respective territories privileges in excess of those provided for in this Agreement.

/Article 24

Article 24

The enterprises or companies owning or operating industrial integration plants belonging to new industries shall enjoy, in the country in which they are situated, the national and local tax exemptions listed hereunder:

- (a) full exemption, for a period not exceeding ten years, from payment of national and local taxes, charges and consular fees relating to the importation of building materials, plant installation materials, motors, machinery and all other production equipment, spares and accessories, designs, patterns and samples, laboratory and control instruments, raw materials, and semi-finished goods, fuels, not including petrol (gasoline), to the extent that such building materials, materials, machinery, equipment and fuels are not produced in Central America in adequate quantities or at reasonable prices or that their technical specifications and quality do not meet the necessary standards required for the relevant production;
- (b) total exemption for an initial period not exceeding five years, and 50 per cent reduction for a further period not exceeding five years, from national and local taxes on the capital invested in industrial integration plants;
- (c) total exemption for an initial period not exceeding five years, and 50 per cent reduction for a further period not exceeding five years, from national and local taxes on ex-factory sales or on production;
- (d) total exemption for an initial period not exceeding five years, and 50 per cent reduction for a further period not exceeding five years, from national and local taxes on the income, profits and dividends distributed;
- (e) total exemption from national and local duties, taxes and other charges upon exportation.

The exemptions provided for under paragraphs (a) and (e) above shall be granted for a period not exceeding ten years to existing industries whose plants specialize in the manufacture for specific types of commodities or expand production capacity in conformity with this Agreement, provided

/however that

however that the exemptions provided for under paragraphs (b), (c) and (d) above may be granted on the basis of a different percentage.

The period relating to the exemptions provided for in this article shall commence on the date on which the tax, charge or duty would first be levied if exemption were not granted. The period of exemption from income tax shall commence on the date when production begins.

## Part VI

### OBLIGATIONS ASSUMED BY THE ENTERPRISES

#### Article 25

Enterprises or companies owning industrial integration plants shall devote their activity solely to the administration and operation of such plants and their capital shall have been previously offered for subscriptions in conformity with the provisions of Part III of this Agreement.

In case of assignment, transfer or management contract, or any other contracts involving the enjoyment of the exemptions and privileges provided for under this Agreement by persons other than those of the enterprise owning an industrial integration plant, the enterprise concerned shall previously inform the Contracting States in order that they may decide whether they regard the assignee as successor to the corresponding rights and obligations.

#### Article 26

Enterprises or companies owning industrial integration plants shall, within the period determined by the Contracting States, initiate those production activities which have been assigned to them. In every case, the period in question shall be determined taking into consideration the project concerned, and may be prolonged, if necessary, for a further period not exceeding the initial period. Upon the expiration of the time-limit laid down, the enterprises shall forfeit the rights accruing from this Agreement.

#### Article 27

The commodities manufactured by industrial integration plants shall be of a quality comparable to similar commodities imported from outside Central America and shall be marketable at competitive prices and in the  
/conditions of

conditions of competition prescribed in Part IV of this Agreement.

There shall be established Central American quality standards with which the commodities manufactured by industrial integration plants shall be required to comply.

The Central American Research Institute for Industry shall co-operate with the Contracting States in determining the aforesaid standards and shall review them from time to time. Similarly, the Institute shall co-operate in the technical control of such standards.

#### Article 28

Industrial integration plants shall supply the markets for which they are responsible and shall, in the sale and distribution of their commodities, give priority to the requirements of Central American consumers. Furthermore, they shall advise the Executive Committee for the administration of this Agreement, provided for under article 34 hereof, in advance of any suspension of operations lasting over a period of three months, and shall state the reasons for such suspension in order that the Committee may authorize such suspension or withdraw the relevant privileges.

#### Article 29

Goods introduced duty-free, as provided for in Part V, shall not be used for any other purpose than that for which exemption was granted.

#### Article 30

Enterprises or companies owning industrial integration plants shall enter in their books and registers, which are subject to inspection by the competent authorities, detailed information concerning the importation of goods introduced under customs exemption and the use of such goods. They shall also supply, in due time, all the data and information which the public authorities may request for the purpose of controlling the use of such goods.

#### Article 31

Industrial integration plants shall use Central American raw materials provided that this does not prevent them from operating economically, and they shall encourage production of such raw materials to the greatest possible extent.

/Article 32

Article 32

Enterprises or companies owning industrial integration plants shall submit and publish, in accordance with the laws of the country in which they are established, balance sheets and financial statements setting forth their situation. The Governments of the Contracting States where such plants are situated shall designate a national body to take cognizance from time to time of the situation of the corresponding enterprises which shall be required to submit to such authority whatever data and information may be necessary to assess their degree of development, consumption of raw materials, production and financial situation.

Article 33

If any enterprise or company fails to comply with the obligations set forth in this Agreement, such enterprise or company may, as a result thereof, forfeit in whole or in part the privileges deriving from this Agreement, after consultation between the Contracting States.

Part VII

SUPERVISION

Article 34

The Contracting States shall supervise the operation of this Agreement through the Executive Committee for the administration of the Agreement which shall be composed of the Ministers for Economic Affairs. The main functions of the Committee shall be inter alia:

- (a) to undertake at least every five years a general review of the implementation of the integration programme, for the purpose of determining whether the established plants are fulfilling the purposes of this Agreement. The review shall cover inter alia production levels, costs, Central American standards of quality, prices and distribution;
- (b) to deal with any problem which the operation of this Agreement and supplementary agreements may involve, in particular in respect of failure to comply with or violations of its provisions, and to adopt resolutions in that connexion.

/If agreement

If agreement cannot be reached in such cases, the matter shall be referred to the arbitration procedures provided for under article 37;

- (c) to decide and authorize such measures as are essential to secure equitable prices, fair competition and a more efficient and economic distribution of commodities;
- (d) to determine and authorize a system for the co-ordination and smooth concurrent operation of the various plants in the same branch of activity, where this may be necessary for the efficient operation of such plants.

The Executive Committee for the Administration of the Agreement may appoint sub-committees or other subsidiary bodies and delegate its functions to them in whole or in part.

#### Part VIII

#### PROCEDURES

#### Article 35

In order to secure recognition of an industry as a Central American integration industry, a Contracting State shall submit the case for consideration by the Central American Economic Co-operation Committee, composed of the Ministers for Economic Affairs of the Contracting States.

On the basis of the recommendations submitted by the Committee the Governments shall enter into supplementary agreements to be annexed to this Agreement, in which they shall designate as Central American integration industries the industries mentioned in such supplementary agreements and shall lay down the requirements with which enterprises or companies owning corresponding industrial integration plants shall be required to comply. Such requirements shall include, inter alia, specifications relating to the number, productive capacity, and site of the plants, the commodities that they shall manufacture, free trade in their commodities, the composition of the capital of the enterprises or companies owning such plants, public offer of stock subscription, the periods during which they shall enjoy tax and customs exemptions, rates  
/of duty,

of duty, and obligations of the enterprises or companies and any other requirements provided for in this Agreement which may be deemed necessary in order to attain its objectives.

Article 36

With respect to specific projects for setting up industrial integration plants, the Contracting States shall take due account of the reports and opinions which may be submitted by the Central American Research Institute for Industry within the exercise of its functions.

The Central American Research Institute for Industry shall also co-operate with the Executive Committee for the administration of the Agreement in analyzing the operation of industrial integration plants for the purposes of the periodic review referred to in article 34.

Article 37

The Contracting States agree to settle amicably, in conformity with the spirit of this Agreement, any differences which may arise with respect to the interpretation or execution of any of its provisions. If agreement cannot be reached, they shall submit the matter to arbitration. For the purpose of constituting the arbitration tribunal each Contracting State shall nominate to the Secretariat of the Organization of Central American States three judges from its Supreme Court of Justice. The Secretary-General of the Organization of Central American States and the Government representatives in the Organization shall select by lot, from the complete list of persons nominated, three arbitrators no two of whom may be nationals of the same State. The award of the arbitration tribunal shall be decided by the concurring votes of no less than two members, and shall have the force of res adjudicata for all the Contracting States in respect of any ruling concerning the interpretation or execution of the provisions of this Agreement.

Part IX

FINAL PROVISIONS

Article 38

This Agreement shall enter into force upon the deposit of the last instrument of ratification. It shall remain in force for ten years and shall be renewed by tacit agreement for subsequent periods of ten years.

Any Contracting State may withdraw from this Agreement on the condition that notice shall be given not later than two years before the date on which the initial period of validity or any subsequent period expires.

If a Contracting State gives notice of withdrawal after expiration of the prescribed time-limit but before a new period of validity has commenced, such notification shall be valid, but the Agreement shall remain binding upon the Contracting State concerned for two years from the beginning of the new period.

When a Contracting State withdraws from this Agreement the other Contracting States shall determine whether the Agreement shall remain in force between all the Contracting States or whether it shall be maintained between such Contracting States as have not withdrawn therefrom.

This Agreement shall be submitted for ratification by each Contracting State in conformity with its national constitutional or legislative procedures.

Article 39

Supplementary Agreements to this Agreement shall be approved in conformity with the constitutional or legislative procedures existing in each Contracting State. If, in the agreement concerning recognition of specific industries as Central American integration industries, as provided for under articles 2 and 35, any period laid down for the application of specific provisions in such agreement to such industries exceeds the period of validity of this Agreement, such period shall remain effective until the date of expiration, even if this Agreement is no longer in force.

/Article 40



Article 40

The Secretariat of the Organization of Central American States, after consultation with the Governments, shall open this Agreement for signature. It shall act as depository of the respective instruments, of which it shall send a certified copy to each of the Ministries of Foreign Affairs of the Contracting States. It shall also notify the latter of the deposit of the corresponding instruments of ratification or of any withdrawal which may occur within the prescribed time-limit. Upon ratification by all the Contracting States, it shall also transmit a certified copy of this Agreement to the Secretary-General of the United Nations in compliance with Article 102 of the United Nations Charter.

In WITNESS WHEREOF the respective plenipotentiaries have signed the present Agreement.

DONE at the Headquarters of the Organization of Central American States, in the City of San Salvador, this ... day of ..... 195...

For the Government of Guatemala:

For the Government of El Salvador:

For the Government of Honduras:

For the Government of Nicaragua:

For the Government of Costa Rica:

MANUAL ON ROAD SIGNS, SIGNALS AND MARKINGS

PART ONE. ROAD SIGNS

Chapter I. General

Article 1

1. The present system of road signs comprises the following three classes of signs:

- (a) danger warning signs
- (b) regulatory signs
- (c) informative signs.

2. Danger warning signs are intended to warn the road user of the existence and nature of danger on the road.

3. Regulatory signs are intended to inform road users of certain limitations, prohibitions and restrictions governing the use of the road, violation of which constitutes a statutory offence.

4. Informative signs are intended to guide the road user in the course of his travel and give him such other information as may be of interest or use to him.

Article 2

1. It shall be prohibited to add or display on any sign or other traffic control device anything not related to the purpose of such sign or device.

2. Any boards, notices and installations which might be confused with the signs or other traffic control devices or make them more difficult to understand shall be prohibited.

Article 3

For the purpose of facilitating the interpretation of the signs, additional information may be given on rectangular plates below the signs.

Article 4

The colours of the signs shall be those prescribed in this Manual.

/Article 5

Article 5

1. Reflecting devices, reflecting substances or illumination used on signs should not dazzle the road user nor impair the legibility of the symbol or inscription.

2. The use of such devices is advisable on important signs which should retain maximum visibility by night.

Chapter II

Class I. Danger Warning Signs

Article 6

Danger warning signs shall have a yellow ground. Symbols and borders, when the latter are used, shall be black.

Article 7

Danger warning signs shall be in the shape of a diamond consisting of a square with one diagonal vertical.

Article 8

1. The dimensions of sign plates shall be such that the sign can be readily discernible and understandable.

2. For these signs, the length of the side shall be a minimum of 60 cm. If deemed necessary, larger dimensions may be used in multiples of 15 cm. up to 90 cm.

3. Reduction of the standard size shall be permissible only in built-up areas, if use of the standard size should be impracticable.

Article 9

The distances in advance of danger points at which danger warning signs should be placed should be determined so as to ensure, both by day and by night, the most efficient use possible of the signs, taking into account the particular conditions of the road and of the traffic, provided that such distances shall not be less than 90 metres or more than 225 metres, unless prevailing conditions so demand.

Article 10

1. Danger warning signs shall be placed facing the traffic and on the right-hand side of the carriageway, as used by the traffic concerned.

/Under special

Under special circumstances, the signs may be placed or repeated on the opposite side of the carriageway.

2. Danger warning signs shall be placed at an appropriate distance from the edge of the carriageway, which shall not be less than 1.50 m or more than 2.40 m (see diagram 1).

3. The height of signs above the ground shall mean the height of the lower edge of the signs from the level of the crown of the road.

So far as possible, a uniform height shall be observed, particularly over the same route.

4. The height of danger warning signs shall not be more than 2.10 m or less than 0.60 m, except in built-up areas or where other special circumstances demand otherwise.

It is recommended that these signs be placed at a height of 1.50 m (see diagram 1).

#### Article 11

1. The signs "Dangerous curve" or "Dangerous curves" shall be used only as approach signs for a bend or bends which are dangerous owing to their physical characteristics or to reduced visibility.

These signs are: sharp curve  
dangerous curve  
winding road  
sharp reverse curves

as shown in diagrams I, 1; I, 2; I, 3 and I, 4. <sup>1/</sup>

1/ Examples of criteria for the use of curve signs:

(i) "Sharp curve" sign (diagram I, 1):

<u>Degree of curve</u>	<u>Deflection angle</u>	<u>Radius</u>
10° to 20°	more than 45°	114.6 - 57.3 m
more than 20°	any angle	

(ii) "Dangerous curve" sign (diagram I, 2):

<u>Degree of curve</u>	<u>Deflection angle</u>	<u>Radius</u>
2° to 4°	more than 45°	573 - 286 m
4° to 10°	less than 45°	286.5 - 114.6 m
10° to 20°	any angle	114.6 - 57.3 m

(iii) "Winding road" sign (diagram I, 3):

On stretches having three or more successive curves, to avoid frequent repetition of other signs.

(iv) "Sharp reverse curves" sign (diagram I, 4):

To indicate two curves of opposite directions separated by a tangent of less than 60 m, the first of these being a curve to the right (left)

Article 12

The signs "Road intersection" shall be used as the approach signs for a fork, crossroad or road junction. In built-up areas, these signs shall only be used in exceptional cases.

These signs are: cross road  
side road  
T junction  
Y junction

as shown in diagrams I, 5; I, 6; I, 7 and I, 8 a and b.

Article 13

1. The signs "Intersection with minor road" (or "Intersection with non-priority road") shall be used as the approach signs on a major (priority) road for warning of an intersection with a road of lesser relative importance (or non-priority road). In built-up areas, these signs shall only be used in exceptional cases.

These signs are: cross road  
side road  
T junction  
Y junction

as shown in diagrams I, 9; I, 10; I, 11 and I, 12 a and b.

2. When these signs are placed on the major (priority) road, a "Stop" sign or a "Priority road ahead" sign shall be placed at the same time on the other road concerned (see article 27, diagrams II, 1 and II, 2).

Article 14

1. The sign "Stop sign ahead or major (priority road ahead" (diagram I, 13) shall be used as at the approach sign for an intersection with a major (priority) road.

2. The distance between the advance sign and the intersection may be indicated on the rectangular plate below the signal, or below the symbol on the signal itself.

Article 15

1. The sign "Rough road" shall be used as the approach sign for hazardous road conditions due to a succession of irregularities in its profile.

2. This sign is shown in diagram I, 14.

/Article 16

Article 16

1. The sign "Dangerous hill" shall be used wherever it is deemed necessary, as the approach sign for a dangerous descent or ascent. The gradient must be steeper than 10 per cent, or the local conditions such that it constitutes a danger. <sup>2/</sup>

2. This sign is shown in diagram I, 15.

Article 17

The sign "Road narrows" (I, 16) shall be used wherever it is deemed necessary, as the approach sign to a place where the carriageway narrows in such a manner as to constitute a danger.

Article 18

1. The sign "Narrow bridge" shall be used wherever it is deemed necessary, as the approach sign to a bridge having a carriageway narrower than is the width of the carriageway of the road.

2. The sign is shown in diagram I, 17.

Article 19

The sign "Opening bridge" (I, 18) shall be used as the approach sign to a bridge which can be opened.

Article 20

1. The sign "Road works" (I, 19) shall be used as the approach sign to works on the road.

2. The limits of the roadworks shall be clearly indicated at night by barriers or lights or both.

3. When barriers to traffic are used in connexion with road works, such barriers shall be white and black, and, where necessary, reflectorized or illuminated (see article 46).

Article 21

The sign "Slippery road" (I, 20) shall be used as the approach sign to a section of the carriageway which, under certain conditions, may have a slippery surface.

2/ Example of criteria for the use of the "Dangerous hill" sign:

On stretches having the following characteristics:

<u>Downgrade</u>	<u>Length</u>
6%	more than 600 m
7%	more than 300 m
8%	more than 230 m
9	more than 150 m
11%	more than 120 m
13%	more than 90 m
15%	more than 60 m
16%	any length

Article 22

1. The sign "Pedestrian crossing" (I, 21) shall be used as the approach sign to a pedestrian crossing. The pedestrian crossings shall be defined by pavement markings or other adequate markings.

2. The sign "Children" (I, 22a; I, 22b) shall be used as the approach sign to places frequented by children, such as schools, kindergartens or playgrounds.

3. In built-up areas these signs may be placed at a shorter distance than is prescribed in article 9

Article 23

1. The sign "Beware of animals" shall be used wherever it is deemed necessary to mark the point of entry of a road into a special area where unaccompanied animals are liable to be encountered.

2. Diagram I, 23 is an example of this sign.

Article 24

1. The sign "Low clearance" shall be used as the approach sign to an overhead structure where the clearance is less than 15 cm greater than the maximum height of vehicle and load permitted on the road.

2. Diagram I, 24 is an example of this sign.

Article 25

1. At any level-crossing not provided with gates, in themselves constituting under normal conditions an obstacle structurally designed to stop road traffic, the advance warning sign shall bear a symbol composed of the St. Andrew's cross and railway track, as shown in diagram I, 25.

2. The sign "Level crossing with gates" (I, 26) shall be used as the approach sign to each level-crossing with gates.

3. The St. Andrew's cross (I, 27) shall be the position sign at level-crossings. (Normally, the distance between this sign and the axis of the nearest railroad track may be 4.50 m.)

The length of the arms of the cross may be 1.50 m, but it shall not be less than 1.20 m.

The minimum angle between the arms shall be 45°. The cross may be supplemented by an additional plate giving information as to the number of tracks. The sign shall have white ground and black border.

/4. Where

4. Where automatic signals with flashing lights are installed at level-crossings, they shall give warning of the approaching train by two alternatively flashing red lights, placed on a horizontal line 0.60 m to 0.90 m apart. These lights shall be surmounted by the sign in the form of St. Andrew's cross.

### Chapter III

#### Class II. Regulatory Signs

##### Article 26

1. The signs of this class indicate an order. They shall be subdivided as follows:

- (a) signs concerning the right of way
- (b) signs indicating a prohibition or a restriction
- (c) signs showing the direction of traffic.

2. Regulatory signs shall be placed facing the traffic and on the same side of the carriageway as used by the traffic concerned. They may be repeated on the opposite side of the carriageway. An exception is made for the traffic direction signs (article 35).

3. The signs shall be placed at the point where the regulation starts and, if necessary, at further points where the regulation continues. Nevertheless, signs prohibiting turning or showing the direction to be followed may be placed at a suitable distance in advance.

4. The height of signs shall not be more than 2.20 m and not less than 0.60 m.

##### Right of way signs

##### Article 27

1. The sign "Stop at intersection" shall be used in cases where this is required by traffic rules to indicate that a driver shall stop before entering a priority or a major road.

2. The stop sign (II, 1) shall be octagonal in shape. The colour of the ground shall be red and the inscription shall be white.

/3. The



3. The sign shall bear as an inscription, placed uniformly in the central part of the sign, the word "STOP".

4. The standard width of the stop sign shall be a minimum of 60 cm.

5. The letters of the inscription shall not be less than one-third the height of the sign.

6. The signs shall be placed in the immediate vicinity of the point where the vehicle is required to stop.

#### Article 28

1. The sign "Yield right of way" or "Entering major (priority) road" (II, 2) shall be used in cases where traffic rules require that a driver shall give way to vehicles moving along the road which he is entering.

2. This sign shall be an equilateral triangle with one point downward, having a white ground with red border. Its sides shall be a minimum of 75 cm.

#### Signs indicating a prohibition or a restriction

##### Article 29

1. Signs indicating a prohibition or a restriction shall be rectangular in shape, with the longer side vertical. They shall have white ground, bearing a black symbol inside a red circle and an inscription underneath the disc in black lettering.

2. An oblique bar, red in colour, drawn from the upper left quadrant of the ring to the lower right quadrant at an angle of 45° with the horizontal, shall indicate prohibition. Signs indicating limitation or compulsion shall be without such an oblique bar.

3. The standard diameter of the disc enclosed in a rectangle shall be 22.5 cm in cities or built-up areas, and 35 cm in rural areas. The standard dimensions of the rectangular plate shall be 50 cm high and 30 cm wide for signs for built-up areas, and 70 cm high and 42.5 cm wide for signs in rural areas.

4. Signs indicating the end of a prohibition or of a restriction shall bear a black circle together with an inscription.

##### Article 30

The signs indicating traffic prohibition shall be the following:

/(i) the

- (i) the sign "Direction prohibited" (II, 3);
- (ii) the sign "Turning to the left (or to the right) prohibited" (II, 4); the arrow shall be turned towards the right or left according to the relevant prohibition;
- (iii) the sign "About turn (U-turn) prohibited" (II, 5);
- (iv) the sign "Parking prohibited" (II, 6);
- (v) the sign "Overtaking prohibited" (II, 7a); this sign shall be used to indicate that overtaking is prohibited for all motor vehicles. The sign indicating the end of this prohibition to overtake, shall carry the inscription "Caution in overtaking" (II, 7b).

#### Article 31

1. The signs indicating prohibition to enter the road or street for certain classes of vehicles shall be the following:

- (i) the sign "No entry for goods-carrying vehicles" (II, 8);
- (ii) the sign "No entry for motor vehicles" (II, 9);
- (iii) the sign "No entry for cycles" (II, 10);
- (iv) the sign "No entry for animal-drawn vehicles" (II, 11).

2. The sign "Horn blowing prohibited" (II, 12) may be used wherever the competent authorities deem it necessary.

#### Article 32

The signs indicating restrictions on the dimensions, weight or movement of vehicles shall be the following:

- (i) the sign "No entry for vehicles having an over-all width exceeding .... metres" (II, 13);
- (ii) the sign "No entry for vehicles having an over-all height exceeding .... metres" (II, 14);
- (iii) the sign "No entry for vehicles exceeding .... tons laden weight" (II, 15);
- (iv) the sign "Speed limit" (II, 16a). The sign indicating the end of this restriction shall carry the inscription "End of speed limit" (II, 16b);
- (v) the sign "Restricted parking" (II, 17). The indication of the limitations or restrictions imposed shall be inscribed on this sign.

Article 33

1. The sign "Stop (Customs)" (II, 19) shall be used to indicate the presence of a customs house at which the traveller has to stop.

2. The sign may be used to indicate other obligations to stop; in this case the inscription "Customs" shall be replaced by an inscription indicating the reason for the stop.

3. The sign shall be placed at a suitable distance in advance of the place at which the traveller has to stop.

Article 34

1. The sign "Direction to be followed" shall be used to indicate the mandatory flow of traffic. It is permissible to adopt variations of the symbol on this sign in order to meet special cases.

2. Diagram II, 19, is an example of this sign.

Signs showing the direction of trafficArticle 35

1. The sign "One-way street" shall be rectangular with the longer side horizontal. It shall have black or dark ground with a large horizontal arrow bearing the inscription "ONE WAY".

2. The sign shall be placed at the nearer right-hand corner and the farther left-hand corner of intersections, so as to face traffic trying to enter or to cross the one-way street.

3. Diagram II, 20 is an example of this sign.

4. Diagram II, 21 is an example of the sign to indicate streets allowing traffic in both directions.

5. Recommended dimensions:

height	30 cm
width	90 cm.

Chapter IVClass III. Informative signsArticle 36

1. Informative signs shall be subdivided as follows:

/(a) Signs

- (a) Signs providing route direction and identification
- (b) Place signs
- (c) Signs giving general information.

2. The colour red shall not be used in signs of this class, except in the case provided by article 45, paragraph 3.

#### Article 37

1. The direction signs of the type of diagram III, 1, shall be rectangular in shape.

2. Their size shall be such that the indication can be understood easily by drivers of vehicles travelling at great speed.

3. These signs shall have a white ground with dark lettering.

4. These signs shall be placed at a distance of between 100 m and 250 m from the intersection.

5. Recommended dimensions:

height of sign	1 m
width of sign	variable
height of letters	10 cm minimum
Thickness of the lines of the diagram	8 cm

#### Article 38

1. The direction signs of the type of diagrams III, 2a, or III, 2b, shall be rectangular with the longer side horizontal and shall terminate in the form of an arrow-head (or shall be rectangular with the longer side horizontal and a direction arrow on one of the sides).

2. These signs shall have a white ground with black lettering.

3. Names of other places lying in the same direction may be added to the sign.

It is recommended that no more than two places be shown on the sign. On the first line should be indicated the name of the nearest locality ahead; on the second line, in bolder characters, should be indicated the name of the important place where the road leads.

The name of the important place indicated should continue to be shown on all the following direction signs till the place is reached.

/4. The

4. The direction signs should be placed so as to form a 15° angle with the axis of the road. Signs used at road junctions should, generally, be placed at the corners of the junctions and be well visible to the oncoming traffic.

5. Recommended dimensions:

height	45 cm
arrow-head	28 cm
height of letters:	
1st line	10 cm
2nd line	15 cm

Article 39

1. The direction signs of the type of diagram III, 3, shall be rectangular in shape with the longer side horizontal.

2. Names and distances of other places lying in the direction of the traffic for which the sign is intended, may be added to the sign.

3. These signs shall have white ground with black lettering.

4. These signs shall be placed at the exit from built-up areas or at the end of intersections or of road sections where traffic is difficult. They shall be placed on the side of the road appropriate to the direction of traffic and facing the traffic concerned.

5. Recommended dimensions:

height	45 cm
height of letters:	
1st line	10 cm
2nd line	15 cm

Article 40

Route indication signs

1. Route indication signs shall be used to identify numbered routes. They may be affixed to milestones, to other signs or placed as separate signs.

2. These signs shall have white ground, symbol, if any, and lettering being black.

3. Diagrams III, 4, and III, 5, are examples of this sign.

4. The sign for the identification of the Pan-American Highway is shown in diagram III, 6a, while the sign for the identification of the highways of the Central American regional network appears in diagram III, 6b.

5. Recommended dimensions:

height)	) minimum 40 cm
width )	

Article 41

Place signs

1. Signs indicating a locality shall be rectangular in shape with the longer side horizontal.
2. These signs shall be of such a size and placed in such a manner that they shall be visible even at night.
3. These signs shall have a white ground with black lettering.
4. These signs shall be placed before the beginning of a built-up area, on the side of the road appropriate to the direction of traffic and facing the traffic concerned.
5. Diagram III, 7, is an example of this sign.
6. Recommended dimensions:

height	45 cm
height of letters	15 cm
width	variable

Article 42

General information signs

1. Signs indicating the name of the water course traversed, of a nearby historical site or a point of touristic interest, shall be rectangular with the larger dimension horizontal.
2. These signs shall have a white ground with black lettering.
3. Diagrams III, 8, and III, 9, are examples of these signs.
4. Recommended dimensions:

height	approximately 40 cm
width	variable
height of letters	20 cm

Article 43

1. The sign "PARKING"(III, 10) shall be used to indicate special authorized parking places.
2. The sign shall be square in shape.
3. The side of the square shall be at least 0.60 m for the sign of standard size and 0.40 m for the sign of reduced size.

/4. The

4. The sign shall be placed facing the traffic or facing across the carriageway.

5. The colour of the sign shall be blue and the colour of the letter "E" white.

6. A rectangular plate under the sign may be used for inscriptions giving the period during which parking is allowed or indicating the direction of the parking place.

#### Article 44

1. The sign "HOSPITAL" shall be used to indicate to the drivers of vehicles that they should show the consideration required in the proximity of medical establishments and, in particular, refrain from making unnecessary noise.

2. The sign shall carry the inscription "Silence Hospital", as shown in diagram III, 11.

3. The sign shall be square in shape. The side of the square shall be 0.60 m.

4. The colour of the sign shall be blue and the inscription white.

5. The sign shall be placed facing the traffic.

#### Article 45

1. The signs indicating auxiliary service posts are the following:

- (i) The sign "FIRST-AID STATION" (III, 12), which shall be used to indicate that there is in the neighbourhood a first-aid station organized by an officially recognized association;
- (ii) The sign "MECHANICAL HELP" (III, 13), which shall be used to indicate that there is a service station in the neighbourhood;
- (iii) The sign "TELEPHONE" (III, 14), which shall be used to indicate that there is a telephone in the neighbourhood;
- (iv) The sign "FILLING STATION" (III, 15), which shall be used to indicate that there is a filling station within the distance indicated on the sign.

2. Each sign shall indicate the distance to the place which is pointed out.

3. The shorter side of the rectangle of the signs provided for in this article shall be placed horizontally. The colour shall be blue, with a

/black symbol

black symbol on a white square. In the case, however, of the sign III, 12, the symbol shall be red. The side of the square shall be at least 0.30 m. In the case, however, of the sign III, 15, a white rectangle with the shorter side horizontal shall be substituted for the square.

4. The signs described in (ii), (iii) and (iv) of paragraph 1 shall be erected where the authorities concerned deem it necessary.

## Chapter V

### Temporary signs

#### Article 46

1. Various danger conditions or obstacles of a temporary nature, such as floods, slides, reconstruction or repair works, reconditioning, bypasses and the like, may occur on the road. In such cases, temporary signs shall be used.

2. It is necessary to point out that in the particular case of works being carried out on the road, even if it be only minor repair works, there is a considerable potential danger not only for local vehicles, but even more for drivers proceeding from other areas.

3. For temporary dangers and obstacles, there shall be used advance danger signs as well as position signs, if necessary. Danger warning signs shall be equipped with reflecting devices, in accordance with the provisions of article 5.

#### Article 47

In the case of temporary dangers other than road works, the danger warning shall be given by diamond-shaped signs with a black-lettered inscription on a yellow ground indicating the danger (e.g.: "Slides", "Flood").

#### Article 48

##### Road works

##### Danger warning signs

1. The danger warning sign is the one mentioned in article 20 (I, 19).

##### Position signs

2. In the case of minor works, the position sign may be a red flag, or an improvised barrier with a red flag, or a portable barrier with white and black stripes painted on it.



3. In the case of works over long stretches, the position sign shall always be a barrier, and it is advisable to set up "standard" barriers at each end of the stretch. The barrier shall consist of one or more horizontal bars of a width of no less than 20 cm. The side of the barrier facing the traffic shall have white and black stripes painted on it (diagram 2). The back side of the barrier shall carry the inscription "End of road works". On very long stretches, several barriers shall be placed.

4. When the barriers are not taken away by night, they shall be illuminated or provided with reflecting devices.

5. The nature of the danger shall be indicated by a sign placed on the barrier or in its proximity. The sign shall be a yellow rectangular plate with the larger side in horizontal position. The height of the sign may be approximately 30 cm. The sign shall carry an inscription in black (letters of a height of 15 cm) indicating the nature of the work in progress, e.g., "Roller", "Asphalt", etc.

6. All types of obstacles (excavation, depots of materials, equipment) shall be indicated by night by means of red lights or stakes provided with reflecting devices.

#### Other signs

7. Works in progress on a road open to traffic may require, for the protection of the workers as well as of the traffic itself, special restrictions, such as appropriate speed, distance to be kept between vehicles, one-way traffic, etc.

8. Wherever it shall be necessary to reduce the speed of traffic, the sign II, 15a, shall have to be used. Its dimensions may eventually be reduced. This sign might be placed below the sign I, 19. (See paragraph 1 supra.)

#### Article 49

##### Diversions of traffic

1. The diversion of traffic may be caused by damages on the road or by works which require the closing of the road to traffic.

In the case of a by-pass, the road barriers (see article 48, paragraph 3) shall be placed across the entire width of the road, to bar access to the closed section. Barriers which are used by night shall be provided with red lights.

2. Diversions of traffic shall be indicated as follows:
  - (a) at the road intersection where the by-pass starts, there shall be placed a rectangular-shaped information sign (80 cm wide and 60 cm high) carrying the inscription "Road closed at km.....";
  - (b) the direction signs shall be placed at the beginning and at the end and, if necessary, along the by-pass, and shall be of the type described in articles 38 and 39 (diagrams III, 2, and III, 3). These signs may have a yellow ground with black inscription;
  - (c) short by-passes may be indicated by direction signs such as the ones described earlier, carrying the inscription "BY-PASS".

## PART II. TRAFFIC LIGHT SIGNALS

### Article 50

1. The lights of the traffic light signals shall be given the following meaning:

- (a) In a three-coloured system: red indicates "Stop"; green indicates "Go"; amber means "Caution" and indicates that the vehicle shall not proceed beyond the signal unless it is so close to the signal when the amber signal first appears that it cannot safely be stopped before passing the signal.
- (b) In the two-colour system: red indicates "stop"; green indicates "Go". The combination of green and red, the red following the green, shall have the same meaning as amber after green in the three-colour system.

2. When a single amber intermittent light is used, it shall indicate "Proceed with caution".

When a single red intermittent light is used, it shall indicate "Stop, when proceed with caution".

3. The lights on traffic light signals shall always be arranged vertically, except where used for special purposes or where the clearance  
/is limited.

is limited. As a rule, the red light shall be placed at the top and the green light at the bottom. Where an amber light is used, it shall be placed between the red and the green lights.

4. When traffic light signals are placed on or at the side of the carriageway, the height of the lower edge of the lowest light above the carriageway shall normally be not less than 2 m and not more than 3.50 m. When these signals are suspended over the carriageway, the lower edge of the lowest light should be placed as low as possible consistent with the height of vehicles operating on the road.

5. Two or more traffic light signals may be used, depending on the case, to ensure that at least one signal face may be clearly visible to traffic approaching from each direction.

Recommendation: It is recommended that the casing of traffic light signals should be painted in dark green.

#### Article 51

When circumstances so require, both the bi-coloured and the three-coloured traffic light signals shall be designed in such a way that they may show red lights simultaneously in all traffic directions, in order to stop the flow of vehicles completely to allow pedestrians to cross the roads located about these signals.

### PART III. PAVEMENT MARKINGS

#### Article 52

Pavement markings shall consist of the following:

- (a) longitudinal markings
- (b) transverse markings
- (c) other markings.

#### Article 53

1. Longitudinal markings shall consist of:

- (i) Solid lines. When a solid line is used, this restricts traffic to the extent that no vehicle may cross or straddle such a line.

/(ii) Broken

(ii) Broken lines. Broken lines, being guide lines, are intended to guide and facilitate the unrestricted movement of traffic within lanes and, as such, may be crossed provided this can be done with safety.

2. In the first sub-category, solid lines are intended to prohibit overtaking and passing at dangerous points such as curves, hillcrests, intersections and level-crossings, or to separate the two directions of traffic on roadways having two or more lanes in each direction.

3. A solid line may be used adjacent to a broken line. If so used, a vehicle should not cross the solid line adjacent to, and to the right of, a broken line on the left of the lane in which it is moving. A vehicle may, however, cross the solid line if that line is at the same time at the left of the lane in which the vehicle is moving and to the left of, and adjacent to, a broken line.

Recommendation: It is recommended in applying the provisions of article 52 to the representative cases indicated below that the method shown by diagrams 2, 3 and 4 be used.

#### Article 54

1. Transverse markings shall be used as auxiliary "stop" indication or to demarcate pedestrian crossings. This group shall consist of:

- (i) Stop lines intended to indicate the point immediately before which vehicles are required to stop in compliance with a stop sign, traffic light signal, signal by traffic police or other legal requirement, which shall be solid lines;
- (ii) Pedestrian crossings shall consist of two solid transverse lines outlining the crossing. The width of the pedestrian crossing strip shall not be less than 1.80 m.

2. A row of closely placed studs shall be taken to constitute a solid line for the purpose of this article.

#### Article 55

In the group "other markings" are included markings indicating restrictions to parking or to turning movements of vehicles, and markings indicating physical obstructions in or near the carriageway.

/Article 56

Article 56

1. Pavement markings may be painted on the surface of the carriageway or indicated by other equally effective means.

2. The markings mentioned in articles 52 and 53 shall be white.

Article 57

1. Obstructions located on the carriageway itself or dangerously close to its edge, such as bridge pillars, running-boards, culvert walls, borders of refuges, shall be marked with alternating black and white stripes of a uniform width of at least 10 cm or of any broader width appropriate to the size of the obstructions. The stripes shall have a downward slope of 45° towards the side of the obstruction on which the traffic shall pass. In the case of low borders, the stripes may be vertical.

2. Diagrams 5 and 6 are examples of markings to indicate obstructions.

PART IV. OTHER PROVISIONS

Provisional article 1

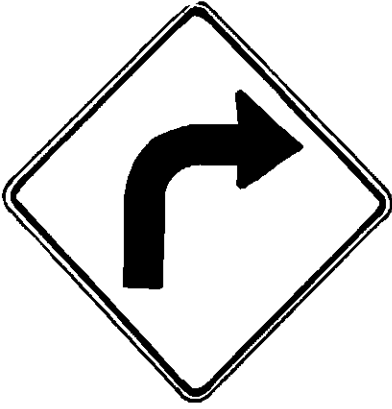
The countries which have at present in use and in good conditions, road signs different from the ones contained in this Manual, might continue to utilize them until they deteriorate, at which time the opportunity shall be taken to replace them by the signs recommended by the Manual.

Provisional article 2

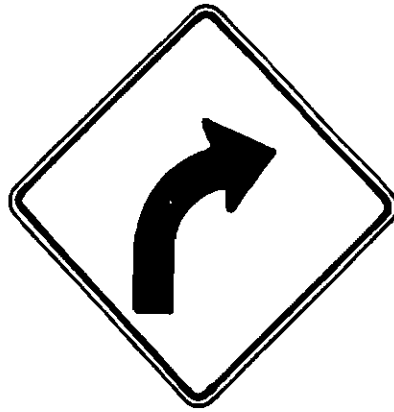
Notwithstanding the provisions of article 2, in countries where there exist engagements or contracts allowing the affixing of commercial advertising to certain signs or traffic signals, this authorization shall be maintained until its expiration, but the extension of such contracts or the entering into new ones shall be prohibited.



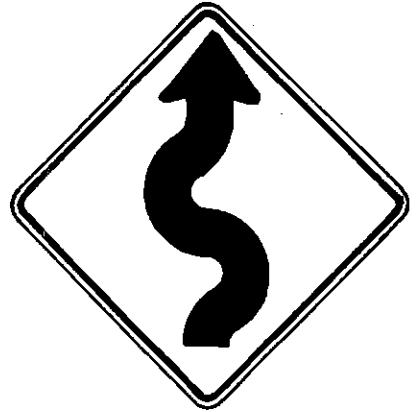
Road signs and signals



I,1



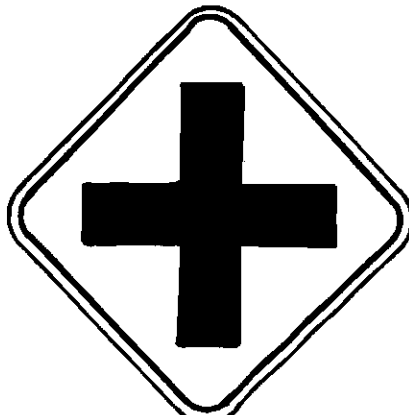
I,2



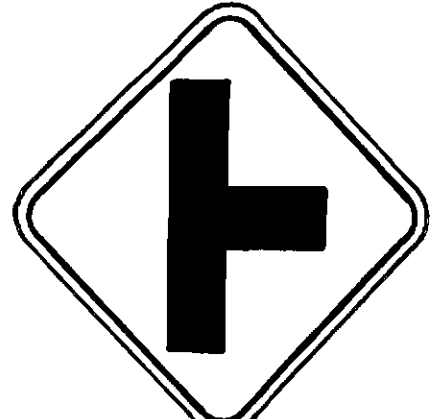
I,3



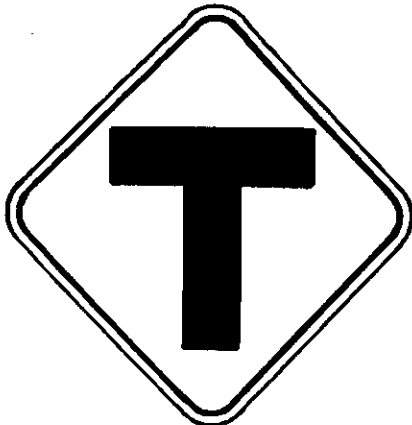
I,4



I,5



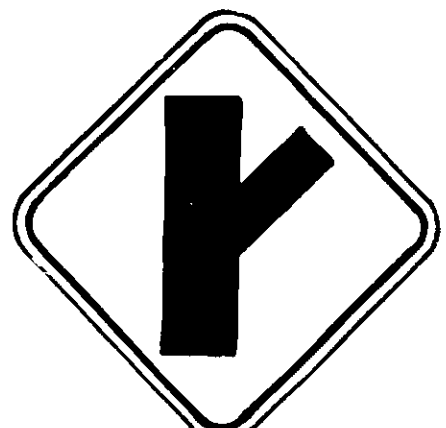
I,6



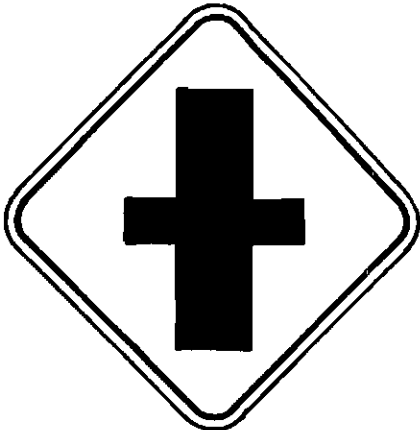
I,7



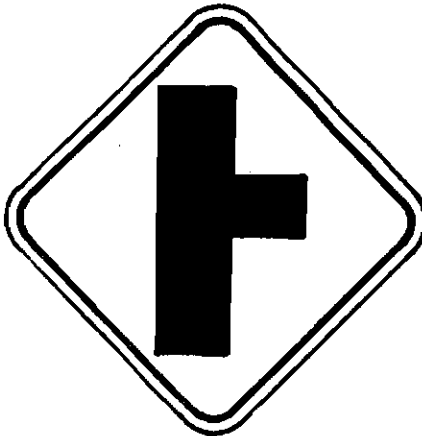
I,8a



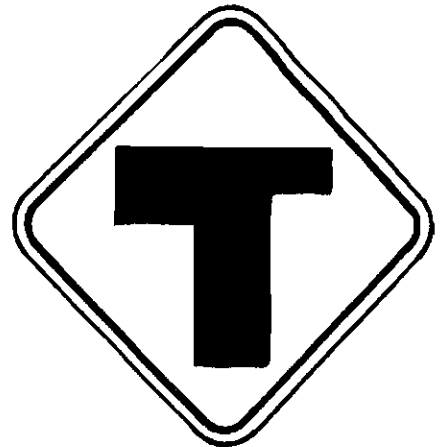
I,8b



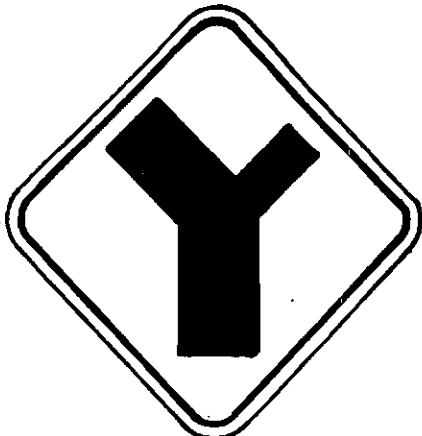
**1,9**



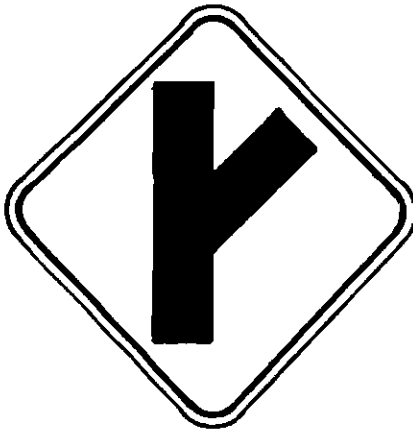
**1,10**



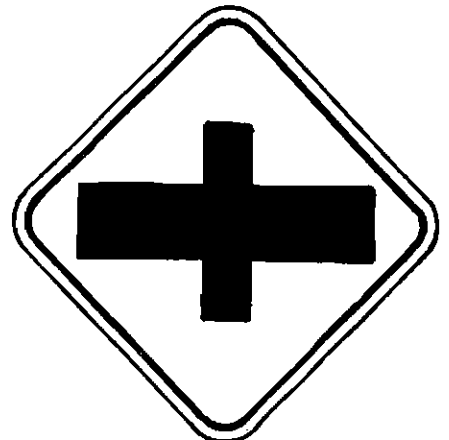
**1,11**



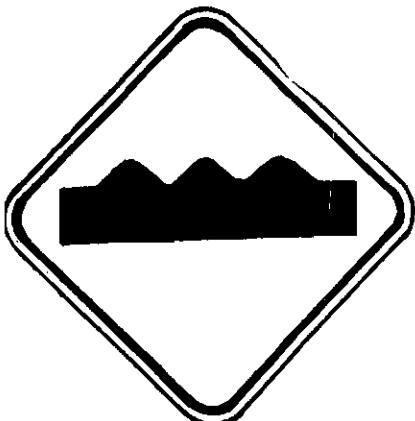
**1,12a**



**1,12b**



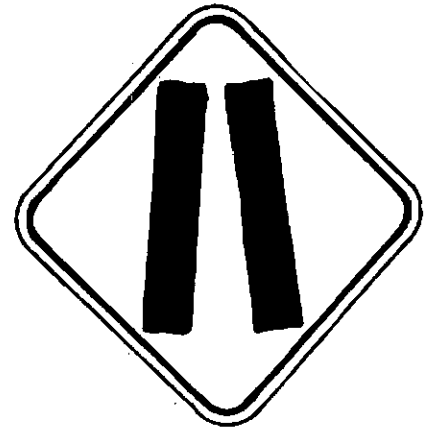
**1,13**



**1,14**

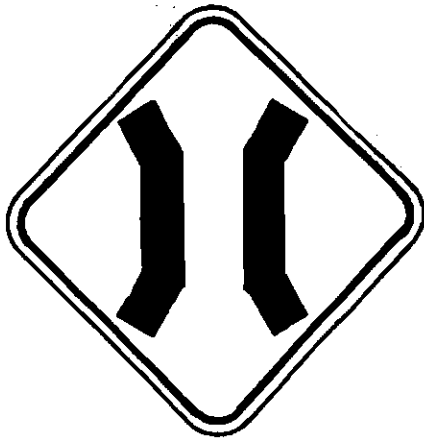


**1,15**

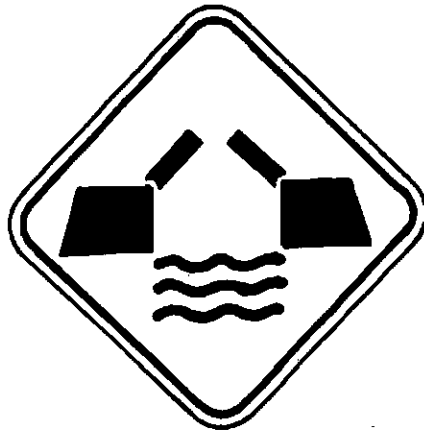


**1,16**





I,17



I,18



I,19



I,20



I,21



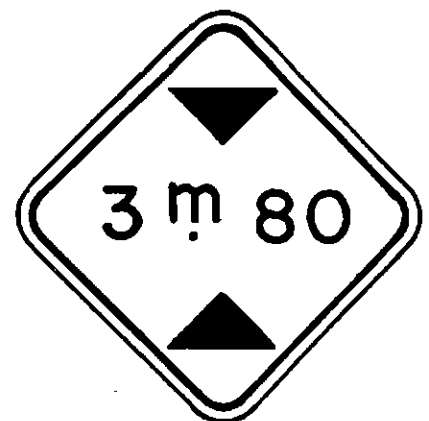
I,22a



I,22b



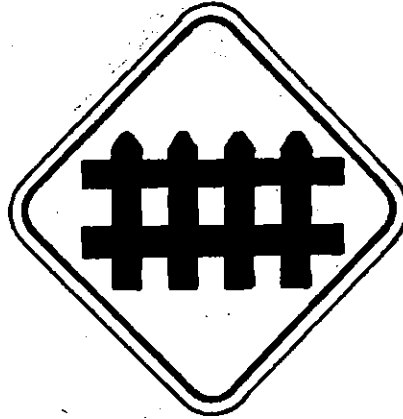
I,23



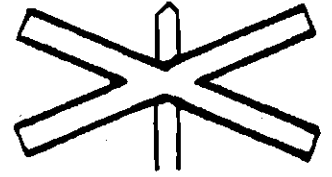
I,24



I,25



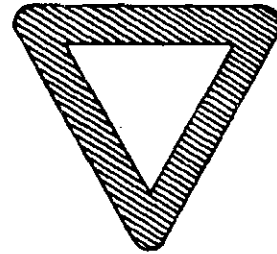
I,26



I,27



II,1



II,2



II,3



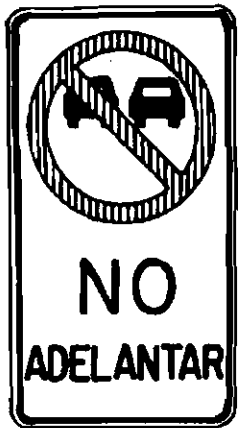
II,4



II,5



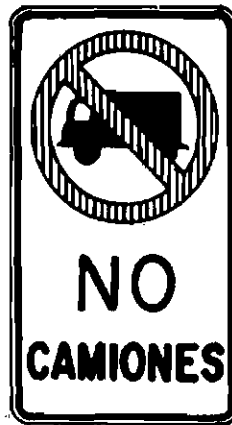
II,6



II,7a



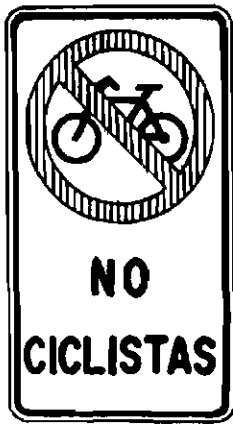
II,7b



II,8



II,9



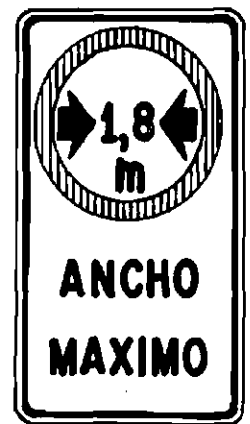
II,10



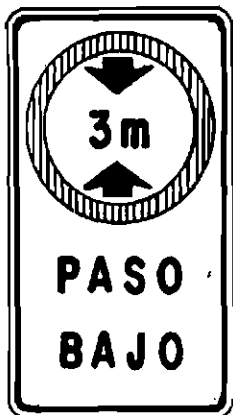
II,11



II,12



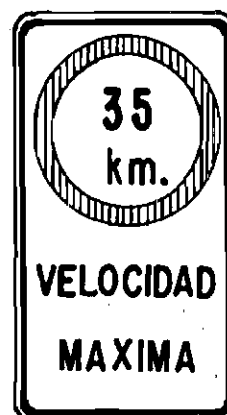
II,13



II,14



II,15



II,16a



II,16b



II,17



II,18



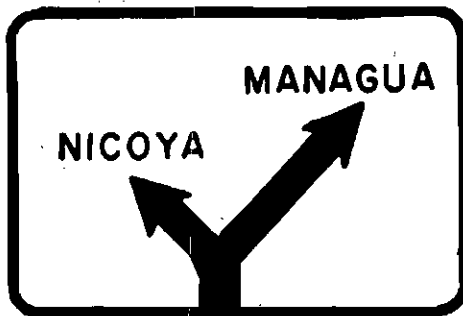
II,19



II,20



II,21



III,1



III,2a



III,2b



III,3



III,4



III,5



III,6a



III,6b



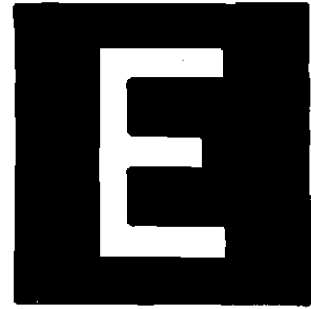
III,7



III,8



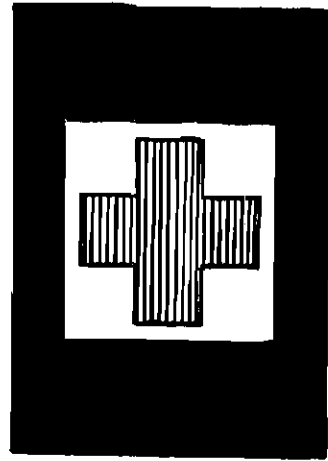
III,9



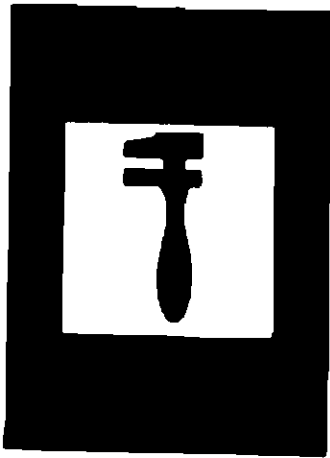
III,10



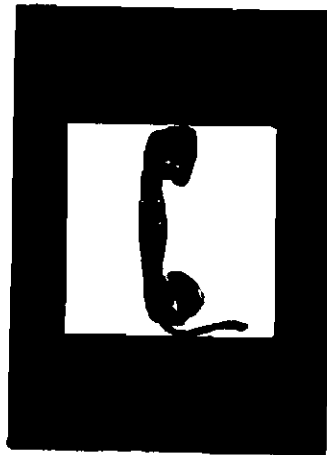
III,11



III,12



III,13

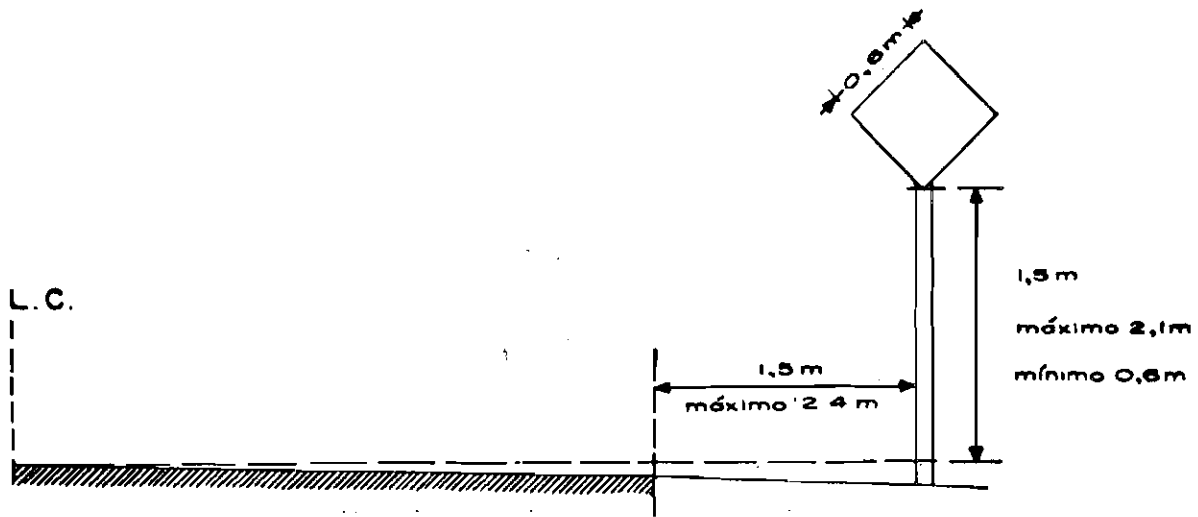


III,14



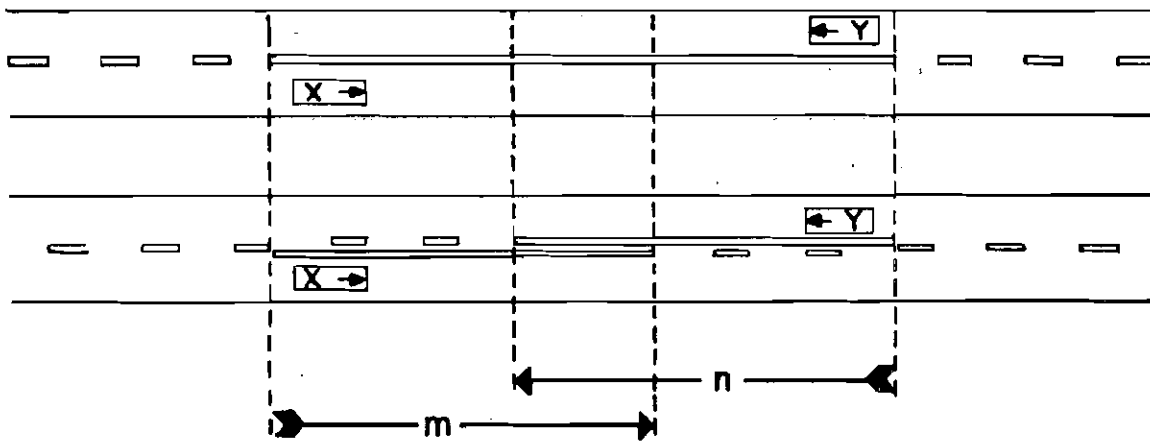
III,15

**Diagram 1**



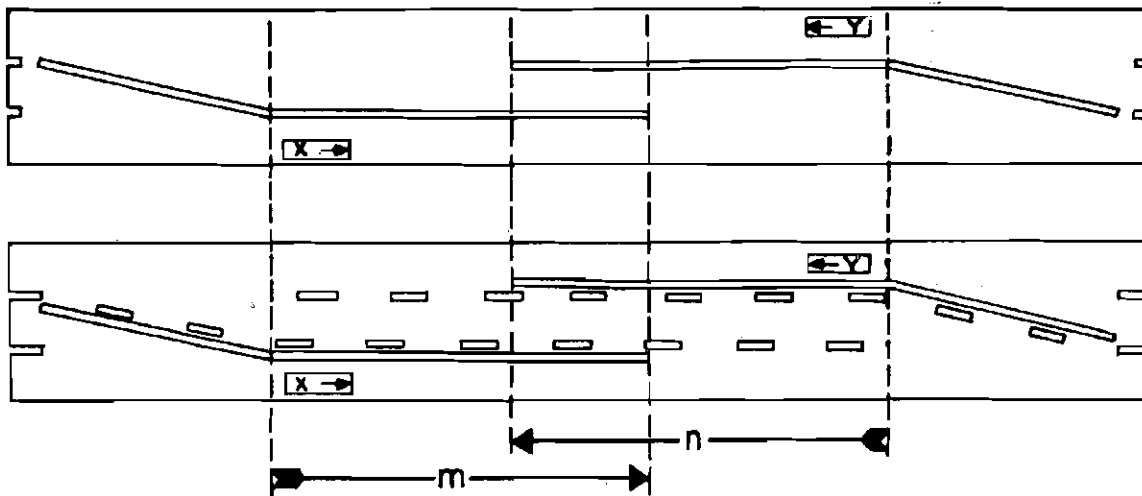
**Diagram 2**

Example of markings on a two-lane carriageway over a stretch of reduced visibility (horizontal bend, top of a hill) or at other dangerous points



**Diagram 3**

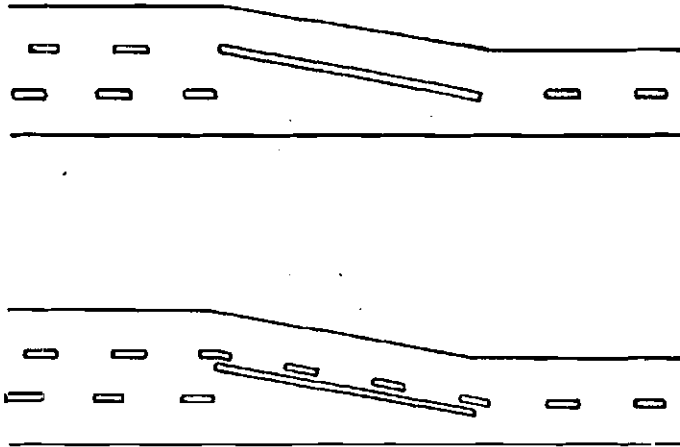
Example of markings on a three-lane carriageway over a stretch of reduced visibility (horizontal bend, top of a hill) or at other dangerous points



m = zone of limited visibility for vehicle X  
n = zone of limited visibility for vehicle Y

**Diagram 4**

**Example of markings at the point where a three-lane road narrows into two lanes**



**Diagram 5**

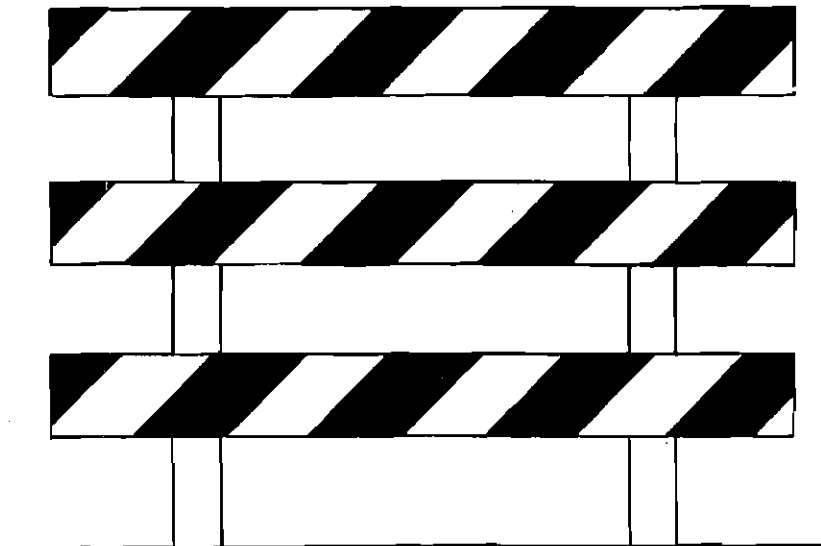
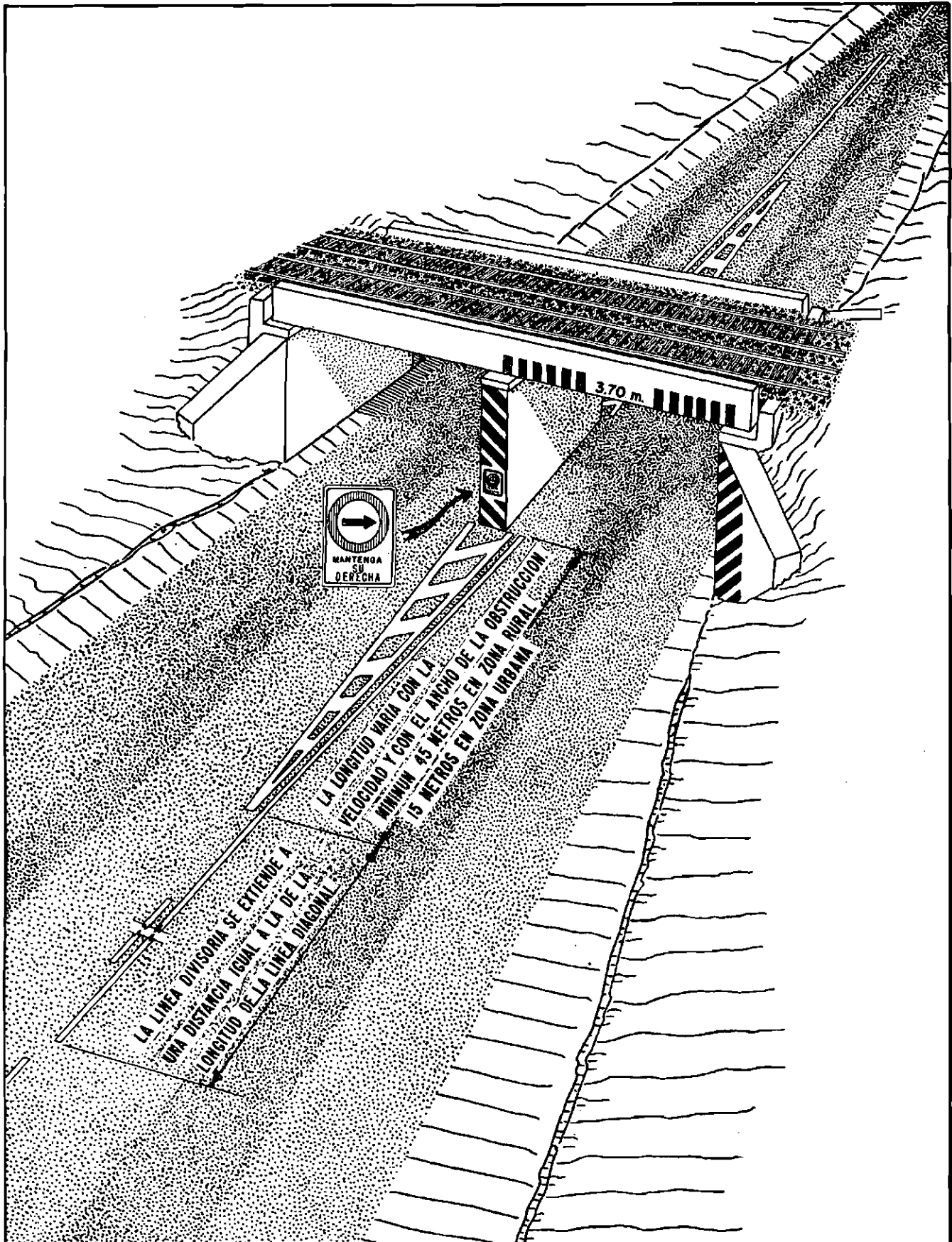




Diagram 6



**Translation.** (From left to right). Keep to the right. The dividing line extends over a distance equal to the length of the diagonal line. The length varies with the speed and the width of the obstruction; minimum: 45 m. in rural areas; 15 m. in built up areas.

