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UNITED NATIONS

ECONOMIC AND SOCIAL COUNCIL

ECONOMIC COMMISSION FOR LATIN AMERICA

**REPORT OF THE CENTRAL AMERICAN
ECONOMIC CO-OPERATION COMMITTEE**

3 SEPTEMBER 1959 TO 13 DECEMBER 1960

MEXICO CITY

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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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ECONOMIC COMMISSION FOR LATIN AMERICA

Report of the Central American Economic Co-operation Committee

(3 September 1959 to 13 December 1960 inclusive)

Foreword

SCOPE OF THE REPORT

This report covers the period between the sixth session of the Committee, held at San José, Costa Rica, from 26 August to 2 September 1959, and 13 December 1960, the end of the seventh session held at Managua, Nicaragua. It is divided into four parts: Part I reviews the activities in which the Committee was particularly interested and the work of the secretariat during the period mentioned; Part II outlines the technical assistance provided for the Integration Programme by the United Nations and its specialized agencies; Part III

summarizes the proceedings and conclusions of the seventh session; and Part IV contains the resolutions adopted at that session.

The texts of the General Treaty on Central American Economic Integration, the Protocol to the Central American Agreement on the Equalization of Import Duties and Charges and the Agreement constituting the Central American Bank for Economic Integration are appended as annexes.

Part I

ACCOUNT OF ACTIVITIES BETWEEN THE SIXTH AND SEVENTH SESSIONS

A. GENERAL STATUS OF THE PROGRAMME

During the period under review, the Governments participating in the Economic Integration Programme expressed their continuing concern at the slow pace at which their economies were proceeding towards integration compared with the rapid increase in their integration requirements.

As a result of this state of affairs, the second special session of the Commission was held in April 1960 at San José, Costa Rica, for the purpose of deciding how the Central American Governments could best promote their economic integration.

During the period covered, both the Committee and the secretariat concentrated almost exclusively on the work of preparing the necessary criteria and formulating the instruments on which to base this new, vital approach to Central American economic integration, thereby complying with resolution 101 (CCE) adopted at the aforementioned second special session.

Under that resolution, the secretariat was requested to prepare a draft Central American agreement on accelerated economic integration along the general lines indicated by El Salvador, Guatemala, Honduras and Nicaragua, according to which the new treaty should include:

a) An immediate free-trade régime between the Parties, covering all their natural products and all the goods manufactured in their territories;

b) An interim régime, under which those products that, because of special circumstances, could not be included, would be considered as exceptions to the said multilateral free-trade régime;

c) The provisions required for the early application of the Régime for Central American Integration Industries;

d) An undertaking to sign a protocol on the equalization of customs tariffs, based on the Central American Agreement on the Equalization of Import Duties and Charges;

e) A further undertaking to sign two other protocols, aimed at the establishment of a Central American régime of incentives to industrial development and the equalization of social security payments. The draft agreement should further provide for the founding of a Central American development financing institution to be established with contributions from member States and governed by a special protocol to be signed before 1 January 1961.

The countries concerned also decided unanimously that the draft agreement should contain provisions allowing any country that had not signed it originally to do so at any time without any restrictions whatsoever.

These terms of reference necessitated a period of very intensive activity which led to the drafting of the three agreements submitted to the Committee for consideration at its current session.

The general report presented by the secretariat (E/CN.12/CCE/216) gives a detailed account of the main activities referred to and stresses the importance of the work done in order to prepare the way for the most important step to be taken towards economic integration at the current session, namely, the signing of the three agreements constituting the new basis of the Programme.

Some of the Committee's other activities should be referred to in general terms. In November 1959, the first session of the Electric Power Sub-Committee was held at San Salvador, chiefly for the purpose of co-ordinating activities in this field and, more particularly, of exploring the possibilities of interconnecting the networks of the various countries in the area.

With the co-operation of the Organization of Central American States (OCAS), the meeting of Central American investors, preparations for which had been under way since the previous year, was also held at San Salvador in November. This led to closer co-ordination between the activities of the Governments and those of private enterprise and will give the latter a better grasp of the problems involved in the economic integration of the countries of the area as well as of the prospects and opportunities for such integration.

The Central American Research Institute for Industry (ICAITI), a report on whose work is now submitted, has continued to move forward. The agreement reached with the Special Fund will allow the Institute to develop its activities in favour of Central American industry.

The educational activities of the Advanced School of Public Administration for Central America (ESAPAC), which is also submitting a report on its work, are still being evaluated. It embarked this year on some activities more closely related to the Economic Integration Programme.

The preliminary study on the middle classes, undertaken with the assistance of the United Nations Bureau of Technical Assistance Operations, was concluded during the year and has been submitted to the Governments concerned.

The land tenure study, which is a joint programme of the United Nations, some of its specialized agencies, such as the ILO and FAO, and the Latin American Centre for Research in the Social Sciences at Rio de Janeiro, is proceeding under the auspices of and in close co-operation with the Higher Council of Central American Universities.

The country studies, which are intended to provide a more systematized view of the area's economic development, have advanced another step with the completion of the study on Honduras. The study on El Salvador, completed in 1959, has already been published.

B. ESTABLISHMENT OF THE COMMON MARKET

1. *Free trade*

In conformity with the Committee's instructions, the secretariat, in consultation with Governments, prepared an initial draft of the general treaty on economic integration. It was submitted to the Trade Sub-Committee for consideration at its eighth session, held in Gua-

temala from 7 to 14 November, and was considered again at the Sub-Committee's ninth session, held at Managua from 5 to 9 December, at which time the final draft of the Treaty was completed for detailed consideration by the Committee at its seventh session.

In accordance with the text adopted by the Sub-Committee, the General Treaty takes precedence over all previously signed integration instruments, although the latter will remain in force. It establishes an immediate general free-trade régime applicable to products originating in the various countries. This régime covers the great majority of items; however, it allows for interim régimes under which certain products, the immediate free trade in which might dislocate current production, are excepted from the provisions of the general régime for a period of not more than five years.

As a general rule, products subject to this régime will be automatically included in unrestricted free-trade not later than the end of the fifth year, even though there are exceptions to this automatic inclusion which, together with the other interim régimes, were the subject of lengthy negotiations in the Sub-Committee.

Since determination of the origin of goods is important for the effective carrying-on of trade, the Treaty contains a corresponding definition.

The draft general treaty also contains provisions aimed at preventing unfair business practices, export subsidies and other measures which might adversely affect or discriminate against any of the Parties. Some of the provisions deserving note are those prohibiting exemptions and reductions in respect of customs duties on imports of finished goods from outside Central America, provided that the items concerned are produced in sufficient quantity in the Central American countries and are of satisfactory quality. The granting of such exemptions and reductions would vitiate the aims of the common market by restricting the market available to Central American products.

Other provisions of the draft ensure freedom of transit without any restrictions or discrimination whatsoever.

The draft endorsed by the Sub-Committee stipulates that the Agreement on the Régime for Central American Integration Industries, already ratified by four countries, will enter into force for the ratifying States not later than the date on which the General Treaty becomes effective. The draft provides for other measures required to ensure early implementation of the Agreement.

The draft further contains a commitment by Governments to set up a Central American Bank for Economic Integration and to sign the agreement founding the bank at the same time as they sign the General Treaty. With a view to incorporating in the same instrument the bases and commitments of Governments in respect of economic integration, the draft treaty provides that the Bank will not grant loans or guarantees to a member State unless the latter has previously deposited its instruments of ratification relating to the treaties on free-trade, economic integration and tariff equalization which the Governments may have signed up to the date of signature of the General Treaty.

With regard to fiscal incentives to industrial development, the draft contains provisions designed to ensure

Central American coordination in the application and equalization of legislation on industrial development.

Lastly, the draft general treaty makes provision for adequate organs to lay down economic integration policy and to ensure that it is interpreted fairly and effectively carried out.

With respect to the relationship between the Central American Economic Co-operation Committee and the Economic Council established under the Treaty, it is stipulated that the latter will be the organ responsible for facilitating implementation of the Committee's resolutions. In this way, the application of the Economic Co-operation Committee's resolutions will be more effective and broader in scope.

2. *Equalization of import duties and charges*

In conformity with resolution 83 (CCE) and the recommendations set forth in resolution 101 (CCE), the Trade Sub-Committee held two working meetings at its seventh session for the purpose of negotiating the establishment of uniform import tariffs on goods from countries outside the area. These two meetings were followed by two others in which the results of the negotiations were reviewed with a view to establishing a Central American customs tariff. Equalization of duties and charges in respect of virtually all the items negotiated, which means standardization of tariffs for about 50 per cent of the NAUCA headings, was agreed upon at that level.

At the first working meeting of its seventh session, the Trade Sub-Committee considered five groups of productive activity. The work done on that occasion will be appreciated when it is pointed out that of the 123 headings dealt with, immediate equalization of over 100 was agreed upon, 13 headings, or 11 per cent, were classified as subject to progressive equalization, and only a few headings were left pending.

At the second working meeting, 443 headings were considered, of which 387, or 87 per cent, were classified as subject to immediate equalization and 18 to progressive equalization, and 38 were left to be dealt with at subsequent negotiations.

At its eighth and ninth sessions, the Sub-Committee reconsidered those headings which, while equalized at the two working meetings of the seventh session, had subsequently been the subject of observations from Governments.

At the Sub-Committee's eighth session, the tariffs agreed upon at the first working meeting of the seventh session were endorsed as uniform import duties and charges, except for ten headings on which agreement could not be reached regarding the observations submitted by Governments. At the ninth session, all the tariffs negotiated at the second working meeting were endorsed, except for fifteen headings which were left for future negotiation.

At its eighth and ninth sessions, the Trade Sub-Committee considered and finalized the draft protocol to the Agreement on the Equalization of Import Duties and Charges in order to include therein all the uniform tariff levels negotiated. The draft protocol was approved at the Sub-Committee's ninth session and submitted to

the Committee at its seventh session for consideration and adoption.

3. *Central American Bank for Economic Integration*

The importance of adequate financing with which to achieve the economic integration of the Central American countries has been a matter of concern to the Committee since its first session in 1952. It was not until 1959, however, that a formal decision was taken to draft an instrument providing for "the establishment of a Central American institution for the financing and promotion of integrated development". The drafting of the instrument was left to the secretariat in consultation with various national and international bodies (resolution 84 (CCE)). During the second special session, held at San José in April 1960, it was further stipulated, in resolution 101 (CCE), that the General Treaty should consider the establishment of such an organ and that the founding instrument should be signed before 1 January 1961.

In conformity with these instructions, the secretariat co-operated with the representatives of member Governments in the studies which produced the draft agreement to establish a Central American bank for economic integration. Considerable assistance in this matter was rendered by the Inter-American Development Bank and the Central American central banks.

The draft, which was practically completed at the meeting of the Ministers of Economic Affairs, held at Washington, D.C., in September 1960, contains original features which distinguish the bank from conventional development banks. It will be a financing institution *sui generis*, the first known to dedicate itself exclusively to the financing of a region's economic integration.

This characteristic virtually limits its activities mainly and almost exclusively to the financing of infrastructural projects which supplement the existing regional system or compensate for discrepancies in basic sectors affecting the balanced development of Central America; long-term projects for investment in industries, either regional or of benefit to the Central American market; projects designed to achieve agricultural specialization aiming at an adequate regional supply; projects calculated to enable readjustments to be made in certain industries affected by the common market; and other projects closely related to economic integration.

The Bank's initial capital will be subscribed by the Governments themselves in an amount equivalent to four million dollars per country, half of which will be paid within fourteen months and the rest when called for, subject to an increase by unanimous decision of the members of the Board of Governors. The Bank will not pay any interest or dividends and all net profits will be deposited in a reserve capital fund.

Free convertibility of the contributions will be ensured and the Governments undertake to maintain the dollar value of the amounts subscribed to the Bank's capital in the respective currencies.

The Bank is authorized to obtain loans and credit in capital markets and to receive funds in any legal form.

Its operations will be based on sound banking practices and firmly dedicated to the achievement of the purposes stated.

By virtue of the functions, structure and operations provided for in the Agreement, the Bank may in time exercise considerable influence in favour of the establishment of a capital market in Central America.

The Bank will be governed by a Board of Governors, composed of the Minister of Economic Affairs of each country, and by the President or Manager, or whoever may be acting in that capacity, of the Central Bank of each country.

The Bank will be managed by a Board of Directors

consisting of four members appointed by the Board of Governors, one from each member State. The President will be the Bank's legal representative and will be responsible for its normal operations.

While membership in the Bank is open to any Central American country without any restriction whatsoever, the Bank's funds cannot be used by a country unless it has previously deposited the instruments of ratification of the economic integration treaties specified in the Agreement.

Part II

TECHNICAL ASSISTANCE FOR THE INTEGRATION PROGRAMME

The financial limitations of the United Nations regional programmes of technical assistance and the difficulty of recruiting experts were the main obstacles in meeting all the requests of the Economic Integration Programme. The United Nations Bureau of Technical Assistance Operations (BTAO), the United Nations Food and Agriculture Organization (FAO) and the International Labour Organization (ILO) contributed to the advancement of the programme during the year by providing experts.

Budgetary allocations for technical assistance intended for the Central American Economic Integration Programme, including those assigned under the regular programmes of the United Nations and of the specialized agencies, amounted to 310,000 dollars during the period.

The principal projects undertaken with United Nations technical assistance during the period covered by this report related to the establishment of a Central American common market, to problems of electrification, housing and construction materials, to weights and measures, and to the study of systems of land tenure and agricultural labour conditions in the region.

FAO began its co-operation with a study on land tenure and agricultural labour conditions; it also assisted in such other matters as the marketing of grains within

the area and the establishment and improvement of forestry, agricultural and livestock statistics.

During the period, the ILO continued to provide the services of a mission on productivity and training for workers in the industrial sector.

In 1960, the United Nations Special Fund approved an application for financial assistance from the Central American Research Institute for Industry (ICAITI), and the relevant agreement was signed at San José in April 1960. Consequently, the Institute will have 900,000 dollars for the period 1960-64, in addition to the contributions of its member States.

Acting on the Committee's recommendations at its sixth session (resolution 96 (CCE)), representatives of the six Central American countries held a meeting in July 1960 with the aim of achieving closer co-ordination of national with regional programmes, with special reference to strengthening the Integration Programme. However, this first effort produced only limited results.

The two-year programme system was also introduced to replace the former yearly system. In July, there was also a meeting at San Salvador of representatives of organizations providing technical assistance for the Integration Programme; that meeting, in line with the Committee's suggestions, prepared a draft application for technical assistance for 1961-62 amounting to 622,000 dollars.

Part III

SEVENTH SESSION OF THE COMMITTEE

A. MEMBERSHIP, ATTENDANCE AND ORGANIZATION OF WORK

(a) *Opening and closing meetings*

At the opening meeting of the session, held in the Chamber of Deputies of the National Palace, His Excellency the President of the Republic of Nicaragua, Luis A. Somoza Debayle, welcomed the delegations and expressed the hope that the work would be crowned with success. Statements were also made by Mr. Jorge Bueso Arias, Minister of Economic and Financial Affairs of Honduras, speaking on behalf of the delegations; Mr. Alfonso Santa Cruz, Director of the ECLA Mexico Office; Mr. Marco Tulio Zeledón, Secretary-General of the OCAS; Mr. Harry R. Turkell, United States

Ambassador to the Inter-American Economic and Social Council, specially invited by the Government of Nicaragua; and Alfonso Rochac, Director of the Inter-American Development Bank, specially invited by the Government of Nicaragua. At the closing meeting, held in the Ministry of Economic Affairs, speeches were delivered by Mr. Jorge Bueso Arias, Minister of Economic and Financial Affairs of Honduras, who expressed thanks on behalf of the Committee for the courtesy shown by the Government of Nicaragua; Mr. Juan José Lugo Marengo, Minister of Economic Affairs of Nicaragua; and Mr. Julio Prado García Salas, Minister for Co-ordinating Economic Integration of Guatemala. Delegations from Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica attended the session; Panama

accredited its Ambassador in Nicaragua. Representatives of United Nations bodies, the Organization of American States (OAS), the Organization of Central American States (OCAS) and other similar organs were also present.

The delegations were composed as follows:

(b) *Delegations of member countries*

Guatemala

Chairman of the delegation: *Julio Prado García Salas*, Minister for Co-ordination of Central American Integration.

Members: *Alberto Fuentes Mohr*; *J. Francisco Fernández Rivas*; *Rolando Quintana*; *Héctor Villagrán Salazar*; *Guillermo Noriega Morales*; *Manuel Rubio Sánchez*; *René Chiu Fuentes*; *Gustavo Santizo Gálvez*.

El Salvador

Chairman of the delegation: *Gabriel Piloña Araujo*, Minister of Economic Affairs,

Deputy Chairman of the delegation: *Abelardo Torres*.

Members: *Jaime Quesada*; *Guillermo Chacón C.*; *Vicтор Manuel Cuéllar Ortiz*; *René Santiago Carrillo*; *Eusebio Martell*.

Honduras

Chairman of the delegation: *Jorge Bueso Arias*, Minister of Economic and Financial Affairs

Members: *Roberto Ramírez*; *Juan Angel Núñez Aguilar*; *Oscar Veroy*; *Abraham Bennaton Ramos*; *Mauricio Castañeda*; *Cecilio Zelaya Solórzano*.

Nicaragua

Chairman of the delegation: *Juan José Lugo Marengo*, Minister of Economic Affairs.

Deputy Chairman of the delegation: *Luis A. Cantarero*

Members: *Gonzalo Meneses Ocón*; *Juan José Morales Marengo*; *Federico Lang*; *Francisco Lainez*; *Alfredo J. Sacasa Guerrero*; *Enrique Delgado*; *Salvador Castillo Selva*; *Oscar Sevilla Sacasa*; *José María Castillo*; *Gustavo A. Guerrero*; *Feliciano Aranda*; *Carlos José González*; *Victor M. Godoy Baca*; *Julio César Icaza Tijerino*;

Advisers: *Vicente Alvarez*; *Alejandro Baca Muñoz*; *Eduardo Montealegre*; *Salvador Guerrero Montalván*; *Gabriel Horvilleur*; *Carlos Gabuardi*; *Emilio Baldano*; *Pilar Altamirano*; *Jorge Argüello Barra*; *Daniel Tapia Mercado*.

Costa Rica

Chairman of the delegation: *Rafael Angel Valladares*, Special Representative of the Minister of Economic and Financial Affairs

Member: *Porfirio Moreira Batres*

(c) *Delegation of Panama*

Ernesto Fábrega, Ambassador of Panama

(d) *Observers*

Organization of Central American States: *Marco Tulio Zeledón*

(e) *Specialized agencies of the United Nations*

Livio Costa (International Labour Organization (ILO)); *Angelo de Tuddo* (United Nations Food and Agriculture Organization (FAO))

(f) *Other international organizations*

Otto Stern (Central American Research Institute for Industry (ICAITI)); *Edward P. Laberge* (Advanced School of Public Administration for Central America (ESAPAC)); *Eusebio Martell* (American Coffee Federation (FEDECAME)); *J. Alberto Torres* (Central American Phytosanitary Organization (OIRSA)); *Alexis Basic* (Organization of American States (OAS)).

The session was also attended by Mr. *Alfonso Rochac*, Director of the Inter-American Development Bank, and Mr. *Harry R. Turkell*, United States Ambassador to the Inter-American Economic and Social Council, as special guests of the Government of Nicaragua.

The Technical Assistance Board designated its Regional Representative for Central America, Mr. *Alfred Mackenzie*, to represent it. The session was also attended by the Director of the United Nations Information Centre for Latin America, Mr. *Franklin E. Kozik*.

The secretariat was represented by Mr. *Alfonso Santa Cruz*, Director of the ECLA Mexico Office, Mr. *Cristóbal Lara*, Deputy Director, Mr. *Pedro Abelardo Delgado*, Mr. *Rafael Izquierdo*, and Mr. *Alvaro de la Ossa*, and other officials.

Mr. *Juan José Lugo Marengo*, Minister of Economic Affairs of Nicaragua, was elected Chairman of the session, and the Chairman of the delegation of Guatemala was elected Rapporteur.

At its first meeting the Committee established a Working Group, consisting of the Ministers and their advisers, to study the draft agreements to be examined at the seventh session, and to review the Trade Sub-Committee's negotiations in connexion with the goods subject to special treatment in the General Treaty and the schedules of products for which the tariffs were to be equalized. Another Working Group was appointed to consider the procedure for setting up a preparatory committee to facilitate the early establishment and operation of the Central American Bank for Economic Integration; it submitted a resolution to this effect to the Committee, which was adopted at the final plenary meeting.

B. AGENDA

At the first plenary meeting the draft agenda submitted by the secretariat was adopted without amendment. The agenda was as follows:

1. General Treaty on Central American Economic Integration

Documents:

- (a) Nota de la Secretaría (E/CN.12/CCE/216)
 - (b) Informe de la Octava Reunión del Subcomité de Comercio Centroamericano (E/CN.12/CCE/213)
 - (c) Informe de la Novena Reunión del Subcomité de Comercio Centroamericano (E/CN.12/CCE/217)
2. Protocol to the Agreement on the Equalization of Import Duties and Charges.

Documents:

- (a) Nota de la Secretaría (E/CN.12/CCE/216)
 - (b) Informes de la Octava y Novena Reuniones del Subcomité de Comercio Centroamericano (E/CN.12/CCE/213, Addendum II and E/CN.12/CCE/217, Addendum II).
 - (c) Listas de Equiparación (E/CN.12/CCE/217, Anexo A)
3. Central American Bank for Economic Integration
- Documents:
- (a) Nota de la Secretaría (E/CN.12/CCE/216)
 - (b) Proyecto de Convenio que establece el Banco Centroamericano de Integración Económica (E/CN.12/CCE/214)

4. Technical assistance and other matters

Documents:

- (a) Nota de la Secretaría (E/CN.12/CCE/223)
 - (b) Informe del Representante Regional de la Junta de Asistencia Técnica de las Naciones Unidas (E/CN.12/CCE/218)
 - (c) Informes de la JAT, OIT, ESAPAC, ICAITI y FAO.
5. Date and place of the eighth session
6. Consideration and adoption of the Rapporteur's report
7. Closure of the session.

C. ACCOUNT OF PROCEEDINGS

1. *General status of the Central American Economic Integration Programme*

The Committee had before it three important draft treaties that constituted a marked advance in the economic integration of the area. When the Committee began its study of these agreements, which had been conceived and drafted as if Costa Rica was to be a signatory, the Costa Rican representative said that his country wished to maintain its line of active study and the optimistic attitude it had expressed at the Committee's second special session. He wished to make it clear that, although on the present occasion Costa Rica was not following the same course as in the past by joining with the other countries in signing the international agreements that were the reason for the present session, that in no way meant that the ideals of economic co-existence were being finally discarded; on the contrary, those ideals were more vividly present than before, and Costa Rica's sympathies would always lie with those who showed a proud and firm

determination to raise the level of industrialization of the under-developed countries.

The Committee concentrated on a detailed study of the three agreements that are the corner-stone of this new stage in the Economic Integration Programme, and after much hard work agreed on a final draft of the General Treaty on Economic Integration, the Agreement establishing a Central American Bank for Economic Integration, and the Protocol to the Agreement on the Equalization of Import Duties and Charges, which were signed by the plenipotentiaries of four Governments at Managua, Nicaragua, on the closing day of the seventh session.

The following is an outline of the Committee's negotiations at the seventh session which led to the signing of the agreements that form the basis of further regional economic integration.

2. *General Treaty on Economic Integration.*

The draft general treaty on economic integration prepared by the Trade Sub-Committee was examined by the Ministers of Economic Affairs in the Working Group. The Committee's debates on some important aspects of the free-trade régime are summarized below.

The Committee expressed its concern about the treatment that would be extended to products subject to special exceptional régimes in those cases where the schedule in Annex A did not explicitly state what trade system would apply to each product at the end of the fifth year from the Treaty's entry into force. The discussion led to the conclusion that both the treatment and its method of application for each item should be clearly and specifically laid down for all the products in the schedule.

The Committee considered that the determination of the origin of goods was of the highest importance and decided that, whenever there was any doubt on the subject and the problem could not be settled by bilateral negotiation, either of the parties concerned could request the intervention of the Executive Council to identify the origin of the goods. In this connexion it was decided that goods would not be regarded as originating in the territory of a Contracting Party if they originated or were manufactured in a third country and were merely assembled, packed, put into containers, cut or diluted in the exporting country.

The Committee preferred to leave the ruling in doubtful cases to the Executive Council rather than to the judgement of customs authorities, so that in every case the question would be given the thorough technical study it required.

The Committee devoted considerable time to cases where a signatory State might establish domestic consumer taxes on imported goods. Three possible situations were envisaged, the first being the situation in which either there was domestic production of the article in question in the country establishing the tax or there was no production in any of the countries of the area. The Committee took the view that, in that case, a country could establish such taxes without

limitation. The second situation was that in which there was no domestic production in the country that intended to establish the tax, but there was such production in any of the other countries of the area; it was decided that here the country could not apply such a tax without prior approval by the Executive Council. In the third situation envisaged, there was originally no production of the article thus taxed in any of the signatory States, but production was subsequently begun in one of those countries while there was still no production in the country establishing the tax. In that case, the Executive Council would decide, at the request of the country concerned, whether or not the tax was compatible with free trade, and the State levying the tax would undertake to abolish it if the decision was against it.

The Committee carefully considered the matter of possible unfair trade practices, and amended the text of article XIII to permit any State believing that there was evidence of unfair trade to demand security for the total amount of duties before authorizing trade in respect of the goods concerned.

The Committee decided to add a new chapter V enabling signatory States to extend the same treatment as that given to domestic companies to enterprises of signatory States carrying out such infrastructural projects as bridges and dams. This provision was the subject of several resolutions submitted to the Committee and to the Housing and Transport Sub-Committees.

The Agreement on the Régime for Central American Integration Industries provided that it would not enter into force until after the fifth ratification. But, since it was decided that the Agreement would enter into effect among the four countries that wished to undertake the new programme, it was agreed to incorporate all the provisions of the said Agreement in the General Treaty. When the question was discussed, Honduras asked that the report should record the fact that, although Honduras subscribed to the existing arrangement, it would have preferred to delete the whole of chapter VI of the Treaty relating to industrial integration.

In addition to the undertaking to establish a Central American Bank for Economic Integration, agreement was reached regarding the terms on which member countries could obtain guarantees and loans from the Bank, use of the funds and guarantees being subject to prior deposit of the instruments of ratification of the General Treaty itself, the Multilateral Treaty on Free Trade, the Agreement on the Régime, the Agreement on Equalization and the Protocol, signed on the same day by the four countries.

The Committee also decided that the headquarters of the permanent secretariat established by the Treaty should be Guatemala City, capital of the Republic of Guatemala.

One of the general provisions was to the effect that none of the signatory States would unilaterally sign any new treaty with countries outside Central America that might affect the principles of economic integration.

At the request of the Organization of Central American States the Committee added to the text prepared by the Trade Sub-Committee a provisional article providing that, whenever the Government of Costa Rica formally acceded to the General Treaty, the bodies thereby established would become part of the said organization by means of an incorporation agreement and a reorganization of the structure of OCAS to permit the bodies established by the Treaty to retain the structural and operational features they had been given.

At the seventh session, the schedules of products subject to treatment excepting them from free trade, given in Annex A to the Treaty, were renegotiated bilaterally and subsequently endorsed on a multilateral basis. As a result of these negotiations the régime applying to each of these products was specified more clearly. The schedules were drawn up for pairs of countries, instead of for all, in order to facilitate their handling by the customs offices. In the relevant part of the Treaty it is established that these schedules cannot be further amended except by multilateral action on the part of the member States.

The Committee's decision to recommend to Governments that they should sign the General Treaty is embodied in resolution 102 (CCE), reproduced in Part IV of the present report.

3. Protocol to the Agreement on Equalization

The Working Group of the Ministers of Economic Affairs also examined the draft protocol to the Agreement on the Equalization of Import Duties and Charges.

The Committee considered that three provisional articles should be added. The first imposes an obligation on the Contracting Parties to sign, within not more than six months from the date when the Protocol enters into force, any additional protocols that may be required for the equalization of duties and charges on imports of products of importance to the efficient operation of free trade. These products are specified in sub-paragraphs *a)*, *b)*, *c)* and *d)* of article III of the Agreement on Equalization, and include goods already subject to free trade, goods manufactured in Central America, imported goods for which goods produced in Central America may be substituted over the short term, and raw materials, intermediate products and containers required for the production and sale of the items referred to. The second provisional article provides that the tariffs and other provisions of the Protocol do not apply to natural products originating in Belize that are subject to special treatment by Guatemala.

The third provisional article, inspired by the Central American spirit, permits any member country not only to conclude new bilateral free-trade agreements with Costa Rica, but also to extend free trade with that country or to afford it special preferences by unilateral arrangement.

The Committee approved schedules A and B of the Protocol, together with the annexes, and agreed to recommend the instrument to Governments for their signature. To that effect it adopted resolution 103

(CCE), which is reproduced in Part IV of the present report.

Great importance was attached to expediting the negotiations on the equalization of customs tariffs and to implementing the first provisional article of the Protocol to the Agreement on Equalization which provides that the Contracting Parties shall sign new protocols within not more than six months. The Committee consequently decided to recommend to the Trade Sub-Committee that it should meet in continuous session for that purpose, beginning in the second fortnight of January 1961 in Tegucigalpa. The recommendation was endorsed in resolution 106 (CCE), reproduced in the present report.

4. *Central American Bank for Economic Integration*

The Committee took cognizance of the draft agreement for the establishment of the Central American Bank for Economic Integration, which was drawn up in Washington by Government representatives in September 1960 and subsequently discussed at the recent Central Banks meeting at Tegucigalpa, Honduras. In the course of the discussion on this item, it was decided that Tegucigalpa, Honduras, should be the headquarters of the new institution; in addition, the Bank was given increased safeguards to ensure that it would be able to maintain the value of the capital contributions made in the respective local currencies of its member States.

In relation to article XVI, views were exchanged on whether the members of the Board of Directors should be freely elected by the Board of Governors, as provided in the text of the draft agreement, or whether a concurring vote should also be required from any one of the Governors from the State to which the Director belonged. The original draft was maintained intact, the first method of appointing directors having been endorsed on the ground that the reasons for their appointment should be primarily technical in nature.

In order to provide against any misinterpretation of the article in question, it was agreed to record in the report the fact that the Committee deemed it to be self-evident that the Board of Governors would not, in practice, elect a Director against the will of the State member of the Bank of which he was a national.

The draft agreement before the Committee was adopted with minor amendments and was commended to the Governments for their signature in resolution 104 (CCE), which forms part of this report.

In the same resolution, the Committee also decided to recommend that a Preparatory Commission of the Bank should be set up and that its first meeting should start on 23 January 1961.

In relation to article XL of the Agreement, which empowers the Bank to offer facilities for the establishment of a clearing-house, the Committee deemed it advisable that the Central Bank of Honduras should study the possibility of setting up a system of payments compensation in Central America and inform the Committee of its findings.

5. *Invitation to Costa Rica*

The treaties signed at Managua by the representatives of the Governments of Guatemala, El Salvador, Honduras and Nicaragua were conceived and formulated in respect of the five countries of the area and the way was left unconditionally open for Costa Rica to accede to them whenever it wishes. In view of those circumstances, the delegations of the States signatories of the said agreements expressed during the session the sincere hope that Costa Rica would shortly join the common market recently created by the instruments in question. The Committee agreed to inform Costa Rica of the hope of the other Central American countries, and to urge it to expedite the studies that it was carrying out with a view to its accession to the Treaties. The Committee's decision was embodied in resolution 105 (CCE), which is reproduced at the end of this report.

6. *Special session*

As previously stated, the Committee devoted its seventh regular session to the consideration and adoption of the three basic agreements underlying the new accelerated programme of economic integration. It was therefore unable, on that occasion, to study other important aspects of the Integration Programme. Moreover, the entry into force of the new treaties will entail a revision of the work programmes of the sub-committees and other subsidiary bodies of the Committee, and will make it advisable to examine the relationships between the common market agencies and the secretariat as well as the work to be assigned to the latter. The Committee therefore decided to hold a special session at San Salvador as soon as the treaties signed at Managua had entered into force. Resolution 107 (CCE) was adopted in that connexion and is included in Part IV of the present report.

7. *Technical assistance*

In considering the item on technical assistance in Central America, the Committee stressed the fact that the existence of the common market called for more flexible procedures that could be adapted to the new features of the Programme, as well as for greater co-ordination between programmes on the national and regional levels, in order to put available resources to better use. It further pointed out that, during its special session to be held, as previously decided, at San Salvador, a study of priorities and requirements should be carried out and that, on the basis of the resultant recommendations, the United Nations should take urgent steps to ensure that the requisite supplementary technical assistance was provided and that the necessary changes were made in the order of priority. Meanwhile, the Committee agreed to authorize its Chairman to transmit to the United Nations Technical Assistance Board the application for 1961-62 on the understanding that it was provisional. This application was drawn up in accordance with the programme formulated during the meeting of representatives of United Nations specialized agencies, of the Technical Assistance Board and of ECLA, held at San Salvador in July 1960.

Resolution 108 (CCE) was adopted by the Committee on this point, and is included in this report.

8. *Votes of thanks*

The Committee decided to place on record its gratitude to the Government of Nicaragua for its hospitality and for the facilities it had provided for the

session, to the Chairman of the Committee for his conduct of the proceedings and to the Rapporteur for his faithful account of the results of the work. It also extended its thanks to the ECLA secretariat for its contribution and fruitful co-operation, and to the personnel who serviced the conference for their excellent work.

Part IV

RESOLUTIONS ADOPTED BY THE COMMITTEE AT THE SEVENTH SESSION

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GENERAL TREATY ON CENTRAL AMERICAN ECONOMIC INTEGRATION

102 (CCE) *Resolution adopted on 13 December 1960 (E/CN.12/CCE/225)*

The Central American Economic Co-operation Committee,

Considering that resolution 101 (CCE), adopted by the Committee at its special session held at San José, Costa Rica, in April 1960, requested that the secretariat should prepare a draft agreement on accelerated economic integration in accordance with the bases laid down in the resolution itself, and that the Central American Trade Sub-Committee should study it and formulate a final draft agreement on accelerated integration,

Considering that, in compliance with those instructions, the Trade Sub-Committee, at its eighth and ninth sessions, formulated the draft agreement which was submitted to the Committee at its current session,

Considering that the Committee examined the said draft and adopted the final text and Annexes of the General Treaty on Central American Economic Integration,

Declares that the mutual efforts of the Governments to formulate, through the medium of the Committee,

a new instrument for expediting Central American economic integration, have been successful; and

Resolves to recommend to the Governments of El Salvador, Guatemala, Honduras and Nicaragua that, on the occasion of the seventh session of the Central American Economic Co-operation Committee, their representatives, duly invested with the corresponding full powers, should sign the General Treaty on Central American Economic Integration at Managua, Nicaragua.

PROTOCOL TO THE CENTRAL AMERICAN AGREEMENT ON THE EQUALIZATION OF IMPORT DUTIES AND CHARGES

103. (CCE) *Resolution adopted on 13 December 1960 (E/CN.12/CCE/226)*

The Central American Economic Co-operation Committee,

Considering that, in article II of the General Treaty on Central American Economic Integration, the Governments undertake to set up a standard Central American import tariff within not more than five years, in compliance with the Central American Agreement on the Equalization of Import Duties and Charges, signed on 1 September 1959,

Considering that resolution 83 (CCE) enjoined the Central American Trade Sub-Committee to formulate a draft standard import tariff, and that national working groups have been established in the different countries with the co-ordination and assistance of the secretariat, for the purpose of preparing the essential data for negotiating tariff equalization, and that the Trade Sub-Committee has held two working meetings during its seventh session at which fourteen industrial groups of products were considered,

Considering that, at the eighth and ninth sessions of the Trade Sub-Committee and at its current session, the schedules of goods, in respect of which tariff equalization had been effected up to that time *inter se* by the Governments of Guatemala, El Salvador, Honduras and Nicaragua, were reviewed, enlarged and amended.

Resolves to recommend to the Governments of Guatemala, El Salvador, Honduras and Nicaragua that, on the occasion of the seventh regular session of the Central American Economic Co-operation Committee,

their representatives, duly invested with full powers, should sign the Protocol to the Central American Agreement on the Equalization of Import Duties and Charges at Managua, Nicaragua.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

104 (CCE) *Resolution adopted on 13 December 1960*
(E/CN.12/CCE/227)

The Central American Economic Co-operation Committee,

Considering that the Committee decided, in resolution 84 (CCE), adopted on 1 September 1959, at its sixth session, to recommend to the secretariat that it prepare a project for founding a Central American agency for the financing and promotion of integrated economic development, in consultation with various national and international institutions,

Considering that, in resolution 101 (CCE), adopted by the Committee at its second special session, held at San José in April 1960, one of the suggestions made to the secretariat as a basis for the preparation of a draft Central American treaty on accelerated economic integration was that consideration should be given to the creation of a Central American institution for the financing of development,

Considering that, in compliance with these instructions, representatives of the Governments members of the Committee, with the collaboration of the secretariat and in consultation with the Inter-American Development Bank and the central banks of the Central American countries, have drawn up a draft agreement to establish the Central American Bank for Economic Integration,

Considering that the draft general treaty on Central American Economic Integration contains a provision whereby the signatories agree to establish a Central American Bank for Economic Integration,

Considering that the Inter-American Development Bank has offered to assist in every possible way in the organization and operation of the Central American Bank for Economic Integration, and that the Central American central banks, at their special session held at Tegucigalpa from 1 to 3 December 1960, decided to give the Bank in question their financial backing and technical collaboration,

Declares that the creation and early entry into operation of the Central American Bank for Economic Integration will meet an imperative need in relation to the more efficacious implementation of the Economic Integration Programme, and, as one of the basic instruments of this latter, will make a positive contribution to the balanced development of the Central American national economies,

Decides:

1. To recommend to the Governments of Guatemala, El Salvador, Honduras and Nicaragua that, on the occasion of the present seventh session of the Central American Economic Co-operation Committee, their representatives, invested with the corresponding full

powers, sign, at Managua, Nicaragua, the agreement establishing the Central American Bank for Economic Integration;

2. To create and to maintain during the interim between the signing of the agreement and the first session of the Board of Governors, a Preparatory Commission of the Central American Bank for Economic Integration, the functions of which shall be as follows:

(a) To establish the rules of procedure for its activities;

(b) To make the necessary preparations for the first session of the Board of Governors, including the drafting of the agenda and of provisional rules of procedure for that session;

(c) To prepare such studies as it may deem necessary on technical, administrative and juridical problems bearing on the establishment of the Bank, for consideration at the first session of the Board of Governors.

The Preparatory Commission shall be composed of one representative of each of the States members of the Bank, who shall elect a Chairman from among their own number. The names of the representatives appointed shall be transmitted to the Chairman of the Central American Economic Co-operation Committee.

The first session of the Preparatory Commission shall be held on 23 January 1961 at Tegucigalpa;

3. To express its appreciation and acceptance of the offer made by the Inter-American Development Bank and the Central American central banks to assist to the fullest possible extent in the organization and operation of the Central American Bank for Economic Integration;

4. To recommend to the Preparatory Commission that, in the discharge of its functions, it seek the advice of the Inter-American Development Bank, the Central American central banks, the ECLA secretariat and such other national and international technical agencies as it may deem appropriate;

5. To recommend to Governments:

(a) That, in selecting the representatives who are to form the Preparatory Commission, they appoint persons of acknowledged competence and wide experience in economic and financial affairs;

(b) That, in order to cover the expenditure of the Preparatory Commission, including the emoluments of its members, and the initial outlays involved in founding the Bank, each Government advance, prior to the first session of the Commission, the sum of 15,000 United States dollars, as part of the capital payment referred to in article 4 of the Agreement establishing the Bank. The said sum shall be deposited in the Central Bank of Honduras and placed at the disposal of the Chairman of the Preparatory Commission. When the Commission has completed its work, it shall submit the relevant winding-up account to the Central American Bank for Economic Integration.

The amount of the emoluments of the members of the Preparatory Commission shall be fixed by the Chair-

man of the Economic Co-operation Committee in consultation with the other members of the Committee.

INVITATION TO COSTA RICA TO ACCEDE TO THE RÉGIME
OF ACCELERATED ECONOMIC INTEGRATION

105 (CCE) *Resolution adopted on 13 December 1960*
(E/CN.12/CCE/228)

The Central American Economic Co-operation Committee,

Considering that, in resolution 101 (CCE), adopted by the Committee at its second special session at San José, Costa Rica, in April 1960, it was suggested that the treaty on accelerated economic integration should include provisions which would enable countries that had not signed it in the first place to accede to it at any time, simply upon declaring their wish to do so,

Considering that the agreements which have been formulated and have been approved by the Committee at this seventh session contain clauses which leave the way unconditionally open for the accession of Costa Rica,

Decides to express to the Government of Costa Rica the desire of the Governments of Guatemala, El Salvador, Honduras and Nicaragua that, as a member of the Committee, it conclude at the earliest possible moment the studies which it is carrying out with a view to defining its position *vis-à-vis* the accelerated economic integration programme, and that it take the necessary steps to accede to the General Treaty on Central American Economic Integration and other agreements, the signing of which has been recommended on the present occasion.

CENTRAL AMERICAN STANDARD IMPORT TARIFF AND
ACTIVITIES OF THE TRADE SUB-COMMITTEE

106 (CCE) *Resolution adopted on 13 December 1960*
(E/CN.12/CCE/229)

The Central American Economic Co-operation Committee,

Considering that resolution 103 (CCE) embodies a recommendation to the Governments to sign the Protocol to the Central American Agreement on the Equalization of Import Duties and Charges and that, likewise, resolution 102 (CCE) recommends that they sign the General Treaty on Central American Economic Integration,

Considering that a requisite for the establishment of the common market, which will encourage investment and permit the acceleration of Central America's economic development, is that tariff equalization be expedited at the earliest opportunity, since in the General Treaty the Governments have liberalized their reciprocal trade in respect of all the commodities their countries produce and have established the special interim régimes applicable to specific products,

Considering that, in conformity with the first provisional article of the Protocol to the agreement on equalization, the Contracting Parties have agreed to sign, within a maximum period of six months from the original date of its entry into force, the additional

protocols needed for the equalization of import duties and charges on the commodities included in paragraphs (a), (b), (c) and (d) of article III of the Central American Agreement on the Equalization of Import Duties and Charges,

Decides:

1. To take note of the work carried out by the Central American Trade Sub-Committee, to adopt the reports of its seventh, eighth and ninth sessions, and to congratulate it on its excellent and positive contribution to the Integration Programme;

2. To request the Central American Trade Sub-Committee to meet during the second fortnight of January 1961, in the city of Tegucigalpa, Honduras, for the purpose of conducting negotiations for tariff equalization in respect of those NAUCA items which have not yet been negotiated, as well as reconsidering those commodities in relation to which, at the seventh, eighth and ninth sessions of the Sub-Committee and at the present session, tariff equalization has been left pending. The Sub-Committee shall sit until these negotiations are completed and shall formulate draft protocols to the Agreement on equalization, in order to ensure fulfilment of the commitment assumed by the Governments in the Protocol to the Agreement on the Equalization of Import Duties and Charges;

3. To request the secretariat to continue giving all the advice and assistance in its power to the Central American Trade Sub-Committee on matters relating to the formulation of the additional protocols to the Agreement on equalization, and to request the United Nations to continue providing the services of a technical assistance expert for the work in question.

SPECIAL SESSION OF THE COMMITTEE

107 (CCE) *Resolution adopted on 13 December 1960*
(E/CN.12/CCE/230)

The Central American Economic Co-operation Committee,

Considering that the seventh regular session of the Committee has concentrated on the final discussion of the General Treaty on Central American Economic Integration, of the Protocol to the Agreement on the Equalization of Import Duties and Charges and of the agreement establishing the Central American Bank for Economic Integration,

Considering that the signing of the above mentioned treaties by Guatemala, El Salvador, Honduras and Nicaragua will tend to expedite the integration of their economies, the agencies required for that purpose having been thus created.

Considering that in consequence of these facts it is essential to undertake a detailed analysis of the Integration Programme, its general orientation, the activities incumbent upon the various sub-committees and other subsidiary organs of the Committee, and the work which the secretariat should be asked to carry out,

Decides to convene a special session of the Committee in the city of San Salvador, El Salvador, for the purposes indicated in the last paragraph of the pream-

ble, at the earliest possible opportunity after the entry into force of the General Treaty on Central American Economic Integration. At the said session the Committee shall determine the date and place of its eighth regular session.

TECHNICAL ASSISTANCE

108 (CCE) *Resolution adopted on 13 December 1960*
(E/CN.12/CCE/231)

The Central American Economic Co-operation Committee,

Considering the report submitted by the Regional Representative of the United Nations Technical Assistance Board for the period 1959-60 (E/CN.12/CCE/218),

Considering that, in July 1960, the ECLA secretariat and the representatives of the United Nations specialized agencies presented to the Technical Assistance Board a provisional list of technical assistance requirements, based on the resolutions adopted by the Committee at previous sessions,

Considering that the signing of the instruments on economic integration recommended for signature at the present session makes it essential to review the technical assistance requirements deriving from the Programme and the forms in which such assistance should be rendered,

Considering that, in compliance with resolution 96 (CCE), representatives of the national institutions responsible for the Central American countries' technical assistance programmes met at San Salvador to arrange

for closer co-ordination of the national technical assistance programmes with the programme for the area as a whole,

Decides:

1. To thank the United Nations, the ILO and FAO for the assistance received;

2. To authorize the Chairman of the Committee to transmit to the Technical Assistance Board the resolutions adopted at the present session and the application for technical assistance for the period 1961-62, on the understanding that the said application shall be of a provisional character and shall be subject to amendment in accordance with the decisions adopted by the Committee at the special session which it has been agreed to convene;

3. To recommend to the United Nations and to its specialized agencies that, in studying the new priorities and requirements of the Economic Integration Programme, as these emerge at the special session of the Committee, they adopt urgent measures to secure such additional technical assistance as may be needed and such changes in priorities as may be necessary in the technical assistance programme for 1961-62;

4. To recommend to the United Nations and to its specialized agencies that, in providing technical assistance in connexion with the Integration Programme, they consider the possibility of adopting more flexible procedures adaptable to the new requirements of this Programme, and that they seek to promote closer co-ordination between the national programmes and the area programme for Central American economic integration.

ANNEXES

General Treaty on Central American Economic Integration

Protocol to the Central American Agreement on the Equalization of Import Duties and Charges

Agreement establishing the Central American Bank for Economic Integration

GENERAL TREATY ON CENTRAL AMERICAN ECONOMIC INTEGRATION

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

For the purpose of reaffirming their intention to unify the economies of the four countries and jointly to promote the development of Central America in order to improve the living conditions of their peoples,

Mindful of the need to expedite the integration of their economies, consolidate the results so far achieved and lay down the principles on which it should be based in the future,

Having regard to the commitments entered into in the following instruments of economic integration:

Multilateral Treaty on Free Trade and Central American Economic Integration;

Central American Agreement on the Equalization of Import Duties and Charges and its Protocol on the Central American Preferential Tariff;

Bilateral treaties on free trade and economic integration signed between Central American Governments;

Treaty on Economic Association signed between Guatemala, El Salvador and Honduras,

Have agreed to conclude the present Treaty and for that purpose have appointed as their respective plenipotentiaries:

H. E. The President of the Republic of Guatemala: Mr. *Julio Prado García Salas*, Minister for Co-ordinating Central American Integration, and Mr. *Alberto Fuentes Mohr*, Head of the Economic Integration Bureau

The H. Junta de Gobierno of the Republic of El Salvador: Mr. *Gabriel Piloña Araujo*, Minister for Economic Affairs, and Mr. *Abelardo Torres*, Under-Secretary for Economic Affairs

H. E. The President of the Republic of Honduras: Mr. *Jorge Bueso Arias*, Minister for Economic and Financial Affairs

H. E. The President of the Republic of Nicaragua: Mr. *Juan José Lugo Marengo*, Minister for Economic Affairs

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

Chapter I

CENTRAL AMERICAN COMMON MARKET

Article I

The Contracting States agree to establish among themselves a common market which shall be brought into full operation within a period of not more than five years from the date on which the present Treaty enters into force. They further agree to create a customs union in respect of their territories.

Article II

For the purposes of the previous article the Contracting Parties undertake to bring a Central American free-trade area into full operation within a period of five years and to adopt a standard Central American tariff as provided for in the Central American Agreement on the Equalization of Import Duties and Charges.

Chapter II

TRADE REGIME

Article III

The Signatory States shall grant each other free-trade treatment in respect of all products originating in their respective territories, save only for the limitations contained in the special régimes referred to in Annex A of the present Treaty.

Consequently, the natural products of the Contracting States and the products manufactured therein shall be exempt from import and export duties, including consular fees, and all other

taxes, dues and charges levied on imports and exports or charged in respect thereof, whether they be of a national, municipal or any other nature.

The exemptions provided for in this article shall not include charges or fees for lighterage, wharfage, warehousing or handling of goods, or any other charges which may legally be incurred for port, storage or transport services; nor shall they include exchange differentials resulting from the existence of two or more rates of exchange or from other exchange arrangements in any of the Contracting States.

Goods originating in the territory of any of the Signatory States shall be accorded national treatment in all of them and shall be exempt from all quantitative or other restrictions or measures, except for such measures as may be legally applicable in the territories of the Contracting States for reasons of health, security or police control.

Article IV

The Contracting Parties establish special interim régimes in respect of specific products exempting them from the immediate free-trade treatment referred to in article III hereof. These products shall be automatically incorporated into the free-trade régime not later than the end of the fifth year in which the present Treaty is in force, except as specifically provided in Annex A.

The products to which special régimes apply are listed in Annex A and trade in them shall be carried on in conformity with the measures and conditions therein specified. These measures and conditions shall not be amended except by multilateral negotiation in the Executive Council. Annex A is an integral part of this Treaty.

The Signatory States agree that the Protocol on the Central American Preferential Tariff, appended to the Central American Agreement on the Equalization of Import Duties and Charges, shall not apply to trade in the products referred to in the present article for which special régimes are provided.

Article V

Goods enjoying the advantages stipulated in this Treaty shall be designated as such on a customs form, signed by the exporter and containing a declaration of origin. This form shall be produced for checking by the customs officers of the countries of origin and destination, in conformity with Annex B of this Treaty.

If there is doubt as to the origin of an article and the matter has not been settled by bilateral negotiation, any of the Parties affected may request the intervention of the Executive Council to verify the origin of the article concerned. The Council shall not consider goods as originating in one of the Contracting States if they originate or are manufactured in a third country and are only simply assembled, wrapped, packed, cut or diluted in the exporting country.

In the cases mentioned in the previous paragraph, importation of the goods concerned shall not be prohibited provided that a guaranty is given to the importing country in respect of payment of the import duties and other charges to which the goods may be liable. The guaranty shall be either forfeited or refunded, as the case may be, when the matter is finally settled.

The Executive Council shall lay down regulations governing the procedure to be followed in determining the origin of goods.

Article VI

If the goods traded are liable to internal taxes, charges or duties of any kind levied on production, sale, distribution or consumption in any of the signatory countries, the country concerned may levy an equivalent amount on similar goods imported from the other Contracting State, in which case it must

also levy at least an equivalent amount for the same respective purposes on similar imports from third countries.

The Contracting Parties agree that the following conditions shall apply to the establishment of internal taxes on consumption:

- (a) Such taxes may be established in the amount deemed necessary when there is domestic production of the article in question, or when the article is not produced in any of the Signatory States;
- (b) When the article is not produced in one Signatory State but is produced in any of the others, the former State may not establish taxes on consumption of the article concerned unless the Executive Council so authorizes;
- (c) If a Contracting Party has established a domestic tax on consumption, and production of the article so taxed is subsequently begun in any of the other Signatory States, but the article is not produced in the State that established the tax, the Executive Council shall, if the State concerned so requests, deal with the case and decide whether the tax is compatible with free trade. The States undertake to abolish these taxes on consumption, in accordance with their legal procedures, on receipt of notification to this effect from the Executive Council.

Article VII

No Signatory State shall establish or maintain regulations on the distribution or retailing of goods originating in another Signatory State when such regulations place, or tend to place, the said goods in an unfavourable position in relation to similar goods of domestic origin or imported from any other country.

Article VIII

Items which, by virtue of the domestic legislation of the Contracting Parties, constitute State monopolies on the date of entry into force of the present Treaty, shall remain subject to the relevant legislation of each country and, if applicable, to the provisions of Annex A of the present Treaty.

Should new monopolies be created or the régime of existing monopolies be changed, the Parties shall enter into consultations for the purpose of placing Central American trade in the items concerned under a special régime.

Chapter III

EXPORT SUBSIDIES AND UNFAIR TRADE PRACTICES

Article IX

The Governments of the Signatory States shall not grant customs exemptions or reductions in respect of imports from outside Central America of articles adequately produced in the Contracting States.

If a Signatory State deems itself to be affected by the granting of customs import franchises or by governmental imports not intended for the use of the Government itself or of its agencies, it may submit the matter to the Executive Council for its consideration and ruling.

Article X

The Central Banks of the Signatory States shall co-operate closely in order to prevent any currency speculation that might affect the rates of exchange and to maintain 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.

Any Signatory State which establishes quantitative restrictions on international monetary transfers shall adopt whatever measures are necessary to ensure that such restrictions do not discriminate against the other States.

Should serious balance-of-payments difficulties arise which affect, or are apt to affect, monetary relations in respect of payments between the Signatory States, the Executive Council, acting of its own accord or at the request of one of the Parties, shall immediately study the problem in co-operation with the Central Banks for the purpose of recommending to the Signatory States a satisfactory solution compatible with the maintenance of the multilateral free-trade régime.

Article XI

No Signatory State shall grant any direct or indirect subsidy favouring the export of goods intended for the territory of the other States, or establish or maintain any system resulting in the sale of such goods for export to any other Contracting State at a price lower than that established for the sale of similar goods on the domestic market, due allowance being made for differences in the conditions and terms of sale and taxation and for any other factors affecting price comparability.

Any measure involving the fixing of, or discrimination in, prices in a Signatory State which is reflected in the establishment of sales prices for specific goods in the other Contracting States at levels lower than those that would result from the normal operation of the market in the exporting country shall be deemed to constitute an indirect export subsidy.

If the importation of goods processed in a Contracting State with raw materials purchased under conditions of monopsony at artificially low prices should threaten existing production in another Signatory State, the Party which considers itself affected shall submit the matter to the consideration of the Executive Council for a ruling as to whether an unfair business practice is in fact involved. The Executive Council shall, within five days of the receipt of the request, either give its ruling or authorize a temporary suspension of free trade, while permitting trade to be carried on subject to the award of a guaranty in the amount of the customs duties. This suspension shall be effective for thirty days, within which period the Executive Council shall announce its final decision. If no ruling is forthcoming within the five days stipulated, the Party concerned may demand a guaranty pending the Executive Council's final decision.

However, tax exemptions of a general nature granted by a Signatory State with a view to encouraging production shall not be deemed to constitute export subsidies.

Similarly, any exemption from internal taxes levied in the exporting State on the production, sale or consumption of goods exported to the territory of another State shall not be deemed to constitute an export subsidy. The differentials resulting from the sale of foreign currency on the free market at a rate of exchange higher than the official rate shall not normally be deemed to be an export subsidy; if one of the Contracting States is in doubt, however, the matter shall be submitted to the Executive Council for its consideration and opinion.

Article XII

As a means of precluding a practice which would be inconsistent with the purposes of this Treaty, each Signatory State shall employ all the legal means at its disposal to prevent the export of goods from its territory to the territories of the other States at a price lower than their normal value, if such export would prejudice or be liable to prejudice the production of the other States or retard the establishment of a national or Central American industry.

Goods shall be deemed to be exported at a price lower than their normal value if their export price is less than:

- (a) the comparable price in normal trade conditions, of similar goods destined for domestic consumption in the exporting country; or
- (b) the highest comparable price of similar goods for export to a third country in normal trade conditions; or

(c) the cost of production of the goods in the country of origin, plus a reasonable amount for sales expenses and profit.

Due allowance shall be made in every case for existing differences in conditions and terms of sale and taxation and for any other factors affecting price comparability.

Article XIII

If a Contracting Party deems that unfair trade practices not covered in article XI exist, it cannot impede trade by a unilateral decision but must bring the matter before the Executive Council so that the latter can decide whether in fact such practices are being resorted to. The Council shall announce its decision within not more than 60 days from the date on which it received the relevant communication.

If any Party deems that there is evidence of unfair trade, it shall request the Executive Council to authorize it to demand a guaranty in the amount of the import duties.

Should the Executive Council fail to give a ruling within eight days, the Party concerned may demand such guaranty pending the Executive Council's final decision.

Article XIV

Once the Executive Council has given its ruling on unfair trade practices, it shall inform the Contracting Parties whether, in conformity with this Treaty, protective measures against such practices should be taken.

Chapter IV

TRANSIT AND TRANSPORT

Article XV

Each of the Contracting States shall ensure full freedom of transit through its territory for goods proceeding to or from the other Signatory States as well as for the vehicles transporting these goods.

Such transit shall not be subject to any deduction, discrimination or quantitative restriction. In the event of traffic congestion or other instances of *force majeure*, each Signatory State shall treat the mobilization of consignments intended for its own population and those in transit to the other States on an equitable basis.

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

Goods in transit shall be exempt from all duties, taxes and other charges of a fiscal, municipal or any other character levied on transit, irrespective of their destination, but may be liable to the charges usually applied for services rendered which shall in no case exceed the cost thereof and thus constitute *de facto* import duties or taxes.

Chapter V

CONSTRUCTION ENTERPRISES

Article XVI

The Contracting States shall grant national treatment to enterprises of other Signatory States engaged in the construction of roads, bridges, dams, irrigation systems, electrification, housing and other works intended to further the development of the Central American economic infrastructure.

Chapter VI

INDUSTRIAL INTEGRATION

Article XVII

The Contracting Parties hereby endorse all the provisions of the Agreement on the Régime for Central American Integration

Industries, and, in order to ensure implementation among themselves as soon as possible, undertake to sign, within a period of not more than six months from the date of entry into force of the present Treaty, additional protocols specifying the industrial plants initially to be covered by the Agreement, the free-trade régime applicable to their products and the other conditions provided for in article III of the Agreement.

Chapter VII

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Article XVIII

The Signatory States agree to establish the Central American Bank for Economic Integration which shall be a juridical person. The Bank shall act as an instrument for the financing and promotion of a regionally balanced, integrated economic growth. To that end they shall sign the agreement constituting the Bank, which shall remain open for the signature or accession of any other Central American State which may wish to become a member of the Bank.

It is, however, established that members of the Bank may not obtain guaranties or loans from the Bank unless they have previously deposited their instruments of ratification of the following international agreements:

The present Treaty;

Multilateral Treaty on Free Trade and Central American Economic Integration, signed on 10 June 1958;

Agreement on the Régime for Central American Integration Industries, signed on 10 June 1958; and

Central American Agreement on the Equalization of Import Duties and Charges, signed on 1 September 1959, and its Protocol signed on the same day as the present Treaty.

Chapter VIII

TAX INCENTIVES TO INDUSTRIAL DEVELOPMENT

Article XIX

The Contracting States, with a view to establishing uniform tax incentives to industrial development, agree to ensure as soon as possible a reasonable equalization of the relevant laws and regulations in force. To that end they shall, within a period of six months from the date of entry into force of the present Treaty, sign a special protocol specifying the amount and type of exemptions, the time limits thereof, the conditions under which they shall be granted, the systems of industrial classification and the principles and procedures governing their application. The Executive Council shall be responsible for co-ordinating the application of the tax incentives to industrial development.

Chapter IX

ORGANS

Article XX

The Central American Economic Council, composed of the Ministers of Economic Affairs of the several Contracting Parties, is hereby established for the purpose of integrating the Central American economies and co-ordinating the economic policy of the Contracting States.

The Central American Economic Council shall meet as often as required or at the request of any of the Contracting Parties. It shall examine the work of the Executive Council and adopt such resolutions as it may deem appropriate. The Central American Economic Council shall be the organ responsible for facilitating implementation of the resolutions on economic integration adopted by the Central American Economic Co-operation Committee. It may seek the advice of Central American and international technical organs.

Article XXI

For the purpose of applying and administering the present Treaty and of undertaking all the negotiations and work designed to give practical effect to the Central American economic union, an Executive Council, consisting of one titular official and one alternate appointed by each Contracting Party, is hereby established.

The Executive Council shall meet as often as required, at the request of one of the Contracting Parties or when convened by the Permanent Secretariat, and its resolutions shall be adopted by majority vote. In the event of disagreement, recourse will be had to the Central American Economic Council in order that the latter may give a final ruling.

Before ruling on a matter, the Executive Council shall determine unanimously whether the matter is to be decided by a concurrent vote of all its members or by a simple majority.

Article XXII

The Executive Council shall take such measures as it may deem necessary to ensure fulfilment of the commitments entered into under this Treaty and to settle problems arising from the implementation of its provisions. It may likewise propose to the Governments the signing of such additional multilateral agreements as may be required in order to achieve the purpose of Central American economic integration, including a customs union in respect of their territories.

The Executive Council shall assume, on behalf of the Contracting Parties, the functions assigned to the Central American Trade Commission in the Multilateral Treaty on Free Trade and Central American Economic Integration and the Central American Agreement on the Equalization of Import Duties and Charges, as well as those assigned to the Central American Industrial Integration Commission in the Agreement on the Régime for Central American Integration Industries, as well as the powers and duties of the joint commissions set up under bilateral treaties in force between the Contracting Parties.

Article XXIII

A Permanent Secretariat is hereby instituted, as a juridical person, and shall act as such both for the Central American Economic Council and the Executive Council established under this Treaty.

The Secretariat shall have its seat and headquarters in Guatemala City, capital of the Republic of Guatemala, and shall be headed by a Secretary-General appointed for a period of three years by the Central American Economic Council. The Secretariat shall establish such departments and sections as may be necessary for the performance of its functions. Its expenses shall be governed by a general budget adopted annually by the Central American Economic Council and each Contracting Party shall contribute annually to its support an amount equivalent to not less than fifty thousand United States dollars (US\$ 50,000), payable in the respective currencies of the Signatory States.

Members of the Secretariat shall enjoy diplomatic immunity. Other diplomatic privileges shall be granted only to the Secretariat and to the Secretary-General.

Article XXIV

The Secretariat shall ensure that this Treaty, the Multilateral Treaty on Free Trade and Central American Economic Integration, the Agreement on the Régime for Central American Integration Industries, the Central American Agreement on the Equalization of Import Duties and Charges, bilateral or multilateral treaties on free trade and economic integration in force between any of the Contracting Parties, and all other agreements relating to Central American economic integration already signed or that may be signed hereafter, the interpretation of which

has not been specifically entrusted to another organ, are properly executed among the Contracting Parties.

The Secretariat shall ensure implementation of the resolutions adopted by the Central American Economic Council and the Executive Council established under this Treaty and shall also perform such functions as are assigned to it by the Executive Council. Its regulations shall be approved by the Economic Council.

The Secretariat shall also undertake such work and studies as may be assigned to it by the Executive Council and the Central American Economic Council. In performing these duties, it shall avail itself of the studies and work carried out by other Central American and international organs and shall, where appropriate, enlist their co-operation.

Chapter X

GENERAL PROVISIONS

Article XXV

The Signatory States agree not to sign unilaterally with non-Central American countries any new treaties that may affect the principles of Central American economic integration. They further agree to maintain the "Central American exception clause" in any trade agreements they may conclude on the basis of most-favoured-nation treatment with any countries other than the Contracting States.

Article XXVI

The Signatory States agree to settle amicably, in the spirit of this Treaty, and through the Executive Council or the Central American Economic Council, as the case may be, any differences which may arise regarding the interpretation or application 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 Party shall propose to the General Secretariat of the Organization of Central American States the names of three magistrates from its Supreme Court of Justice. From the complete list of candidates, the Secretary-General of the Organization of Central American States and the Government representatives in the Organization shall select, by drawing lots, one arbitrator for each Contracting Party, no two of whom may be nationals of the same State. The award of the arbitration tribunal shall require the concurring votes of not less than three members, and shall have the effect of *res judicata* for all the Contracting Parties so far as it contains any ruling concerning the interpretation or application of the provisions of this Treaty.

Article XXVII

The present Treaty shall, with respect to the Contracting Parties, take precedence over the Multilateral Treaty on Free Trade and Central American Economic Integration and any other bilateral or multilateral free-trade instruments signed between the Contracting Parties; it shall not, however, affect the validity of those agreements.

The provisions of the trade and economic integration agreements referred to in the previous paragraph shall be applied between the respective Contracting Parties in so far as they are not covered in the present Treaty.

Pending ratification of the present Treaty by any of the Contracting Parties, or in the event of its denunciation by any of them, the trade relations of the Party concerned with the other Signatory States shall be governed by the commitments entered into previously under the existing instruments referred to in the preamble of the present Treaty.

Article XXVIII

The Contracting Parties agree to hold consultations in the Executive Council prior to signing any new treaties among themselves which may affect free trade.

The Executive Council shall examine each case and determine the effects that the conclusion of such agreements might produce on the free-trade régime established in the present Treaty. On the basis of the Executive Council's examination, the Party which considers itself affected by the conclusion of these new treaties may adopt whatever measures the Council may recommend in order to protect its interests.

Article XXIX

For the purposes of customs regulations relating to free trade, the transit of goods and the application of the Central American Standard Import Tariff, the Contracting Parties shall, within a period of one year from the date of entry into force of the present Treaty, sign special protocols providing for the adoption of a Central American Standard Customs Code and the necessary transport regulations.

Chapter XI FINAL PROVISIONS

Article XXX

This Treaty shall be submitted for ratification in each State in conformity with its respective constitutional or legislative procedures.

The instruments of ratification shall be deposited with the General Secretariat of the Organization of Central American States.

The Treaty shall enter into force, in the case of the first three States to ratify it, eight days following 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 relevant instrument.

Article XXXI

This Treaty shall remain effective for a period of twenty years from the date of its entry into force and shall be renewable indefinitely.

Upon expiry of the twenty-year period mentioned in the previous paragraph, the Treaty may be denounced by any of the Contracting Parties. Denunciation shall take effect, for the denouncing State, five years after notification, and the Treaty shall remain in force among the other Contracting States so long as at least two of them remain parties thereto.

Article XXXII

The General Secretariat of the Organization of Central American States shall act as depository of this Treaty and shall send a certified copy thereof to the Ministry of Foreign Affairs of each of the Contracting States and shall also notify them

immediately of the deposit of each instrument of ratification as well as of any denunciation which may be made. When the Treaty enters into force, it shall also transmit a certified copy thereof to the Secretary-General of the United Nations for the purposes of registration as set forth in Article 102 of the United Nations Charter.

Article XXXIII

The present Treaty shall remain open for the accession of any Central American State not originally a party thereto.

Provisional article

As soon as the Government of the Republic of Costa Rica formally accedes to the provisions of this Treaty, the organs hereby established shall form part of the Organization of Central American States (OCAS) by an incorporation agreement; and the OCAS shall be reorganized in such a way that the organs established by this Treaty retain all their structural and functional attributes.

In witness whereof the respective plenipotentiaries have signed the present Treaty in the City of Managua, capital of the Republic of Nicaragua, this thirteenth day of the month of December nineteen hundred and sixty.

For the Government of Guatemala:

Julio Prado García Salas
Minister for Co-ordinating Central
American Integration
Alberto Fuentes Mohr
Head of the Economic
Integration Bureau

For the Government of El Salvador:

Gabriel Piloña Araujo
Minister of Economic Affairs
Abelardo Torres
Under-Secretary for Economic
Affairs

For the Government of Honduras:

Jorge Bueso Arias
Minister of Economic and
Financial Affairs

For the Government of Nicaragua:

Juan José Lugo Marengo
Minister of Economic Affairs

ANNEX A

SCHEDULE OF GOODS SUBJECT TO SPECIAL REGIMES IN CONFORMITY WITH ARTICLE IV OF THE PRESENT TREATY

General note

1. In so far as the description of a heading or commodity coincides with the description in the Standard Central American Tariff Nomenclature (NAUCA) of the group (three digits), items (five digits) or sub-items (seven digits) which appear in the left-hand column, the heading or commodity shall be understood to embrace everything included in the group, item or sub-item of the NAUCA and its Coding Manual. Whenever the description of the heading or commodity is more restricted than the title of the group, item or sub-item indicated in the left hand column, the description shall be understood to include only that heading or commodity or the articles specifically mentioned in the schedule.

2. In the case of goods in the present Annex subject to a preferential tariff, it shall be understood that:

(a) The tariffs indicated represent the total amount of taxes applicable to trade between the Contracting Parties, including customs duties, consular fees and other import duties, charges and surcharges in force in the Signatory States;

(b) The specific customs duties are applied on the basis of a standard unit of one gross kilogramme (G.K.) and are expressed in a monetary unit equivalent to the United States dollar;

(c) The *ad valorem* customs duties are charged on the c.i.f. value of the goods, calculated up to the place of entry in the territory of the importing country.

3. In the case of the goods in the present Annex subject to preferential tariffs expressed in percentages of the import duties and charges, it shall be understood that:

(a) The preferential percentages shall be calculated on the basis of payment of customs duties, consular fees and other import duties, charges and surcharges in force in the Signatory States on the date on which the present Treaty is signed;

(b) In cases where the equalization of tariffs on goods subject to progressive reductions takes place after the present Treaty enters into force, and the agreed standard tariff level is at any time lower than the preferential tariff established

in this Treaty, the Contracting States shall apply the preferential percentage on the lowest tariff. The Executive Council shall examine each case and shall recommend to the Parties concerned, in explanatory forms, whatever adjustments they should make in applying the previous provisions.

4. Goods subject to quotas shall enjoy free-trade treatment in the amount of the quotas, which shall be reciprocal. Such amounts in excess of the basic quotas as may be authorized by Governments shall also enjoy free-trade treatment. Any un authorized surplus shall remain subject to the import duties and charges in force in the Contracting States on the date of signature of the present Treaty or as specifically indicated in the schedule forming part of this Annex.

5. Application of the export and import controls established in this Annex shall be optional for each of the Governments of the Signatory States.

When the import control is applied, the goods shall enjoy free-trade treatment only if the relevant licence has been issued. If the licence has not been issued, the goods shall remain subject to payment of the duties, charges, quantitative restrictions in force and to the general provisions governing imports.

Goods to which export controls are applied can be exported only if the relevant licence has been issued.

6. The goods subject to monopoly mentioned in article VIII of the present Treaty shall be given reciprocal treatment.

If one of the Parties restricts trade in one or more monopolized goods, the Contracting Party affected may establish similar limitations on trade in the same goods.

7. If free trade in an item included in the schedule forming part of this Annex is subject to previous tariff equalization in respect of import duties and charges, equalization shall be deemed to be achieved when the same tariff is in force between the two Contracting Parties.

The Executive Council shall inform the Parties of the date on which equalization is achieved in conformity with the previous paragraph.

EDITOR'S NOTE: Some items or sub-items in the schedules that follow bear footnote numbers (from ¹ to ¹⁴); these refer to notes by the secretariat, given below, which clarify points that might be open to different interpretations.

¹ Trade in articles of indigenous cotton fabrics is free.

² Although sub-item 112-04-02 is included in item 112-04 and receives the same treatment, it appears separately as if it were an exception because it receives different treatment in the case of other pairs of countries.

³ Trade in dentifrices, included in sub-item 552-01-06, is free.

⁴ Trade in grey cotton canvas is free.

⁵ Trade in outer garments, knitted or crocheted or made of knitted or crocheted fabrics, of cotton, pure or blended, included in sub-item 841-03-05, is free.

⁶ Trade in cider is free.

⁷ Although shirts, knitted or crocheted or made of knitted or crocheted fabrics of any textile fibre, and sub-item 841-01-05, are included in item 841-02 and receive the same treatment, they appear separately as if they were exceptions because they receive different treatment in the case of other pairs of countries.

⁸ Although sub-item 841-03-05 is included in item 841-03 and receives the same treatment, it appears separately as if it were an exception because it receives different treatment in the case of other pairs of countries.

⁹ Although shirts, other than knitted or crocheted, of any textile fibre, and sub-item 841-04-05 are included in item 841-04 and receive the same treatment, they appear separately as if they were exceptions because they receive different treatment in the case of other pairs of countries.

¹⁰ Although sub-item 841-05-06 is included in item 841-05 and receives the same treatment, it appears separately as if it were an exception because it receives different treatment in the case of other pairs of countries.

¹¹ Trade in coconut oil, which is included in sub-item 412-07-00, is free.

¹² Trade in shirts of cotton, pure or blended, is free.

¹³ Trade in goods included in sub-items 013-02-03 and 013-09-02 is free.

¹⁴ Although sub-item 899-11-03 is included in item 899-11 and receives the same treatment, it appears separately as if it were an exception because it receives different treatment in the case of other pairs of countries.

I. GUATEMALA — EL SALVADOR

PRODUCTS SUBJECT TO SPECIAL INTERIM REGIMES

Trade in the products not included in the following schedule shall be fully liberalized in conformity with article III of the General Treaty.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
042	Rice	Export and import control. Free trade from the beginning of the sixth year. Within not more than three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
044	Maize (corn) unmilled	Export and import control. Free trade from the beginning of the sixth year. Within not more than three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
046-01	Flour of wheat	Subject to import duties pending signature of a special agreement to regulate trade, co-ordinate production and supply policies and ensure the fullest possible measure of free trade.
061	Cane sugar, refined or not	Import control for an indefinite period. Within three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of co-ordinating their foreign trade policies.
071-01 and 071-02-00	Coffee, not roasted, and coffee roasted, in beans or ground	Trade shall be subject to existing import and export duties for an indefinite period.
071-03-00	Coffee extracts, coffee essences and preparations containing coffee (instant coffee)	Minimum quota of 14,000 kilogrammes yearly, subject to an import duty of 0.03 dollars per G.K. for an indefinite period. Any excess over the said quota that may be authorized shall be subject to the above-mentioned import duty.
081-02-00, 081-03-00 and 081-09	Bran, pollard, sharps and other by-products from the preparation of cereals and cereal products; oil-seed cake and meal and other vegetable oil residues; food wastes and prepared animal feed, n.e.s.	Export control. Free trade from the beginning of the sixth year.
112-04	Distilled alcoholic beverages (except 112-04-02)	Preferential tariff of 50 per cent of import duties for an indefinite period.
112-04-02	Cane spirit	Trade shall be subject to existing import duties for an indefinite period.
121-01-00	Leaf tobacco, including scrap tobacco	Trade during the first year shall be subject to existing import duties. Free trade from the beginning of the second year.
122-01-00	Cigars and cheroots	Trade shall be subject to payment of 60 per cent of import duties. Free trade from the beginning of the third year.
122-02-00	Cigarettes	Trade shall be subject to payment of 60 per cent of import duties. Free trade from the beginning of the fifth year.
221-06-00	Cottonseed	Export control. Free trade from the beginning of the sixth year.
263	Cotton	Export and import control for an indefinite period.
272-05-01	Common salt and sea salt, unrefined	Trade during the first year shall be subject to payment of 25 per cent of import duties. Free trade from the beginning of the second year.

GUATEMALA — EL SALVADOR

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
282-01-00	Iron and steel scrap	Export control. Free trade from the beginning of the sixth year.
313	Petroleum products	Trade shall be subject to existing import duties, pending signature of a special agreement to regulate it.
512-02-00	Ethyl alcohol, denatured or not	Trade shall be subject to existing import duties for an indefinite period.
841-04 (except 841-04-05)	Underwear and nightwear, other than knitted or crocheted (except shirts made of any textile fibre and knitwear of cotton, pure or blended)	Import control. Free trade from the beginning of the fourth year.
¹ 841-04	Shirts, other than knitted or crocheted of any textile fibre (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 1.50 dollars per G.K. Second year, 1.25 dollars per G.K. Third year, 0.75 dollars per G.K. Free trade from the beginning of the fourth year.
841-04-05	Underwear and nightwear, other than knitted or crocheted, of cotton, pure or blended (except shirts)	Progressive preferential tariff, as follows: First year, 1.50 dollars per G.K. Second year, 1.25 dollars per G.K. Third year, 0.75 dollars per G.K. Free trade from the beginning of the fourth year.
841-05 (except 841-05-06)	Outer garments, other than knitted or crocheted	Import control. Free trade from the beginning of the fourth year.
¹ 841-05-06	Outer garments, other than knitted or crocheted, of cotton, pure or blended (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 1.50 dollars per G.K. Second year, 1.25 dollars per G.K. Third year, 0.75 dollars per G.K. Free trade from the beginning of the fourth year.
851-02	Footwear of all kinds, of leather, other than house footwear	Progressive preferential tariff as follows: First year, 30 per cent of import duties Second year, 15 per cent of import duties Free trade from the beginning of the third year.
851-09-01	Footwear of plastics, other than house footwear	Progressive preferential tariff as follows: First year, 30 per cent of import duties Second year, 15 per cent of import duties Free trade from the beginning of the third year.

II. GUATEMALA — HONDURAS

PRODUCTS SUBJECT TO SPECIAL INTERIM REGIMES

Trade in the products not included in the following schedule shall be fully liberalized in conformity with article III of the General Treaty.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
044	Maize (corn) unmilled	Export and import control. Free trade from the beginning of the sixth year. Within not more than three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
046-01	Flour of wheat	Subject to import duties pending signature of a special agreement to regulate trade, co-ordinate production and supply policies and ensure the fullest possible measure of free trade.
061	Cane sugar, refined or not	Basic quota of 20,000 quintales yearly. Import control on surpluses for an indefinite period.
071-01 and 071-02-00	Coffee, not roasted, and coffee roasted, in beans or ground	Trade shall be subject to existing import and export duties for an indefinite period.
071-03-00	Coffee extracts, coffee essences and preparations containing coffee (instant coffee)	Minimum quota of 14,000 kilogrammes yearly, subject to an import duty of 0.30 dollars per G.K. for an indefinite period. Any excess over the said quota that may be authorized shall be subject to the above-mentioned import duty.
081-02-00, 081-03-00 and 081-09	Bran, pollard, sharps and other by-products from the preparation of cereals and cereal products; oil-seed cake and meal and other vegetable oil residues; food wastes and prepared animal feed, n.e.s.	Export control. Free trade from the beginning of the sixth year.
112-02-00	Fermented fruit juices, including fruit wines, fortified or not (except cider)	Progressive preferential tariff as follows: First year, 60 per cent of import duties Second year, 40 per cent of import duties Third year, 20 per cent of import duties Free trade from the beginning of the fourth year.
112-04	Distilled alcoholic beverages (except 112-04-02)	Trade shall be subject to existing import duties for an indefinite period.
² 112-04-02	Cane spirit	Trade shall be subject to existing import duties for an indefinite period
122-01-00	Cigars and cheroots	Trade shall be subject to progressive preferential reductions as follows: First year, 30 per cent of import duties Second year, 10 per cent of import duties Free trade from the beginning of the third year.
221-06-00	Cottonseed	Export control. Free trade from the beginning of the sixth year.
272-05-01	Common salt and sea salt, unrefined	Trade during the first year shall be subject to payment of 25 per cent of import duties. Free trade from the beginning of the second year.
282-01-00	Iron and steel scrap	Export control. Free trade from the beginning of the sixth year.
313	Petroleum products	Trade shall be subject to existing import duties. pending signature of a special agreement to regulate it.

GUATEMALA — HONDURAS

NAUCA classification	Description	Treatment accorded
512-02-00	Ethyl alcohol, denatured or not	Trade shall be subject to existing import duties for an indefinite period.
3 552-01	Perfumery, cosmetics, and other toilet preparations, except soaps (except 552-01-06)	Progressive preferential tariff as follows: First year, 8 per cent <i>ad valorem</i> Second year, 4 per cent <i>ad valorem</i> Free trade from the beginning of the third year.
552-02-01	Toilet and bath soaps	Progressive preferential tariff as follows: First year, 8 per cent <i>ad valorem</i> Second year, 4 per cent <i>ad valorem</i> Free trade from the beginning of the third year.
552-02-03	Other soaps and washing and cleaning preparations, n.e.s., except soaps containing abrasives	Progressive preferential tariff as follows: First year, 8 per cent <i>ad valorem</i> Second year, 4 per cent <i>ad valorem</i> Free trade from the beginning of the third year.
599-01-03	Plastic cloth, unwoven (excluding synthetic textile fibres and fabric woven from them)	Trade during the first year shall be subject to a preferential duty of 0.04 dollars per G.K. Free trade from the beginning of the second year.
652-01-01	Cotton fabrics, grey (unbleached), weighing less than 80 grammes per square metre	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.
652-01-02	Cotton fabrics, grey (unbleached) weighing 80 grammes or more per square metre (except cotton canvas, grey)	Progressive preferential tariff as follows: First year, 0.08 dollars per G.K. Second year, 0.04 dollars per G.K. Free trade from the beginning of the third year.
652-02-04	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing from 80 to 125 grammes per square metre	Progressive preferential tariff as follows: First year, 0.12 dollars per G.K. Second year, 0.06 dollars per G.K. Free trade from the beginning of the third year.
652-02-05	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing more than 150 grammes per square metre	Progressive preferential tariff as follows: First year, 0.12 dollars per G.K. Second year, 0.06 dollars per G.K. Free trade from the beginning of the third year.
652-02-06	Fabrics, n.e.s., of cotton mixed with other textile fibres	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.
841-02 (except 841-02-05)	Underwear and nightwear, knitted or crocheted or made of knitted or crocheted fabrics (except shirts made of any textile fibre and knitwear in cotton, pure or blended)	Import control. Free trade from the beginning of the fourth year.
841-02	Shirts, knitted or crocheted or made of knitted or crocheted fabrics, of any textile fibre	Trade during the first year shall be subject to a preferential duty of 4 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
841-02-05	Underwear and nightwear, knitted or crocheted or made of knitted or crocheted fabrics of cotton, pure or blended	Progressive preferential tariff as follows: First year, 0.16 dollars per G.K. Second year, 0.08 dollars per G.K. Free trade from the beginning of the third year.
5 841-03 (except 841-03-05)	Outer garments, knitted or crocheted or made of knitted or crocheted fabrics	Import control. Free trade from the beginning of the fourth year.
841-04 (except 841-04-05)	Underwear and nightwear, other than knitted or crocheted (except shirts made of any textile fibre and knitwear of cotton, pure or blended).	Import control. Free trade from the beginning of the fourth year.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
¹ 841-04	Shirts, other than knitted or crocheted, of any textile fibre (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 1.50 dollars per G.K. Second year, 1.25 dollars per G.K. Third year, 0.75 dollars per G.K. Free trade from the beginning of the fourth year.
841-04-05	Underwear and nightwear, other than knitted or crocheted, of cotton, pure or blended (except shirts)	Progressive preferential tariff as follows: First year, 1.50 dollars per G.K. Second year, 1.25 dollars per G.K. Third year, 0.75 dollars per G.K. Free trade from the beginning of the fourth year.
841-05 (except 841-05-06)	Outer garments, other than knitted or crocheted	Import control. Free trade from the beginning of the fourth year.
¹ 841-05-06	Outer garments, other than knitted or crocheted, of cotton, pure or blended (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 1.50 dollars per G.K. Second year, 1.25 dollars per G.K. Third year, 0.75 dollars per G.K. Free trade from the beginning of the fourth year.
841-19-06	Corsets, brassieres, pads, abdominal corsets, elastic stockings, suspensory bandages, dress shields, shoulder pads, elastic ankle and knee bands, and similar articles, n.e.s., of any material (except corsets, suspensory bandages, etc., for invalids)	Progressive preferential tariff as follows: First year, 0.40 dollars per G.K. Second year, 0.20 dollars per G.K. Free trade from the beginning of the third year.
851-02	Footwear of all kinds, of leather, other than house footwear	Progressive preferential tariff as follows: First year, 30 per cent of import duties Second year, 15 per cent of import duties Free trade from the beginning of the third year.
851-09-01	Footwear of plastics, other than house footwear	Progressive preferential tariff as follows: First year, 30 per cent of import duties Second year, 15 per cent of import duties Free trade from the beginning of the third year.
899-07	Table and other household (including hotel and restaurant) or decorative articles of plastics	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.

III. GUATEMALA — NICARAGUA

PRODUCTS SUBJECT TO SPECIAL INTERIM REGIMES

Trade in the products not included in the following schedule shall be fully liberalized in conformity with article III of the General Treaty.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
001-01-02	Bovine cattle, ordinary	Export control. Free trade from the beginning of the sixth year.
042	Rice	Basic import quota of 20,000 quintales per year. Free trade from the beginning of the sixth year. Within not more than three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
044	Maize (corn) unmilled	Basic import quota of 30,000 quintales per year. Free trade from the beginning of the sixth year. Within not more than three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
046-01	Flour of wheat	Subject to import duties pending signature of a special agreement to regulate trade, co-ordinate production and supply policies and ensure the fullest possible measure of free trade.
054-02-01	Beans	Basic import quota of 20,000 quintales yearly. Free trade from the beginning of the sixth year.
05-02-02 and 055-02-03	Tomato and vegetable juices, n.e.s.	Preferential tariff as follows: First year, 0.40 dollars per G.K. and 8 per cent <i>ad valorem</i> Second year, 0.30 dollars per G.K. and 6 per cent <i>ad valorem</i> Third year, 0.20 dollars per G.K. and 4 per cent <i>ad valorem</i> Fourth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the fifth year.
061	Cane sugar, refined or not	Import control for an indefinite period. Within three years from the date on which the present Treaty enters into force the Contracting Parties shall sign a special protocol for the purpose of co-ordinating their foreign trade policies.
071-01 and 071-02-00	Coffee, not roasted, and coffee, roasted, in beans or ground	Trade shall be subject to existing import and export duties for an indefinite period.
071-03-00	Coffee extracts, coffee essences and preparations containing coffee (instant coffee)	Preferential tariff as follows: First year, 1.40 dollars per G. K. and 30 per cent <i>ad valorem</i> Second year, 1.00 dollars per G. K. and 20 per cent <i>ad valorem</i> Third year, 0.50 dollars per G. K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the fourth year.
081-02-00, 081-03-00 and 081-09	Bran, pollard, sharps and other by-products from the preparation of cereals and cereal products; oil-seed cake and meal and other vegetable oil residues; food wastes and prepared animal feed, n.e.s.	Export control. Free trade from the beginning of the sixth year.
091-01-00	Margarine, oleomargarine and other butter substitutes, animal, vegetable or mixed	Progressive preferential tariff as follows: First year, 0.60 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.30 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.

NAUCA classification	Description	Treatment accorded
091-02-01	Lard	Progressive preferential tariff as follows: First year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.15 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
091-02-02	Lard substitutes and other similar edible fats, animal or vegetable, n.e.s.	Basic quota subject to progressive expansion as follows: First year, 15,000 kilogrammes Second year, 20,000 kilogrammes Third year, 25,000 kilogrammes Fourth year, 30,000 kilogrammes Fifth year, 35,000 kilogrammes Free trade from the beginning of the sixth year.
6 112-02-00	Fermented fruit juices, including fruit wines, fortified or not (except cider)	(a) <i>Basic quota</i> of 3,000 litres yearly (b) <i>Progressive preferential tariff</i> as follows: First year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
112-03-00	Beer	Progressive preferential tariff as follows: First year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
112-04	Distilled alcoholic beverages (except 112-04-02)	Trade shall be subject to existing import duties for an indefinite period. Once the duties have been equalized, a progressive preferential tariff shall be applied, starting from uniform rates: First year, 50 per cent Second year, 40 per cent Third year, 25 per cent Fourth year, 15 per cent Fifth year, 10 per cent Free trade from the beginning of the sixth year, as from the date on which tariff equalization enters into force.
112-04-02	Cane spirit	Trade shall be subject to existing import duties for an indefinite period.
122-01-00	Cigars and cheroots	Free trade subsequent to complete tariff equalization in respect of these products and of the raw materials contained in them.
122-02-00	Cigarettes	Free trade subsequent to complete tariff equalization in respect of these products and of the raw materials contained in them.
221-06-00	Cottonseed	Export control. Free trade from the beginning of the sixth year.
263	Cotton	Import control for an indefinite period.
272-05-01	Common salt and sea salt, unrefined	Progressive preferential tariff as follows: First year, 0.02 dollars per G.K. and 5 per cent <i>ad valorem</i> Second year, 0.01 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the third year.
282-01-00	Iron and steel scrap	Export control. Free trade from the beginning of the sixth year.
313	Petroleum products	Trade shall be subject to existing import duties pending signature of a special agreement to regulate it.

GUATEMALA — NICARAGUA

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
412 (except 412-07-00)	Refined vegetable oils (trade in unrefined vegetable oils shall be free)	Progressive preferential tariff as follows: First year, 80 per cent of import duties Second year, 70 per cent of import duties Third year, 50 per cent of import duties Fourth year, 30 per cent of import duties Fifth year, 20 per cent of import duties Free trade from the beginning of the sixth year.
412-07-00	Coconut oil, refined and unrefined	Import control. Free trade from the beginning of the sixth year.
413-02-00	Hydrogenated oils and fats	Progressive preferential tariff as follows: First year, 80 per cent of import duties Second year, 70 per cent of import duties Third year, 50 per cent of import duties Fourth year, 30 per cent of import duties Fifth year, 20 per cent of import duties Free trade from the beginning of the sixth year.
512-02-00	Ethyl alcohol, denatured or not	Trade shall be subject to existing import duties for an indefinite period.
533-03-01	Prepared paints	Progressive preferential tariff as follows: First year, 60 per cent of import duties Second year, 40 per cent of import duties Third year, 20 per cent of import duties Free trade from the beginning of the fourth year.
^a 552-01	Perfumery, cosmetics and other toilet preparations, except soaps (except 552-01-06)	Progressive preferential tariff as follows: First year, 40 per cent of import duties Second year, 20 per cent of import duties Free trade from the beginning of the third year.
552-02-01	Toilet and bath soaps	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the fourth year.
552-02-03	Other soaps and washing and cleaning preparations, n.e.s., except soaps containing abrasives	Trade shall be subject to progressive reductions as follows: First year, 80 per cent of import duties Second year, 70 per cent of import duties Third year, 50 per cent of import duties Fourth year, 40 per cent of import duties Fifth year, 20 per cent of import duties Free trade from the beginning of the sixth year.
629-01	Tyres and inner tubes	Preferential tariff of 20 per cent of import duties. Free trade subject to a special agreement.
641	Paper	Preferential tariff of 20 per cent of import duties. Free trade subject to a special agreement.
652-01-01	Cotton fabrics, grey (unbleached), weighing less than 80 grammes per square metre	Progressive preferential tariff as follows: First year, 0.70 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-01-02	Cotton fabrics, grey (unbleached), weighing 80 grammes or more per square metre (except cotton canvas, grey)	(a) From 80 to 400 grammes per square metre, preferential tariff as follows: First year, 0.70 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.

NAUCA classification	Description	Treatment accorded
652-01-02 (continued)		<p>(b) <i>More than 400 grammes per square metre</i>, preferential tariff as follows:</p> <p>First year, 0.55 dollars per G.K. and 5 per cent <i>ad valorem</i> Second year, 0.45 dollars per G.K. and 5 per cent <i>ad valorem</i> Third year, 0.35 dollars per G.K. and 5 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 5 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p>
652-02-01	Cotton pile fabrics, velveteen, plush, chenille and corduroy	<p>Progressive preferential tariff as follows:</p> <p>First year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.50 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.25 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p>
652-02-02	Cotton fabrics of triple-loop terry cloth	<p>Progressive preferential tariff as follows:</p> <p>First year, 0.70 dollars per G.K. and 5 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 5 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 5 per cent <i>ad valorem</i> Fourth year, 0.25 dollars per G.K. and 5 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p>
652-02-03	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing less than 80 grammes per square metre	<p>Progressive preferential tariff as follows:</p> <p>First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p>
652-02-04	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing from 80 to 150 grammes per square metre	<p>Progressive preferential tariff as follows:</p> <p>First year, 0.90 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p>
652-02-05	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing more than 150 grammes per square metre	<p>Progressive preferential tariff as follows:</p> <p>(a) <i>From 150-400 grammes per metre</i> First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p> <p>(b) <i>More than 400 grammes per square metre</i> First year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.45 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p>
652-02-06	Fabrics, n.e.s., of cotton blended with other textile fibres	<p>Progressive preferential tariff as follows:</p> <p>First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.</p>

GUATEMALA — NICARAGUA

NAUCA classification	Description	Treatment accorded
653-05	Fabrics of artificial or synthetic fibres and spun glass	<p>Preferential tariff as follows:</p> <p>First year, 1.30 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Second year, 1.00 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Third year, 0.80 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Fourth year, 0.50 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Fifth year, 0.25 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
653-07-00	Knitted or crocheted fabrics of any textile fibre	<p>Preferential tariff as follows:</p> <p>First year, 1.50 dollars per G.K. and 4 per cent <i>ad valorem</i></p> <p>Second year, 1.25 dollars per G.K. and 4 per cent <i>ad valorem</i></p> <p>Third year, 0.95 dollars per G.K. and 4 per cent <i>ad valorem</i></p> <p>Fourth year, 0.60 dollars per G.K. and 4 per cent <i>ad valorem</i></p> <p>Fifth year, 0.30 dollars per G.K. and 4 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
656-01-00	Cotton bags	<p>Progressive preferential tariff as follows:</p> <p>First year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Second year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Third year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fourth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fifth year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
665-01-00	Glass containers	<p>Preferential tariff of 20 per cent of import duties. Free trade subject to a special protocol</p>
821-02	Metal furniture and fixtures	<p>(a) <i>Metal furniture and fixtures (except of aluminium)</i></p> <p>Progressive preferential tariff as follows:</p> <p>First year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Second year, 0.15 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Third year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fourth year.</p> <p>(b) <i>Aluminium furniture and fixtures</i></p> <p>Progressive preferential tariff as follows:</p> <p>First year, 0.50 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Second year, 0.40 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fourth year.</p>
821-09-01	Mattresses, stuffed with all types of material, including foam rubber, spring reinforcements and springs only	<p>Progressive preferential tariff as follows:</p> <p>First year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Second year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Third year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fourth year.</p>
841-01-02	Stockings and socks of synthetic fibres other than rayon, pure or blended	<p>(a) <i>Basic quota of 500 kilogrammes yearly</i></p> <p>(b) <i>Progressive preferential tariff on amounts in excess of (a) as follows:</i></p> <p>First year, 2.50 dollars per G.K. and 30 per cent <i>ad valorem</i></p> <p>Second year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Third year, 1.50 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Fourth year, 1.00 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Fifth year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
841-01-03	Stockings and socks of rayon, pure or blended	<p>(a) <i>Basic quota of 500 kilogrammes yearly</i></p> <p>(b) <i>Progressive preferential tariff on amounts in excess of (a) as follows:</i></p> <p>First year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Second year, 1.00 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Third year, 1.00 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Fourth year, 0.75 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Fifth year, 0.50 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>

NAUCA classification	Description	Treatment accorded
841-01-05	Stockings and socks of cotton, pure or blended	(a) <i>Basic quota of 500 kilogrammes yearly</i> (b) <i>Progressive preferential tariff on amounts in excess of (a) as follows:</i> First year, 1.15 dollars per G.K. and 25 per cent <i>ad valorem</i> Second year, 1.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 0.80 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 0.60 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-02 (except 841-02-05)	Underwear and nightwear, knitted or crocheted or made of knitted or crocheted fabrics (except shirts made of knitwear of any textile fibre and knitwear of cotton, pure or blended)	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
⁷ 841-02	Shirts, knitted or crocheted or made of knitted or crocheted fabrics of any textile fibre	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
⁷ 841-02-05	Underwear and nightwear, knitted or crocheted, or made of knitted or crocheted fabrics, of cotton, pure or blended	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-03 (except 841-03-05)	Outer garments, knitted or crocheted or made of knitted or crocheted fabrics	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
⁸ 841-03-05	Outer garments, knitted or crocheted or made of knitted or crocheted fabrics, of cotton, pure or blended	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-04 (except 841-04-05)	Underwear and nightwear, other than knitted or crocheted (except shirts made of any textile fibre and knitwear of cotton, pure or mixed)	Free trade once the tariffs on the fabrics used as raw materials have been equalized.
¹ and ⁹ 841-04	Shirts, other than knitted or crocheted, of any textile fibre (except indigenous cotton fabrics)	Free trade once the tariffs on the fabrics used as raw materials have been equalized.
⁹ 841-04-05	Underwear and nightwear, other than knitted or crocheted, of cotton, pure or blended (except shirts)	Free trade once the tariffs on the fabrics used as raw materials have been equalized.
841-05 (except 841-05-06)	Outer garments, other than knitted or crocheted	Free trade once the tariffs on the fabrics used as raw materials have been equalized.
¹ and ¹⁰ 841-05-06	Outer garments, other than knitted or crocheted, of cotton, pure or blended (except indigenous cotton fabrics)	Free trade once the tariffs on the fabrics used as raw materials have been equalized.

IV. EL SALVADOR — HONDURAS

PRODUCTS SUBJECT TO SPECIAL INTERIM REGIMES

Trade in the products not included in the following schedule shall be fully liberalized in conformity with article III of the General Treaty.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
044	Maize (corn) unmilled	Trade shall be in conformity with the provisions of the Economic Association Treaty. Within not more than three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
046-01	Flour of wheat	Subject to import duties pending signature of a special agreement to regulate trade, co-ordinate production and supply policies and ensure the fullest possible measure of free trade.
061	Cane sugar, refined or not	Basic quota of 80,000 quintales yearly. Import control on surpluses for an indefinite period. Within three years from the date on which the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of co-ordinating their foreign trade policies.
071-01 and 071-02-00	Coffee, not roasted, and coffee roasted, in beans or ground	Trade shall be subject to existing import and export duties for an indefinite period.
071-03-00	Coffee extracts, coffee essences and preparations containing coffee (instant coffee)	Minimum quota of 14,000 kilogrammes yearly, subject to an import duty of 0.30 dollars per G.K. for an indefinite period. Any excess over the said quota that may be authorized shall be subject to the above-mentioned import duty.
091-02-02	Lard substitutes and other similar edible fats, animal or vegetable, n.e.s.	Basic quota of 30,000 kilogrammes monthly. Any excess over the said quota that may be authorized shall be free. Free trade from the beginning of the fourth year.
* 112-02-00	Fermented fruit juices, including fruit wines, fortified or not (except cider)	Preferential tariff as follows: First year, 60 per cent of import duties Second year, 40 per cent of import duties Third year, 20 per cent of import duties Free trade from the beginning of the fourth year.
112-04	Distilled alcoholic beverages (except 112-04-02)	Trade shall be subject to the existing import duties for an indefinite period.
2 112-04-02	Cane spirit	Trade shall be subject to existing import duties for an indefinite period.
122-02-00	Cigarettes	Trade shall be subject to payment of 60 per cent of import duties. Free trade from the beginning of the fifth year.
221-06-00	Cottonseed	Export control. Free trade from the beginning of the sixth year.
313	Petroleum products	Trade shall be subject to existing import duties, pending signature of a special agreement to regulate it.
11 412 (except 412-07-00)	Refined vegetable oils (trade in unrefined vegetable oils shall be free)	Basic quota of 35,000 kilogrammes monthly. Free trade from the beginning of the second year.
512-02-00	Ethyl alcohol, denatured or not	Trade shall be subject to existing import duties for an indefinite period.
* 552-01	Perfumery, cosmetics and other toilet preparations, except soaps (except 552-01-06)	Progressive preferential tariff as follows: First year, 8 per cent <i>ad valorem</i> Second year, 4 per cent <i>ad valorem</i> Free trade from the beginning of the third year.

NAUCA classification	Description	Treatment accorded
552-02-01	Toilet and bath soaps	Progressive preferential tariff as follows: First year, 8 per cent <i>ad valorem</i> Second year, 4 per cent <i>ad valorem</i> Free trade from the beginning of the third year.
552-02-03	Other soaps and washing and cleaning preparations, n.e.s., except soaps containing abrasives	Progressive preferential tariff as follows: First year, 8 per cent <i>ad valorem</i> Second year, 4 per cent <i>ad valorem</i> Free trade from the beginning of the third year.
599-01-03	Plastic cloth, unwoven (excluding synthetic textile fibres and fabric woven from them)	Trade during the first year shall be subject to a preferential duty of 0.04 dollars per G.K. Free trade from the beginning of the second year.
652-01-01	Cotton fabrics, grey (unbleached), weighing less than 80 grammes per square metre	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.
⁴ 652-01-02	Cotton fabrics, grey (unbleached), weighing 80 grammes or more per square metre (except cotton canvas, grey)	Progressive preferential tariff as follows: First year, 0.08 dollars per G.K. Second year, 0.04 dollars per G.K. Free trade from the beginning of the third year.
652-02-03	Cotton fabrics, bleached, dyed etc., n.e.s., weighing less than 80 grammes per square metre	Trade during the first year shall be subject to a preferential duty of 3 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
652-02-04	Cotton fabrics, bleached, dyed etc., n.e.s., weighing from 80 to 150 grammes per square metre	Progressive preferential tariff as follows: First year, 0.12 dollars per G.K. Second year, 0.06 dollars per G.K. Free trade from the beginning of the third year.
652-02-05	Cotton fabrics, bleached, dyed etc., n.e.s., weighing more than 150 grammes per square metre	Progressive preferential tariff as follows: First year, 0.12 dollars per G.K. Second year, 0.06 dollars per G.K. Free trade from the beginning of the third year.
652-02-06	Fabrics, n.e.s., of cotton mixed with other textile fibres	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.
656-04-01	Sheets, bolster-cases, pillow cases and similar articles of any textile fibre	Trade during the first year shall be subject to a preferential duty of 4 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
656-04-02	Table cloths, napkins and other table-linen of any textile fibre	Trade during the first year shall be subject to a preferential duty of 3 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
841-01-05	Stockings and socks of cotton, pure or blended	Trade during the first year shall be subject to a preferential duty of 5 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
841-02 (except 841-02-05)	Underwear and nightwear, knitted or crocheted or made of knitted or crocheted fabrics (except shirts made of any textile fibre and knitwear of cotton, pure or blended)	Import control. Free trade from the beginning of the fourth year.
841-02	Shirts, knitted or crocheted or made of knitted or crocheted fabrics, of any textile fibre	Trade during the first year shall be subject to a preferential duty of 4 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
841-02-05	Underwear and nightwear, knitted or crocheted, or made of knitted or crocheted fabrics, of cotton, pure or blended	Progressive preferential tariff as follows: First year, 0.16 dollars per G.K. Second year, 0.08 dollars per G.K. Free trade from the beginning of the third year.

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<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
841-03 (except 841-03-05)	Outer garments, knitted or crocheted or made of knitted or crocheted fabrics	Import control. Free trade from the beginning of the fourth year.
841-03-05	Outer garments, knitted or crocheted or made of knitted or crocheted fabrics, of cotton, pure or blended	Trade during the first year shall be subject to a preferential duty of 4 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
841-04 (except 841-04-05)	Underwear and nightwear, other than knitted or crocheted (except shirts made of any textile fibre and knitwear of cotton, pure or blended)	Import control. Free trade from the beginning of the fourth year.
¹ 841-04	Shirts, other than knitted or crocheted of any textile fibre (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 0.30 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.
841-04-05	Underwear and nightwear, other than knitted or crocheted, of cotton, pure or blended (except shirts)	Progressive preferential tariff as follows: First year, 0.45 dollars per G.K. Second year, 0.30 dollars per G.K. Free trade from the beginning of the third year.
841-05 (except 841-05-06)	Outer garments other than knitted or crocheted	Import control. Free trade from the beginning of the fourth year.
¹ 841-05-06	Outer garments other than knitted or crocheted, of cotton, pure or blended (except indigenous cotton fabrics)	Trade during the first year shall be subject to a preferential duty of 4 per cent <i>ad valorem</i> . Free trade from the beginning of the second year.
841-09-06	Corsets, brassieres, pads, abdominal corsets, elastic stockings, suspensory bandages, dress shields, shoulder pads, elastic ankle and knee bands, and similar articles, n.e.s., of any material (except corsets, suspensory bandages, etc., for invalids)	Progressive preferential tariff as follows: First year, 0.40 dollars per G.K. Second year, 0.20 dollars per G.K. Free trade from the beginning of the third year.
851-02	Footwear of all kinds, of leather, other than house footwear	Progressive preferential tariff as follows: First year, 8 per cent <i>ad valorem</i> . Second year, 6 per cent <i>ad valorem</i> . Free trade from the beginning of the third year.
851-09-01	Footwear of plastics, other than house footwear	Progressive preferential tariff as follows: First year, 12 per cent <i>ad valorem</i> . Second year, 9 per cent <i>ad valorem</i> . Free trade from the beginning of the third year.
899-07	Table and other household (including hotel and restaurant) or decorative articles of plastics	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.
899-11-03	Tubing and other construction materials, n.e.s., of plastics	Progressive preferential tariff as follows: First year, 0.10 dollars per G.K. Second year, 0.05 dollars per G.K. Free trade from the beginning of the third year.

V. EL SALVADOR — NICARAGUA

PRODUCTS SUBJECT TO SPECIAL INTERIM REGIMES

Trade in the products not included in the following schedule shall be fully liberalized in conformity with article III of the General Treaty.

NAUCA classification	Description	Treatment accorded
001-01-02	Bovine cattle, ordinary	Export control. Free trade from the beginning of the sixth year.
042	Rice	Basic import quota as follows: First year, 40,000 quintales Second year, 50,000 quintales Third year, 65,000 quintales Free trade from the beginning of the fourth year. Within not more than three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
044	Maize (corn) unmilled	Basic import quota as follows: First year, 100,000 quintales Second year, 100,000 quintales Third year, 150,000 quintales Fourth year, 150,000 quintales Fifth year, 200,000 quintales Within not more than three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
046-01	Flour of wheat	Subject to import duties. Free trade subsequent to tariff equalization in respect of the raw materials.
054-02-01	Beans	Basic quota as follows: First year, 40,000 quintales Second year, 60,000 quintales Third year, 80,000 quintales Free trade from the beginning of the fourth year. Within not more than three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
055-02-02 and 055-02-03	Tomato and vegetable juices, n.e.s.	Preferential tariff as follows: First year, 0.40 dollars per G.K. and 8 per cent <i>ad valorem</i> Second year, 0.30 dollars per G.K. and 6 per cent <i>ad valorem</i> Third year, 0.20 dollars per G.K. and 4 per cent <i>ad valorem</i> Fourth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the fifth year.
061	Cane sugar, refined or not	Import control for an indefinite period. Within three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of co-ordinating their foreign trade policies.
071-01 and 071-02-00	Coffee not roasted and coffee roasted, including ground	Trade shall remain subject to existing import and export duties for an indefinite period.
071-03-00	Coffee extracts, coffee essences and similar preparations containing coffee (instant coffee).	Progressive preferential tariff as follows: First year, 1.50 dollars per G.K. and 25 per cent <i>ad valorem</i> Second year, 1.25 dollars per G.K. and 15 per cent <i>ad valorem</i> Third year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> The duties applicable in the third year shall remain in force for an indefinite period.

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NAUCA classification	Description	Treatment accorded
091-01-00	Margarine, oleomargarine and other butter substitutes: animal, vegetable or mixed	Progressive preferential tariff as follows: First year, 0.60 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.30 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
091-02-02	Lard substitutes and other similar edible animal and vegetable fats, n.e.s.	(a) Progressive by growing basic quota as follows: First year, 45,000 kilogrammes Second year, 50,000 kilogrammes Third year, 55,000 kilogrammes Fourth year, 60,000 kilogrammes Fifth year, 65,000 kilogrammes Free trade from the beginning of the sixth year. (b) Preferential tariff: Any excess over the quotas established under (a) above shall be subject to a duty of 0.35 dollars per G.K. and 10 per cent <i>ad valorem</i> .
112-03-00	Beer	Progressive preferential tariff as follows: First year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
112-04	Distilled alcoholic beverages (except 112-04-02)	Trade shall remain subject to the import duties at present in force. Once these have been equalized a progressive preferential tariff shall apply, based on the uniform tariffs: First year, 50 per cent Second year, 40 per cent Third year, 25 per cent Fourth year, 15 per cent Fifth year, 10 per cent Free trade from the beginning of the sixth year from the date when the tariff equalization becomes effective.
112-04-02	Cane spirit	Trade shall be subject for an indefinite period to the import duties at present in force.
122-02-00	Cigarettes	Progressive preferential tariff as follows: First year, 6.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 5.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 3.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 2.00 dollars per G.K. and 5 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
221-06-00	Cottonseed	Export control. Free trade from the beginning of the sixth year.
263	Cotton	Import control for an indefinite period.
275-05-01	Common salt and sea salt, unrefined	Trade shall be subject to import duties. Free trade from the beginning of the fourth year.
313	Petroleum products	Trade shall remain subject to the import duties at present in force, pending signature of a special agreement to regulate it.
412 (except 412-07-00)	Refined vegetable oils (trade in unrefined vegetable oils shall be free)	Trade in all the oils in the group shall be free except for cottonseed oil (412-03-00), trade in which shall be on the following conditions: (a) Progressive by growing minimum quota: First year, 350,000 kilogrammes Second year, 375,000 kilogrammes Third year, 400,000 kilogrammes Fourth year, 400,000 kilogrammes Fifth year, 400,000 kilogrammes Free trade from the beginning of the sixth year. (b) Preferential tariff: Any excess over the quotas established under (a) above shall be subject to a preferential tariff of 0.15 dollars per G.K. and 5 per cent <i>ad valorem</i> .

NAUCA classification	Description	Treatment accorded
412-07-00	Coconut oil (refined and unrefined)	Minimum quota of 100,000 kilogrammes yearly. Any excess shall be subject to a preferential tariff of 10 per cent <i>ad valorem</i> . Free trade from the beginning of the sixth year.
413-02-00	Hydrogenated oils and fats	Preferential tariff of 0.15 dollars per G.K. and 5 per cent <i>ad valorem</i> . Free trade from the beginning of the fifth year.
512-02-00	Ethyl alcohol, denatured or not	Trade between the Contracting Parties shall be subject for an indefinite period to the import duties at present in force.
533-03-01	Prepared paints	Trade shall be subject to a progressive preferential tariff as follows: First year, 0.15 dollars per G.K. and 15 per cent <i>ad valorem</i> Second year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the fourth year.
³ 552-01	Perfumery, cosmetics and other toilet preparations, except soap (except sub-item 552-01-06)	Progressive preferential tariff as follows: First year, 40 per cent of import duties Second year, 20 per cent of import duties Free trade from the beginning of the third year.
552-02-01	Toilet and bath soaps	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the fourth year.
552-02-03	Other soaps and washing and cleaning preparations, n.e.s., except soaps containing abrasives	(a) Progressive by growing basic quota as follows: First year, 725,000 kilogrammes Second year, 760,000 kilogrammes Third year, 780,000 kilogrammes Fourth year, 800,000 kilogrammes Fifth year, 800,000 kilogrammes Free trade from the beginning of the sixth year. (b) Any excess over the said quotas shall be subject to a progressive preferential tariff as follows: First year, 0.20 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 0.15 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 0.10 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
629-01	Tyres and tubes	Preference of 20 per cent of import duties. Free trade subject to a special agreement.
641	Paper	Preference of 20 per cent of import duties. Free trade subject to a special agreement.
652-01-01	Cotton fabrics, grey (unbleached), weighing less than 80 grammes per square metre	Progressive preferential tariff as follows: First year, 0.70 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
⁴ 652-01-02	Cotton fabrics, grey (unbleached), weighing 80 grammes or more per square metre (except cotton canvas, grey)	(a) 80 to 400 grammes per square metre, preferential tariff as follows: First year, 0.70 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.

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NAUCA classification	Description	Treatment accorded
		(b) Over 400 grammes per square metre, preferential tariff as follows: First year, 0.55 dollars per G.K. and 5 per cent <i>ad valorem</i> Second year, 0.45 dollars per G.K. and 5 per cent <i>ad valorem</i> Third year, 0.35 dollars per G.K. and 5 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 5 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-01	Cotton pile fabrics, velveteen, plush, chenille and corduroy	Progressive preferential tariff as follows: First year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.50 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.25 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-02	Cotton fabrics of triple-loop terry cloth	Progressive preferential tariff as follows: First year, 0.70 dollars per G.K. and 5 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 5 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 5 per cent <i>ad valorem</i> Fourth year, 0.25 dollars per G.K. and 5 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-03	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing less than 80 grammes per square metre	Progressive preferential tariff as follows: First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-04	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing from 80 to 150 grammes per square metre	Progressive preferential tariff as follows: First year, 0.90 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-05	Cotton fabrics, bleached, dyed, n.e.s., weighing over 150 grammes per square metre	Progressive preferential tariff as follows: (a) Over 150 grammes to 400 grammes per square metre First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year. (b) Over 400 grammes per square metre First year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.45 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-06	Fabrics, n.e.s., of cotton mixed with other textile fibres	Progressive preferential tariff as follows: First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.

NAUCA classification	Description	Treatment accorded
653-05	Fabrics of artificial or synthetic fibres or spun glass	<p>Preferential tariff as follows:</p> <p>First year, 1.30 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Second year, 1.00 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Third year, 0.80 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Fourth year, 0.50 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Fifth year, 0.25 dollars per G.K. and 3 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
653-07-00	Knitted and crocheted fabrics of any textile fibre	<p>(a) <i>Of cotton</i></p> <p>Progressive preferential tariff as follows:</p> <p>First year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Second year, 1.60 dollars per G.K. and 16 per cent <i>ad valorem</i></p> <p>Third year, 1.40 dollars per G.K. and 14 per cent <i>ad valorem</i></p> <p>Fourth year, 1.20 dollars per G.K. and 12 per cent <i>ad valorem</i></p> <p>Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p> <p>(b) <i>Of rayon or synthetic fibres</i></p> <p>Progressive preferential tariff as follows:</p> <p>First year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Second year, 2.50 dollars per G.K. and 16 per cent <i>ad valorem</i></p> <p>Third year, 2.00 dollars per G.K. and 14 per cent <i>ad valorem</i></p> <p>Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
656-01-00	Cotton bags	<p>Progressive preferential tariff as follows:</p> <p>First year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Second year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Third year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fourth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fifth year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
656-04-01	Sheets, bolster-cases, pillow-cases, and similar articles of any textile fibre	<p>Progressive preferential tariff as follows:</p> <p>First year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Second year, 0.70 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Third year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fourth year, 0.25 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fifth year.</p>
665-01-00	Glass containers	Preference of 20 per cent on import duties. Free trade subject to a special protocol.
821-02	Metal furniture	<p>(a) <i>Metal furniture and fixtures (except of aluminium),</i></p> <p>Progressive preferential tariff as follows:</p> <p>First year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Second year, 0.15 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Third year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fourth year.</p> <p>(b) <i>Aluminium furniture and fixtures,</i></p> <p>Progressive preferential tariff as follows:</p> <p>First year, 0.50 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Second year, 0.40 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fourth year.</p>
841-01-02	Stockings and socks of synthetic fibres other than rayon, pure or blended	<p>(a) Basic quota of 500 kilogrammes yearly.</p> <p>(b) Progressive preferential tariff on amounts in excess of (a) as follows:</p> <p>First year, 2.50 dollars per G.K. and 30 per cent <i>ad valorem</i></p> <p>Second year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Third year, 1.50 dollars per G.K. and 20 per cent <i>ad valorem</i></p> <p>Fourth year, 1.00 dollars per G.K. and 15 per cent <i>ad valorem</i></p> <p>Fifth year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>

NAUCA classification	Description	Treatment accorded
841-01-03	Stockings and socks of rayon, pure or blended	(a) Basic quota of 500 kilogrammes yearly. (b) Progressive preferential tariff on amounts in excess of (a) as follows: First year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 1.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 1.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Fourth year, 0.75 dollars per G.K. and 15 per cent <i>ad valorem</i> Fifth year, 0.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-01-05	Stockings and socks of cotton, pure or blended	(a) Basic quota of 500 kilogrammes yearly. (b) Progressive preferential tariff on amounts in excess of (a) as follows: First year, 1.15 dollars per G.K. and 25 per cent <i>ad valorem</i> Second year, 1.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 0.80 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 0.60 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-02 (except 841-02-05)	Underwear and nightwear, knitted or crocheted or made of knitted or crocheted fabrics (except shirts made of any textile fibre and knitwear in cotton pure or blended)	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
7 841-02	Shirts, knitted or crocheted or made of knitted or crocheted fabrics of any textile fibres	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
7 841-02-05	Underwear and nightwear, knitted and crocheted, or made of knitted and crocheted fabrics, of cotton, pure or blended	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-03 (except 841-03-05)	Outer garments, knitted or crocheted or made of knitted or crocheted fabrics	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
8 841-03-05	Outer garments, knitted or crocheted or made up from knitted or crocheted fabrics, of cotton, pure or blended	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
12 841-04-05	Underwear and nightwear, other than knitted or crocheted, of cotton, pure or blended (except shirts)	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the fifth year.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
841-05-06	Outer garments, other than knitted or crocheted, of cotton pure or mixed (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 2.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 2.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the fifth year.
851-09-01	Footwear of plastics (except house footwear)	Progressive preferential tariff as follows: First year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 1.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the fifth year.

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PRODUCTS SUBJECT TO SPECIAL INTERIM REGIMES

Trade in the products not included in the following schedule shall be fully liberalized in conformity with article III of the General Treaty.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
001-01-02	Bovine cattle, ordinary	Export control. Free trade from the beginning of the sixth year.
1301 (except 013-02-03 and 013-09-02)	Meat and meat preparations	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
021 and 022	Milk and cream	Import control. Free trade from the beginning of the sixth year.
023	Butter	Import control. Free trade from the beginning of the sixth year.
024	Cheese and curd	Import control for an indefinite period.
042	Rice	Import control. Free trade from the beginning of the sixth year. Within not more than three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
044	Maize (corn) unmilled	Import control. Free trade from the beginning of the sixth year. Within not more than three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
045-09-02	Millet	Import control. Free trade from the beginning of the sixth year.
046-01	Flour of wheat	Subject to import duties. Free trade subsequent to the equalization of tariffs with respect to the raw materials and wheat flour.
054-02-01	Beans	Import control. Free trade from the beginning of the sixth year. Within not more than three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of regulating trade, co-ordinating supply policies and ensuring the fullest possible measure of free trade.
061	Cane sugar, refined or not	Basic quota of 7,500 quintales yearly. Import control for an indefinite period on any excess. Within three years from the date when the present Treaty enters into force, the Contracting Parties shall sign a special protocol for the purpose of co-ordinating their foreign trade policies.
071-01 and 071-02-00	Coffee not roasted and coffee roasted, including ground	Trade shall be subject for an indefinite period to the import and export duties at present in force.
071-03-00	Coffee extracts, coffee essences and similar preparations containing coffee (instant coffee)	Annual quota of 4,000 kilogrammes, subject to an import duty of 0.30 dollars per G.K. for an indefinite period.
091-01-00	Margarine, oleomargarine and other butter substitutes: animal, vegetable or mixed	Progressive preferential tariff as follows: First year, 0.60 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.30 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
091-02-01	Lard	Progressive preferential tariff as follows: First year, 85 per cent of import duties Second year, 85 per cent of import duties Third year, 70 per cent of import duties Fourth year, 60 per cent of import duties Free trade from the beginning of the fifth year.
091-02-02	Lard substitutes and others similar edible animal and vegetable fats, n.e.s.	Progressive by growing basic quota as follows: First year, 15,000 kilogrammes Second year, 20,000 kilogrammes Third year, 25,000 kilogrammes Fourth year, 30,000 kilogrammes Fifth year, 35,000 kilogrammes Free trade from the beginning of the sixth year.
⁶ 112-02-00	Fermented fruit juices, including fruit wines, fortified and not fortified (except cider)	Progressive preferential tariff as follows: First year, 60 per cent of import duties Second year, 40 per cent of import duties Third year, 20 per cent of import duties Free trade from the beginning of the fourth year.
112-03-00	Beer	Progressive preferential tariff as follows: First year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
112-04	Distilled alcoholic beverages (except 112-04-02)	Trade shall remain subject for an indefinite period to the import duties at present in force.
² 112-04-02	Cane spirit	Trade shall be subject for an indefinite period to the import duties at present in force.
122-02-00	Cigarettes	Free trade subsequent to the complete equalization of tariffs with respect to these products and to the raw materials.
313	Petroleum products	Trade shall remain subject to the import duties at present in force pending signature of a special agreement to regulate it.
412 (except 412-07-00)	Refined vegetable oils (trade in unrefined vegetable oils shall be free)	Trade shall be subject to a progressive preferential tariff as follows: First year, 80 per cent of import duties Second year, 70 per cent of import duties Third year, 50 per cent of import duties Fourth year, 30 per cent of import duties Fifth year, 20 per cent of import duties Free trade from the beginning of the sixth year.
412-07-00	Coconut oil (refined and unrefined)	Minimum quota of 40,000 kilogrammes yearly. Any excess shall be subject to a preferential tariff of 10 per cent <i>ad valorem</i> . Free trade from the beginning of the sixth year.
413-02-00	Hydrogenated oils and fats	Trade shall be subject to a progressive preferential tariff as follows: First year, 80 per cent of uniform import duties Second year, 70 per cent of uniform import duties Third year, 50 per cent of uniform import duties Fourth year, 30 per cent of uniform import duties Fifth year, 20 per cent of uniform import duties Free trade from the beginning of the sixth year.
512-02-00	Ethyl alcohol, denatured or not	Trade shall be subject for an indefinite period to the import duties at present in force.
533-03-01 and 533-03-02	Prepared paints, paints, enamels, lacquers and varnishes	Basic quota of 70,000 kilogrammes yearly. Free trade from the beginning of the fourth year.

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NAUCA classification	Description	Treatment accorded
552-01	Perfumery, cosmetics and other toilet preparations, except soap (except sub-item 552-01-06)	Progressive preferential tariff as follows: First year, 40 per cent of import duties Second year, 20 per cent of import duties Free trade from the beginning of the third year.
552-02-01	Toilet and bath soaps	Progressive preferential tariff as follows: First year, 0.20 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the fourth year.
552-02-03	Other soaps and washing and cleaning preparations, n.e.s., except soaps containing abrasives	Trade shall be subject to progressive tariff reductions as follows: First year, 80 per cent of import duties Second year, 70 per cent of import duties Third year, 50 per cent of import duties Fourth year, 40 per cent of import duties Fifth year, 20 per cent of import duties Free trade from the beginning of the sixth year.
599-01-03	Plastic cloth, unwoven (excluding synthetic textiles fibres and fabric woven from such fibres)	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
611-01-01	Sole leather, not cut to size	Progressive preferential tariff as follows: First year, 50 per cent of import duties Second year, 25 per cent of import duties Free trade from the beginning of the third year.
611-01-02	Bovine cattle hide leather and equine leather, n.e.s.	Progressive preferential tariff as follows: First year, 50 per cent of import duties Second year, 25 per cent of import duties Free trade from the beginning of the third year.
612-03-01	Uppers, legs, sole leather cut to size and other prepared parts of footwear of all materials except metal	Progressive preferential tariff as follows: First year, 50 per cent of import duties Second year, 25 per cent of import duties Free trade from the beginning of the third year.
629-01	Tyres and tubes	Preference of 20 per cent of import duties. Free trade subject to a special agreement.
641	Paper	Preference of 20 per cent of import duties. Free trade subject to a special agreement.
652-01-01	Cotton fabrics, grey (unbleached), weighing less than 80 grammes per square metre	Progressive preferential tariff as follows: First year, 0.70 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-01-02	Cotton fabrics, grey (unbleached), weighing 80 grammes or more per square metre (except cotton canvas, grey)	(a) 80 to 400 grammes per square metre, preferential tariff as follows: First year, 0.70 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.30 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year. (b) Over 400 grammes per square metre, preferential tariff as follows: First year, 0.55 dollars per G.K. and 5 per cent <i>ad valorem</i> Second year, 0.45 dollars per G.K. and 5 per cent <i>ad valorem</i>

NAUCA classification	Description	Treatment accorded
		Third year, 0.35 dollars per G.K. and 5 per cent <i>ad valorem</i> Fourth year, 0.20 dollars per G.K. and 5 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-01	Cotton pile fabrics and cotton velveteen, plush, chenille and corduroy	Progressive preferential tariff as follows: First year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.50 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.25 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-02	Cotton fabrics of triple-loop terry cloth	Progressive preferential tariff as follows: First year, 0.70 dollars per G.K. and 5 per cent <i>ad valorem</i> Second year, 0.55 dollars per G.K. and 5 per cent <i>ad valorem</i> Third year, 0.40 dollars per G.K. and 5 per cent <i>ad valorem</i> Fourth year, 0.25 dollars per G.K. and 5 per cent <i>ad valorem</i> Fifth year, 0.15 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-03	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing less than 80 grammes per square metre	Progressive preferential tariff as follows: First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-04	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing from 80 to 150 grammes per square metre	Progressive preferential tariff as follows: First year, 0.90 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.55 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.35 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
652-02-06	Fabrics, n.e.s., of cotton mixed with other textile fibres	Progressive preferential tariff as follows: First year, 1.00 dollars per G.K. and 2 per cent <i>ad valorem</i> Second year, 0.80 dollars per G.K. and 2 per cent <i>ad valorem</i> Third year, 0.60 dollars per G.K. and 2 per cent <i>ad valorem</i> Fourth year, 0.40 dollars per G.K. and 2 per cent <i>ad valorem</i> Fifth year, 0.20 dollars per G.K. and 2 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
653-05	Fabrics of artificial or synthetic fibres or spun glass	Preferential tariff as follows: First year, 1.30 dollars per G.K. and 3 per cent <i>ad valorem</i> Second year, 1.00 dollars per G.K. and 3 per cent <i>ad valorem</i> Third year, 0.80 dollars per G.K. and 3 per cent <i>ad valorem</i> Fourth year, 0.50 dollars per G.K. and 3 per cent <i>ad valorem</i> Fifth year, 0.25 dollars per G.K. and 3 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
653-07-00	Knitted and crocheted fabrics of any textile fibre	(a) <i>Of cotton</i> Progressive preferential tariff as follows: First year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 1.60 dollars per G.K. and 16 per cent <i>ad valorem</i> Third year, 1.40 dollars per G.K. and 14 per cent <i>ad valorem</i> Fourth year, 1.20 dollars per G.K. and 12 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year. (b) <i>Of rayon or synthetic fibres</i> Progressive preferential tariff as follows: First year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 2.50 dollars per G.K. and 16 per cent <i>ad valorem</i> Third year, 2.00 dollars per G.K. and 14 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.

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NAUCA classification	Description	Treatment accorded
656-01-00	Cotton bags	Progressive preferential tariff as follows: First year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.10 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 0.05 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
656-04-01	Sheets, bolster-cases, pillow-cases and similar articles, of any textile fibre	Progressive preferential tariff as follows: First year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.70 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fourth year, 0.25 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the fifth year.
656-04-02	Table-cloths, napkins and other table-linen, of any textile fibre	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
656-04-03	Towels, face flannels, terry cloth or rattan bath-mats and similar articles, of any textile fibre	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
665-01-00	Glass containers	Preference of 20 per cent on import duties. Free trade subject to a special protocol.
821-02	Metal furniture and fixtures	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
821-09-01	Mattresses, stuffed with all types of material, including foam rubber, spring reinforcements and springs only	Progressive preferential tariff as follows: First year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Third year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i> Free trade from the beginning of the fourth year.
831	Travel goods, handbags and similar articles	Progressive preferential tariff as follows: First year, 70 per cent of import duties Second year, 40 per cent of import duties Third year, 10 per cent of import duties Free trade from the beginning of the fourth year.
841-01-02	Stockings and socks of synthetic fibres, other than rayon, pure or blended	Preferential tariff as follows: First year, 80 per cent of import duties Second year, 60 per cent of import duties Third year, 40 per cent of import duties Fourth year, 20 per cent of import duties Fifth year, 10 per cent of import duties Free trade from the beginning of the sixth year.
841-01-03	Stockings and socks of rayon, pure or blended	Progressive preferential tariff as follows: First year, 80 per cent of import duties Second year, 60 per cent of import duties Third year, 40 per cent of import duties Fourth year, 20 per cent of import duties Fifth year, 10 per cent of import duties Free trade from the beginning of the sixth year.
841-01-05	Stockings and socks of cotton, pure or blended	Progressive preferential tariff as follows: First year, 80 per cent of import duties Second year, 60 per cent of import duties Third year, 40 per cent of import duties Fourth year, 20 per cent of import duties Fifth year, 10 per cent of import duties Free trade from the beginning of the sixth year.

NAUCA Classification	Description	Treatment accorded
841-02	Shirts, knitted or crocheted or made of knitted or crocheted fabrics, of any textile fibre	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-02-05	Underwear and nightwear, knitted and crocheted, or made of knitted and crocheted fabrics, of cotton, pure or blended	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-03 (except 841-03-05)	Outer garments, knitted or crocheted or made of knitted or crocheted fabrics	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
⁸ 841-03-05	Outer garments, knitted or crocheted or made up from knitted or crocheted fabrics, of cotton pure or blended	Progressive preferential tariff as follows: First year, 3.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Second year, 3.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 2.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Fourth year, 1.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Fifth year, 1.00 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
¹ 841-04	Shirts, other than knitted or crocheted, of any textile fibre (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
841-04-05	Underwear and nightwear, other than knitted or crocheted, of cotton, pure or mixed (except shirts)	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
841-05 except 841-05-06)	Outer garments other than knitted or crocheted	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
¹⁰ 841-05-06	Outer garments, other than knitted or crocheted, of cotton, pure or blended (except indigenous cotton fabrics)	Progressive preferential tariff as follows: First year, 75 per cent of import duties Second year, 50 per cent of import duties Third year, 25 per cent of import duties Free trade from the beginning of the fourth year.
851-02	Footwear of all kinds, of leather, except house footwear	Progressive preferential tariff as follows: First year, 40 per cent of import duties Second year, 30 per cent of import duties Third year, 15 per cent of import duties Free trade from the beginning of the fourth year.
899-11 (except 899-11-03)	Articles made of plastics	Progressive preferential tariff as follows: First year, 0.15 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.
¹⁴ 899-11-03	Tubing and other construction materials, n.e.s., of plastics	Progressive preferential tariff as follows: First year, 0.15 dollars per G.K. Second year, 0.10 dollars per G.K. Free trade from the beginning of the third year.

ANNEX B
CUSTOMS PROCEDURES

Article I

The goods, in which free trade is authorized under the General Treaty on Central American Economic Integration 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 production of the customs form mentioned in article V of the Treaty.

The said form shall serve both as an application for forwarding and as a certificate of origin.

Article II

The declaration contained in the aforesaid customs form shall be marked as 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 III

The necessary customs form shall be made out in five copies according to the following model:

CUSTOMS FORM

In execution of the General Treaty on Central American Economic Integration

Exporter
(Name and domicile)

Seller
(Name and domicile)

Consignee

Customs office of destination

Place of shipment

Means of transport

Marking and numbers	Number and nature of packages	Gross weight in kg.	Units	Commercial description of goods	NAUCA ^a classification	F.o.b. value in national currency
Total						
Transport					
Insurance					
Total					
Other expenses					
Grand total					

The undersigned exporter hereby **DECLARES** that the country of origin of the goods referred to is..... and that the values, costs of transport, insurance and other information as entered on this form are correct.

.....
(Signature of exporter)

The undersigned **CERTIFIES** that, to the best of his knowledge, the country of origin of the goods referred to in this customs form is

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

^a Should the party concerned not fill in this column, the customs at the place of shipment shall proceed to do so.

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 be kept by the party concerned; the other copies 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 articles he wishes to export when the corresponding item of the schedule annexed to the Treaty covers various goods.

PROTOCOL TO THE CENTRAL AMERICAN AGREEMENT ON THE EQUALIZATION OF IMPORT DUTIES AND CHARGES

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

By virtue of the commitments contracted under article I of the Central American Agreement on the Equalization of Import Duties and Charges, signed at San José, Costa Rica, on 1 September 1959, and under articles II and IV of the General Treaty on Central American Economic Integration, signed at Managua, Nicaragua, on this same date,

Convinced that the liberalization of trade and the equalization of customs tariffs should proceed simultaneously, in order that conditions favourable to the expansion and diversification of production in Central America may be created as promptly as possible and that artificial differences in production costs as among the Signatory States may be eliminated,

Have decided to sign the present Protocol, and for that purpose have appointed as their respective plenipotentiaries:

H.E. The President of the Republic of Guatemala: *Julio Prado García Salas*, Minister for Co-ordinating Central American Integration, and *Alberto Fuentes Mohr*, Head of the Economic Integration Bureau;

The H. Junta de Gobierno of the Republic of El Salvador: *Gabriel Piloña Araujo*, Minister of Economic Affairs, and *Abelardo Torres*, Under-Secretary for Economic Affairs;

H.E. The President of the Republic of Honduras: *Jorge Bueso Arias*, Minister of Economic and Financial Affairs;

H.E. The President of the Republic of Nicaragua: *Juan José Lugo Marengo*, Minister of Economic Affairs;

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

Article I

The Contracting States agree, in accordance with article IX of the Central American Agreement on the Equalization of Import Duties and Charges, to amplify Schedules A and B of the said Agreement by means of the present Protocol.

Article II

The Contracting Parties agree to adopt forthwith the tariffs and tariff descriptions specified in Schedule A of the present Protocol.

Article III

In compliance with the interim régime of progressive tariff equalization, established by virtue of article XIV of the Central American Agreement on the Equalization of Import Duties and Charges, the Contracting Parties agree to adopt, for the goods included in Schedule B of the present Protocol, the standard duties specified in column I of the said Schedule, each Party conforming to the time limit (column II), to the initial tariffs (column III) and to the tariff descriptions established therein.

In annexes 1 to 4 of Schedule B, the tariffs applicable by the Contracting Parties during each year of the interim period are set forth. These annexes form an integral part of Schedule B.

Article IV

Among such Contracting Parties as shall have agreed upon the liberalization of their reciprocal trade as a general interim régime, besides granting one another specific preferential treatment in exceptional cases, the provisions in the first and second

paragraphs of article VIII of the Central American Agreement on the Equalization of Import Duties and Charges relating to preferential tariffs shall be null and void.

Article V

This Protocol shall be submitted to each State for ratification in conformity with its pertinent constitutional or legal procedures.

The instruments of ratification shall be deposited with the General Secretariat of the Organization of Central American States. The Protocol shall enter into force, for the first three countries to deposit the instrument of ratification, eight days after the date of deposit of the third such instrument and, for countries acceding thereafter, on the date of deposit of their respective instruments of ratification.

Article VI

The General Secretariat of the Organization of Central American States shall be the depository of the present Protocol and shall send certified copies thereof to the Ministry of Foreign Affairs of each of the Contracting States, notifying it likewise of the deposit of each of the pertinent instruments of ratification. Upon the entry into force of the Protocol, it shall also transmit a certified copy thereof to the United Nations Secretariat, for registration purposes, in conformity with Article 102 of the United Nations Charter.

Article VII

The duration of the present Protocol shall be contingent upon that of the Central American Agreement on the Equalization of Import Duties and Charges.

Article VIII

The present Protocol shall be open to accession by any Central American State which is a Party to the Central American Agreement on the Equalization of Import Duties and Charges.

Provisional article

The Contracting Parties agree to sign, not later than six months from the date of entry into force of the present instrument, such additional protocols as may be needed for the equalization of import duties and charges on the goods listed in the Central American Agreement on the Equalization of Import Duties and Charges, article III, paragraphs (a), (b), (c) and (d).

Provisional article

The Contracting Parties agree that the tariffs established by virtue of the present Protocol and in the Central American Agreement on the Equalization of Import Duties and Charges shall not necessarily be applicable to goods imported from the Republic of Costa Rica.

Provisional article

The Contracting Parties agree that the tariffs and other provisions set forth in the present Protocol and in the Central American Agreement on the Equalization of Import Duties and Charges are not applicable to natural products imported from the territory of Belize to which Guatemala grants special treatment.

In witness whereof, the respective plenipotentiaries sign the present Protocol in the city of Managua, capital of the Republic

of Nicaragua, this thirteenth day of the month of December nineteen hundred and sixty.

For the Government of Guatemala:

Julio Prado García Salas
Minister for Co-ordinating
Central American Integration

Alberto Fuentes Mohr
Head of the Economic Integration Bureau

For the Government of El Salvador:

Gabriel Piloña Araujo
Minister of Economic Affairs

Abelardo Torres
Under-Secretary for Economic Affairs

For the Government of Honduras:

Jorge Bueso Arias
Minister of Economic and Financial Affairs

For the Government of Nicaragua:

Juan José Lugo Marengo
Minister of Economic Affairs

AGREEMENT ESTABLISHING THE CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

The Governments of the Republics of Guatemala, El Salvador, Honduras and Nicaragua agree to create, by virtue of the present Agreement, the Central American Bank for Economic Integration, in accordance with the following provisions:

Chapter I

NATURE, PURPOSE AND HEADQUARTERS

Article 1

The Central American Bank of Economic Integration is an international juridical person and shall perform its functions in conformity with the present Agreement and with its Regulations.

Article 2

The purpose of the Bank shall be to promote the economic integration and balanced economic development of the member countries. In pursuance of this objective, its activities shall be primarily designed to meet the needs of the following investment sectors:

(a) Infrastructural projects to complete existing regional systems or counterbalance disparities in basic sectors which hinder the balanced economic development of Central America. Consequently, the Bank shall not finance infrastructural projects of purely local or national scope which will not contribute to the completion of the said systems or to the counterbalancing of significant disequilibria as between the member countries;

(b) Projects for long-term investment in industries of a regional character or of importance for the Central American market, which will help to increase the supply of goods available for intra-Central American trade, or for such trade and the export sector. The Bank's activities shall not include investment in essentially local industries;

(c) Co-ordinated agricultural projects aiming at the improvement or expansion of farms or the replacement of less economic by more economic farms and conducive to Central American regional self-sufficiency;

(d) Projects for the financing of enterprises that need to expand their operations, modernize their processes or change the structure of their production in order to improve their efficiency and their competitive capacity within the common market with a view to facilitating free trade among the Central American countries;

(e) Projects for financing services vital to the operation of the common market;

(f) Other productive projects calculated to create economic complementarity among the member countries and to expand intra-Central American trade.

Article 3

The Bank shall have its headquarters and head office in the city of Tegucigalpa, in the Republic of Honduras, and shall be empowered to establish branch offices, agencies and correspondents.

Chapter II

CAPITAL, RESERVES AND RESOURCES

Article 4

The Bank's initial authorized capital shall be a sum equivalent to sixteen million United States dollars, to which each of the States members shall subscribe four million dollars, payable in its respective national currency.

One half of the capital subscribed by each member State shall be paid as follows: the equivalent of one million dollars

within sixty days from the date of entry into force of the present Agreement, and the equivalent of one million dollars within fourteen months of the said date.

The rest of the capital subscribed shall be payable as and when called in by decision of the Board of Governors, with the concurring vote of at least one Governor from each member State.

The Bank shall be empowered to augment its capital if all the members of the Board of Governors adopt a unanimous decision to that effect.

Article 5

The shares of the members States in the capital of the Bank shall be represented by stock certificates issued in favour of the States concerned. These certificates shall confer upon their holders equal rights and obligations, shall not yield interest or dividends and shall not be taxable or transferable.

Such net profits as may accrue to the Bank in the course of its operations shall be deposited in a capital reserve fund.

The responsibility of the members of the Bank, as such, shall be confined to the amount of their capital subscription.

The capital contributed in national currency by each of the member States shall enjoy a guarantee of free convertibility at the official exchange rate most favourable to the Bank.

Each of the member States engages to maintain the value in United States dollars of the capital contribution which it has disbursed to the Bank. Should a change take place in the external official exchange rate for any of the national currencies concerned, the Bank's resources in that currency shall be adjusted in the exact proportion required to maintain their value in United States dollars.

Article 6

In addition to its own capital and reserves, the resources of the Bank shall include the product of loans and credits obtained in capital markets and any other resources received in any legal form.

Chapter III OPERATIONS

Article 7

The capital, capital reserves and other resources of the Bank shall be used solely for the fulfilment of the purpose set forth in article 2 of the present Agreement. To this end, the Bank shall be empowered:

(a) To study and promote the investment opportunities created by the economic integration of the members States, duly programming its activities and establishing the necessary financing priorities;

(b) To make or participate in long- and medium-term loans;

(c) To issue bonds of its own, which may or may not be guaranteed by means of sureties, pledges or mortgages;

(d) To participate in the issuance and placing of credit documents of all kinds, related to the fulfilment of its purpose;

(e) To obtain loans, credits and guarantees from Central American, international and foreign financial institutions;

(f) To act as intermediary in the concerting of loans and credits for the Governments, public institutions and established enterprises of the member States, to which end it shall institute such arrangements for co-operation with other Central American, international and foreign institutions as it may deem

expedient in that connexion, and shall be empowered to take part in the preparation of the specific projects concerned;

(g) To guarantee the commitments of public institutions or private enterprises up to such amounts and for such periods as the Board of Governors may determine;

(h) To obtain guarantees from the member States for the purpose of securing loans and credits from other financial institutions;

(i) To provide, using its own resources or those it may obtain for the purpose, executive, administrative and technical advisory services for the benefit of applicants for credit;

(j) To conduct all such additional business as may be necessary, under the terms of the present Agreement and its Regulations, for the furtherance of its purpose and operation.

Article 8

The Bank shall finance only economically sound and technically feasible projects and shall refrain from making loans or assuming any responsibility whatsoever for the payment or refinancing of earlier commitments.

Chapter IV

ORGANIZATION AND ADMINISTRATION

Article 9

The Bank shall have a Board of Governors, a Board of Directors, a President and such other officials and employees as may be deemed necessary.

Article 10

All the powers of the Bank shall be vested in the Board of Governors. Each member country shall provide two Governors, who shall be absolutely independent in the exercise of their functions and shall have separate votes; one of them shall be the Minister of Economic Affairs or his equivalent, and the other shall be the president or manager of each country's Central Bank, or his equivalent. From among the Governors the Board shall elect a President, who shall remain in office until the next regular meeting of the Board.

Article 11

The Board of Governors shall be at liberty to delegate all its powers to the Board of Directors, except those relating to the following procedures:

- (a) Calling-in of capital contributions;
- (b) Augmentation of the authorized capital;
- (c) Determination of capital reserves on the basis of proposals made by the Board of Directors;
- (d) Election of the President and determination of his emoluments;
- (e) Determination of the emoluments of the Directors;
- (f) Examination of the interpretations placed upon the present Agreement by the Board of Directors and ruling thereon in case of appeal;
- (g) Authorization of the conclusion of general agreements relating to co-operation with other agencies;
- (h) Appointment of outside auditors to check financial statements;
- (i) Adoption and publication, following auditor's report, of the over-all balance-sheet and the statement of profits and losses;
- (j) Adoption of decisions, in the event of the Bank's terminating its operations, with respect to the distribution of its net assets.

Article 12

The Board of Governors shall retain full control over all the powers which, in accordance with article 11, it may delegate to the Board of Directors.

Article 13

The Board of Governors shall convene in regular session once a year. It shall also be at liberty to meet in special session whenever it so determines or whenever it is convened by the Board of Directors. The Board of Directors shall convene the Board of Governors whenever one of the member States so requests.

Article 14

At the meetings of the Board of Governors, one half the total number of Governors plus one shall constitute a quorum. In all cases except that provided for in article 4, decisions shall be made by the concurring votes of one half of the total number of Governors plus one.

Article 15

The Board of Directors shall be responsible for the conduct of the operations of the Bank and to this end shall be entitled to exercise all the powers delegated to it by the Board of Governors.

Article 16

There shall be one Director for each State member of the Bank, elected by the Board of Governors. The Directors shall be appointed for a term of five years and shall be eligible for re-election for successive periods. They shall be citizens of the member States and persons of acknowledged capacity and wide experience in economic, financial and banking affairs.

Article 17

The Directors shall remain in office until their successors are appointed or elected. When a Director's post falls vacant, the Governors shall proceed to appoint a deputy for the remainder of the period.

In the event of a Director's absence for legitimate reasons, the Board of Directors shall be empowered to appoint his temporary substitute.

Article 18

The Directors shall work full time in the Bank and shall, in addition, discharge such functions as the President may assign to them.

Article 19

The Board of Directors shall be of a permanent character and shall operate at the headquarters of the Bank.

The Board of Directors shall determine the basic organization of the Bank, including the number of major administrative and professional posts and the general responsibilities attaching, shall adopt the budget, and shall lay before the Board of Governors proposals for the establishment of reserves.

Article 20

The Board of Governors shall elect from among the Directors the President of the Bank, who shall be its legal representative. Similarly, it shall appoint the person who, should the President himself be prevented from so doing, shall exercise his authority and his functions. The President shall take the chair at the meetings of the Board of Directors and shall conduct the ordinary business of the Bank. His vote shall carry the same weight as that of the other members, except in the event of a tie, in which case he shall have two votes.

Article 21

There shall be an Executive Vice-President who shall be appointed by the Board of Directors on the proposal of the Presi-

dent of the Bank. He shall exercise the authority and discharge the administrative functions determined by the Board of Directors.

The Executive Vice-President shall attend the meetings of the Board of Directors, but without the right to vote.

Article 22

In the discharge of their functions, the President, officials and employees of the Bank shall be answerable to it alone and shall acknowledge no other authority. The member States shall respect the international character of this obligation.

Article 23

The primary consideration to be borne in mind by the Bank in appointing its staff and determining their conditions of service shall be the need to ensure the highest possible degree of efficiency, competence and integrity. Staff shall also be recruited with due regard to equitable geographical distribution.

Article 24

The Bank, its officials and its employees—with the exception of the Governors in their respective countries—shall be debarred from taking active part in political affairs.

Chapter V

INTERPRETATION AND ARBITRATION

Article 25

Any difference of opinion as to the interpretation of the provisions of the present Agreement which may arise between any member and the Bank or among member States shall be submitted for a ruling to the Board of Directors.

The member States especially affected by the difference in question shall have the right to direct representation before the Board of Directors.

Any member State shall be entitled to demand that the solution proposed by the Board of Directors in accordance with the first paragraph of this article shall be submitted to the Board of Governors, whose decision shall be final. Pending the Board's decision, the Bank shall be empowered to take such action as it may deem necessary on the basis of the decision reached by the Board of Directors.

Article 26

Should any disagreement arise between the Bank and a State which has ceased to be a member, or between the Bank and one of its members after it has been agreed that the operations of the institution shall be terminated, the controversy shall be submitted for arbitration to a tribunal composed of three persons. The Bank and the State concerned shall each appoint one of the arbiters, and shall jointly appoint a third and disinterested party. Should agreement not be reached with respect to the last mentioned appointment, the third member shall be chosen by lot from among the Presidents of the Supreme Courts of Justice of the member States, with the exception of that of the country concerned.

The third arbiter shall be empowered to decide upon all questions of procedure in cases where the parties are not in agreement.

Chapter VI

IMMUNITIES, EXEMPTIONS AND PRIVILEGES

Article 27

The Bank, in the discharge of its functions and in conformity with its purposes, shall enjoy in the territory of the member States the immunities, exemptions and privileges which are set forth in this chapter or which may be otherwise granted to it.

Article 28

It shall be possible to institute judicial proceedings against the Bank only before a competent tribunal in the territory of a member State where the Bank shall have established an office, or where it shall have appointed an agent or legal representative empowered to accept the writ or notice of a judicial complaint, or where it shall have issued or guaranteed securities.

Article 29

The Bank's property and other assets, wheresoever situated and whosoever be the holder thereof, shall enjoy immunity from attachment, sequestration, embargo, distraint, auction, adjudication or any other form of seizure or alienation or forfeiture, so long as no definitive judgement has been pronounced against the Bank.

The property and other assets of the Bank shall be deemed to be international public property and shall enjoy immunity in respect of investigation, requisition, confiscation, expropriation or any other form of seizure or forfeiture by executive or legislative action.

The Bank's property and other assets shall be exempt from restrictions, regulations, controls and moratoria of every kind, except as otherwise provided in the present Agreement.

Article 30

The files and records of the Bank shall be inviolable and shall enjoy absolute immunity.

Article 31

In territories of the member States the Bank's communications shall be entitled to the same franchises as are granted to official communications.

Article 32

The personnel of the Bank, whatever their category, shall enjoy, the following privileges and immunities:

(a) Immunity in respect of judicial, administrative and legislative proceedings relating to acts performed by them in their official capacity, unless the Bank waives such immunity;

(b) In the case of non-nationals of the member State concerned, the same immunities and privileges in respect of immigration restrictions, registration of aliens and military service requirements, and other facilities relating to exchange and travel regulations, which the State grants to other member States in respect of personnel of comparable rank.

Article 33

(a) The Bank, its income, property and other assets, as well as any operations and transactions which it may effect in accordance with the present Agreement, shall be exempt from taxes of every kind and from customs duties and other charges of a similar nature. The Bank shall likewise be exempt from all responsibility in connexion with the payment, withholding or collection of any tax, impost or duty;

(b) The bonds or securities issued or guaranteed by the Bank, including dividends or interest thereon, whosoever be their holder, shall not be subject to duties or taxes of any kind;

(c) The salaries and emoluments paid by the Bank to its personnel of whatsoever category shall be exempt from taxation.

Chapter VII

REQUIREMENTS FOR OBTAINING GUARANTEES OR LOANS

Article 34

It is hereby established that the members of the Bank shall not be entitled to obtain guarantees or loans from the said ins-

titution unless they have previously deposited the instruments of ratification of the following international agreements:

General Treaty on Central American Economic Integration, signed on the same date as the present Agreement;

Multilateral Treaty of Free Trade and Central American Economic Integration, signed on 10 June 1958;

Agreement on the Régime for Central American Integration Industries, signed on 10 June 1958;

Central American Agreement on the Equalization of Import Duties and Charges, signed on 1 September 1959, and the Protocol signed on the same date as the present Agreement.

Chapter VIII

ACCESSION OF NEW MEMBERS

Article 35

Central American States not signatories of the present Agreement shall be entitled to accede to it at any time.

Chapter IX

DISSOLUTION AND LIQUIDATION

Article 36

The Bank shall be dissolved:

(a) By unanimous decision of the member States; or

(b) When only one of the Parties continues to uphold the present Agreement.

In the event of dissolution, the Board of Governors shall determine the conditions under which the Bank shall terminate its operations, liquidate its obligations and distribute among the member States the surplus capital and reserves remaining after the discharge of the obligations in question.

Chapter X

GENERAL PROVISIONS

Article 37

The present Agreement shall be of unlimited duration and cannot be denounced earlier than twenty years from the date of its entry into force. Denunciation shall become effective five years after its presentation. The Agreement shall remain in force if at least two countries continue to uphold it.

Article 38

The present Agreement shall enter into force as from the date on which the third instrument of ratification is deposited with the General Secretariat of the Organization of Central American States. For Central American countries acceding to it subsequently, it shall enter into force from the date of deposit of the pertinent instrument with the said Secretariat.

Article 39

In the event of a signatory State's separation from the Bank, the State shall continue to be responsible for its obligations to the Bank, whether direct or deriving from loans, credits or guarantees obtained prior to the date on which the State ceases to be a member. However, it shall not be responsible in respect of loans, credits or guarantees effected subsequently to its withdrawal.

The rights and obligations of the seceding State shall be determined in conformity with the Special Liquidation Balance Sheet which shall be drawn up for the purpose on the date on which the country's separation becomes effective.

Article 40

The Bank shall be empowered to make its facilities available for the organization and operation of a clearing-house on behalf of the Central Banks if and when they so request.

Article 41

The General Secretariat of the Organization of Central American States shall be the depository of the present Agreement and shall transmit certified copies thereof to the Ministry of Foreign Affairs of each of the Contracting States, which it shall immediately notify of the deposit of each of the instruments of ratification, as well as of any denunciation which may be presented. On the entry into force of the Agreement, it shall also transmit a certified copy thereof to the United Nations Secretariat for registration purposes in conformity with Article 102 of the United Nations Charter.

Article 42

The Bank constituted by virtue of the present Agreement is the institution referred to in resolutions 84 and 101 of the Central American Economic Cooperation Committee, and, in founding it, Guatemala, El Salvador and Honduras are complying with the provisions respecting the establishment of the Development and Assistance Fund laid down in the Economic Association Treaty and the Protocol concluded by them on 8 June 1960.

Provisional article

The amounts advanced by the Governments for the initial expenditure arising from the establishment of the Bank shall be deemed to constitute part of their capital contributions to the Bank.

Provisional article

The first meeting of the Board of Governors of the Bank shall be convened by the Ministry of Foreign Affairs of the Republic of Honduras at the earliest opportunity and not later than sixty days from the date of entry into force of the present Agreement.

In witness whereof the respective plenipotentiaries sign the present Agreement in the city of Managua, capital of the Republic of Nicaragua, this thirteenth day of the month of December, nineteen hundred and sixty.

For the Government of the Republic of Guatemala:

Julio Prado García Salas
Minister for Co-ordinating Central
American Integration
Alberto Fuentes Mohr
Head of the Economic
Integration Bureau

For the Government of the Republic of El Salvador:

Gabriel Piloña Araujo
Minister of Economic Affairs
Abelardo Torres
Under-Secretary for Economic
Affairs

For the Government of the Republic of Honduras:

Jorge Bueso Arias
Minister of Economic and Financial
Affairs

For the Government of the Republic of Nicaragua:

Juan José Lugo Marengo
Minister of Economic Affairs

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SCHEDULE A
IMMEDIATE EQUALIZATION OF IMPORT DUTIES

General note

The Contracting States agree to adopt forthwith the standard duty specified in this Annex for imports from countries not signatories of the Second Protocol to the Central American Agreement on the Equalization of Import Duties and Charges. Tariff sub-sub-items marked with an asterisk are included with the sole aim of ensuring the uniform application of the Standard Central American Tariff Nomenclature (NAUCA).

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
Section O. Food				
001-01-02	Bovine cattle, ordinary.....	Head	7.00	10
001-02-02	Sheep and lambs, ordinary.....	Head	1.50	10
001-03-02	Swine, ordinary.....	Head	4.00	10
011-01-00	Meat of bovine cattle, fresh, chilled or frozen.....	G. K.	0.60	10
011-02-00	Meat of sheep or lambs, fresh, chilled or frozen.....	G. K.	0.60	10
011-03-00	Meat of swine, fresh, chilled or frozen.....	G. K.	0.60	10
011-04-00	Poultry, killed, fresh, chilled or frozen.....	G. K.	0.80	15
011-09-00	Fresh, chilled or frozen meat, not included in the above items (including edible offals, horsemeat and game)....	G. K.	0.60	10
012-01-00	Meat of swine (including bacon and ham) dried, salted, smoked or simply cooked, not otherwise prepared, not canned	G. K.	0.80	25
012-02-00	Dried, salted, smoked or simply cooked meats, not otherwise prepared, excluding meat of swine, not canned.....	G. K.	0.80	25
013-01-00	Sausages of all kinds not in airtight containers.....	G. K.	0.80	25
013-02-01	Sausages of all kinds in airtight containers.....	G. K.	0.90	30
013-02-02	Bacon and ham in airtight containers.....	G. K.	1.00	30
013-09-01	Natural sausage casings.....	G. K.	Free	15
025-01-00	Edible eggs in the shell.....	G. K.	0.30	10
025-02-00	Eggs not in the shell, liquid, frozen or dried.....	G. K.	0.60	10
048-01-02	Croats and cereals flaked, pearled or prepared in a similar form, including prepared breakfast foods and edible cereal germ (except malt), roasted or cooked.....	G. K.	0.15	10
048-09-01	Malt extract and malt flour.....	G. K.	0.05	10
054-01-00	Potatoes, (including seed potatoes)			
054-01-00-01	Potatoes seed.....	G. K.	Free	Free
054-01-00-09	Other.....	G. K.	0.15	15
054-02-02	Chick-peas, peas, lentils.....	G. K.	0.15	15
054-02-03	Other dried pulses, n.e.s., (including those used as food for animals, except locust beans).....	G. K.	0.10	10
054-03-02	Roots, tubers and rhizomes with high starch content, such as yucca, mabioc, etc.	G. K.	0.15	15
054-09-01	Onions.....	G. K.	0.40	10

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
054-09-02	Mushrooms and edible fungi.....	G. K.	0.75	25
054-09-03	Truffles.....	G. K.	0.75	25
054-09-04	Garlic.....	G. K.	0.40	10
054-09-05	Vegetables, n.e.s.....	G. K.	0.50	10
055-01-01	Dehydrated mushrooms, edible fungi and truffles.....	G. K.	0.85	25
055-01-02	Other dehydrated vegetables.....	G. K.	0.85	25
055-02-02	Tomato juice.....	G. K.	0.50	10
055-02-03	Vegetable juices, n.e.s.....	G. K.	0.50	10
055-02-04	Vegetables preserved and pickled, whether or not in air- tight containers			
055-02-04-01	Strained and homogenized baby foods, in containers with a net content not exceeding 150 grammes.....	G. K.	0.15	10
055-02-04-09	Others.....	G. K.	0.60	25
071-01-01	Coffee, unprocessed (berries).....	G. K.	0.40	20
071-01-02	Coffee, parchment.....	G. K.	0.40	20
071-01-03	Coffee, green.....	G. K.	0.60	20
071-02-00	Coffee, roasted, including ground.....	G. K.	1.20	20
072-01-00	Cocoa beans.....	G. K.	0.50	10
073-01-01	Chocolate in sweets and confectionery.....	G. K.	1.20	20
073-01-02	Chocolate in tablets, slabs, bars and similar forms, with or without the addition of other substances.....	G. K.	1.20	20
073-01-03	Chocolate and chocolate preparations, n.e.s.	G. K.	1.20	20
074-01-00	Tea.....	G. K.	1.00	25
074-02-00	Mate.....	G. K.	1.00	25
091-01-00	Margarine, oleomargarine and other butter substitutes: animal, vegetable or blended.....	G. K.	0.60	10
099-09-06	Other food preparations.....	G. K.	1.00	25
Section 2. Crude materials, inedible, except fuels				
211-01-00	Hides and skins (except furskins), undressed (including leather waste).....	G. K.	Free	10
212-01-00	Furskins, undressed (including astrakhan, caracul, Persian lamb, broadtail and similar skins).....	G. K.	0.50	15
221-01-00	Groundnuts (peanuts), green, whether shelled or unshelled.	G. K.	0.25	15
<i>Note on Standard Central American Tariff</i>				
Seeds for planting classified in group 221 are exempt from all tariff charges, consular fees and other import duties.				
221-03-00	Palm kernels.....	G. K.	0.25	15
221-04-00	Soya beans.....	G. K.	0.25	15
221-06-00	Cottonseed.....	G. K.	0.25	15
221-09-00	Oil-seeds, oil nuts and oil kernels, n.e.s.	G. K.	0.25	15

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
231-04-00	Waste and scrap rubber (including worn-out articles of rubberized fabrics, suitable only for use as raw material).	G. K.	0.10	10
242-02-00	Roundwood, sawlogs and veneer logs, or wood roughly squared.....	C. M.	Free	15
243-02-00	Lumber sawn, planed, gooved, tongued, etc.....	C. M.	3.00	20
244-01-01	Processed cork for making corks, except agglomerated cork.....	G. K.	0.05	10
261-01-00	Silk worm cocoons.....	G. K.	0.50	10
261-02-00	Waste of natural silk.....	G. K.	0.75	10
261-03-00	Raw silk (not thrown) in hanks or skeins.....	G. K.	0.75	10
262-01-00	Sheep's and lamb's wool, greasy or washed, whether or not bleached or dyed.....	G. K.	0.15	10
262-03-00	Fine animal hair, whether or not suitable for spinning, other than wool, not carded or combed.....	G. K.	0.15	10
262-07-00	Wool or fine hair, carded or combed, including tops....	G. K.	0.15	10
262-08-00	Waste of wool and of other animal hair, including reclaimed wool.....	G. K.	0.15	10
263-01-01	Raw cotton, not ginned.....	G. K.	0.20	15
263-01-02	Raw cotton, ginned.....	G. K.	0.20	15
263-04-00	Cotton, carded or combed.....	G. K.	0.30	15
264-01-00	Jute, raw or hackled, including jute cuttings and waste.	G. K.	0.15	10
265-01-00	Fibres of flax, hemp and ramie, raw or washed, combed, bleached or dyed (including tow and waste).....	G. K.	0.05	10
265-09-00	Vegetable textile fibres, n.e.s., suitable for the manufacture of thread, raw or washed, combed, bleached or dyed, and waste of such fibres.....	G. K.	0.15	10
266-01-00	Artificial or synthetic fibres suitable for spinning, and waste.....	G. K.	Free	10
267-01-00	Waste materials from textile fibres, including rags.....	G. K.	0.05	10
272-05-01	Common salt and sea salt, unrefined, including sea water.	G. K.	0.05	10
272-05-02	Rock salt and sea salt, refined, including table salt.....	G. K.	0.10	10
272-05-03	Rock salt and sea salt, in all forms, for cattle.....	G. K.	0.03	7
272-05-04	Pure sodium chloride.....	G. K.	0.05	15
291-01-01	Ivory.....	G. K.	0.50	20
291-01-03	Whalebone.....	G. K.	0.50	20
291-01-05	Mother of pearl.....	G. K.	0.50	20
291-01-06	Cuttlefish bone.....	G. K.	0.50	20
291-01-07	Coral.....	G. K.	0.50	20
291-01-08	Mollusc shell (except mother of pearl).....	G. K.	0.50	20
291-09-01	Sea sponges in their natural state, whether or not washed or bleached.....	G. K.	2.00	20
291-09-02	Human hair, unworked.....	G. K.	2.00	20
291-09-04	Ornamental feathers, unworked or simply cleaned.....	G. K.	5.00	30

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
291-09-05	Dried cantharides, chipped or powdered.....	G. K.	0.50	20
291-09-06	Cochineal, unworked or simply prepared.....	G. K.	0.50	20
291-09-07	Castoreum, whole or powdered.....	G. K.	2.00	20
291-09-08	Natural musk.....	G. K.	2.00	20
291-09-09	Civet.....	G. K.	2.00	20
291-09-10	Ambergris.....	G. K.	2.00	20
291-09-13	Other animal products, n.e.s., unworked or simply prepared.	G. K.	0.15	20
292-01-02	Wood, bark and other parts of plants for use in dyeing.	G. K.	Free	8
Section 4. Animal and vegetable oils and fats				
413-02-00	Hydrogenated oils and fats			
413-02-00-01	Hydrogenated fats in flakes or slabs for industry or in containers with a net content of not less than 45 kg per unit (progressively equalized; see Schedule B)			
413-02-00-09	Others.....	G. K.	0.25	10
Section 5. Chemicals				
511-01-01	Hydrochloric or muriatic acid.....	G. K.	0.01	15
511-01-03	Nitric acid or <i>aqua fortis</i>	G. K.	0.01	15
511-01-04	Hydrofluoric acid.....	G. K.	0.01	15
511-01-05	Boric acid.....	G. K.	0.01	15
511-01-06	Sulphuric anhydride (sulphuric acid).....	G. K.	0.01	15
511-01-07	Carbonic anhydride, or carbonic gas (carbonic acid)....	G. K.	0.05	25
511-02-00	Copper sulphate.....	G. K.	Free	8
511-03-00	Sodium hydroxide (caustic soda).....	G. K.	0.01	10
511-04-00	Sodium carbonate (soda ash)	G. K.	0.01	10
511-09-03	Ammonia and salts and other compounds of ammonium (except nitrogenous fertilizers, which are classified under fertilizers)	G. K.	0.02	15
511-09-04	Salts and other compounds of antimony.....	G. K.	0.02	15
511-09-05	Salts and other compounds of arsenic (except arsenical insecticides, which are classified in sub-item 599-02-00, and organic arsenical compounds, which are classified in item 512-09)	G. K.	0.02	15
511-09-06	Sulphur compounds.....	G. K.	0.02	15
511-09-07	Salts and other compounds of barium.....	G. K.	0.02	15
511-09-08	Salts and other compounds of bismuth.....	G. K.	0.01	10
511-09-09	Salts and other compounds of cadmium.....	G. K.	0.02	15
511-09-10	Calcium carbide.....	G. K.	0.01	15
511-09-11	Other salts and compounds of calcium (except salts in the form of insecticides, classified in sub-item 599-02-00, and those put up as fertilizers, classified in group 561)...	G. K.	0.01	15
511-09-12	Carbon compounds.....	G. K.	0.02	15
511-09-13	Salts and other compounds of cobalt.....	G. K.	0.02	15

SCHEDULE A

NAUCA group,
item or sub-item
and standardized
tariff sub-
sub-items

Description

Unit

Standard import
duty

Specific
(dollars
per
unit)

Ad va-
lorem
(per-
centage
c.i.f.)

511-09-14	Salts and other compounds of copper (except copper sulphate)	G. K.	0.02	15
511-09-15	Salts and other compounds of chromium.....	G. K.	0.01	15
511-09-16	Salts and other compounds of tin.....	G. K.	0.02	15
511-09-17	Phosphorus compounds.....	G. K.	0.02	15
511-09-18	Salts and other compounds of iron.....	G. K.	0.02	15
511-09-19	Salts and other compounds of magnesium.....	G. K.	0.02	10
511-09-20	Salts and other compounds of manganese.....	G. K.	0.02	15
511-09-21	Salts and other compounds of mercury.....	G. K.	0.01	10
511-09-22	Salts and other compounds of nickel.....	G. K.	0.02	15
511-09-23	Salts and other compounds of silver.....	G. K.	0.05	15
511-09-24	Salts and other compounds of lead.....	G. K.	0.02	10
511-09-25	Salts and other compounds of potassium			
511-09-25-01	Potassium carbonate and potassium hydroxide or caustic potash	G. K.	0.01	10
511-09-25-09	Other.....	G. K.	0.02	15
511-09-26	Salts and other compounds of sodium (except sodium hydroxide, sodium carbonate and sodium chloride, and impure salts used as fertilizers)			
511-09-26-01	Sodium sulphate.....	G. K.	0.05	10
511-09-26-02	Sodium bicarbonate.....	G. K.	0.01	15
511-09-26-09	Others.....	G. K.	0.01	15
511-09-27	Salts and other compounds of zinc.....	G. K.	0.02	15
511-09-28	Salts and other compounds of metals, n.e.s.	G. K.	0.05	15
512-04-01	Methyl alcohol.....	G. K.	0.30	10
512-04-02	Other alcohols (except complex function alcohols) and their derivatives, n.e.s.			
512-04-02-01	Menthol (natural or synthetic).....	G. K.	0.30	10
512-04-02-09	Others.....	G. K.	0.05	15
512-09-01	Campher (natural or synthetic) and its derivatives, n.e.s.	G. K.	0.15	15
512-09-02	Hydrocarbons and their non-halogenated derivatives, n.e.s.			
512-09-02-01	Acetylene.....	G. K.	0.02	10
512-09-02-09	Others.....	G. K.	0.02	15
512-09-03	Halogenated derivatives of hydrocarbons, n.e.s.			
512-09-03-01	Chloroform.....	G. K.	0.05	10
512-09-03-02	Dichloro-diphenyl-trichloroethane (DDT) and its derivatives, unprepared.....	G. K.	Free	Free
512-09-03-03	Refrigerant gases, whether liquid or not (freon gas, etc.)	G. K.	Free	10
512-09-03-09	Others.....	G. K.	0.05	15
512-09-04	Complex function alcohols and their derivatives, n.e.s.	G. K.	0.05	15
512-09-05	Aldehydes and ketones.....	G. K.	0.05	15

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
512-09-06	Organic acids and anhydrides, n.e.s.			
512-09-06-01	Acetic acid	G. K.	0.15	10
512-09-06-09	Others.....	G. K.	0.05	10
512-09-07	Organic acid derivatives, n.e.s.	G. K.	0.05	10
512-09-08	Chemically pure carbohydrates, except saccharose.....	G. K.	0.05	15
512-09-09	Chemically pure benzene, and benzene derivatives, n.e.s.	G. K.	0.05	15
512-09-10	Anilides, amines, amides and other organic nitrogenous compounds, n.e.s.			
512-09-10-01	For fertilizers.....	G. K.	Free	Free
512-09-10-02	Sulfanilamides and other sulfa preparations.....	G. K.	Free	Free
512-09-10-03	Other compounds with therapeutic properties.....	G. K.	Free	15
512-09-10-09	Others.....	G. K.	0.05	15
512-09-11	Organic arsenical compounds, n.e.s.....	G. K.	0.05	15
512-09-12	Aminophenols, n.e.s.	G. K.	0.05	15
512-09-13	Phenacetin, phenates, phenylates and phenetidines; phe- nols, thymols and cresols, n.e.s.			
512-09-13-01	Phenacetin, phenates, phenylates an phenetidines....	G. K.	0.02	15
512-09-13-09	Others.....	G. K.	0.05	20
512-09-14	Naphtalene, naphthols and derivatives, n.e.s.	G. K.	0.05	15
512-09-15	Pyrroles and pyridic bases, n.e.s.	G. K.	0.05	15
512-09-16	Quinolinic bases.....	G. K.	0.05	15
512-09-18	Other organic compounds, n.e.s.	G. K.	0.05	15
521-01-00	Mineral tar.....	G. K.	0.01	10
521-02-03	Tar oils and other crude chemicals from coal, petroleum and natural gas, n.e.s.	G. K.	0.02	10
541-04-04	Caffein, strychnine and all their salts.....	G. K.	0.05	20
551-02-00	Synthetic and concentrated aromatics and soporifics and mixtures of essential oils with fats, alcohol or ether for use in the perfumery, food and drink or other industries, n.e.s.			
551-02-00-01	For alcoholic beverages	G. K.	0.60	20
551-02-00-02	For perfumery.....	G. K.	0.10	30
551-02-00-09	Others.....	G. K.	0.10	20
591-01-01	Black propellant powder.....	G. K.	0.75	10
591-01-02	Smokeless propellant powder.....	G. K.	0.75	10
591-01-03	Prepared explosives, n.e.s.	G. K.	0.10	15
591-02-01	Cord fuses of all types, detonators and caps, for detonat- ing propellant powders and explosives.....	G. K.	0.25	15
599-01-01	Cellophane			
599-01-01-01	For the manufacture of plastic foil.....	G. K.	Free	10
599-01-01-09	Others.....	G. K.	0.15	15

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
599-03-02	Dextrins.....	G. K.	0.02	10
599-03-03	Gluten and gluten flour for industrial use.....	G. K.	0.02	10
599-04-01	Casein, except hardened.....	G. K.	0.05	10
599-04-02	Albumen.....	G. K.	0.10	15
599-04-05	Prepared dressings for industrial use.....	G. K.	0.02	15
599-09-01	Dental wax, other artificial waxes and modelling prepara- tions with a base of fatty acids, waxes or other similar substances, n.e.s.	G. K.	0.30	10
599-09-06	Other products obtained from the distillation of wood or wood tar, n.e.s.	G. K.	0.05	10
599-09-07	Products obtained by dry distillation of resins, n.e.s.		0.05	10
599-09-08	Ferro-cerium, including lighter flints			
599-09-08-01	Lighter flints.....	G. K.	1.00	40
599-09-08-09	Others.....	G. K.	0.02	10
599-09-09	Peptones, other than medicaments.....	G. K.	0.05	15
599-09-10	Prepared mordants.....	G. K.	0.05	10
599-09-11	Chemical preparations and products for charging fire ex- tinguishers.....	G. K.	Free	10
599-09-12	Fluxes and other auxiliary preparations for soldering (sol- dering paste).....	G. K.	0.05	15
599-09-14	Dry-cleaning preparations.....	G. K.	0.15	20
599-09-15	Other chemical substances and products, n.e.s.			
599-09-15-01	Bleaches and chemical products for clearing water- closets and drains and for similar uses; fabric bleaches; correction fluids, including stencil correctors; non-slip dressings for machine belts and bands, liquids for hy- draulic brakes, tablets for decarbonizing petrol engines, and other similar chemical products in containers or in a form suitable for retail sale (up to a maximum weight of 5 kg).....	G. K.	0.10	15
599-09-15-09	Others.....	G. K.	0.01	15
Section 6. Manufactured articles classified chiefly by material				
611-01-01	Sole leather, not cut to size.....	G. K.	0.40	10
611-01-02	Bovine cattle hide leather and equine leather, n.e.s.....	G. K.	0.55	10
611-01-03	Sheep and lamb skin leather, n.e.s.....	G. K.	0.55	10
611-01-04	Goat and kid skin leather, n.e.s.....	G. K.	0.55	10
611-01-05	Other kinds of leather, n.e.s.....	G. K.	0.55	10
611-01-06	Chamois-dressed leather.....	G. K.	0.55	10
611-01-07	Parchment, vellum and parchment-dressed leather.....	G. K.	0.75	10
611-01-08	Patent leather and metallized leather.....	G. K.	0.55	10
611-02-00	Composition leather with a base of leather or leather fibre.	G. K.	0.75	10
612-02-00	Saddlery and harness, of any material except metal (for example, harness, collar, traces, knee-pads, non-metal stir- rups and similar equipment) for any kind of animal...	G. K.	2.00	15

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
612-03-01	Soles, heels and other parts cut or prepared from leather, for footwear			
612-03-01-01	Welts.....	G. K.	0.20	10
612-03-01-09	Others			
612-03-03	Soles, heels and other parts cut or prepared from all other materials, n.e.s., for footwear			
612-03-03-01	Heels (except of wood). (progressively equalized: see Schedule B)			
612-03-03-02	Tips, stiffeners, welts, braces, supports and toe-caps...	G. K.	0.15	10
612-03-03-09	Others (progressively equalized: see Schedule B)			
612-09-00	Manufacture of leather, n.e.s.....	G. K.	2.00	15
613-01-00	Furs, dressed or dressed and dyed (including artificial furs), not made up into articles of clothing.....	G. K.	5.00	30
629-02-00	Hygienic, medical and surgical articles of rubber (not including tubes), n.e.s.....	G. K.	0.25	20
629-09-03	Rubber gloves for all purposes.....	G. K.	0.35	15
629-09-05	Rubber sponges.....	G. K.	1.00	10
629-09-06	Rubber pillows, chair-seats and similar articles, whether or not pneumatic, and rubber mattresses, pneumatic.....	G. K.	1.50	20
629-09-07	Rubber erasers and rubber bands.....	G. K.	1.00	10
629-09-08	Other articles of rubber and ebonite, n.e.s.....	G. K.	1.00	15
631-01-00	Wood in thin sheets (veneers).....	G. K.	0.40	10
631-03-00	Sheets of wood fibres and other vegetable fibres (not pa- perboards).....	G. K.	0.15	20
631-09-02	Artificial or reconstituted wood in sheets, blocks, boards (except fibreboards) or the like.....	G. K.	0.35	15
631-09-03	Moulding of all kinds, whether or not varnished, painted, bronzed, gilded or silvered, etc.....	G. K.	1.00	20
631-09-04	Wood simply shaped or worked, n.e.s.....	G. K.	0.10	40
632-02-01	Wooden barrels, casks and hogsheads, whether or not assembled, and their accessories.....	G. K.	0.10	10
632-02-02	Wooden troughs and vats, whether or not assembled, and their accessories.....	G. K.	0.10	10
632-02-03	Other coopers' products (buckets, kegs, tubs, etc.).....	G. K.	0.15	10
632-03-01	Doors, windows and door and window frames, whether assembled or not, with or without metal fittings.....	G. K.	0.90	30
632-03-02	Other builders' carpentry (boards and strips for parquet and other floors, and building components of wood, cut and prepared, with or without metal fittings, etc.), n.e.s.	G. K.	0.90	30
641-03-00	Common packing and wrapping paper, with or without advertising matter (kraft paper, straw paper and similar products), n.e.s.			
641-03-00-01	Printed.....	G. K.	0.15	15
641-03-00-09	Unprinted (progressively equalized: see Schedule B)			
641-05-00	Building board of paper or of pulp, not impregnated....	G. K.	0.10	10

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
641-08-00	Wallpaper of all types, including lincrusta, borders and friezes, and paper window transparencies.....	G. K.	0.15	15
642-01-01	Paper bags for all purposes, printed or unprinted, whether or not reinforced.....	G. K.	0.20	10
642-01-03	Other paper or paperboard containers, n.e.s			
*642-01-03-01	Waterproof containers			
642-01-03-09	Others.....	G. K.	0.30	15
642-09-04	Paper dress patterns.....	G. K.	0.50	10
642-09-07	Plates, cups, tableware and similar articles of paper or paperboard, including paper straws.....	G. K.	0.30	15
651-01-00	Thrown natural silk and other natural silk yarn and thread (including schappe, yarn of waste and yarn of noil silk) .	G. K.	2.00	10
651-02-00	Yarn (coarse and fine) or wool and other animal hair, including horsehair.....	G. K.	0.30	10
651-03-00	Cotton yarn and thread (unbleached), not mercerized			
651-03-00-01	No. 22 and under.....	G. K.	0.20	10
651-03-00-09	Other (progressively equalized: see Schedule B)			
651-04-00	Cotton yarn and thread, bleached, dyed or mercerized			
651-04-00-01	No. 22 and under.....	G. K.	0.20	10
651-04-00-09	Other (progressively equalized: see Schedule B)			
651-05-00	Yarn and thread of flax, hemp and ramie.....	G. K.	0.20	15
651-07-00	Yarn of textile fibres mixed with metal.....	G. K.	0.60	10
651-09-01	Yarn and thread of jute.....	G. K.	0.15	10
651-09-02	Yarn and thread of textile fibres, n.e.s., (including paper yarn).....	G. K.	0.25	10
652-01-01	Cotton fabrics, grey (unbleached) weighing less than 80 grammes per square metre.....	G. K.	0.75	15
652-01-02	Cotton fabrics, grey (unbleached) weighing 80 grammes or more per square metre			
652-01-02-01	80 to 400 grammes per square metre.....	G. K.	1.50	10
652-01-02-09	Over 400 grammes per square metre.....	G. K.	0.80	10
652-02-01	Cotton pile fabrics, velveteen, plush, chenille and corduroy.	G. K.	1.00	10
652-02-02	Cotton fabrics of triple-loop terry cloth.....	G. K.	1.00	10
652-02-03	Cotton fabrics, bleached, dyed, etc., n.e.s., weighing less than 80 grammes per square metre.....	G. K.	1.50	10
652-02-04	Cotton fabrics, bleached dyed, etc., n.e.s., weighing 80 to 150 grammes per square metre.....	G. K.	1.50	10
653-01-01	Pile fabric, velvet, plush and triple-loop fabric or natural silk or silk waste, or of mixture of these fibres with other fibres in any proportion.....	G. K.	5.00	20
653-01-02	Fabrics n.e.s., of silk or silk waste, not mixed with other textile fibres.....	G. K.	5.00	20
653-01-03	Fabrics n.e.s., of silk or silk waste, mixed with other textile fibres.....	G. K.	5.00	20

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
653-02-01	Pile fabrics, velvet, plush and triple-loop fabrics of wool or wool waste, whether or not mixed with other textile fibres, except natural silk or artificial or synthetic fibres.	G. K.	2.00	20
653-03-01	Fabrics n.e.s., of flax or ramie, not mixed with other textile fibres.....	G. K.	1.50	10
653-03-02	Fabrics n.e.s., of flax or ramie, mixed with other textile fibres.....	G. K.	1.50	10
653-03-03	Fabrics n.e.s., of hemp, not mixed with other textile fibres.	G. K.	1.00	10
653-03-04	Fabrics n.e.s., of hemp, mixed with other textile fibres.	G. K.	1.00	10
653-05-01	Pile fabrics, velvet, plush and triple-loop fabrics, of rayon or other artificial or synthetic fibres, pure or mixed with other textile fibres except natural silk.....	G. K.	4.00	10
653-05-06	Fabrics of spun glass, pure or mixed with other fibres....	G. K.	1.50	20
653-06-00	Fabrics of textile fibres mixed with metal.....	G. K.	5.00	20
653-09-01	Fabrics of horsehair and other coarse animal hair, whether or not mixed with other textile fibres.....	G. K.	1.00	10
653-09-03	Fabrics of reed, straw, raffia, wood shavings and similar materials, whether or not mixed with other textile fibres.	G. K.	0.50	15
654-01-01	Lace of all fibres, in the piece, in strips and in other forms, and lace articles unless made by cutting and sewing			
654-01-01-01	Of cotton.....	G. K.	4.00	20
654-01-01-09	Others.....	G. K.	6.00	20
654-01-02	Tulle and net fabrics of any fibre			
654-01-02-01	Of cotton.....	G. K.	4.00	20
654-01-02-09	Others.....	G. K.	6.00	20
654-03	Ribbons, trimmings (such as tapes, bindings, cords, twisted cords, tassels, etc.) bindings and fillets of all fibres, even those containing metal threads (except ribbons and other made-up articles of elastic fabrics)			
654-03-02	Of synthetic and artificial fibres, except rayon, pure or blended.....	G. K.	4.00	20
654-03-03	Of rayon (artificial silk), pure or blended.....	G. K.	4.00	20
654-03-04	Of wool, pure or blended.....	G. K.	4.00	20
654-03-05	Of linen, ramie, cotton or other textile fibres, n.e.s., including paper yarn, pure or blended.....	G. K.	1.00	20
654-04	Embroidered fabrics, tulle, lace, ribbon, velvet, etc., (in the piece, in strips or in any other form, not including embroidered garments or other embroidered made-up articles)			
654-04-01	Of natural silk or floss, pure or blended.....	G. K.	6.00	20
654-04-04	Of wool, pure or blended.....	G. K.	3.00	25
654-04-05	Of linen, ramie, cotton or other textile fibres, n.e.s., pure or blended.....	G. K.	3.00	20
655-01-01	Felt not made up into articles.....	G. K.	0.30	10
655-01-02	Articles made from felt, n.e.s.			
655-01-02-01	Felt articles for machinery (washers, discs and similar products).....	G. K.	Free	15

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- tarem (per- centage c.i.f.)
655-01-02-09	Others.....	G. K.	0.70	10
655-02-00	Hat shapes of wool felt and fur felt.....	G. K.	1.00	10
655-03-00	Hat shapes, n.e.s.....	G. K.	2.00	20
655-04-01	Adhesive fabrics and tapes (sticking-plaster, insulating tape, etc.).....	G. K.	0.10	10
655-04-02	Waxed and other weather-proofed fabrics and felts			
655-04-02-01	Weather-proofed canvas.....	G. K.	0.15	15
655-04-02-09	Others.....	G. K.	0.30	15
655-04-03	Textile fabrics and felts, otherwise coated or impregnated, including painting canvas, theatrical back-drops and scen- ery, and percaline.....	G. K.	0.30	10
655-09-05	Pads and discs of textile materials for filters, except of felt.....	G. K.	Free	10
655-09-06	Flock and articles n.e.s., (washers, packing of textiles, suitable for machinery, fabrics and felts, rubber-coated on one side, leather and similar products, and other special textile products, n.e.s.			
655-09-06-01	Articles of textile materials for machinery (washers, packing, discs and other similar articles), n.e.s.....	G. K.	Free	15
655-09-06-09	Others.....	G. K.	0.25	15
656-01-00	Bags and sacks for packing, new or used, of all textile fibres, printed or not			
*656-01-00-01	Of jute, henequen and other similar coarse fibres			
656-01-00-09	Others.....	G. K.	1.00	10
656-02-00	Tarpaulins (canvas), awings, marquees, tents, sails and other made-up canvas articles			
656-02-00-01	Tarpaulins (canvas).....	G. K.	0.15	10
656-02-00-09	Others.....	G. K.	0.50	15
656-04-01	Bedsheets, pillow-slips, pillow cases and other similar ar- ticles, of all textile fibres.....	G. K.	2.00	20
656-04-02	Tablecloths, napkins and other table linen, of all textile fibres.....	G. K.	3.00	20
656-04-04	Kitchen cloths.....	G. K.	1.50	10
656-09-01	Flags, banners, bandoleers, pennants and similar articles, of all textile fibres.....	G. K.	2.50	20
656-09-02	Covers, n.e.s., for automobiles, weapons, musical and scien- tific instruments, of all textile fibres.....	G. K.	2.50	20
656-09-03	Other made-up articles of textile materials, n.e.s			
* 656-09-03-01	Sanitary pads and towels			
656-09-03-09	Others.....	G. K.	2.00	20
657-01-00	Carpets, carpeting, floor rugs, mats, matting and tapestries (Gobelins type, etc.), of wool and fine hair.....	G. K.	2.50	20
657-02-00	Carpets, carpeting, floor rugs, mats, matting and tapestries of textile fibres, other than of wool and fine hair.....	G. K.	2.00	20
657-04-00	Linoleum and similar products.....	G. K.	0.10	15

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
661-02-00	Cement, except hydraulic lime.....	G. K.	0.01	10
663-02-00	Paper, cardboard and fabrics coated with natural or arti- ficial abrasives.....	G. K.	0.15	10
663-03-01	Asbestos, pure or mixed with any material, in threads, strings, cords, fabrics, etc., including asbestos in sheets and rolls, not for building.....	G. K.	0.05	10
664-03-00	Plate glass (commonly used for windows), unworked, co- loured or not.....	G. K.	0.05	15
664-04-00	Plate glass, unobscured, flat glass, ground and polished on both sides (commonly used for mirrors, show-windows, display cases, etc.), not otherwise worked.....	G. K.	0.05	15
664-05-00	Obscured or rolled glass (translucent), wired, printed, corrugated, frosted, ground, stamped, impressed or rein- forced with wire, coloured or not, but not otherwise worked	G. K.	0.05	15
664-06-00	Bricks, tiles and other construction materials of cast or pressed glass.....	G. K.	0.05	15
665-09-04	Stained window glass, painted glass, and glass mosaics...	G. K.	0.60	15
681-06	Hoops, tape, strip and webbing (including tube strip and steel strip for springs), coated or not			
681-06-01	For baling, packing and similar uses, including hoops and straps for barrels.....	G. K.	0.03	10
681-06-02	For other uses.....	G. K.	0.02	10
681-08-00	Railway and tramway rails.....	G. K.	Free	Free
681-11-00	Iron or steel accessories for the construction of tracks of all types (plates, sleepers or ties, parts for points, blades, couplings and joints, etc.).....	G. K.	Free	Free
681-15-00	Iron and steel castings and forgings, n.e.s.....	G. K.	0.01	15
682-02-03	Tubes, pipes and their accessories of copper and its alloys.	G. K.	0.02	15
682-02-05	Castings or forgings of copper and its alloys, n.e.s.			
682-02-05-01	Copper solder.....	G. K.	0.05	10
682-02-05-09	Others.....	G. K.	0.05	15
684-02-01	Thin aluminium sheets and leaves, with or without paper backing, with or without designs (aluminium foil).....	G. K.	0.20	15
684-02-04	Tubes, pipes and their accessories of aluminium and its alloys			
684-02-04-01	Tubes and their accessories, of aluminium and its alloys, with couplings suitable for farm irrigation.....	G. K.	Free	Free
684-02-04-09	Others.....	G. K.	0.10	15
684-02-05	Castings and forgings of aluminium and its alloys, n.e.s., aluminium powder.....	G. K.	0.10	10
685-02-02	Tubes, pipes and their accessories, of lead and its alloys.	G. K.	0.05	10
685-02-03	Castings and forgings of lead and its alloys, n.e.s.....	G. K.	0.10	10
686-02-02	Tubes and accessories, of zinc and its alloys.....	G. K.	0.05	10
686-02-03	Castings and forgings of zinc and its alloys, n.e.s.....	G. K.	0.10	10
687-02-03	Tubes, pipes and their accessories of tin and its alloys.	G. K.	0.05	10
687-02-05	Castings and forgings of zinc and its alloys, n.e.s.....	G. K.	0.10	10

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
699-01-01	Doors, windows, blinds and shutters (except curtains for buildings and Persian or Venetian blinds), of iron or steel, with or without fittings; iron and steel frames for same and mouldings (cornices, capitals, etc.), of iron or steel for buildings.....	G. K.	0.30	10
699-01-02	Iron or steel columns, pillars, towers and masts, of iron or steel, assembled or not.....	G. K.	0.05	15
699-01-03	Iron or steel bridges, assembled or not.....	G. K.	Free	15
699-01-04	Finished structural parts, n.e.s., made of iron or steel, including assembled structures			
699-01-04-01	Grilles, railings, balconies, balustrades and similar articles.....	G. K.	0.30	10
699-01-04-09	Others.....	G. K.	0.05	10
699-02-01	Doors, windows, blinds and shutters (except curtains for buildings and Persian or Venetian blinds), of aluminium with or without fittings; aluminium frames for same and mouldings (cornices, capitals, etc.), of aluminium for buildings.....	G. K.	0.40	20
699-02-02	Aluminium columns, pillars, towers and other finished structural parts, n.e.s.....	G. K.	0.30	15
699-02-03	Finished structural parts of base metals other than iron, steel and aluminium, including assembled structures.....	G. K.	0.30	15
699-05-01	Barbed wire of iron and steel.....	G. K.	Free	15
699-05-02	Metal cloth of iron and steel suitable for protection against insects and iron and steel cloth for strainers.....	G. K.	0.01	10
699-05-03	Netting, fencing, grills, mesh of wire or expanded metal, of iron or steel.....	G. K.	0.04	10
699-06-01	Metal cloth of non-ferrous base metals and their alloys, for strainers or for protection against insects.....	G. K.	0.01	10
699-06-02	Netting, fencing, grills, mesh of wire or expanded metal, of non-ferrous base metals or their alloys.....	G. K.	0.05	10
699-07	Nails, bolts, nuts, washers, rivets, screws, tacks, clamps for fences, and similar articles of all base metals			
699-07-01	Of iron or steel.....			
699-07-01-01	Clamps for fences.....	G. K.	Free	15
*699-07-01-09	Others			
699-07-02	Of other base metals, n.e.s.....	G. K.	0.20	10
699-21-01	Metal silos, assembled or not.....	G. K.	0.02	10
699-21-02	Tanks, vats and similar metal containers, with a capacity of not less than 500 litres.....	G. K.	0.01	15
699-21-04	Metal cylinders for compressed gases and similar pressure-resistant containers, unsoldered or with soldered bottoms.....	G. K.	0.02	10
699-29-06	Metal stoppers, corks with metal crowns, caps for bottles, stoppers, seals or tags of base metals for sealing parcels or packages or for ringing poultry and marking livestock; strips for protecting corners of cases and similar accessories for packing, of base metals			
*699-29-06-01	Crown corks			

SCHEDULE A

NAUCA group,
item or sub-item
and standardized
tariff sub-
sub-items

Description

Unit

Standard import
duty

Specific
(dollars
per
unit)

Ad va-
lorem
(per-
centage
c.i.f.)

699-29-06-09	Others.....	G. K.	0.15	15
699-29-07	Tubes (not for containers) and pipes, flexible, of base metals.....	G. K.	0.15	10
699-29-17	Persian blinds for buildings and curtains or Venetian blinds, of base metals.....	G. K.	0.30	10

Section 7. Machinery and transport equipment

712-03-01	Milking machines.....	G. K.	Free	Free
712-03-02	Cream separators for dairy-farms.....	G. K.	Free	Free
712-03-03	Other machinery and equipment, n.e.s., for dairy-farms...	G. K.	Free	Free
716-08-01	Shuttles, spindles, reels, bobbins, spools and similar articles for textile machinery.....	G. K.	Free	Free
716-08-02	Machinery and mechanical devices for combing, carding, or spinning textile fibres.....	G. K.	Free	5
716-08-03	Looms of all kinds; machinery for knitted-wear and for the manufacture of tulle, lace, embroidery, trimmings and mesh (including gumming machines and "dobbie" and Jacquard looms for special novelty fabrics).....	G. K.	Free	5
716-08-04	Machinery for washing, bleaching, dyeing, cleaning, preparing and finishing textile fabrics (including machinery for laundries, machines for non-household ironing, machines for cutting fabrics); machines for printing fabrics, wallpaper, linoleum, leather and similar articles.....	G. K.	Free	5
716-11-02	Furniture manufactured especially for sewing-machines...	G. K.	0.35	15
716-13-07	Centrifuges, excluding cream separators for dairy-farm honey extractors and laboratory extractors.....	G. K.	Free	5
716-13-14	Machines and mechanical implements for tanneries.....	G. K.	Free	5
716-13-15	Machinery and mechanical implements for saddlers, cobblers and other leather-working trades (except sewing-machines).....	G. K.	Free	5
716-13-21	Machinery and mechanical implements for the extraction and manufacture of oils and for the manufacture of candles, soaps, etc., including moulds.....	G. K.	Free	5

Section 8. Miscellaneous manufactured articles

811-01	Prefabricated buildings and their assembled panels and parts of all materials (the frames, if alone, are classified in items 699-01 or 699-02), including granaries			
811-01-01	Of wood.....	G. K.	0.15	30
811-01-02	Of iron or steel.....	G. K.	0.10	20
811-01-03	Of aluminium.....	G. K.	0.15	20
811-01-04	Of other materials.....	G. K.	0.10	20
812-01-00	Central heating apparatus (furnaces for central heating, boilers, radiators, conduits and parts).....	G. K.	0.05	10
821-01-01	Wood furniture, with or without parts of other materials, for medical or surgical use.....	G. K.	0.50	30
821-01-03	Other wood furniture, n.e.s., assembled or unassembled, with or without parts of other materials, including ice-boxes (refrigerators), cots, shelves, screens, filing-cabinets, etc., which stand on the floor.....	G. K.	0.90	30

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
821-02-01	Metal furniture for medical or surgical use.....	G. K.	Free	15
821-02-02	Metal furniture, lined with any material			
821-02-02-01	Of aluminium.....	G. K.	1.50	30
821-02-02-09	Others.....	G. K.	0.90	30
821-02-03	Other metal furniture, n.e.s., assembled or unassembled, with or without parts of other materials, including ice- boxes, cots, shelves, screens, filing-cabinets, which stand on the floor			
821-02-03-01	Swivel-chairs for barber-shops.....	G. K.	Free	15
821-02-03-02	Of aluminium.....	G. K.	1.50	30
821-02-03-09	Others.....	G. K.	0.90	30
821-09-01	Mattresses filled with any kind of material, including non- pneumatic rubber mattresses, those reinforced with springs, also spring-mattresses or bed-mattresses.....	G. K.	2.00	20
821-09-02	Bed-frames (mattresses) of wire mesh, straps or springs.	G. K.	1.00	20
831-01-01	Trunks, suitcases or attaché cases, hat-boxes, of any kind of material			
831-01-01-01	Of leather.....	G. K.	1.50	15
831-01-01-09	Others.....	G. K.	2.00	15
831-01-02	Haversacks, packs, purses, travelling bags, shopping bags and similar articles of all materials (except plaited veget- able materials)			
831-01-02-01	Tool-boxes.....	G. K.	0.20	10
831-01-02-09	Others.....	G. K.	1.50	35
831-01-03	Briefcases and toilet-cases.....	G. K.	2.00	35
841-02	Underwear and nightwear, knitted or crocheted, or made of knitted or crocheted material			
841-02-01	Of natural silk, pure or blended.....	G. K.	8.00	30
841-02-04	Of wool or other fine animal hair, pure or blended.....	G. K.	6.00	20
841-02-05	Of cotton, pure or blended.....	G. K.	6.00	10
841-02-06	Of other textile fibres, n.e.s., pure or blended.....	G. K.	6.00	20
841-03	Outerwear, knitted or crocheted, or made of knitted or cro- cheted material			
841-03-05	Of cotton, pure or blended.....	G. K.	10.00	20
841-03-06	Of other textile fibres, n.e.s., pure or blended.....	G. K.	10.00	20
841-04	Underwear and nightwear, except knitted or crocheted.			
841-04-04	Of wool or other fine animal hair, pure or blended.....	G. K.	6.00	30
841-04-06	Of other textile fibres, n.e.s., pure or blended.....	G. K.	6.00	30
841-06-00	Leather coats and other leather clothing, including those made of ordinary furs and leather aprons.....	G. K.	5.00	40
841-08-01	Felt hats, for men and boys.....	G. K.	5.00	15
841-08-02	Felt hats, for women and girls.....	G. K.	5.00	15
841-08-03	Felt caps, berets, skull caps, bonnets, toques, etc.....	G. K.	5.00	15

SCHEDULE A

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Standard import duty	
			Specific (dollars per unit)	Ad va- lorem (per- centage c.i.f.)
841-11-01	Hats of all materials (except felt or asbestos) for men and boys.....	G. K.	3.00	25
841-11-02	Hats of all materials (except felt or asbestos) for women and girls.....	G. K.	5.00	15
841-19-02	Suspenders and garters of all materials.....	G. K.	5.00	10
841-19-03	Ties and cravats, of all materials.....	G. K.	5.00	30
841-19-07	Collars, cuffs and shirt-fronts, if unattached.....	G. K.	3.00	20
842-01-00	Fur clothing, not including hats, caps or gloves.....	G. K.	10.00	30
892-09-10	Labels, vignettes, bands, strips, wrappers, etc., of paper or cardboard, printed, engraved or lithographed, cigar bands and similar articles.....	G. K.	1.50	15
899-07-01	Kitchen and table ware of plastic materials.....	G. K.	1.50	10
899-07-02	Tablecloths, curtains (including bath curtains) and other similar articles of plastic materials.....	G. K.	1.50	10
899-07-03	Ash-trays, soap-dishes, clothes-hangers, household ornaments, and other articles, n.e.s., for household use, of plastic materials.....	G. K.	2.50	20
899-11-01	Bags, large and small, bottles and other containers made of paper, cellophane or other plastic materials.....	G. K.	0.50	10
899-11-02	Caps, bungs and stoppers for sealing bottles, flasks, etc., of plastic materials.....	G. K.	0.30	10
899-17-02	Files (except those standing on the floor), card-indexes, folders and similar office equipment, n.e.s.....	G. K.	1.00	30
899-99-05	Strainers, sifters and sieves, manual of all materials.....	G. K.	0.30	10

SCHEDULE B
PROGRESSIVE EQUALIZATION OF IMPORT DUTIES

General note

The Contracting States agree to establish and adopt progressively the standard duty specified in column (I). This standard duty shall be reached at the end of the transition period shown in column (II). They likewise agree to initiate equalization, starting from the tariff appearing in column (III), and to adjust it where necessary to the annual increases or decreases until the required standard duty is reached. The tariffs to be applied in each country during each year of the transition period for each country are set forth in annexes 1, 2, 3, 4 and 5 of this Schedule.

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	(I)		(II)	(III)							
			Standard import duty			Initial percentages for Contracting States							
			Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)		Guatemala		El Salvador		Honduras		Nicaragua	
					Tran- sition period (years)	Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)	Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)	Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)	Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)
091-02-01	Lard.....	G. K.	0.50	10	4	0.30	10	0.30	10	0.50	10	0.50	45
413-02-00	Hydrogenated oils and fats												
413-02-00-01	Hydrogenated fats in flakes or slabs for industry or in containers with a net content of not less than 45 kg per unit.....	G. K.	0.20	10	3	0.05	10	0.20	10	0.20	10	0.20	10
413-02-00-09	Others (immediately equalized: see Schedule A)												
612-03-02	Soles, heels and other parts, cut or prepared from rubber, for footwear.....	G. K.	1.50	10	3 5	1.00	10	1.00	10	0.30	10	0.20	30
612-03-03	Soles, heels and other parts, cut or prepared from all other materials, n.e.s., for footwear												
612-03-03-01	Heels (except wooden).....	G. K.	0.75	10	4	0.75	10	0.75	10	0.15	10	0.75	10
612-03-03-02	Tips, stiffeners, welts, braces, supports and toe-caps (im- mediately equalized: see Schedule A)												
612-03-03-09	Others.....	G. K.	4.00	10	4	4.00	10	4.00	10	0.15	20	4.00	10
621-01-04	Natural rubber and vulcanized or hardened rubber, ebonite, in plates, sheets, tubes of all kinds, discs, thread, cord, strips, etc.												
621-01-04-01	Piping and tubing, with or without accessories (im- mediately equalized: see Schedule A of the Agree- ment)												
621-01-04-02	Waste (parings, scrap, powder, and other hardened rubber waste) (immediately equalized: see Schedule A of the Agreement)												

SCHEDULE B (continued)

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	(I)		(II) Trans- ition period (years)	(III) Initial percentages for Contracting States							
			Standard import duty			Guatemala		El Salvador		Honduras		Nicaragua	
			Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)		Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)	Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)	Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)	Speci- fic (dol- lars per unit)	Ad va- lorem (per- cent- age c.i.f.)
621-01-04-03	Thread (not textile-covered) (immediately equalized: see Schedule A of the Agreement)												
621-01-04-04	Plates and sheets (not spongy).....	G. K.	0.45	10	3	0.30	10	0.30	10	0.30	10	0.30	10
621-01-04-09	Others.....	G. K.	0.60	10	3	0.40	10	0.40	10	0.40	10	0.40	10
632-01-00	Complete wooden packing cases, boxes, crates, drums and casks for packing, and similar wooden coopers' products, imported assembled, unassembled or partially assembled (including wooden match-boxes).....	G. K.	0.20	10	5	0.20	10	Free	10	0.20	10	0.20	10
641-03-00	Common packing and wrapping paper, with or without advertising matter (kraft paper, straw paper and similar products, n.e.s.)												
641-03-00-01	Printed (immediately equalized: see Schedule A)												
641-03-00-09	Unprinted.....	G. K.	0.05	10	5	0.05	10	0.01	10	0.01	10	0.05	16
651-03-00	Cotton yarn and thread, grey (unbleached), not mercerized.												
651-03-00-01	No. 22 or under (immediately equalized: see Schedule A)												
651-03-00-09	Others.....	G. K.	0.15	10	5	0.10	10	0.25	5	0.15	10	0.10	10
651-04-00	Cotton yarn and thread, bleached, dyed or mercerized												
651-04-00-01	No. 22 or under (immediately equalized: see Schedule A)												
651-04-00-09	Others.....	G. K.	0.15	10	5	0.10	10	0.25	5	0.15	10	0.15	10
651-06-01	Rayon yarn and thread (artificial silk).....	G. K.	0.10	10	5	Free	10	Free	10	0.10	10	0.15	15
651-06-02	Yarn and thread of other artificial or synthetic fibres and of spun glass.....	G. K.	0.10	10	5	0.10	10	0.10	10	0.10	10	0.15	15
654-04	Embroidered fabrics, tulle, lace, ribbon, velvet, etc., (in the piece, in strips or in motifs, not including embroidered garments and other embroidered made-up articles)												
654-04-03	Of rayon (artificial silk), pure or blended.....	G. K.	6.00	20	5	6.00	20	5.00	20	5.00	20	6.00	20
656-03	Blankets (bedclothes), travelling-rugs, quilts and bed- spreads of any material												
656-03-03	Of rayon and other synthetic textiles, pure or blended....	G. K.	4.00	30	5	4.00	30	3.00	30	3.00	30	5.00	35

662-02-00	Wall tiles, floor tiles, pipes and other clay construction materials except those of brick earth or of ordinary baked clay.....	G. K.	0.10	15	5	0.20	10	0.10	15	0.10	15	0.10	15
682-02-04	Wire of copper or its alloys, coated or not, except when insulated for electrical use.....	G. K.	0.05	15	5	Free	10	0.05	15	0.01	15	0.05	15
812-02	Sinks, washbasins, bidets, bathtubs, water-closet pans, chamber-pots, spittoons, urinals, bed urinals, soapholders, towel-racks, shower-heads and spouts for shower-baths, and other sanitary fixtures and fittings of ceramic and other materials, except metal												
812-02-01	Of earthenware or porcelain.....	G. K.	0.02	15	3	Free	10	0.02	4	0.02	15	0.02	15
841-02	Underwear and nightwear, knitted or crocheted or made of knitted or crocheted fabrics												
841-02-02	Of synthetic fibres others than rayon, pure or blended...	G. K.	6.00	30	5	11.00	30	6.00	30	6.00	30	6.00	30
841-02-03	Of rayon, pure or blended.....	G. K.	6.00	30	5	11.00	30	6.00	30	6.00	30	6.00	30
841-03	Outer garments knitted or crocheted, or made of knitted or crocheted fabrics												
841-03-01	Of natural silk, pure or blended.....	G. K.	10.00	20	5	15.00	20	10.00	20	10.00	20	10.00	20
841-03-02	Of synthetic fibres other than rayon, pure or blended...	G. K.	10.00	20	5	15.00	20	10.00	20	10.00	20	10.00	20
841-03-03	Of rayon, pure or blended.....	G. K.	10.00	20	5	15.00	20	10.00	20	10.00	20	10.00	20
841-04	Underwear and nightwear, other than knitted or crocheted												
841-04-01	Of natural silk, pure or blended.....	G. K.	6.00	30	5	11.00	30	6.00	30	6.00	30	6.00	30
841-04-02	Of synthetic fibres other than rayon, pure or blended...	G. K.	6.00	30	5	11.00	30	6.00	30	6.00	30	6.00	30
841-04-03	Of rayon, pure or blended.....	G. K.	6.00	30	5	11.00	30	6.00	30	6.00	30	6.00	30
841-04-05	Of cotton, pure or blended.....	G. K.	6.00	30	2	8.00	20	6.00	30	6.00	30	6.00	30
841-05	Outer garments, other than knitted or crocheted, except articles classified in items 841-06 and 841-07												
841-05-01	Of natural silk, pure or blended.....	G. K.	12.00	30	4	20.00	30	12.00	30	12.00	30	12.00	30
841-05-02	Of synthetic fibres other than rayon, pure or blended....	G. K.	12.00	25	4	20.00	25	12.00	25	12.00	25	12.00	25
841-05-03	Of rayon, pure or blended.....	G. K.	12.00	25	4	20.00	25	12.00	25	12.00	25	12.00	25
841-05-04	Of wool or other fine animal hair, pure or blended.....	G. K.	12.00	25	4	18.00	25	12.00	25	12.00	25	12.00	25
841-05-05	Of linen or ramie, pure or blended.....	G. K.	12.00	25	4	18.00	25	12.00	25	12.00	25	12.00	25
841-05-07	Of other textile fibres, n.e.s., pure or blended.....	G. K.	10.00	10	4	20.00	10	10.00	10	10.00	10	10.00	10

Annex I of Schedule B

General note

The Republic of Guatemala, in order to modify the initial tariffs appearing in column III of Schedule B and to reach the standard duty agreed upon (column I of Schedule B) during the established transition period (column II of Schedule B), agrees to apply the tariffs indicated in the present annex during each year of the transition period.

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Percentages applicable during the transition period									
			First year		Second year		Third year		Fourth year		Fifth year	
			Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)
091-02-01	Lard.....	G. K.	0.30	10	0.35	10	0.40	10	0.45	10		
413-02-00	Hydrogenated oils and fats											
413-02-00-01	Hydrogenated oils and fats in flakes or slabs for industry or containers with a net content of less than 45 kg per unit.....	G. K.	0.05	10	0.10	10	0.15	10				
413-02-00-09	Others (immediately equalized: see Schedule A)											
612-03-02	Soles, heels and other parts, cut or prepared from rubber, for footwear.....	G. K.	1.00	10	1.20	10	1.35	10				
621-01-04	Natural rubber and vulcanized or hardened rubber, ebonite, in plates, sheets, tubes of all kinds, discs, thread, cord, strips, etc.											
621-01-04-01	Piping and tubing, with or without accessories (immediately equalized: see Schedule A)											
621-01-04-02	Waste (parings, scrap, powder and other hardened rubber waste) (immediately equalized: see Schedule A of the Agreement)											
621-01-04-03	Thread (not textile-covered) (immediately equalized: Schedule A of the Agreement)											
621-01-04-04	Plates and sheets (not spongy).....	G. K.	0.30	10	0.35	10	0.40	10				
621-01-04-09	Others.....	G. K.	0.40	10	0.50	10	0.55	10				
651-03-00	Cotton yarn and thread, grey (unbleached), not mercerized											
651-03-00-01	Number 22 or under (immediately equalized: see Schedule A)											
651-03-00-09	Others.....	G. K.	0.10	10	0.11	10	0.12	10	0.13	10	0.14	10
651-04-00	Cotton yarn and thread, bleached, dyed or mercerized											
651-04-00-01	Number 22 or under (immediately equalized: see Schedule A)											
651-04-00-09	Others.....	G. K.	0.10	10	0.11	10	0.12	10	0.13	10	0.14	10
651-06-01	Rayon yarn and thread (artificial silk).....	G. K.	Free	10	0.02	10	0.04	10	0.06	10	0.08	10
662-02-00	Wall tiles, floor tiles, pipes and other clay construction materials, except those of brick earth or of ordinary baked clay.....	G. K.	0.20	10	0.18	11	0.16	12	0.14	13	0.12	14

682-02-04	Wire of copper or its alloys, coated or not, except when insulated for electrical use.....	G. K.	Free	10	0.01	11	0.02	12	0.03	13	0.04	14
812-02	Sinks, washbasins, bidets, bathtubs, water-closet pans, chamber-pots, spittoons, urinals, bed urinals, soapholders, towel-racks, shower-heads and spouts for shower-baths and other sanitary fixtures and fittings of ceramic and other material, except metal											
812-02-01	Of earthenware or porcelain.....	G. K.	Free	10	Free	12	0.01	14				
841-02	Underwear and nightwear, knitted or crocheted or made of knitted or crocheted fabrics											
841-02-02	Of synthetic fibres other than rayon, pure or blended....	G. K.	11.00	30	10.00	30	9.00	30	8.00	30	7.00	30
841-02-03	Of rayon, pure, or blended.....	G. K.	11.00	30	10.00	30	9.00	30	8.00	30	7.00	30
841-03	Outer garments, knitted or crocheted, or made of knitted or crocheted fabrics											
841-03-01	Of natural silk, pure or blended.....	G. K.	15.00	20	14.00	20	13.00	20	12.00	20	11.00	20
841-03-02	Of synthetic fibres other than rayon, pure or blended....	G. K.	15.00	20	14.00	20	13.00	20	12.00	20	11.00	20
841-03-03	Of rayon, pure or blended.....	G. K.	15.00	20	14.00	20	13.00	20	12.00	20	11.00	20
841-04	Underwear and nightwear, other than knitted or crocheted											
841-04-01	Of natural silk, pure or blended.....	G. K.	11.00	30	10.00	30	9.00	30	8.00	30	7.00	30
841-04-02	Of synthetic fibres other than rayon, pure or blended...	G. K.	11.00	30	10.00	30	9.00	30	8.00	30	7.00	30
841-04-03	Of rayon, pure or blended.....	G. K.	11.00	30	10.00	30	9.00	30	8.00	30	7.00	30
841-04-05	Of cotton, pure or blended.....	G. K.	8.00	20	7.00	25						
841-05	Outer garments, other than knitted or crocheted, except articles classified in items 841-06 and 841-07											
841-05-01	Of natural silk, pure or blended.....	G. K.	20.00	30	18.00	30	16.00	30	14.00	30		
841-05-02	Of synthetic fibres other than rayon, pure or blended....	G. K.	20.00	25	18.00	25	16.00	25	14.00	25		
841-05-03	Of rayon, pure or blended.....	G. K.	20.00	25	18.00	25	16.00	25	14.00	25		
841-05-04	Of wool or other fine animal hair, pure or blended.....	G. K.	18.00	25	16.00	25	15.00	25	13.00	25		
841-05-05	Of linen or ramie, pure or blended.....	G. K.	18.00	25	16.00	25	15.00	25	13.00	25		
841-05-07	Of other textile fibres, n.e.s., pure or blended.....	G. K.	20.00	10	17.00	10	15.00	10	12.00	10		

Annex 2 of Schedule B

General note

The Republic of El Salvador, in order to modify the initial tariffs appearing in column III of Schedule B and to reach the standard duty agreed upon (column I of Schedule B) during the established transition period (column II of Schedule B), agrees to apply the tariffs indicated in the present annex during each year of the transition period.

[illegible]

651-04-00-09	Others.....	G. K.	0.25	5	0.22	6	0.20	7	0.18	8	0.15	9
651-06-01	Rayon yarn and thread (artificial silk).....	G. K.	Free	10	0.02	10	0.04	10	0.06	10	0.08	10
654-04	Embroidered fabrics, tulle, lace, ribbons, velvets, etc., (in the piece, in strips or in motifs, not including embroidered garments and other embroidered made-up articles)											
654-04-03	Of rayon, artificial silk, pure or blended.....	G. K.	5.00	20	5.20	20	5.40	20	5.60	20	5.80	20
656-03	Blankets (bedclothes, etc.), travelling rugs, quilts and bedspreads of all materials											
656-03-03	Of rayon and other synthetic textiles, pure or blended....	G. K.	3.00	30	3.20	30	3.40	30	3.60	30	3.80	30
812-02	Sinks, washbasins, bidets, bathtubs, water-closet pans, chamber-pots, spittoons, urinals, bed urinals, soapholders, towel-racks, shower-heads and spouts for shower-baths, and other sanitary fixtures and fittings, of ceramic and other materials, except metal											
812-02-01	Of earthenware or porcelain.....	G. K.	0.02	4	0.02	8	0.02	12				

Annex

General note

The Republic of Honduras, in order to modify the initial tariffs appearing in column III of Schedule B and to reach the standard duty agreed upon (column I of Schedule B) during the established transition period (column II of Schedule B), agrees to apply the tariffs indicated in the present annex during each year of the transition period.

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Percentages applicable during the transition period									
			First year		Second year		Third year		Fourth year		Fifth year	
			Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)
612-03-02	Soles, heels and other parts prepared from rubber, for footwear.....	G. K.	0.30	10	0.55	10	0.80	10	1.00	10	1.25	10
612-03-03	Soles, heels and other parts cut or prepared from any other material, n.e.s., for footwear											
612-03-03-01	Heels (except wooden).....	G. K.	0.15	10	0.30	10	0.45	10	0.60	10		
612-03-03-02	Tips, stiffeners, welts, braces, supports and toe-caps (immediately equalized: see Schedule A)											
612-03-03-09	Others.....	G. K.	0.15	20	1.10	18	2.10	15	3.05	12		
621-01-04	Natural rubber and vulcanized or hardened rubber, ebonite, in plates, sheets, tubes of all kinds, discs, thread, cord, strips, etc.											
621-01-04-01	Piping and tubing, with or without accessories (immediately equalized: see Schedule A of the Agreement)											
621-01-04-02	Waste (parings, scrap, powder and other hardened rubber waste) (immediately equalized: see Schedule A of the Agreement)											
621-01-04-03	Thread (not textile-covered) (immediately equalized: see Schedule A of the Agreement)											
621-01-04-04	Plates and sheets (not spongy).....	G. K.	0.30	10	0.35	10	0.40	10				
621-01-04-09	Others.....	G. K.	0.40	10	0.45	10	0.55	10				
641-03-00	Common packing and wrapping paper, with or without advertising matter (kraft paper, straw paper and similar products), n.e.s.											
641-03-00-01	Printed (immediately equalized: see Schedule A)											
641-03-00-09	Unprinted.....	G. K.	0.01	10	0.02	10	0.02	10	0.03	10	0.04	10
654-04	Embroidered fabrics, tulle, lace, ribbon, velvet, etc., (in the piece, in strips or in motifs, not including embroidered garments and other embroidered made-up articles)											
654-04-03	Of rayon, artificial silk, pure or blended.....	G. K.	5.00	20	5.20	20	5.40	20	5.60	20	5.80	20

656-03	Blankets (bedclothes, etc.), travelling rugs, quilts and bedspreads of all materials											
656-03-03	Of rayon and other synthetic textiles, pure or blended.....	G. K.	3.00	30	3.20	30	3.40	30	3.60	30	3.80	30
682-02-04	Wire of copper or its alloys, coated or not, except when insulated for electrical use.....	G. K.	0.01	15	0.02	15	0.02	15	0.03	15	0.04	15

Annex 4 of Schedule B

General note

The Republic of Nicaragua, in order to modify the initial tariffs appearing in column III of Schedule B and to reach the standard duty agreed upon (column I of Schedule B) during the established transition period (column II of Schedule B), agrees to apply the tariffs indicated in the present annex during each year of the transition period.

NAUCA group, item or sub-item and standardized tariff sub- sub-items	Description	Unit	Percentages applicable during the transition period									
			First year		Second year		Third year		Fourth year		Fifth year	
			Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)	Specific (dollars per unit)	Ad valorem (percent- age c.i.f.)
091-02-01	Lard.....	G. K.	0.50	45	0.50	35	0.50	25	0.50	15		
612-03-02	Soles, heels and other parts, cut or prepared from rubber, for footwear.....	G. K.	0.20	30	0.45	25	0.70	22	0.95	18	1.25	15
621-01-04	Natural rubber and vulcanized or hardened rubber, ebo- nite, in plates, sheets, tubes of all kinds, discs, thread, cord, strips, etc.											
621-01-04-01	Piping and tubing, with or without accessories (imme- diately equalized: see Schedule A of the Agreement)											
621-01-04-02	Waste (parings, scrap, powder and other hardened rub- ber waste) (immediately equalized: see Schedule A of the Agreement)											
621-01-04-03	Thread (not textile-covered) (immediately equalized: see Schedule A of the Agreement)											
621-01-04-04	Plates and sheets (not spongy).....	G. K.	0.30	10	0.35	10	0.40	10				
621-01-04-09	Others.....	G. K.	0.40	10	0.50	10	0.55	10				
641-03-00	Common packing and wrapping paper, with or without advertising matter (kraft paper, straw paper and similar products, n.e.s.)											
641-03-00-01	Printed (immediately equalized: see Schedule A)											
641-03-00-09	Unprinted.....	G. K.	0.05	16	0.05	15	0.05	14	0.05	13	0.05	12
651-03-00	Cotton yarn and thread, grey (unbleached), not mercerized											
651-03-00-01	No. 22 or under (immediately equalized: see Schedule A)											
651-03-00-09	Others.....	G. K.	0.10	10	0.11	10	0.12	10	0.13	10	0.14	10
651-06-01	Rayon yarn and thread (artificial silk).....	G. K.	0.15	15	0.14	14	0.13	13	0.12	12	0.11	11
651-06-02	Yarn and thread of other artificial or synthetic fibres or of spun glass.....	G. K.	0.15	15	0.14	14	0.13	13	0.12	12	0.11	11
656-03	Blankets (bedclothes, etc.), travelling rugs, quilts and bedspreads of all materials											
656-03-03	Of rayon and other synthetic textiles, pure or blended.....	G. K.	5.00	35	4.80	34	4.60	33	4.40	32	4.20	31