

No. 6543

**GUATEMALA, EL SALVADOR, HONDURAS
and NICARAGUA**

**General Treaty on Central American Economic Integration
(with annexes). Signed at Managua, on 13 December
1960**

Official texts : Spanish.

*Registered by the Organization of Central American States, acting on behalf of the
Contracting Parties in accordance with article XXXII of the Treaty, on 25 February
1963.*

**GUATEMALA, SALVADOR, HONDURAS
et NICARAGUA**

**Traité général d'intégration économique de l'Amérique
centrale (avec annexes). Signé à Managua, le 13 dé-
cembre 1960**

Texte officiel espagnol.

*Enregistré par l'Organisation des États d'Amérique centrale, agissant au nom des Parties
contractantes conformément à l'article XXXII du Traité, le 25 février 1963.*

[TRANSLATION — TRADUCTION]

No. 6543. GENERAL TREATY¹ ON CENTRAL AMERICAN ECONOMIC INTEGRATION BETWEEN GUATEMALA, EL SALVADOR, HONDURAS AND NICARAGUA. SIGNED AT MANAGUA, ON 13 DECEMBER 1960

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 ;²

Central American Agreement on the Equalization of Import Duties and Charges and its Protocol on the Central American Preferential Tarif ;³

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

Treaty of Economic Association signed between Guatemala, El Salvador and Honduras⁴,

¹ In accordance with article XXX, the Treaty came into force in respect of Guatemala, El Salvador and Nicaragua on 3 June 1961, eight days after the deposit of the third instrument of ratification, and in respect of Honduras on 27 April 1962, the date of deposit of its instrument of ratification. The instruments of ratification were deposited with the Secretary-General of the Organization of Central American States on the dates indicated :

Guatemala	5 May 1961
El Salvador	8 May 1961
Nicaragua	26 May 1961
Honduras (with reservation*)	27 April 1962

*[SPANISH TEXT — TEXTE ESPAGNOL]

“Honduras no queda obligada a someterse a la acción de los tribunales internacionales o extranjeros ni aceptar el arbitraje cuando cualquiera de las partes contratantes no pueda someterse a dichos procedimientos para resolver cuestiones previstas en el Artículo XXVI de este Tratado.”

[TRANSLATION — TRADUCTION]

Honduras shall not be bound to submit to the jurisdiction of international or foreign courts or to accept arbitration when any of the Contracting Parties is unable to submit to these procedures for the settlement of questions provided for in article XXVI of this Treaty.

² United Nations, *Treaty Series*, Vol. 454, No. 6539.

³ United Nations, *Treaty Series*, Vol. 454, No. 6542.

⁴ Nations Unies, *Recueil des Traitéés*, vol. 383, p. 3.

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 RÉGIME

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 monopoly 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,¹ 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 July 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.²

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

¹ See p. 203 of this volume.

² United Nations, *Treaty Series*, Vol. 454, No. 6542.

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 for Economic Affairs

Abelardo TORRES
Under-Secretary for Economic Affairs

For the Government of Honduras :

Jorge BUESO ARIAS
Minister for Economic and
Financial Affairs

For the Government of Nicaragua :

Juan José LUGO MARENCO
Minister for Economic Affairs

ANNEX A

SCHEDULE OF GOODS SUBJECT TO SPECIAL RÉGIMES 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 unauthorized 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.

I. GUATEMALA — EL SALVADOR

PRODUCTS SUBJECT TO SPECIAL INTERIM RÉGIMES

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

* 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>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
		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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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.
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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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 RÉGIMES

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. 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.
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.

NAUCA classification	Description	Treatment accorded
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.
* 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.
22-06-00	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.
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.
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.

NAUCA classification	Description	Treatment accorded
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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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.
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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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 RÉGIMES

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.

NAUCA classification	Description	Treatment accorded
042	Rice	<p>Basic import quota of 20,000 quintales per year.</p> <p>Free trade from the beginning of the sixth year.</p> <p>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.</p>
044	Maize (corn) unmilled	<p>Basic import quota of 30,000 quintales per year.</p> <p>Free trade from the beginning of the sixth year.</p> <p>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.</p>
046-01	Flour of wheat	<p>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.</p>
054-02-01	Beans	<p>Basic import quota of 20,000 quintales yearly.</p> <p>Free trade from the beginning of the sixth year.</p>
055-02-02 and 055-02-03	Tomato and vegetable juices, n.e.s.	<p>Preferential tariff as follows :</p> <p>First year, 0.40 dollars per G.K. and 8 per cent <i>ad valorem</i></p> <p>Second year, 0.30 dollars per G.K. and 6 per cent <i>ad valorem</i></p> <p>Third year, 0.20 dollars per G.K. and 4 per cent <i>ad valorem</i></p> <p>Fourth year, 0.10 dollars per G.K. and 2 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fifth year.</p>
061	Cane sugar, refined or not	<p>Import control for an indefinite period.</p> <p>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.</p>

No. 6543	NAUCA classification	Description	Treatment accorded
	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)	<p>Preferential tariff as follows :</p> <p>First year, 1.40 dollars per G.K. and 30 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, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the fourth year.</p>
	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.	<p>Export control.</p> <p>Free trade from the beginning of the sixth year.</p>
	091-01-00	Margarine, oleomargarine and other butter substitutes, animal, vegetable or mixed	<p>Progressive preferential tariff as follows :</p> <p>First year, 0.60 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Second year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Third year, 0.40 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fourth year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fifth year, 0.30 dollars per G.K. and 5 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
	091-02-01	Lard	<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, 0.30 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, 0.15 dollars per G.K. and 10 per cent <i>ad valorem</i></p> <p>Fifth year, 0.10 dollars per G.K. and 5 per cent <i>ad valorem</i></p> <p>Free trade from the beginning of the sixth year.</p>
	091-02-02	Lard substitutes and other similar edible fats, animal or vegetable, n.e.s.	<p>Basic quota subject to progressive expansion as follows :</p> <p>First year, 15,000 kilogrammes</p> <p>Second year, 20,000 kilogrammes</p> <p>Third year, 25,000 kilogrammes</p> <p>Fourth year, 30,000 kilogrammes</p> <p>Fifth year, 35,000 kilogrammes</p> <p>Free trade from the beginning of the sixth year.</p>

NAUCA classification	Description	Treatment accorded
* 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.

NAUCA classification	Description	Treatment accorded
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.
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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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.
* 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>

NAUCA classification	Description	Treatment accorded
652-01-01 (<i>continued</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)	<p>(a) From 80 to 400 grammes per square metre, preferential tariff as follows :</p> <p>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.</p> <p>(b) <i>More than 400 grammes</i> per square metre, 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	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.

NAUCA classification	Description	Treatment accorded
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, etc., n.e.s., weighing more than 150 grammes per square metre	Progressive preferential tariff as follows : (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. (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.
652-02-06	Fabrics, n.e.s., of cotton blended 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>

NAUCA classification	Description	Treatment accorded
652-02-06 (<i>continued</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 and 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 or crocheted fabrics of any textile fibre	Preferential tariff as follows : First year, 1.50 dollars per G.K. and 4 per cent <i>ad valorem</i> Second year, 1.25 dollars per G.K. and 4 per cent <i>ad valorem</i> Third year, 0.95 dollars per G.K. and 4 per cent <i>ad valorem</i> Fourth year, 0.60 dollars per G.K. and 4 per cent <i>ad valorem</i> Fifth year, 0.30 dollars per G.K. and 4 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
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.
665-01-00	Glass containers	Preferential tariff of 20 per cent of import duties.
		Free trade subject to a special protocol
821-02	Metal furniture and fixtures	(a) <i>Metal furniture and fixtures (except of aluminium)</i>
		Progressive preferential tariff as follows : First year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.15 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.

NAUCA classification	Description	Treatment accorded
821-02 (continued)		(b) <i>Aluminium furniture and fixtures</i> Progressive preferential tariff as follows : First year, 0.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Second year, 0.40 dollars per G.K. and 15 per cent <i>ad valorem</i> Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> 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.
841-01-02	Stockings and socks of synthetic fibres other than rayon, pure or blended	(a) <i>Basic quota of 500 kilogrammes yearly</i> (b) <i>Progressive preferential tariff</i> on amounts in excess of (a) as follows : First year, 2.50 dollars per G.K. and 30 per cent <i>ad valorem</i> Second year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 1.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Fourth year, 1.00 dollars per G.K. and 15 per cent <i>ad valorem</i> Fifth year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
841-01-03	Stockings and socks of rayon, pure or blended	(a) <i>Basic quota of 500 kilogrammes yearly</i> (b) <i>Progressive preferential tariff</i> 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, 1.00 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) <i>Basic quota of 500 kilogrammes yearly</i> (b) <i>Progressive preferential tariff</i> 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 15 per cent <i>ad valorem</i>

NAUCA classification	Description	Treatment accorded
841-01-05 (<i>continued</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.

NAUCA classification	Description	Treatment accorded
• 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 RÉGIMES

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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
* 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.
* 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.
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.

NAUCA classification	Description	Treatment accorded
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.
652-02-03	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, 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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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.
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.

NAUCA classification	Description	Treatment accorded
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.
841-19-06	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, 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 RÉGIMES

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 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.

NAUCA classification	Description	Treatment accorded
054-02-01	Beans	<p>Basic quota as follows :</p> <p>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.</p>
055-02-02 and 055-02-03	Tomato and vegetable juices, n.e.s.	<p>Preferential tariff as follows :</p> <p>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.</p>
061	Cane sugar, refined or not	<p>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.</p>
071-01 and 071-02-00 071-03-00	<p>Coffee not roasted and coffee roasted, including ground Coffee extracts, coffee essences and similar preparations containing coffee (instant coffee)</p>	<p>Trade shall remain subject to existing import and export duties for an indefinite period. 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.</p>
091-01-00	Margarine, oleomargarine and other butter substitutes : animal, vegetable or mixed	<p>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.</p>

NAUCA classification	Description	Treatment accorded
091-02-02	Lard substitutes and other similar edible animal and vegetable fats, n.e.s.	<p>(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.</p> <p>(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>.</p>
112-03-00	Beer	<p>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.</p>
112-04	Distilled alcoholic beverages (except 112-04-02)	<p>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 :</p> <p>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.</p>
112-04-02	Cane spirit	<p>Trade shall be subject for an indefinite period to the import duties at present in force.</p>
122-02-00	Cigarettes	<p>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></p>

NAUCA classification	Description	Treatment accorded
122-02-00 (<i>continued</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.
272-05-01	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> .
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.

NAUCA classification	Description	Treatment accorded
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.
* 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.

NAUCA classification	Description	Treatment accorded
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) <i>_80 to 400 grammes per square metre</i> , 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) <i>Over 400 grammes per square metre</i> , 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>

NAUCA classification	Description	Treatment accorded
652-02-01 (<i>continued</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) <i>Over 150 grammes to 400 grammes per square 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.

NAUCA classification	Description	Treatment accorded
652-02-05 (<i>continued</i>)		<p>(b) <i>Over 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 mixed with other textile fibres	<p>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.</p>
653-05	Fabrics of artificial or synthetic fibres or spun glass	<p>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.</p>
653-07-00	Knitted and crocheted fabrics of any textile fibre	<p>(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.</p> <p>(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></p>

NAUCA classification	Description	Treatment accorded
653-07-00 (<i>continued</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.
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.
665-01-00	Glass containers	Preference of 20 per cent on import duties. Free trade subject to a special protocol.
821-02	Metal furniture	(a) <i>Metal furniture and fixtures (except of aluminium),</i> Progressive preferential tariff as follows : First year, 0.20 dollars per G.K. and 10 per cent <i>ad valorem</i> Second year, 0.15 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. (b) <i>Aluminium furniture and fixtures,</i> Progressive preferential tariff as follows : First year, 0.50 dollars per G.K. and 15 per cent <i>ad valorem</i> Second year, 0.40 dollars per G.K. and 15 per cent <i>ad valorem</i> Third year, 0.30 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the fourth year.

NAUCA classification	Description	Treatment accorded
841-01-02	Stockings and socks of synthetic fibres other than 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, 2.50 dollars per G.K. and 30 per cent <i>ad valorem</i> Second year, 2.00 dollars per G.K. and 20 per cent <i>ad valorem</i> Third year, 1.50 dollars per G.K. and 20 per cent <i>ad valorem</i> Fourth year, 1.00 dollars per G.K. and 15 per cent <i>ad valorem</i> Fifth year, 0.50 dollars per G.K. and 10 per cent <i>ad valorem</i> Free trade from the beginning of the sixth year.
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.

NAUCA classification	Description	Treatment accorded
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.
18 841-04-05	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>
1 841-05-06	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.

VI. HONDURAS — NICARAGUA

PRODUCTS SUBJECT TO SPECIAL INTERIM RÉGIMES

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.
13 01 (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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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.

No. 6543	NAUCA classification	Description	Treatment accorded
	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 prepa- rations 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 sub- stitutes : 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.
	091-02-01	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.
	* 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>

No. 6543	NAUCA classification	Description	Treatment accorded
	112-03-00 (<i>continued</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.
	* 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 (<i>refined and unrefined</i>)	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

No. 6543	NAUCA classification	Description	Treatment accorded
	413-02-00	(continued)	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.
	* 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.

<i>NAUCA classification</i>	<i>Description</i>	<i>Treatment accorded</i>
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.
⁴ 652-01-02	Cotton fabrics, grey (unbleached), weighing 80 grammes or more per square metre (except cotton canvas, grey)	(a) <i>80 to 400 grammes per square metre</i> , 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
		(b) <i>Over 400 grammes per square metre</i> , preferential tariff as follows :
652-01-02 (<i>continued</i>)		<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 and cotton velveteen, plush, chenille and corduroy	<p>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.</p>
652-02-02	Cotton fabrics of triple-loop terry cloth	<p>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.</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 : 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 : 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>

NAUCA classification	Description	Treatment accorded
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.
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>

NAUCA classification	Description	Treatment accorded
656-01-00 (continued)		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.

NAUCA classification	Description	Treatment accorded
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.
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>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.

NAUCA classification	Description	Treatment accorded
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.
* 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.

No. 6543	NAUCA classification	Description	Treatment accorded
	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

<i>Marking and numbers</i>	<i>Number and nature of packages</i>	<i>Gross weight in kg.</i>	<i>Units</i>	<i>Commercial description of goods</i>	<i>NAUCA* classification</i>	<i>F.o.b. value in national currency</i>
<hr/>						
Total						
<hr/>						
				Transport		
				Insurance		
				Total		
				Other expenses		
				Grand total		

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

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)

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.

