

DRAFT
Subject to Legal Review for Accuracy, Clarity, and Consistency
January 28, 2004

Chapter Two
General Definitions

Article 2.1: Definitions of General Application

For purposes of this Agreement, unless otherwise specified:

Central America means the Republics of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua;

central level of government means:

- (a) for Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, the national level of government; and
- (b) for the United States, the federal level of government.

Commission means the Free Trade Commission established under Article 19.1 (The Free Trade Commission);

customs authority means the competent authority that is responsible under the law of a Party for the administration of customs laws and regulations;

Customs Valuation Agreement means the *Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994*, which is part of the WTO Agreement;

days means calendar days;

enterprise means any entity constituted or organized under applicable law, whether or not for profit, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, sole proprietorship, joint venture, or other association;

enterprise of a Party means an enterprise constituted or organized under the law of a Party;

existing means in effect on the date of entry into force of this Agreement;

GATS means the *General Agreement on Trade in Services*, which is part of the WTO Agreement;

GATT 1994 means the *General Agreement on Tariffs and Trade 1994*, which is part of the WTO Agreement;

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goods of a Party means domestic products as these are understood in the GATT 1994 or such goods as the Parties may agree, and includes originating goods of that Party;

Harmonized System (HS) means the *Harmonized Commodity Description and Coding System*, including its General Rules of Interpretation, Section Notes, and Chapter Notes, as adopted and implemented by the Parties in their respective tariff laws;

heading means a four-digit tariff classification code under the Harmonized System;

measure includes any law, regulation, procedure, requirement, or practice;

national means a natural person who has the nationality of a Party according to Annex 2.1 or a permanent resident;

originating means qualifying under the rules of origin set out in Chapter Four (Rules of Origin and Origin Procedures);

Party means any country for which this Agreement is in force;

person means a natural person or an enterprise;

person of a Party means a national or an enterprise of a Party;

procurement means the process by which a government obtains the use of or acquires goods or services, or any combination thereof, for governmental purposes and not with a view to commercial sale or resale, or use in the production or supply of goods or services for commercial sale or resale;

Safeguards Agreement means the *Agreement on Safeguards*, which is part of the WTO Agreement;

state enterprise means an enterprise that is owned, or controlled through ownership interests, by a Party;

subheading means a six-digit tariff classification code under the Harmonized System;

territory means for a Party the territory of that Party as set out in Annex 2.1;

WTO Agreement means the *Marrakesh Agreement Establishing the World Trade Organization*, done on April 15, 1994.

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Annex 2.1

Country-Specific Definitions

For purposes of this Agreement, unless otherwise specified:

natural person who has the nationality of a Party means:

- (a) with respect to Costa Rica, a Costa Rican as defined in Articles 13 and 14 of the Political Constitution of the Republic of Costa Rica;
- (b) with respect to El Salvador, a Salvadoran as defined in Articles 90 and 92 of the Constitution of the Republic of El Salvador;
- (c) with respect to Guatemala, a Guatemalan as defined in Articles 144, 145 and 146 of the Constitution of the Republic of Guatemala;
- (d) with respect to Honduras, a Honduran as defined in Articles 23 and 24 of the Constitution of the Republic of Honduras;
- (e) with respect to Nicaragua, a Nicaraguan as defined in Article 15 of the Political Constitution of the Republic of Nicaragua; and
- (f) with respect to the United States, “national of the United States” as defined in the existing provisions of the *Immigration and Nationality Act*; and

territory means:

- (a) with respect to Costa Rica, the land, maritime, and air space under its sovereignty and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law;
- (b) with respect to El Salvador, the land, maritime, and air space under its sovereignty and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law;
- (c) with respect to Guatemala, the land, maritime, and air space under its sovereignty and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law;
- (d) with respect to Honduras, the land, maritime, and air space under its sovereignty and the exclusive economic zone and the continental shelf

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- within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law;
- (e) with respect to Nicaragua, the land, maritime, and air space under its sovereignty and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law; and
 - (f) with respect to the United States,
 - (i) the customs territory of the United States, which includes the 50 states, the District of Columbia, and Puerto Rico,
 - (ii) the foreign trade zones located in the United States and Puerto Rico, and
 - (iii) any areas beyond the territorial seas of the United States within which, in accordance with international law and its domestic law, the United States may exercise rights with respect to the seabed and subsoil and their natural resources.