

DRAFT
Subject to Legal Review for Accuracy, Clarity, and Consistency
March 8, 2004

This letter was negotiated during the course of the CAFTA negotiations and is related to the Agreement, but is not part of the CAFTA.

[Letter on tariff treatment of certain confectionary products]

[date]

The Honorable Miguel E. Lacayo
Minister of Economy of El Salvador

Dear Minister Lacayo:

This letter is to explain the tariff treatment of certain finished confectionery products under the United States – Central America Free Trade Agreement (CAFTA).

Additional U.S. Notes 2 and 3 to chapter 18 of the Harmonized Tariff Schedule of the United States (HTSUS), which cover chocolate preparations, exclude “articles for consumption at retail as candy or confection”.

Additional U.S. Note 2 to chapter 17 of the HTSUS, which covers articles containing over 65 percent sugar, excludes products “prepared for marketing to the ultimate consumer in the identical form and package in which imported”.

Additional U.S. Note 3 to chapter 17 of the HTSUS, which covers articles containing over 10 percent sugar, excludes articles that are prepared for marketing to the ultimate consumer in the identical form and package in which imported provided they are “not principally of crystalline structure or not in dry amorphous form”.

Finished confectionary products classified in headings 1704 and 1806 of the HTSUS that are excluded from the foregoing U.S. Notes are not subject to the tariff-rate quota on sugar goods established in subparagraph 3 of Annex 1 to the U.S. Schedule to Annex 3.3 of the CAFTA and instead will be treated in accordance with the provisions of staging category A of Annex 3.3. I trust that this clarifies the tariff treatment of these products under the CAFTA.

Sincerely,

Ambassador Allen F. Johnson
Chief Agriculture Negotiator

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[Letter on tariff treatment of certain confectionary products]

[date]

The Honorable Marcio Cuevas
Minister of Economy of Guatemala

Dear Minister Cuevas:

This letter is to explain the tariff treatment of certain finished confectionery products under the United States – Central America Free Trade Agreement (CAFTA).

Additional U.S. Notes 2 and 3 to chapter 18 of the Harmonized Tariff Schedule of the United States (HTSUS), which cover chocolate preparations, exclude “articles for consumption at retail as candy or confection”.

Additional U.S. Note 2 to chapter 17 of the HTSUS, which covers articles containing over 65 percent sugar, excludes products “prepared for marketing to the ultimate consumer in the identical form and package in which imported”.

Additional U.S. Note 3 to chapter 17 of the HTSUS, which covers articles containing over 10 percent sugar, excludes articles that are prepared for marketing to the ultimate consumer in the identical form and package in which imported provided they are “not principally of crystalline structure or not in dry amorphous form”.

Finished confectionary products classified in headings 1704 and 1806 of the HTSUS that are excluded from the foregoing U.S. Notes are not subject to the tariff-rate quota on sugar goods established in subparagraph 3 of Annex 1 to the U.S. Schedule to Annex 3.3 of the CAFTA and instead will be treated in accordance with the provisions of staging category A of Annex 3.3. I trust that this clarifies the tariff treatment of these products under the CAFTA.

Sincerely,

Ambassador Allen F. Johnson
Chief Agriculture Negotiator

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