

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 extraction, generation, and refining]

[date]

The Honorable Alberto Trejos
Minister of Foreign Trade of Costa Rica

Dear Minister Trejos,

I have the honor to refer to Chapter Ten (Investment) and Chapter Eleven (Cross-Border Trade in Services) of the United States-Central America Free Trade Agreement (the "Agreement") signed at _____ on _____, 2004.

During the negotiation of the Agreement, the United States and Costa Rica discussed certain of Costa Rica's measures with regard to electricity generation, extraction of natural resources, and refining. I have the honor to confirm the shared understanding of the Government of United States of America and the Government of the Republic of Costa Rica that extraction of natural resources (mining), electricity generation, and refining of crude oil and its derivatives shall not be considered as services for purposes of this Agreement.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments, to enter into force on the entry into force of the Agreement.

Sincerely,

Robert B. Zoellick

[identical reply letter not included]