

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 continuation of “807” program]

[date]

The Honorable Alberto Trejos
Minister of Foreign Trade of Costa Rica

Dear Minister Trejos,

I have the honor to refer to Chapter Three, Section G (Textiles and Apparel) of the United States-Central America Free Trade Agreement (the “Agreement”) signed at _____ on _____, 2004.

During the negotiation of the Agreement, the delegations of the United States of America and the Republic of Costa Rica discussed the tariff treatment provided for in subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States (commonly referred to as the “807 program”). Under the 807 program, the United States assesses its MFN duties on imports of apparel goods assembled abroad from U.S.-formed and cut components only on the difference between the full value of the imported goods and the value of the U.S. components. I have the honor to confirm the shared understanding of the Government of the United States and the Government of Costa Rica that nothing in this Agreement modifies the availability of the 807 program.

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,

[identical reply letter not included]