

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 Labor Code]

[date]

The Honorable Miguel Lacayo
Minister of Economy of El Salvador

Dear Minister Lacayo,

I have the honor to refer to Annex I (Non-Conforming Measures) 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 El Salvador discussed the non-conforming measures contained in El Salvador's Schedule to Annex I. I have the honor to confirm the shared understanding of the Government of United States of America and the Government of the Republic of El Salvador that Articles 7 and 10 of the *Código de Trabajo* are not inconsistent with Chapter Eleven (Services) of the 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]