PARTIAL SCOPE AGREEMENT BETWEEN THE GOVERNMENT OF BELIZE AND THE GOVERNMENT OF THE REPUBLIC OF GUATEMALA

The Government of Belize and the Government of the Republic of Guatemala, hereinafter referred to collectively as "the Parties",

CONSIDERING that the Parties are members of the World Trade Organization (WTO);

BEARING IN MIND the rights and obligations of the Parties as members of the Central American Integration System (SICA);

HAVING REGARD to the rights and obligations of Belize under the Revised Treaty of Chaguaramas Establishing the Caribbean Community (CARICOM) Including the CARICOM Single Market and Economy;

CONSIDERING the desirability of dynamic and balanced economic and trade relations based on mutual benefits and taking into account the differences in the size of their respective economies, in particular, Belize's status as a Less Developed Country in CARICOM;

AWARE of the importance attached by the Parties to the regional and sub-regional integration processes aimed at facilitating the development of the Parties and their competitiveness in international trade;

RECOGNISING that trade and economic cooperation are important and necessary elements for reinforcing bilateral relations and for promoting and protecting investments;

COMMITTED to strengthening the existing friendly and cultural relations between them;

Agree as follows,

CHAPTER I

INITIAL PROVISIONS

Article 1. Objectives

The objective of this Agreement is to strengthen the commercial and economic relations between the Parties through:

- a) the facilitation, promotion, diversification and expansion of trade in originating goods from the Parties by granting preferential margins on their tariffs, eliminating non-tariff barriers to trade, and establishing clear regulations on technical, sanitary and phyto-sanitary measures;
- b) the development of mechanisms for the promotion of investments and the establishment of a legal framework aimed at conferring legal certainty to investments generated between the Parties, in accordance with the provisions of this Agreement;
- the facilitation of the land transportation of goods covered under this Agreement through the elimination of transit barriers between the Parties with a view to assuring non-discriminatory treatment;
- d) the establishment of an efficient, transparent and effective system to resolve trade disputes arising from activities provided for under this Agreement.

CHAPTER II

TARIFF PREFERENCE MARGINS AND NON-TARIFF MEASURES

Article 2. Definitions

For the purposes of this Agreement, the following terms shall be understood as:

- a) Agreement: the Partial Scope Agreement entered into by the Parties, signed on the 26th day of June 2006;
- b) customs duties: includes taxes and import duties as defined in the national legislation of each Party and all other duties and charges, collected on or in connection with the importation of goods, but does not include:
 - charges equivalent to an internal tax imposed consistently with paragraph 2 of Article III and the other relevant provisions of the General Agreement on Tariffs and Trade of 1994 (GATT 1994);
 - ii. any antidumping or countervailing duty;
 - iii. any fee or other charges related to imports which are equivalent to the costs of services rendered; and
 - iv. any premium offered or collected on an imported good arising out of any tendering system in respect of the administration of quantitative import restrictions and tariff rate quotas;
- c) originating goods: goods that meet the conditions under the rules of origin, as provided for in Annex III of this Agreement;
- d) restrictions: all measures that have the effect of preventing or making it difficult to import or export goods from one Party into the other Party, except those allowed under GATT 1994 and other relevant WTO agreements; and
- e) tariff preference margins: the percentage of tariff advantage or preference as provided for in Article 5 of this Agreement, which one Party assigns to goods imported from the other Party with respect to the tariff that applies to third countries and distinct from those that may be derived from participation in integration agreements.

Article 3. National Treatment

- 1. Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of GATT 1994, including its interpretative notes.
- 2. The provisions of the preceding paragraph regarding national treatment shall mean, a treatment not less favorable than the most favorable treatment that a Party accords to any like, directly competitive, or substitutable goods of the other Party

Article 4. Special and Differential Treatment

- 1. In this Agreement, special and differential treatment shall mean the application of a principle which allows both Parties to have an equitable share of the benefits of this Agreement, taking into account the difference in the size of their respective economies, and granting asymmetrical treatment to the smaller economy.
- 2. Subsequent to the entry into force of this Agreement, should Guatemala grant, in another Agreement, tariff preferences to a non-signatory country greater than it grants to goods under this Agreement, and that non-signatory country is of a higher level of development than both Parties, the Parties agree to convene negotiations

with a view to adjust the tariff preference for Belize in order to preserve its access to the market. In these negotiations, Belize may consider some reciprocity.

Article 5. Tariff Elimination

- 1. The Parties agree to reduce or eliminate customs duties imposed in connection with the import of goods listed in Annex I (Tariff Preferences that Belize Grants to Guatemala) and Annex II (Tariff Preferences that Guatemala Grants to Belize) of this Agreement, when the good complies with the origin criteria.
- 2. Each Party agrees to grant goods produced in the other Party access to its market in the following categories:
 - a) Category "A":
 tariff preferences granted on originating goods at a margin of preference between
 50% and 100%, shall be fully implemented on the date that this Agreement
 enters into force;
 - b) Category "B":
 tariff preferences granted on originating goods at a margin of preference between
 50% and 100%, shall be implemented in three (3) equal annual cuts, beginning
 on the date that this Agreement enters into force;
 - c) Category "C": tariff preferences granted on originating goods at a margin of preference between 50% and 100%, shall be implemented in five (5) equal annual cuts, beginning on the date that this Agreement enters into force.

Article 6. Tariff Preference Margins

- The tariff preference margins between the Parties shall become effective by reductions of duties applied by the Parties on July 1st 2005 to imports from third countries under the Most Favoured Nation (MFN) treatment, as classified under the national nomenclature of each Party, in the percentages established in Annexes I and II of this Agreement.
- 2. The Parties shall not apply other duties and charges in connection with imports of goods listed in Annexes I and II. However, Belize may apply special measures existing on the date of the entry into force of this Agreement, which it applies to all MFN imports due to its tariff revenue dependency.

Article 7. Used or Reconstructed Goods

This Agreement shall not apply in respect of any used or reconstructed goods.

Article 8. Elimination of Non-Tariff Barriers

The Parties shall not apply non-tariff barriers to the importation or exportation of the goods established in Annexes I and II, except those recognized in Articles XX and XXI of the GATT 19

Article 9. Modifications of the Tariff Preference Margins

- 1. The Parties may agree, at any time, to modify or expand the list of goods and their tariff preference margins, as set out in Annexes I and II of this Agreement.
- 2. If a Party modifies its MFN tariff and as a result it is less than the MFN tariff in force on July 1st 2005, the preference margins shall be applied automatically on the new tariff.

Article 10. Withdrawal of Concessions

After the entry into force of this Agreement, neither Party may unilaterally modify the tariff preferences already agreed, except where this is done as a consequence of the application of antidumping or countervailing duties or the application of a safeguard measure or the suspension of benefits, as permitted under this Agreement.

CHAPTER III

RULES OF ORIGIN

Article 11. Rules of Origin

- 1. For the determination of the origin of the goods benefiting under this Agreement, the Parties agree to adopt the rules of origin regime established in Annex III.
- 2. The tariff preference margins and all other benefits established under this Agreement shall apply exclusively to originating goods of the Parties listed in Annexes I and II.
- 3. The Administrative Commission established under Article 32 of this Agreement may, when necessary, in relation to rules of origin, adopt decisions for:
 - a) adapting the rules of origin to advances in technology and changes in the production structures and processes of the Parties;
 - b) ensuring the effective administration and application of the rules of origin by adopting the necessary regulations and procedures;
 - c) establishing, modifying, suspending or eliminating specific rules of origin; and
 - d) dealing with any other matter that the Parties may consider necessary in relation to the interpretation and application of the rules of origin.

Article 12. Rules of Origin Committee

- 1. The Parties hereby establish the Committee on Rules of Origin. Each Party shall designate two members, as follows:
 - a) in the case of Belize, one from the Customs and Excise Department and the other from the Ministry with responsibility for Foreign Trade; and
 - b) in the case of Guatemala, from the Ministry of Economy, or its successor.
- 2. The Committee shall be responsible for dealing with all matters relating to the rules of origin established under this Agreement and for making the necessary recommendations to the Commission for its approval.

Article 13. Customs Valuation

In the matter of customs valuation, the Parties shall be governed by their commitments under Article VII of the GATT 1994.

CHAPTER IV

SAFEGUARD MEASURES

Article 14. Safeguards

Notwithstanding what is established in the following Article, the Parties reaffirm their rights and obligations under Article XIX of the GATT 1994 and the WTO Agreement on Safeguards.

Article 15. Adoption and Procedure for Bilateral Safeguard Measures

- 1. The bilateral safeguard measures shall consist of the temporary suspension of the tariff preference margins granted by virtue of this Agreement, and the immediate reinstatement of the MFN duties applied to the specific goods.
- 2. The importing Party may apply bilateral safeguard measures if, as a result of an investigation it is proven that originating goods of one Party are being imported into the other Party in such increased quantities, absolute or relative to domestic production, and under such conditions as to cause or threaten to cause a serious injury to the domestic industry that produces like or directly competitive goods.
- 3. A Party may apply bilateral safeguard measures according to the application procedures set out in Article XIX of the GATT 1994 and the WTO Agreement on Safeguards and the complementary legislation of each Party.
- 4. The bilateral safeguard measures shall be applied for a period of up to one year. This period may be renewed for not more than one additional consecutive year if the causes that motivated the imposition of said measures persist.
- 5. Under exceptional circumstances determined by the Commission, the period may be extended. When a Party needs to extend the period of application of the safeguard measures beyond the period established in the preceding paragraph, that Party has to submit its request ninety (90) calendar days before the date of expiration of the measure in force. Within these ninety (90) days, the Commission shall determine whether or not it is an exceptional circumstance and for this purpose the requesting Party shall provide all evidence within the first thirty (30) calendar days.
- 6. If the applied safeguard measures exceed three (3) years, starting from the date of its first application, both Parties recognize the right to apply the provisions of Article 8.3 of the WTO Agreement on Safeguards.

Article 16. Competent Authority

For the investigation and application of the provisions of this Chapter, the competent authority shall be:

- a) in the case of Guatemala, the Ministry of Economy or its successor; and
- b) in the case of Belize, the Ministry with responsibility for Foreign Trade.

Article 17. Notifications

Each Party agrees to promptly notify the other Party, through their respective competent authorities of:

- a) the initiation of bilateral safeguard measure investigations;
- b) the preliminary determination, and final conclusion of such investigations;
- c) the application of provisional or definitive bilateral safeguard measures;

- d) where applicable, any amendment or modification to the legislation of the Party subsequent to the entry into force of this Agreement; and
- e) any change in the competent authority.

CHAPTER V

ANTIDUMPING AND COUNTERVAILING DUTIES

Article 18. Antidumping and Countervailing Duties

For the bilateral application of the antidumping or countervailing duties, the Parties shall be governed by Articles VI and XVI of the GATT 1994, the Agreement on the implementation of Article VI of the GATT 1994, the WTO Agreement on Subsidies and Countervailing Measures and the complementary legislation of each Party.

Article 19. Competent Authority

For the investigation and application of the provisions of this Chapter, the competent authority shall be:

- a) in the case of Guatemala, the Ministry of Economy or its successor; and
- b) in the case of Belize, the Ministry with responsibility for Foreign Trade.

Article 20. Notifications

Each Party agrees to promptly notify the other Party, through their respective competent authorities of:

- a) the initiation of investigations into dumping or subsidies practices;
- b) the preliminary determination and final conclusion of such investigations;
- c) the application of provisional or definitive antidumping or countervailing measures:
- d) where applicable, any amendment or modification to the legislation of the Party subsequent to the entry into force of this Agreement; and
- e) any change in the competent authority.

CHAPTER VI BARRIERS TO TRADE

Article 21. Barriers to Trade

- 1. The Parties shall not adopt, maintain, or apply standards, technical regulations, procedures for conformity assessment, metrological measures, sanitary and phytosanitary (SPS) measures that create or constitute unnecessary barriers to trade between them.
- 2. The Parties agree to act in accordance with the provisions of the Agreement on Technical Barriers to Trade (TBT) and the SPS Agreement of the WTO in the implementation of this Agreement.
- 3. The Parties shall work together in the implementation of measures or procedures to facilitate trade between them.

4. The provisions of this Chapter are further developed in Annexes IV and V of this Agreement.

CHAPTER VII

DISPUTE SETTLEMENT

Article 22. Scope of Application

Except as otherwise specified in this Agreement, the provisions of this Chapter shall apply:

- a) to resolve all disputes between the Parties regarding the application or interpretation of the provisions of this Agreement; or
- b) when a Party considers that an actual or proposed measure of the other Party, is or could be inconsistent with the provisions of this Agreement.

Article 23. Confidentiality

The Parties agree to treat the information exchanged in accordance with this Chapter as confidential, if the Party providing it so indicates.

Article 24. Virtual Meeting

For the purpose of fulfilling the objectives of this Chapter, the Parties may use electronic means of communication which do not require physical presence, such as fax, electronic mail or any other means which facilitate communication between the Parties.

Article 25. Consultations

- A Party may request the other Party that they conduct consultations between them with respect to any actual or proposed measure which may affect the operation of this Agreement.
- 2. The requesting Party shall submit its written request to the other Party, specifying the reasons for said request, the actual or proposed measure referred to in the preceding paragraph, the legal basis for the claim and any other relevant information.
- 3. The consultations shall be concluded within thirty (30) calendar days from the date of receipt of the request. If any of the Parties is unable to comply with the specified time-frame, that Party may request, only once, that the period for consultations be extended for an additional seven (7) calendar days. However, the Parties may agree on different time-frames.
- 4. The Parties shall make their best effort to reach a mutually satisfactory resolution of any matter under their consideration. In that regard, they agree to provide sufficient information that will permit a full and proper examination of the manner in which the actual or proposed measure could affect the operation of this Agreement.

Article 26. Time-frame for Perishable Goods

- 1. In the spirit of preserving the integrity and quality standards of the goods, the Parties agree that all disputes relating to perishable goods shall be resolved through consultations within seven (7) calendar days from the date of receipt of the request for consultations.
- 2. If an agreement is not reached through said consultations, the time-frames established in this Chapter shall be reduced by half, except as otherwise mutually agreed by the Parties.

Article 27. Intervention of the Administrative Commission

- 1. If the Parties do not settle the dispute pursuant to Articles 25 and 26, any Party may request in writing a meeting of the Administrative Commission:
 - a) after thirty (30) calendar days from the date of receipt of the request for consultations;
 - b) in the case of perishable goods, after seven (7) calendar days from the date of receipt of the request for consultations; or
 - c) after any other time-frame agreed upon by the Parties.
- 2. The requesting Party shall deliver the request to the other Party, stating the reasons for said request, the actual or proposed measure, the legal basis for the claim and any other relevant information.
- 3. Unless the Parties agree otherwise, the Commission shall meet within ten (10) calendar days from the date of receipt of the request and shall proceed, without delay, to resolve the dispute. In that regard, the Commission may:
 - a) request the services of technical experts or advisors to consider the issues and to make recommendations related to the dispute in order to facilitate a resolution;
 - b) propose to the Parties the use of alternative dispute settlement measures such as conciliation or mediation;
 - c) recommend immediate referral of the matter to arbitration; or
 - d) issue a resolution through which the dispute shall be resolved.

Article 28. Decisions

Pursuant to Article 27, the Commission shall notify its decisions to the Parties within sixty (60) calendar days from the date on which the dispute was first referred to said Commission.

Article 29. Compliance with Decisions

- 1. If the Party complained against fails to comply with a decision of the Commission within thirty (30) calendar days from the date of notification, or within any other time-frame agreed upon by the Parties:
 - a) the complaining Party may withhold from the other Party benefits afforded under this Agreement to the same extent as the injury caused to the complaining Party;
 - b) either Party may appeal to the Commission:
 - i. in the event that the resolution is considered excessive by a Party;
 - ii. if one of the Parties considers that the resolution has not solved the issue in dispute; or
 - iii. if it considers that the suspension of benefits is excessive.
- 2. If an appeal is submitted to the Commission in accordance with paragraph 1 (b) of this Article, that Commission shall hold the necessary hearings and issue a resolution on the matter within sixteen (16) calendar days from the date of receipt of the request for appeal.

^{1.} The resolution shall be considered excessive when a Party is unable to comply with the decision of the Commission notwithstanding that it has made the necessary efforts to comply with same.

- 3. In considering the appeal, the Commission shall, as the case may be:
 - a) confirm the original resolution;
 - b) modify the original resolution;
 - c) revoke the original decision and formulate a new resolution; or
 - d) determine the appropriateness of the suspended benefits.

Article 30. Arbitration

- 1. Notwithstanding the provisions contained in this Chapter, the Parties shall be entitled to request the establishment of an Arbitration Panel and an arbitration proceeding in any of the following circumstances:
 - a) after carrying out consultations which have not settled the dispute;
 - b) whenever the intervention of the Commission has been requested and said Commission does not meet within the established time-frame; or
 - c) if, for any reason, said Commission does not issue a decision in accordance with paragraph 3 of Article 27 which settles the dispute within the applicable timeframe.
- 2. The arbitration proceeding to be applied shall be established in Annex VI (Arbitration Process) of this Agreement.
- 3. An arbitration panel shall not be established to review a proposed measure.

Article 31. Responsible Authority for Dispute Settlement

For the purposes of the application of this Chapter, the responsible authority shall be:

- a) in the case of Guatemala, the Ministry of Economy or its successor;
- b) in the case of Belize, the Ministry with responsibility for Foreign Trade.

CHAPTER VIII

ADMINISTRATION OF THE AGREEMENT

Article 32. Establishment of the Administrative Commission

The Parties hereby establish an Administrative Commission ("the Commission"), which shall be headed by:

- a) in the case of Belize, the Minister with responsibility for Foreign Trade; and
- b) in the case of Guatemala, the Minister of Economy or his successor;

who shall appoint the members of their respective delegations.

Article 33. Meetings of the Commission

- 1. The Commission shall meet, at least, once every year and as often as needed, or upon request of one of the Parties. The Parties shall agree in writing the date and place of the meeting.
- 2. The meetings of the Commission shall be held alternately in Belize and in Guatemala.

3. The Parties shall agree in writing on the agenda of each meeting, at least fifteen (15) calendar days prior to the date of such meeting.

Article 34. Functions of the Commission

The Parties agree that the functions of the Commission shall include the following:

- a) to approve its rules of procedure and others it considers pertinent for the effective implementation of this Agreement;
- b) to supervise the administration, implementation, and compliance with the provisions of this Agreement by both Parties, and to recommend the adoption of suitable measures and mechanisms therefor;
- c) to review the list of goods in Annexes I and II of this Agreement and to recommend modifications, including the expansion of the list of goods;
- d) pursuant to Chapter VII (Dispute Settlement) of this Agreement, to examine and resolve the disputes referred to the Commission;
- e) to serve as a forum of consultation in relation to the application of safeguard measures contemplated under this Agreement;
- f) to recommend to the Parties any amendment to the provisions of the present Agreement which it deems necessary for the facilitation of the proper implementation thereof.;
- g) to establish the necessary technical groups to assist it in the performance of its functions and to support it in the effective implementation of the provisions of this Agreement;
- h) to periodically review the operation of this Agreement and prepare an evaluation report and to recommend to the Parties the measures it considers necessary to improve and expand trade relations between them;
- i) to promote business encounters between the private sector of the Parties with the aim of improving bilateral trade between them; and
- j) to carry out any other function established under this Agreement or those which may be agreed upon by the Parties to facilitate the effective implementation of this Agreement.

Article 35. Decisions of the Commission

All decisions of the Commission shall be taken by consensus, unless it agrees otherwise.

CHAPTER IX

INVESTMENT

Article 36. Definitions

For the purposes of this Chapter:

- a) "investment" shall mean every kind of asset invested by an investor of one Party in the other Party in accordance with the laws and regulations of the latter Party and shall include, in particular, though not exclusively:
 - i. movable and immovable property as well as any other property rights, such as mortgages, liens or pledges;
 - ii. shares in, and stocks and debentures of a company and any other form of interest in a company constituted in one of the Parties;
 - iii. claims to money, debentures or title to any legitimate performance under contract having an economic value associated with an investment;
 - iv. intellectual, commercial, and industrial property rights, such as copyrights, trademarks, patents, licenses, geographical indications, industrial designs, models and mockups, technical processes, know-how, trade and business secrets, trade names and goodwill associated with an investment;
 - v. any right conferred by law or under contract and any licenses and permits issued pursuant to the respective national laws of the Parties;

Any modification of the form in which assets are invested shall not affect the character of the investment, provided that the said modification is not contrary to the legislation of the Party where the investment is made.

- b) "investor" shall mean any natural or legal person who invests in one of the Parties;
- c) "natural person" shall mean any natural person having the nationality of either Party in accordance with its laws;
- d) "legal person" shall mean, with respect to either Party, any entity incorporated or constituted in accordance with, and recognized as a legal person by the laws of that Party, and having a registered office in one of the Parties;
- e) "returns" shall mean the yields from an investment and shall include, in particular though not exclusively, profits, interests, capital gains, dividends, royalties and fees.

Article 37. Promotion of Investments

- Each Party shall promote and create favorable conditions to enable investors of the other Party to make investments, and shall allow such investments in accordance with its laws and regulations.
- 2. The Parties agree to strengthen their commercial and economic relations, in particular, through the promotion of joint ventures.
- Each Party shall facilitate the issuance of the necessary permits with relation to investments, as well as, the execution of licenses and agreements or contracts for technical, commercial or administrative assistance in accordance with its laws and regulations.

4. The Parties agree to establish investment promotion programmes, facilitate official business missions, organize investment fairs and exhibits and exchange investment related information.

Article 38. Treatment of Investments

- 1. Each Party shall ensure a fair and equitable treatment of the investments of investors of the other Party and shall not impair, by unreasonable or discriminatory measures, the operation, management, maintenance, use, enjoyment or disposal thereof. Each Party shall accord to such investments full security and protection. In no case shall a Party accord treatment less favorable than that established by international law.
- 2. Each Party shall accord to the investments and returns of the other Party a treatment which is fair and equitable and not less favourable than that which it accords to investments and returns of investors of any third country.
- Each Party shall accord to investors of the other Party, as regards management, maintenance, use, enjoyment or disposal of their investment, treatment which is fair and equitable and not less favourable than that which it accords to investors of any third country.
- 4. The provisions of paragraphs 1, 2 and 3 of this Article shall not be construed so as to oblige one Party to extend to the investors of the other Party the benefit of any treatment, preference or privilege which may be extended by the former Party by virtue of:
 - a) any customs union or free trade area or a monetary union or similar international agreement leading to such unions or institutions or other forms of regional cooperation to which either of the Parties is or may become a party; or
 - b) any international agreement or an arrangement relating wholly or partially to taxation.
- 5. The provisions of this Article shall not prejudice the rights of the Parties to adopt, maintain or develop any non-discriminatory measure they consider appropriate, to ensure that investments comply with their respective laws related to the environment.

Article 39. Anti-Competitive Business Practices

The Parties shall discourage anti-competitive business practices and shall work towards the adoption of common provisions to prevent such practices.

Article 40. Compensation for Losses

Investors of one Party whose investments in the other Party suffer losses owing to war, armed conflict, a state of national emergency, revolt, insurrection, riot or other similar events in the other Party, shall be accorded by the latter Party treatment, as regards restitution, indemnification, compensation or other settlement, not less favourable than that which it accords to investors of any third country.

Article 41. Expropriation

1. Investments of investors of either Party shall not be nationalized, expropriated or subjected to measures that would nullify their value, or have effects equivalent to nationalization or expropriation (hereinafter referred to as "expropriation") in the other Party except for a public purpose. The expropriation shall be carried out under due process of law, on a non-discriminatory basis and shall be accompanied by provisions for the payment of prompt, adequate and effective compensation. Such

compensation shall amount to the value that the investment had immediately before the expropriation, or before the impending expropriation became public knowledge, shall include interest from the date of expropriation, shall be made without delay, be effectively attainable and be freely transferable in a freely convertible currency.

2. The affected investor shall be entitled, in accordance with the principles established under the present Article and with the national laws of the respective Parties, to a prompt review of his case and to the valuation of his investment by a judicial or other competent authority or by an independent legal or natural person in the Party where the investment was made.

Article 42. Free Transfer

- 1. The Parties shall permit the free transfer of payments related to investments and returns in accordance with their existing regulations and legislations. The transfers shall be made in a freely convertible currency, without undue delay. Such transfers shall include, in particular, though not exclusively:
 - a) capital and additional amounts to maintain or increase the investment;
 - b) profits, interest, dividends and other current income;
 - c) funds in repayment of loans;
 - d) royalties or fees;
 - e) incomes of sale or liquidation of the investment;
 - f) the earnings of personnel engaged from abroad who are employed and allowed to work in connection with an investment in the other Party.
- 2. For the purpose of this Chapter, the exchange rate shall be the prevailing market rate for current transactions at the date of transfer, unless otherwise agreed.
- 3. Transfers shall be considered to have been made "without undue delay" in accordance with paragraph 1 of this Article when they have been made within the period normally necessary for the completion of the transfer.
- 4. Where, in exceptional circumstances, movements of capital between the Parties cause, or threaten to cause, serious difficulties for the operation of exchange rate policy or monetary policy, the Parties may take balance of payments measures with regard to movements of capital for a period not exceeding nineteen (19) months, if such measures are strictly necessary.

Article 43. Subrogation

If a Party or its designated agency makes a payment to its own investor under a guarantee against non-commercial risks, given by that Party or its designated agency in respect of an investment in the other Party, the latter Party shall recognize the assignment of the rights and claims of the investor to the former Party, whether such assignment was made by law or another legal transaction, and shall recognize that the former Party or its designated agency is entitled to exercise such rights and enforce such claims to the same extent as the original investor, by virtue of subrogation.

Article 44. Application of other Provisions

 If the legal provisions of either Party or their current obligations under international law or those that are established hereafter between the Parties, whether general or specific, entitle investments and returns of investors of the other Party, treatment more favorable than that provided in this Chapter, such other provisions shall prevail. 2. Each Party shall observe any obligation it may have entered into with regard to investments of investors of the other Party.

Article 45. Scope of Application

This Chapter shall apply to investments existing at the time of entry into force of this Agreement, as well as to investments made or acquired thereafter, but shall not apply to any dispute which arose before the entry into force of this Agreement.

Article 46. Dispute Settlement between a Party and Investors of the other Party

- This Article shall apply to any dispute which may arise between a Party and an
 investor of the other Party regarding the alleged breach of an obligation by the
 former Party under this Agreement which causes loss or damage to the investor or
 his investment. Any such dispute shall, if possible, be settled through consultations
 between the parties to the dispute.
- 2. Where the dispute cannot be thus settled within three months from the date of request for consultations, the investor and the Party concerned may refer the dispute either to:
 - a) the International Centre for Settlement of Investment Disputes ("the Centre") established pursuant to the Convention on Settlement of Investment Disputes between States and Nationals of Other States opened for signature at Washington D.C. on 18 March, 1965 ("the ICSID Convention"), if both Parties are members to the ICSID Convention;
 - b) the Centre under the Rules governing the Additional Facility for the Administration of Proceedings by the Secretariat of the Centre, if one of the Parties, but not both, is a member of the ICSID Convention;
 - c) an international arbitrator or Ad hoc Tribunal to be appointed by a special agreement or established under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL); or
 - d) the International Court of Arbitration of the International Chamber of Commerce in accordance with its Arbitration Rules.

The arbitral awards shall be final and binding on both parties to the dispute and shall be enforced in accordance with the national legislation of each Party.

CHAPTER X LAND TRANSPORTATION

Article 47. General Provisions

The Parties recognize the importance of improving the land transportation services as a catalyst to facilitate trade in goods between the Parties and, in accordance with the provisions of this Agreement, undertake to develop efficient mechanisms for the transportation of originating goods of the Parties by land.

Article 48. Scope of Application

- 1. This Chapter shall apply to the measures that a Party adopts or maintains in the matter of land transportation services. Also, it establishes a mechanism for affording nondiscriminatory treatment for land transportation services between the Parties.
- 2. For the purposes of this Chapter, nondiscriminatory treatment is defined as, the granting to the other Party, treatment that is not less favorable than that which a Party grants to the providers of land transportation services of a third country.

- 3. The Parties agree to grant each other preferential treatment on the basis of reciprocity, as contained in Annex VII of this Agreement.
- 4. Subject to the applicable laws of each of the Parties, freedom of transit shall imply:
 - a) transit of vehicles and their drivers from one Party to the other Party for the purposes of transporting originating goods from one Party to the other;
 - b) freedom in the contracting of transport services from providers of either Party only for the purpose of transporting originating goods from one Party to the other; and
 - c) avoid requiring a provider of transport services from the other Party, to establish or maintain an office or any other type of representation, or to reside in the Party where the service is given, as a condition to be able to offer the services to that Party.
- 5. This Article shall not apply to land transportation of local load or cabotage.
- 6. A Land Transportation Committee (LTC) is hereby established, and its members shall be appointed:
 - a) in the case of Guatemala, by the Ministry of Communications, Infrastructure and Housing or its successor; and
 - b) in the case of Belize, by the Ministry of Works, Transport and Communications or its successor.
- 7. Within six (6) months from the date of entry in force of this Agreement, the LTC shall meet to develop rules and procedures to facilitate the efficient provision of land transportation services between both Parties.
- 8. The Parties agree to examine the procedures in both Parties, as well as the issues requiring attention, and undertake actions to resolve them and ensure that non-discriminatory treatment is granted. The LTC may use the preliminary indicative list contained in Annex VII.

CHAPTER XI

FINAL PROVISIONS

Article 49. Entry into Force

This Agreement shall enter into force thirty (30) calendar days from the date on which the Parties exchange written notifications certifying that they have completed their respective internal legal requirements.

Article 50. Duration

The present Agreement shall be of indefinite duration.

Article 51. Withdrawal

- 1. A Party may withdraw from this Agreement only after the end of the first year of its entry into force.
- 2. The present Agreement shall continue in force until one of the Parties gives written notification to the other Party of its decision to withdraw. Said withdrawal shall take effect after six (6) months from the date of receipt of the notification by the other Party, unless otherwise agreed upon by the Parties;

3. With regard to investments made under Chapter IX (Investments) on or before the date of receipt of the written notification of withdrawal, the rights and obligations of the Parties under the present Agreement shall continue in force for an additional ten (10) years.

Article 52. Accession

- 1. This Agreement is open to accession by any country or group of countries.
- 2. The Parties shall establish the terms and conditions of such accession by mutual agreement.
- 3. The accession shall be formalized by means of an additional instrument to this Agreement.

Article 53. Depositary

Belize shall deposit its instrument of ratification of the present Agreement at the Secretariat of the Caribbean Community (CARICOM). The Republic of Guatemala shall deposit its instrument of ratification of the present Agreement at the General Secretariat of the Central American Integration System (SG-SICA).

Article 54. Annexes

The Annexes to this Agreement shall constitute an integral part thereof.

Article 55. Amendments

- 1. This Agreement may be amended by mutual agreement of the Parties. Said amendments shall be subject to ratification by the Parties in accordance with their respective necessary internal legal requirements.
- 2. Any amendment shall be formalized through an additional instrument to this Agreement.
- 3. Any amendment shall enter into force in accordance with Article 49 (Entry into Force) of the present Agreement.

Article 56. Balance of Payments

In the application of the provisions of this Agreement, with the exception of Chapter IX (Investment), the Parties agree to comply with their rights and obligations under GATT 1994, in particular, Section B of Article XVIII, and with the Understanding Related to the Provisions of the General Agreement on Customs Tarriff and Trade 1994 on the Subject of Balance of Payments.

Article 57. Reservations

The present Agreement admits no reservations, except as otherwise agreed by the Parties in writing.

Signed in Belize City, on 26th day of June of 2006, in English and in Spanish, texts being equally authentic.

ANNEX I - PREFERENTIAL TARIFFS THAT BELIZE GRANTS TO GUATEMALA

	Belize HS Code 2002	Offers	
Code	Descripcion	Baskets	Preference
0102.90.30	Other bulls	В	100
0102.90.60	Other Cows	В	100
1302.19.90	Other	Α	
1511.90.10	Palm stearin	Α	
1901.20.10	Cake Mix in retail packages not exceeding 2 kg	С	100
2901.29.20	Acetylene	Α	
3407.00.10	Modelling paste	Α	
3808.90.30	Other put up in forms of packages for retail sale or as preparations or articles	Α	
4002.51.00	Latex	Α	
4002.59.00	Other	А	
4005.91.10	Sheets for tyre repair	Α	
4007.00.00	Vulcanised rubber thread and cord	Α	
4410.90.00	Other	В	50%
4411.11.00	Not mechanically worked or surface covered.	В	50%
4411.21.00	Not mechanically worked or surface covered.	Α	
4411.29.00	Other	Α	
4411.31.00	Not mechanically worked or surface covered.	Α	
4411.39.00	Other	Α	
4411.91.00	Not mechanically worked or surface covered.	Α	
4415.10.00	Cases, boxes, crates, drums and similar packings, cable-drums	Α	
4416.00.10	Casks, barrels and puncheons, of oak	Α	50%
4416.00.90	Other	Α	
4418.90.10	Cellular wood panels, whether or not faced with base metal	Α	
4421.90.50	Match splints	Α	
4803.00.20	Toilet or facial tissue stock	Α	50%
4803.00.90	Other	Α	
4804.11.00	Unbleached	A	50%
4808.10.90	Other	A	
4808.20.00	Sack kraft paper, creped or crinkled whether or not embossed or perforated	A	
4808.30.00	Other kraft paper, creped or crinkled, whether or not embossed or perforated	A	
4808.90.00	Other	A	
4809.10.00	Carbon or similar copying paper	A	
4813.10.00	In form of booklets or tubes	A	
4814.30.00	Wall paper and similar wall coverings, consisting of paper covered on the face side with plaiting material whether or not bound together in paralell strands or woven	A	
4814.90.00	Other	A	
4815.00.00	Floor coverings on a base of paper or of paperboard, whether or not cut to size	A	
4818.30.10	Tablecloths	Α	
4819.10.00	Cartoons, boxes and cases, of corrugated paper or paperboard	В	50%
4819.20.00	Folding cartons, boxes and cases, of non-corrugated paper or paperboard	Α	
4819.30.10	Unprinted	Α	50%

4819.30.90	Other	Α	
4819.50.10	Egg boxes and trays	В	50%
4819.50.90	Other	С	50%
4819.60.00	Box files, letter trays, storage boxes and similar articles, of a kind used in offices, shops or the like	С	50%
4821.10.00	Printed	С	50%
4821.90.00	Other	С	50%
4823.12.00	Self-adhesive	С	50%
4823.19.00	Other	С	50%
5407.10.00	Woven fabrics obtained from high tenacity yarn of nylon or other Polyamides or of polyester	А	
5608.90.90	Other	Α	
5808.90.00	Other	Α	
5810.10.00	Embroidery without visible ground	Α	
5810.91.00	Of cotton	Α	
6305.90.00	Of other textile materials	Α	
6403.99.90	Other	В	50%
6402.19.00	Other	Α	
7018.90.90	Other	Α	
7209.16.00	Of a thickness exceeding 1 mm but less than 3 mm	Α	
7211.19.10	Of a thickness of less than 3 mm	Α	
7211.19.90	Other	Α	
7214.99.10	Of iron	Α	
7216.21.00	L sections	Α	
7216.61.10	Angles of non-alloy steel	Α	
7216.61.90	Other	Α	
7325.99.00	Other	Α	
7326.19.00	Other	Α	
8418.50.00		С	100%
	Cabinets, display counter, showcases and similar refrigerating or freezing furniture		
8504.21.00	Having a power handling capacity not exceeding 650 kva	Α	
8504.22.00	Having a power handling capacity exceeding 650 kva but not exceeding 10,000kva	Α	
8504.23.00	Having a power handling capacity exceeding 10,000 kva	Α	
8504.31.00	Having a power handling capacity not exceeding 1 kva	Α	
8504.32.00	Having a power handling capacity exceeding 1 kva but not exceeding 16 kva	Α	
8504.33.00	Having a power handling capacity exceeding 16 kva but not exceeding 500 kva	Α	
8504.34.00	Having a power handling capacity exceeding 500 kva	Α	
9403.20.10	Of a kind used in schools, churches and laboratories	Α	
9403.70.10	Of a kind used in offices	Α	50%
9403.70.20	Of a kind used in schools, churches and laboratories	Α	
9405.99.00	Other	Α	

ANEXO II - PREFERENCIAS ARANCELARIAS QUE GUATEMALA OTORGA A BELICE

	SAC 2002	DESIGNACION	Preferencia
No.	0710 2002	2200.0000	
1 1	0102.90.00	Otros (únicamente toros, excepto reproductores y los de	Α
'	0102.30.00	engorde menores a 270 kg)	
2	0102.90.00	Otros (únicamente vacas, excepto reproductoras y las de	Α
_	0102.30.00	engorde menores a 270 kg)	
3	0103.92.00	De peso superior o igual a 50 kg (excepto para crianza)	A
3			A
4	0105.99.00	Otros (excepto para crianza y para engorde)	Α
5	0202.10.00	En canales o medias canals	Α
6	0302.69.70	Tilapias (Tilapia spp.)	Α
7	0303.79.00	Los Demas (unicamente tilapias)	Α
8	0304.10.00	Fresco o refrigerados (únicamente de tilapia)	Α
9	0304.20.70	De tilapias	A
10	0709.90.30	Ayotes	A
11	0709.90.40	Okras	A
12	0713.10.00	Arvejas (únicamente blackeye peas)	A
13	0713.32.00	Adzuki (rojos pequenos)	A
14	0713.33.10	Frijol negro	A (Ver
			Apéndice 1)
15	0713.33.90	Otros	Α
16	0714.10.00	Raices de yuca (mandioca)	Α
17	0714.90.20	Ñames (dioscorea alata) (únicamente yams)	Α
18	0803.00.20	Plátanos	Α
19	0803.00.12	Bananas secas	Α
20	0804.30.00	Piñas tropicales (Ananás)	Α
21	0804.50.20	Guayabas y mangostanes (únicamente guayabas)	Α
22	0804.50.10	Mangos	Α
23	0805.10.00	Naranjas	Α
24	0805.50.00	Limones (citrus limon, citrus limonum) y limas (citrus	Α
		aurantifolia, citrus latifolia) (Unicamente limas (citrus	
		aurantifolia, citrus latifolia))	
25	0805.40.00	Toronjas o pomelos	Α
26	0805.90.00	Los demás	A
27	0807.11.00	Sandias	A
28	0813.40.00	Las demas frutas u otros frutos	A
29	0813.50.00	Mezcla de frutos u otros frutos, secos, o de frutos de cáscara	Α
20	0004 12 00	de este Capítulo	Λ
30	0904.12.00	Triturada o pulverizada	A
31 32	0910.10.90 1005.90.20	Otros (únicamente fresco) Maíz Amarillo	A ()/or
32	1005.90.20	Maiz Affafilio	A (Ver Apéndice 1)
33	1007.00.90	Otros	Apendice 1)
34	1507.10.00	Aceite en bruto, incluso desgomado	A
35	1905.90.00	Los demas (únicamente nachos)	A
36	2007.99.90	Otros (excepto los purés y pastas de fruta sin acondicionar	A
00	2007.00.00	para la venta al por menor, los quesos de guayaba y las	
		jaleas y mermeladas de nuez moscada)	
37	2008.19.90	Otros (únicamente de semilla de marañón)	Α
38	2008.30.00	Agrios (cítricos) (únicamente de naranja)	A
39	2008.30.00	Agrios (cítricos) (únicamente de toronja)	A
40	2008.99.00	Las demas (únicamente plataninas)	A
41	2009.11.00	Congelado	A
42	2009.12.00	Sin congelar, de valor Brix inferior o igual a 20 (excepto para	A
		uso infantil acondicionado para la venta al por menor)	
43	2009.19.90	Otros (excepto para uso infantil acondicionado para la venta	Α
		al por menor)	
44	2009.21.00	De valor Brix inferior o igual a 20 (excepto para uso infantil	Α
	i	acondicionado para la venta al por menor)	1

45	2009.29.10	Jugo concentrado	Α		
46	2009.29.90	Otros (excepto para uso infantil acondicionado para la venta al por menor)	Α		
47	2009.31.00	De valor Brix inferior o igual a 20 (únicamente de lima, en empaques acondicionados para la venta al por menor, no para uso infantil)	Α		
48	2009.49.00	Los demás (excepto en empaques acondicionados para la venta al por menor y para uso infantil)	Α		
49	2009.90.00	Mezcla de jugos (únicamente otras mezclas de toronja y naranja, no para uso infantil)			
50	2103.90.00	Los demas (únicamente salsa picante)	Α		
51	2103.90.00	Los demas (únicamente salsa para steak)	Α		
52	2106.90.90	Otras (únicamente polvo de coco, cocoyam chips y mezclas para helados de coco)	Α		
53	2302.20.00	De arroz (únicamente bran (salvados))	Α		
54	2302.30.00	De trigo (únicamente bran (salvados))	А		
55	2517.10.00	Cantos, grava, piedras machadas, de los tipos generalmente utilizados para hacer hormigón, o para firmes de carreteras, vías férreas u otros balastos, guijarros y pedernal, incluso tratados térmicamante	А		
56	3301.12.00	De naranja	Α		
57	3301.19.00	Los demás (únicamente de toronja)	A A		
58	3605.00.00	Fósforos, cerillas, excepto los artículos de pirotecnia de la partida 36.04 (únicamente en presentaciones de no más de 60 unidades pero más de 30 unidades)	Α		
59	4101.20.19	Los demás (únicamente de bovino)	Α		
60	4101.50.19	Los demás (únicamente de bovino)	Α		
61	4407.10.00	De coniferas (únicamente de "pitch pine" (pino de resina))	Α		
62	4412.13.00	Que tenga por lo menos una hoja externa de las maderas tropicales citadas en la Nota de Subpartida 1 de este Capítulo	А		
63	4419.00.00	Artículos de mesa o de cocina, de madera	Α		
64	4421.90.90	Otros (exceptuando espigones, pines y rodillos para calzado, letras, figuras, patrones, moldes, bloques para pavimentar, defensas, venecianas, etiquetas para horticultura, medidas de capacidad, escaleras y escalones)	Α		
65	4818.10.00	Papel higiénico	Α		
66	6802.10.00	Losetas, cubos, dados y artículos similares, incluso de forma distinta de la cuadrada o rectangular, en los que la superficie mayor pueda inscribirse en un cuadrado de lado inferior a 7 cm; gránulos, tasquiles (fragmentos) y polvo, coloreados artificialmente (únicamente losetas, cubos y artículos similares)	A		
67	6901.00.00	Ladrillos, placas, baldosas y demas piezas cerámicas de harinas siliceas fósiles (por ejemplo: "kieselguhr", tripolita, diatomita) o de tierras silíceas análogas	Α		
68	7610.10.00	Puertas, ventanas y sus marcos, bastidores (contramarcos) y umbrales	Α		
69	9403.40.00	Muebles de madera de los tipos utilizados en cocinas	Α		
70	9403.50.00	Muebles de madera de los tipos utilizados en dormitorios	Α		
71	9403.60.00	Los demás muebles de madera (excepto del tipo de los utilizados en escuelas, iglesias y laboratorios)	Α		
72	9403.80.00	Muebles de otras materias incluido el roten (ratán), mimbre, bambú o materias similares	Α		

ANEXO II - PREFERENCIAS ARANCELARIAS QUE GUATEMALA OTORGA A BELICE

	SAC 2002	DESIGNACION	Preferencia
No.			
1	0102.90.00	Other bulls, (except for breeding or rearing weighing not more than a 270 kg)	А
2	0102.90.00	Other cows, (except for breeding or rearing weighing not more than a 270 kg)	А
3	0103.92.00	Weighing not more than 50 kg (except for breeding)	Α
4	0105.99.00	Other(except for breeding or rearing)	Α
5	0202.10.00	Carcasses and half-carcasses	Α
6	0302.69.70	Tilapia (Tilapia spp.)	А
7	0303.79.00	Other (only tilapias)	Α
8	0304.10.00	Fresh or chilled (only tilapia)	А
9	0304.20.70	Of tilapia	Α
10	0709.90.30	Pumpkins	A
11	0709.90.40	Okra	Α
12	0713.10.00	Black eye peas	Α
13	0713.32.00	Small red(Adzuki)	A
14	0713.33.10	Black Beans	A (See Apendix1)
15	0713.33.90	Other	А
16	0714.10.00	Cassava (manioc)	Α
17	0714.90.20	Yams(dioscorea alata) (only yams)	Α
18	0803.00.20	Plantains	Α
19	0803.00.12	Bananas Dried	Α
20	0804.30.00	Pineapples (Ananás)	Α
21	0804.50.20	Guavas and Mangosteen (only guavas)	A
22	0804.50.10	Mangos	A
23	0805.10.00 0805.50.00	Oranges Lemon (citrus limon, citrus limonum)and limes (citrus aurantifolia, citrus latifolia) (only limes (citrus aurantifolia, citrus latifolia))	A
25	0805.40.00	Grapefruit including pomelos	Α
26	0805.90.00	Other	A
27	0807.11.00	Watermelon	A
28	0813.40.00	Other fruits	A
29	0813.50.00	Mixture of nuts or dried fruits of the chapter	A
30	0904.12.00	Crushed or ground	Α
31	0910.10.90	Other (fresh)	Α
32	1005.90.20	Yellow Maize(corn)	A (see Apendix 1)
33	1007.00.90	Other	A
34	1507.10.00	Crude oil, whether or not degummed	A
35	1905.90.00	Other (nachos corn chips only)	A
36	2007.99.90	Other (except fruit puree and fruit paste not in retail packages, guava jam and jellies, guava cheese and nutmeg jams and jellies)	А
37	2008.19.90	Other (only cashew nuts)	Α
38	2008.30.00	Citru fruit (only orange)	A
39	2008.30.00	Citrus fruit (only grapefruit)	A
40	2008.99.00	Other (Plantain and banana chips)	Α
41	2009.11.00	Frozen	Α
42	2009.12.00	Not frozen, of a Brix value not exceeding 20 (except for infant use put up in packages for retail sale)	A
43	2009.19.90	Other (except for infant use put up in packages for retail sale)	А
44	2009.21.00	Of a Brix value not exceeding 20 (except for infant use put up in packages for retail sale)	А
45	2009.29.10	Concentrated Juice	Α

46	2009.29.90	Other (except for infant use put up in packages for retail sale)	Α
47	2009.31.00	Of a Brix value not exceeding 20 (of lime, except for infant use put up for retail sale))	Α
48	2009.49.00	Other (except for infant use put up in packages for retail sale)))	Α
49	2009.90.00	Mixture of juices (only other mixtures of orange and grapefruit, not for infant use)	Α
50	2103.90.00	Other (Only pepper sauce)	Α
51	2103.90.00	Other (only steak sauce)	Α
52	2106.90.90	Other (only coconut powder, cocoyam chips, coconut ice cream powder mix)	Α
53	2302.20.00	Of rice (only bran)	Α
54	2302.30.00	Of wheat (only bran))	Α
55	2517.10.00	Pebbles, gravel, broken or crushed stones, of a kind commonly used for concrete aggregates, for road metaling or for railway or other ballast, shingle and flint whether or not heat-treated	А
56	3301.12.00	Of orange	Α
57	3301.19.00	Other (only grapefruit)	Α
58	3605.00.00	Matches, other than pryotechnic articles of heading 36.04 (only in containers of not more than 60 matches but not more than 30 matches)	А
59	4101.20.19	Other (only bovine)	Α
60	4101.50.19	Other (only bovine)	Α
61	4407.10.00	Coniferous (only "pitch pine")	Α
62	4412.13.00	With at least one outer ply of tropical wood specified in subheading Note 1 to this chapter	Α
63	4419.00.00	Tableware and kitchenware of wood	Α
64	4421.90.90	Other (except roller blinds, rollers for spring blinds, spigots, wooden pegs and pins for footwear, letters, figures, moulding patterns, templates, paving blocks, trellises and fencing panels, venetian and other blinds, labels for horticulture, dowel pins, capacity measures, ladder and steps)	A
65	4818.10.00	Toilet paper	Α
66	6802.10.00	Tile cubes and similar articles, whether or not rectangular, (including square)the largest surface area of which is capable of being enclosed in a square of the side is less 7 cm; artificially coloured granules, chippings and powder, (only tiles, cubes and similar articles)	A
67	6901.00.00	Bricks, blocks tiles and other ceramic goods of siliceous fossil meals (for example: "kieselguhr", tripolite or diatomite) or of similar siliceous earths	Α
68	7610.10.00	Doors, windows and their frames, and thresholds for doors	Α
69	9403.40.00	Wooden furniture of a kind used in the kitchen	Α
70	9403.50.00	Wooden furniture of a kind used in the bedroom	Α
71	9403.60.00	Other wooden furniture (except those for use in schools, churches or laboratories)	Α
72	9403.80.00	Furniture of other materials including cane, ossier, bamboo or similar materials	А

APPENDIX I

Treatment for products subject to tariff rate quota access granted by Guatemala to Belize

Yellow maize (corn)
Tariff line 1005.90.20
20,000 MT
In quota duty 0%
3% of annual growing for 5 years

Black beans Tariff line 0713.33.10 875 MT In quota duty 0% 3% of annual growing for 5 years

At the end of the fifth year after the agreement enters into force, the Parties will review, under the principle of some level of reciprocity, the conditions established for these products, taking in view the initial concessions granted by Guatemala. Any modification prior to the expiration of the fifth year will be on a similar reciprocal basis.

ANNEX III

RULES OF ORIGIN

CHAPTER I

ORIGIN OF GOODS

Article 1. Definitions

For purposes of this Annex:

- a) "competent authority" shall mean:
 - i. in the case of Belize, the Customs and Excise Department; and
 - ii. in the case of Guatemala, the Ministry of Economy or its successor;
- b) "harmonized system" shall mean the Harmonized Commodity Description and Coding System;
- c) "identical goods" shall means goods which are the same in all respects, including physical characteristic, quality and reputation. Minor differences in appearance would not preclude goods otherwise conforming to the definition from being regarded as identical.
- d) "materials" shall mean the raw materials, intermediate goods, parts or components used in the production of goods; and
- e) "originating goods" shall have the same meaning as that under Article 2 of this Agreement.

Article 2. Interpretation and Application

- 1. The Parties shall use, for the application and interpretation of the rules of origin of this Agreement, the nomenclature of the harmonized system, including the headings, sub-headings, corresponding numerical codes, notes to the sections, chapters and sub-headings, as well as the general rules for the interpretation.
- 2. The Parties shall review their respective tariff nomenclature with the aim of adapting it with any revised version of the harmonized system.

Article 3. Originating Goods

For purposes of this Agreement, originating goods shall be:

- a) goods wholly produced in a Party, which may be:
 - goods from the mineral, plant or animal kingdoms (including those from hunting and fishing), extracted, harvested or gathered, born and raised or captured in one or both Parties;
 - ii. goods produced in one of the Parties from the goods cited in the preceding sub-paragraph above;
 - iii. goods produced exclusively from materials wholly produced in one or both Parties; or
 - iv. slag, ashes, residues, wastes and scrap, gathered or obtained from manufacturing and processing operations performed in the Parties, fit only for the recovery of materials.

- b) goods that go through a substantial transformation, produced in one or both Parties with non-originating materials must comply with any of the following conditions:
 - i. goods that are classified in a tariff heading which is different from those headings in which all the non-originating materials used are classified;
 - ii. goods in which the cif value of non-originating materials used in its production does not exceed 50% of the fob value of the goods produced; or
 - iii. except for goods classified in chapters 61 to 63 of the harmonized system, the goods resulting from assembly and mounting operations realized in one or both Parties using originating or non-originating materials of the Parties, when the cif value of the non-originating materials does not exceed 50% of the fob value of such goods;
 - c) goods produced exclusively from originating materials;
 - d) goods produced in a Party, that fulfill the specific rules of origin established in Article 6 of this Annex; or
 - e) games or assorted goods, provided that all components used in their production satisfy the conditions established in this Annex.

Article 4. Minimal Processes

For the purposes of this Annex, the following operations and minimal processes shall not be considered a sufficient transformation or production process to grant origin to a good:

- a) ventilation, aeration, refrigeration, freezing, substance addition, salting or extraction of damaged parts and similar operations that ensure the preservation of the goods during transportation and storage;
- b) dust cleaning, washing, cleaning, shaking vigorously, peeling, shelling, threshing, drying, macerating, thinning, selecting, classifying, dividing, winnowing, sifting, filtering, cutting, painting or application of oil;
- c) formation of sets or assorted goods, except for those provided for in Article 3 of this Annex.
- d) packing, packaging or repackaging;
- e) gathering or division of bundles of goods;
- f) affixing of brands, labels, or other similar distinctive signs;
- g) simple mixture of materials, if the characteristics of the goods obtained are not essentially different from the characteristics of the materials which have been mixed;
- h) simple dilution in water or in other substances, which does not alter the essential characteristics of the goods;
- i) slaughter of animals;
- j) mounting or assembly, except as provided for in Article 3 of this Annex; or
- k) accumulation of two or more of the operations or previous processes (a-j).

Article 5. Transshipment and Direct Shipment

In order for goods to benefit from the preferential treatment, the same must be directly delivered from one Party to the other Party. For this purpose, the following shall be considered as direct shipment:

- a) goods transported without going through third countries; or
- b) goods transported in transit through one or more non-party countries, with or without transshipment or temporary storage, under the surveillance of customs authorities of such countries, provided that:
 - i. the transit is justified by geographical reasons or by considerations related to transportation requirements;
 - ii. the goods are not destined for trade or use in the transit country; and
 - iii. the goods do not undergo, during transportation or storage, any operation other than loading or unloading operations to keep them in good condition and ensure their conservation.

Article 6. Specific Rules of Origin

- 1. The Parties agree to establish specific rules of origin for the qualification of the goods contained in Annexes I and II, which are included in Annex IIIA (specific rules of origin).
- 2. The Parties agree to establish, in future negotiations, as deemed necessary, specific rules of origin to be applied to goods agreed upon.
- 3. Any Party may request the revision of the origin requirements established in Annex IIIA. The request must propose the changes, and explain the applicable requirements for the goods.
- 4. The specific rules of origin shall take precedence over the general criteria established under Article 3 of this Annex.

Article 7. Incorporation of Materials

For the purposes of this Annex, the originating materials and other originating factors of production from one of the Parties, incorporated by the other Party in the production process of goods, shall be considered as originating from either Party.

Article 8. Revision of the Rules of Origin

- 1. The Parties shall review the rules of origin established in this Annex, at the request of a Party, for the purpose of accomplishing, among others, the following objectives:
 - a) to adapt them to technological development; or,
 - b) to adjust them to the evolution of production conditions.
- 2. The Parties may also establish rules of origin for goods that could be added to Annexes I or II of this Agreement.

CHAPTER II

DECLARATION, CERTIFICATION AND VERIFICATION OF ORIGIN

Article 9. Certificate of Origin

- In order for originating goods to be able to benefit from the tariff preference margins granted by the Parties, such goods must be accompanied by an original certificate of origin in the format set down in Appendix B (which includes the instructions to complete the certificate) of this Annex, guaranteeing the fulfillment of the origin requirements established in this Agreement.
- 2. The certificate of origin shall be issued, in the case of Guatemala, by the exporter or producer, and in the case of Belize, by the Customs and Excise Department. The certificate shall be valid for one hundred and eighty (180) calendar days from the date of issue.
- 3. When a Party considers that the certificates of origin presented to the customs authority do not fulfill the provisions of this Annex, the competent authority of the importing Party shall communicate it to the competent authority of the exporting Party, so that the latter can adopt the necessary measures to resolve the problems.
- 4. In case of doubt regarding the authenticity of the certificate of origin, or of a presumption that the origin requirements are not being correctly stated in accordance with this Agreement, the importing Party may request additional proof, but shall not stop the importation of the goods.
- 5. The customs authority of the importing Party shall secure the collection of the applicable duties for the period needed to receive the required information from the importer, in accordance with its national legislation.

Article 10. Preservation of Certificates and Documents

Each Party shall require the exporter or the final producer who completes and signs a certificate of origin to keep all the records and documents pertaining to the origin of the goods for a minimum of three (3) years in the case of Belize, and five (5) years in the case of Guatemala, from the date of the certificate.

APPENDIX A

PROCEDURES FOR THE VERIFICATION OF THE ORIGIN OF GOODS

- 1. In case of doubt regarding the origin of a good coming from the other Party, the competent authority of the importing Party may initiate a procedure of verification of origin without the request of an interested party. Also, any natural or legal person that demonstrates a relevant interest, may present the corresponding request for verification to the competent authority of his/its country and submit the documents, expertise and other elements of judgment, to support the application.
- 2. The competent authority of the importing Party shall notify the competent authority of the exporting Party of the initiation of the verification procedure within five (5) working days of the initiation thereof. The competent authority of the exporting Party shall have a maximum of ten (10) working days from the date of receipt of said notification, to notify the exporter or producer of the goods of the initiation of said procedure. At the end of this period, the competent authority of the importing Party shall consider the exporter or producer of the good as notified and shall continue with the verification procedure. All notifications shall be carried out directly between the competent authorities in writing, and in any manner that confirms its reception. All notifications to the importer, exporter or producer shall be done in writing through its competent authority.
- 3. For the verification of the origin of goods, the competent authority of the importing Party shall comply with the following procedures:
 - a) send the written questionnaires or requests for information directed to the importer, exporter and, when applicable, to the producer, of the exporting Party, which identify the goods that are subject to the verification procedure and indicate the tariff item where it is classified according to the harmonized system, as well as the verification period and the import documents that support the goods subject to the verification of origin;
 - b) visit the facilities of the exporter or producer of the exporting Party, for the purpose of evaluating the accounting records or documents that support the origin of the goods and to inspect the facilities and materials, or products used in the production of the goods. For the purposes of verifying origin, the competent authority of the importing Party shall use the generally accepted accounting principles of the exporting Party; or
 - c) carry out any other procedures that the Parties agree on.
- 4. The importer, exporter or producer who receives a questionnaire or a request for information according to the preceding paragraph, shall complete and return it to its competent authority within thirty (30) calendar days from the date of notification. During this period, the importer, exporter or producer may, only once, request an extension of not more than thirty (30) calendar days to respond to the competent authority of the importing Party.
- 5. If the importer, exporter or producer does not fulfill the obligations stipulated in the preceding paragraph, the competent authority of the importing Party may deny the preferential tariff treatment.
- 6. During the visit for verification of origin, the competent authority of the exporting Party shall accompany the competent authority of the importing Party and shall act exclusively as an observer.
- 7. Before conducting a visit for verification of origin in accordance with paragraph 3, the competent authority of the importing Party shall notify the competent authority of the exporting Party, in writing, who shall notify its exporter or producer.

- 8. The notification of the visit for verification referred to in the preceding paragraph, shall include:
 - a) the identification of the competent authority that makes the notification;
 - b) the name of the exporter or producer who shall be visited;
 - c) the date and place of the visit:
 - d) the purpose and scope of the visit, specifically mentioning the good or goods subject to verification;
 - e) the identification and post of the officials carrying out the visit; and
 - f) the legal basis for the visit.

Any modification to the information provided in accordance with the previous clauses, shall be notified, in writing, to the exporter or producer and to the competent authority of the exporting Party, ten (10) calendar days prior to the visit.

- 9. The exporter or producer shall give his consent for the visit, in writing, within thirty (30) calendar days from the date of receipt of notification in accordance with paragraph 7. If the exporter or producer does not give his consent, the importing Party may deny preferential tariff treatment to the good or goods which are the subject of verification.
- 10. The exporter or producer may request, only once, that the visit be postponed, provided that such postponement is requested within fifteen (15) calendar days from the date of receipt of the notification. Such postponement shall not be for more than sixty (60) calendar days, unless otherwise agreed by the Parties.
- 11.A Party shall not deny preferential tariff treatment to the goods of an exporter or producer of the other Party based exclusively on the ground that such exporter or producer has applied for a postponement of the verification visit, in accordance with the provision of the preceding paragraph.
- 12. The exporter or producer may designate two observers, who will only act as such for the purpose of the visit for the verification of origin.
- 13. At the conclusion of the visit for the verification of origin, the competent authority of the importing Party shall prepare a report thereof, which maybe signed by the producer or exporter. The competent authority of the importing Party shall submit a copy of the report to the producer or exporter.
- 14. The competent authority of the importing Party may, during the period of verification of origin request more information from the exporter or producer that will assist with the verification of origin. This information shall be presented within thirty (30) calendar days from the date of the receipt of the request. If the exporter or producer does not provide the requested information, the competent authority of the importing Party may deny the preferential tariff treatment to the goods.
- 15. Upon completion of the verification process, the competent authority of the importing Party shall provide a written final report stating whether the good or goods qualify or not as originating, and shall include the relevant facts and the legal basis for the decision. The final report shall be issued within sixty (60) days counting from the date of the visit or the date when all the information was provided by the importer, exporter or producer.
- 16. The procedure for the verification of the origin of the goods shall not exceed one (1) year.
- 17. If the competent authority of the importing Party has not issued a final report within the time-frame established in the preceding paragraph, the goods that are the

- subject of verification of origin shall receive preferential tariff treatment in accordance with the provisions of this Agreement.
- 18. When there is a doubt about the origin of a good, at the moment of importation, the customs authority shall not impede its importation, but may request his competent authority to initiate a verification procedure in accordance with this Appendix.
- 19. When the competent authority of the importing Party notifies the initiation of the procedure for verification of origin in accordance with paragraph 2 of this Appendix, the customs authority of the importing Party shall not impede the subsequent importation of identical goods sent by the exporter subject to investigation.
- 20. The Authority of the importing Party may secure the collection of the applicable duty during the period of verification of origin according to its national legislation.
- 21. The importation of goods under the same Importing Document that have been the subject of a procedure for verification of origin shall not be subjected to another procedure for verification of origin.

3. Any amendment shall enter into force in accordance with Article 49 (Entry into Force) of the present Agreement.

Article 56. Balance of Payments

In the application of the provisions of this Agreement, with the exception of Chapter IX (Investment), the Parties agree to comply with their rights and obligations under GATT 1994, in particular, Section B of Article XVIII, and with the Understanding Related to the Provisions of the General Agreement on Customs Tarriff and Trade 1994 on the Subject of Balance of Payments.

Article 57. Reservations

The present Agreement admits no reservations, except as otherwise agreed by the Parties in writing.

Signed in Belize City, on 26th day of June of 2006, in English and in Spanish, texts being equally authentic.

For Belize

For the Republic of Guatemala

EAMON H. COURTENAY Minister of Foreign Affairs

and Foreign Trade

MARCIØ RONALDO QUEZADA Minister of Economy

APPENDIX B

CERTIFICATE OF ORIGIN

1. NAME AND ADDRESS OF THE EXPORTER				2. NAME AND ADDRESS OF THE IMPORTER		
Phone Fax:		ax:		Phone	Fax:	
N.I.T/Ex	xporter Code			N.I.T./Imp	orter Code	
3. Item No.	4. Quantity of Packages	5. Tariffs Classification	6. Description	of Goods	7. Rules of Origin	8. No. and Date of Invoice
1,00	1 wanings					221,0320
9. Certif	 icate/Declaration:	<u> </u>				
Ι,		,of			declare under o	eath that:
		n this document is true and				
the neces	sary documents wh	sible for any false statement iich back-up the contents of	this Certificate	e as well as t	o notify, in writing, al	ll the persons to whom I
	and con	cate of any change that mply with requirements of	Annex III of t	he Agreeme		
further p	rocess or any other	operation outside of the Pa	rties' territorie	s.		
This Cert	tificate consists of _	p	oages.			
10. Signat	ure:			Position:		
Name: Date:						-
11. Certi	fication: TO BE C	OMPLETED ONLY IF GO	ODS ORIGINA	TE FROM	BELIZE.	
It is here	by certified on the l	basis of control carried out t	that the declara	tion by the e	exporter is correct.	
•••••			•••••	•••••		••••
Signature	e and date of certifi	ed Authority: Name of	Certifying Aut	hority	Date (dd/mm/yy)	
WARNING: PERSONS WHO FURNISH OR CAUSE TO BE FURNISHED UNTRUE DECLARATIONS RENDER THEMSELVES LIABLE TO PENALITIES.						
12. Observations:						

Note: This certificate is valid for ONE shipment only.

INSTRUCTIONS TO COMPLETE THE CERTIFICATE OF ORIGIN

This Certificate of Origin shall be submitted to the custom authority of the importing Party in accordance with the provisions of the Partial Scope Agreement between the Government of Belize and the Government of the Republic of Guatemala, to obtain the preferential tariff treatment that has been established in the said Agreement. This document shall be completed by writing the information in the spaces provided, or by printing it with a typewriter or any other appropriate electronic, in a legible manner. The information shall not contain any alterations and, if more space is needed, additional forms shall be used. This Certificate shall be accompanied by the Import Declaration form, in accordance with the national legislation of each Party.

Instructions to fill out the Certificate of Origin

- Field 1: Insert full name, address (including the city and country), telephone number, fax number and Tax Identification Number (N.I.T), in the case of Guatemala or exporter's code, in the case of Belize.
- Field 2: Insert full name, address (including the city and country), telephone number, fax number and Tax Identification Number (N.I.T), in the case of Guatemala or importer's code, in the case of Belize.
- Field 3 Number the different type of goods in consecutive order (1,2,3....).
- Field 4: Indicate the number of packages for each type of good.
- Field 5: Indicate the eight digit tariff classification number, according to the tariff classification used by the importing Party for each type good described in field 6.
- Field 6: Provide a description of the goods under this Certificate. The information provided in this field shall be sufficient to identify the goods described in the commercial invoice.
- Field 7: Identify by using the corresponding letter from the list below which appropriately describes the origin for each good described in Field 6:
 - A. wholly produced goods (refer to paragraph a) of Article 3 of the Annex III of this Agreement);
 - B. goods produced with non-originating materials that comply with the change of tariff heading according to the HS (refer to subparagraph (i), paragraph b), Article 3 of Annex III of this Agreement);
 - C. goods that comply with the value requirement for non-originating materials used in its production (refer to subparagraph (ii), paragraph b), Article 3 of Annex III of this Agreement);
 - D. goods resulting from assembling and mounting operations (refer to subparagraph (iii), paragraph b), Article 3, of Annex III of this Agreement)
 - E. goods produced exclusively from originating materials (refer to paragraph c) of Article 3, of Annex III of this Agreement)
 - F. goods that comply with specific rules of origin (refer to paragraph d) Article 3 of Annex III and Annex III A of this Agreement)
 - G. sets or assorted goods (refer to paragraph e), Article 3 of Annex III of this Agreement).

Field 8: Indicate the number and date of the invoice for the goods described in field 6.

- Field 9: Indicate the country of origin and the number of pages that comprise the Certificate of Origin.
- Field 10:This field shall be signed and dated by the exporter, indicating the complete name and position of the person signing. In case any additional pages are added, they shall also contain all the required information.
- Field 11:This field shall only be completed for goods exported from Belize and must be signed and dated by the Certifying Authority of Belize. This field must not be completed for goods exported from Guatemala.
- Field 12: Any additional information provided by the exporter.

Annex III A Specific Rules of Origin

Tariff Heading	Specific Rules of Origin
01.02	The goods of this heading shall qualify as originating if wholly produced in one or both Parties.
01.03	The goods of this heading shall qualify as originating if wholly produced in one or both Parties.
01.05	The goods of this heading shall qualify as originating if wholly produced in one or both Parties.
02.02	The goods of this heading shall qualify as originating if wholly produced in one or both Parties.
Nota de Capitulo 3	The fish, crustaceans, molluscs, and other aquatic invertebrates shall be deemed originating even if they were cultivated from non originating fry or larvae.
03.02-03.04	The goods of this heading shall qualify as originating if wholly produced in one or both Parties.
Nota de Capitulo 6,7,8,9,10, 11,12,13,14 (seccion II)	Agricultural and horticultural goods grown in a Party shall be treated as originating in that Party even if grown from seeds, bulbs, rootstock, cuttings, grafts, shoots, buds, or other live parts of plants imported from a non-Party.
07.09	A change to heading 07.09 from any other chapter.
07.13-07.14	A change to heading 07.13 through 07.14 from any other chapter.
08.03- 08.13	A change to heading 08.03 through 08.13 from any other chapter.
09.04	A change to heading 09.04 from any other chapter.
09.10	A change to heading 09.10 from any other chapter.
10.05	A change to heading 10.05 from any other chapter.
10.07	A change to heading 10.07 from any other chapter.
13.02	A change to heading 13.02 from any other chapter.
1507.10	A change to subheading 1507.10 from any other chapter.
15.11	A change to heading 15.11 from any other chapter.
1901.20	A change to subheading 1901.20 from any other chapter, except from heading 11.01, subheading 1103.11 or pellets of wheat from subheading 1103.20.
19.05	A change to heading 19.05 from any other chapter, except from heading 11.01, subheading 1103.11 or pellets of wheat from subheading 1103.20.
2007.99	A change to subheading 2007.99 from any other chapter.
20.08	A change to heading 20.08 from any other chapter.
2009.11- 2009.49	A change to subheading 2009.11 through 2009.49 from any other chapter, except from heading 08.04 or 08.05.
2009.90	A change to subheading 2009.90 from any other chapter, except from heading 08.04 or 08.05.
2103.90	A change to subheading 2103.90 from any other heading, except habanero pepper from subheading 0709.60 or 0904.20.
2106.90	A change to subheading 2106.90 from any other chapter.
2302.20- 2302.30	A change to subheading 2302.20 through 2302.30 from any other chapter, except from heading 10.06.
2517.10	A change to subheading 2517.10 from any other chapter.

2901.29	A change to subheading 2901.29 from any other subheading.
3301.12 - 3301.19	A change to subheading 3301.12 through 3301.19 from any other chapter, except from heading 08.05.
36.05	A change to heading 36.05 from any other chapter.
3808.90	A change to subheading 3808.90 from any other subheading.
40.02- 40.07	A change to heading 40.02 through 40.07 from any other heading, except from heading 40.01.
41.01	A change to heading 41.01 from any other chapter, except from chapter 01.
4407.10	A change to subheading 4407.10 from any other chapter.
44.10 - 44.21	A change to heading 44.10 through 44.21 from any other chapter.
48.03- 48.04	A change to heading 48.03 through 48.04 from any other chapter.
48.09	A change to heading 48.09 from any other chapter.
4818.10	A change to subheading 4818.10 from any other heading, except from heading 48.03.
54.07	A change to heading 54.07 from any other heading, except from heading 54.02 through 54.06.
56.08	A change to heading 56.08 from any other chapter.
5808.90	A change to subheading 5808.90 from any other chapter, except from heading 52.05 through 52.06.
5810.10	A change to subheading 5810.10 from any other chapter, except from heading 52.05 through 52.06.
5810.91	A change to subheading 5810.91 from any other chapter, except from heading 52.05 through 52.06.
63.05	A change to heading 63.05 from any other heading, except from heading 52.08 through 52.12, 54.07 through 54.08, 55.12 through 55.16 or 60.01 through 60.06, if they are both cut and sewn or otherwise assembled in the territory of one or both Parties.
64.02- 64.03	A change to heading 64.02 through 64.03 from any other heading outside that group, except subheading 6406.10.
6802.10	A change to subheading 6802.10 from any other chapter.
69.01	A change to heading 69.01 from any other chapter.
7209.16	A change to subheading 7209.16 from any other subheading.
72.14	A change to heading 72.14 from any other heading, except from heading 72.13.
8418.50	A change to subheading 8418.50 from any other subheading.
8504.21 - 8504.34	A change to subheading 8504.21 through 8504.34 from any other subheading.
9403.20	A change to subheading 9403.20 from any other subheading.
9403.40- 9403.60	A change to subheading 9403.40 through 9403.60 from any other chapter, except from chapter 44.
9403.70	A change to subheading 9403.70 from any other subheading.
9403.80	A change to subheading 9403.80 from any other chapter, except from chapter 44.
9405.99	A change to subheading 9405.99 from any other subheading.

ANNEX IV

SANITARY AND PHYTOSANITARY MEASURES

Article 1. General Provisions

- 1. The Parties agree to act in accordance with the provisions of the SPS Agreement of the WTO when trading in agricultural goods.
- 2. The Parties shall use the definitions of Annex A of the SPS Agreement, as well as the standards, guidelines and recommendations established by the World Organization for Animal Health (OIE), Codex Alimentarius (CODEX) and the International Plant Protection Convention (IPPC). In the absence of international standards, the Parties shall use the standards, guidelines and recommendations of recognized regional organizations. Both Parties shall comply with the procedures established in this Annex.

Article 2. Harmonisation

- 1. In the harmonisation process, the Parties shall use the sanitary and phytosanitary standards, guidelines and recommendations established by the OIE, CODEX and the IPPC.
- 2. The Parties may introduce or maintain SPS measures which result in a higher level of sanitary or phytosanitary protection than would be achieved by measures based on the relevant international standards and guidelines or recommendations, if there is a scientific justification, or as a consequence of the level of sanitary or phytosanitary protection a Party determines to be appropriate in accordance with the relevant provisions of paragraph 1 through 8 of Article 5 of the SPS Agreement. Notwithstanding the above, all measures which result in a level of sanitary or phytosanitary protection different from that which would be achieved by measures based on international standards, guidelines or recommendations shall not be inconsistent with any other provision of this Agreement.

Article 3. Equivalence

- 1. Each Party shall accept the SPS measures of the other Party as equivalent, even if these measures differ from their own or from those used by other WTO Members trading in the same agricultural good or group of goods, if the exporting Party objectively demonstrates to the importing Party that its measures achieve the importing Party's appropriate level of sanitary or phytosanitary protection. For this purpose, reasonable access shall be given, upon request, to the importing Party for inspection, testing, and other relevant procedures.
- 2. The SPS measures agreed upon as equivalent by both Parties shall be established in accordance with the standards, guidelines and recommendations of the OIE, CODEX and the IPPC, or the regionally recognized organizations, or the organizations which have been recognized by both Parties.
- 3. In establishing the process to determine equivalence, the Parties shall take the following criteria into consideration:
 - a) the recognition and acceptance of equivalence is that process by which it is objectively demonstrated with scientific justification that the SPS measures adopted by the exporting Party provide the appropriate level of protection of the importing Party;
 - equivalence shall be determined on the SPS measure applied to an agricultural good or group of goods. Agreements of mutual recognition or agreements of equivalence of the SPS systems may, upon the request of one of the Parties, be

- established by mutual consent of the Parties, provided that such agreements take into consideration the obligations of the Parties under WTO;
- c) it shall be the responsibility of the exporting Party to demonstrate that its SPS measures achieve the appropriate level of protection of the importing Party, to the same extent achieved by the SPS measures of the importing Party. It shall also be the responsibility of the exporting Party to provide the importing Party with all the necessary information within a reasonable time and in an appropriate manner. The exporting Party shall also facilitate the importing Party with access for inspection, control and approval procedures to grant recognition or equivalence;
- 4. Notwithstanding any provision to the contrary in this Article, a Party shall, upon request from the other Party, provide the requesting Party with all necessary information within forty-five (45) calendar days from the date of receipt of the request. Said period may, however, be extended for an additional ten (10) calendar days upon the mutual agreement of the Parties.
- 5. To determine whether an SPS measure shall be deemed as equivalent, the Parties shall ensure that the SPS measure that they apply when trading in that agricultural good or group of goods complies with the standards, guidelines and recommendations established by OIE, CODEX, and the IPPC.
- 6. In the recognition and acceptance of equivalence, consideration shall be given to:
 - a) the existence of a trade history which shows a track record that the agricultural good or group of goods traded posed no significant risk to the agricultural health status of the importing Party;
 - b) the record of SPS compliance of the respective Parties with regard to the trade in the particular agricultural good or group of goods; and
 - c) the proven efficiency, integrity and experience of the inspection and certification systems.

Article 4. Risk Assessment

- a) The Parties shall ensure that when a risk assessment is required to allow the importation of an agricultural good or group of goods, the assessment shall be conducted by the importing Party within ninety (90) calendar days, once the exporting Party provides all the information required by the importing Party to conduct the evaluation. Upon completion of the assessment, a technical report with the findings shall be presented.
- b) When a risk assessment is necessary to maintain trade in an agricultural good or group of goods, the SPS measures shall not be more trade-restrictive than that required to achieve the appropriate level of SPS protection of the importing Party.
- c) In an SPS emergency, the importing Party shall adopt SPS measures on the basis of available pertinent information and shall immediately notify the exporting Party of the measures adopted. Once additional technical and scientific information becomes available, the importing Party shall conduct a risk assessment within sixty (60) calendar days thereof to determine whether the emergency measures should be maintained, eliminated or changed depending on the findings of such assessment. The exporting Party shall be responsible for the prompt and full compliance with the measure as determined by the risk assessment conducted by the importing Party.
- 4. Where international standard setting organizations, mutually recognized regional organizations or any other mutually recognized organization or institution, determine that an agricultural good or group of goods can be traded safely, regardless of a

particular agricultural health status, a risk assessment shall not be conducted by any of the Parties.

Article 5. Recognition of Free Areas

- 1. Based on Article VI of the SPS Agreement, the Parties shall not impede the access of an agricultural good or group of goods from an area or zone that has been bilaterally recognized as a pest or disease free area or an area of low pest prevalence, although the entire country has not been so declared.
- 2. The exporting Party shall be responsible of objectively demonstrating to the importing Party the status of an area or zone as pest or disease free or an area of low pest prevalence.
- 3. When a Party receives a request from the other Party for the recognition of an area or zone as pest or disease free or an area of low pest prevalence, the requested Party shall communicate its decision within the timeframe agreed upon by the Parties. In any event, such timeframe shall not exceed one hundred twenty (120) working days.
- 4. In the process of acquiring recognition of pest and disease free areas or zones or areas of low pest prevalence, the Parties shall use the standards, guidelines and recommendations as established by the OIE, IPPC and CODEX.
- 5. When an area or zone is recognized as a pest or disease free area or as an area of low pest prevalence, it must be subjected to effective monitoring measures and control against the introduction and establishment of pest or disease from which it was recognized as free of or of low pest prevalence.

Article 6. Control, Inspection and Approval Procedures

The control, inspection and approval procedures shall comply with the following conditions:

- a) the Parties shall apply the provisions of Annex C of the SPS Agreement in relation to the control, inspection, and approval procedures, including approval systems of additive use and the establishment of maximum residue limits in food, beverages and feedstuffs;
- b) any control, inspection, or approval activity of the sanitary and phytosanitary authority of a Party, in relation to the trade between the Parties, shall be conducted in a professional, efficient and timely manner;
- c) the competent authority of the exporting Party, an exporter, an importer or any other representative may request to the competent authority of the importing Party, the sanitary audit of a production unit, production process or processing establishment to determine whether an agricultural good or group of goods may be allowed importation. When a request is made to determine whether an agricultural good or group of goods may be allowed importation for the first time, the following procedures shall apply:
 - i. paragraph 4 of Article 4 of this Annex, if applicable;
 - ii. when a sanitary audit is required, in accordance with Article 4 of this Annex, such sanitary audits shall be conducted by the importing Party within sixty (60) calendar days from the date of the submission to the exporting Party of the technical report. The technical report shall include the findings of the sanitary audit;
 - iii. once the sanitary audit has been conducted, if the recommendations are favourable, the importing Party shall inform the exporting Party in writing, that

- the agricultural good or groups of goods may be allowed to be imported before the technical report of the sanitary audit is submitted; and
- iv. the technical report of the sanitary audits shall be submitted to the exporting Party within thirty (30) working days after the inspection is completed;
- d) if the competent authority of the importing Party does not comply with the timeframe mentioned above, the competent authority of the exporting Party may refer the matter to the Sanitary and Phytosanitary Committee for consultation in accordance with paragraphs 3(d) and (h) of Article 9 of this Annex;
- e) production units, production processes and processing establishments, that have a valid certification from the importing Party, shall request renewal thereof at least ninety (90) calendar days before it expires;
- f) the production units, production processes and processing establishments that have complied with paragraph (e) of this Article, and have not received renewal of certification from the importing Party, may be allowed to continue exporting, provided that they have official authorization from the importing Party to continue such trade until certification is re-established;
- g) when the production units, production processes and processing establishments do not comply with paragraph (e) of this Article, they shall be required to follow the process established in paragraph (c) of this Article;
- h) the certification of the production units, production processes and processing establishments, by the competent authority of the importing Party, shall be valid for at least one year;
- to objectively demonstrate that the status of pest or disease free zones or areas, or areas of low pest prevalence has not changed, the exporting Party shall facilitate the importing Party with reasonable access to conduct inspection, control and approval procedures.

Article 7. Technical Cooperation

- 1. The Parties shall provide each other with technical assistance and agree to develop and promote cooperation programmes through international and regional organizations to strengthen activities related to:
 - a) the application of this Annex;
 - b) the application of the SPS Agreement:
 - c) a more active participation in the relevant international organizations and their auxiliary bodies; and
 - d) supporting the development and application of international and regional standards, guidelines and recommendations.
- 2. In addition, the Parties shall, wherever possible, coordinate positions in those fora where international sanitary and phytosanitary standards, guidelines or recommendations are developed.

Article 8. Transparency

- 1. In accordance with the provisions of Annex B of the SPS Agreement, the Parties shall notify each other of their existing SPS measures and any changes therein when they occur.
- 2. Both Parties shall also notify each other of any sanitary and phytosanitary projects.

3. The Parties shall notify each other within twenty-four (24) hours of sanitary and phytosanitary events following criteria established by the OIE, IPPC and CODEX.

Article 9. Sanitary and Phytosanitary Committee

- 1. The Parties hereby establish the Sanitary and Phytosanitary Committee, which shall be comprised of an equivalent number of representatives of each Party.
- 2. The Sanitary and Phytosanitary Committee shall be comprised of public officers designated by the Parties as follows:
 - a) for Belize:
 - i. the Ministry of Agriculture and Fisheries;
 - ii. the Ministry of Health;
 - iii. the Belize Agricultural Health Authority; and
 - iv. the Directorate of Foreign Trade or the Ministry with responsibility for Foreign Trade
 - b) for Guatemala:
 - i. the Ministry of Economy;
 - ii. the Ministry of Agriculture, Livestock and Food; and
 - iii. the Ministry of Public Health and Social Services,

or their successors.

- 3. The Sanitary and Phytosanitary Committee shall serve as a consultation forum and shall have the following functions:
 - a) to identify, monitor and make recommendations to the Commission for the development of SPS measures and the application of and compliance with the provisions of the SPS Agreement;
 - to promote technical assistance and cooperation between the Parties, for the development of SPS measures, and the application of and compliance with the provisions of the SPS Agreement;
 - c) to jointly or independently seek, to the extent possible, technical assistance and cooperation from the relevant international organizations;
 - d) to consider any specific matter relating to SPS measures whenever any Party has any doubts on the interpretation or application of this Annex;
 - e) to make recommendations to the Commission for the facilitation of training and specialization of the technical and scientific personnel of both Parties;
 - f) to harmonize, as soon as the Sanitary and Phytosanitary Committee is formed, SPS procedures and forms of both Parties based on the recommendations of their respective competent authorities;
 - g) to establish technical working groups for animal health, plant health, and food safety and to determine their functions; and
 - h) to analyse specific issues and concerns arising from the application of SPS measures when trading in an agricultural good or group of goods between the Parties and make recommendations to the Commission.

4. The Sanitary and Phytosanitary Committee shall report annually to the Commission on the application of this Annex and shall meet at least once a year or as otherwise agreed upon by the Parties.

Article 10. Transitory Dispositions

- 1. The production units and processing establishments of the exporting Party shall, within ninety (90) calendar days from the entry into force of this Agreement, request re-certification, where applicable. Failure to request re-certification within the specified timeframe shall result in the application of the procedures established in paragraph (c) of Article 6 of this Annex.
- The production units and processing establishments that fulfil the terms and conditions of this Article shall be allowed by the competent authorities of the importing Party, to continue exporting until the said authorities complete the sanitary audits.

ANNEX V

TECHNICAL BARRIERS TO TRADE

Article 1. General Objectives and Principles

- 1. The Parties agree to act in accordance with the provisions of the WTO/TBT Agreement.
- 2. The objective of the provisions of this Annex is to prevent standards, technical regulations, conformity assessment procedures and metrological measures of the Parties, and their application, from creating unnecessary obstacles to trade.
- 3. The Parties agree to strengthen and guide their activities related to standards, technical regulations, conformity assessment procedures, and metrological measures based on the recommendations of international organisations in the area of standardisation, conformity assessment procedures and metrology.

Article 2. Cooperation and Technical Assistance

- 1. The Parties shall cooperate in the development of standards, technical regulations, conformity assessment procedures, and metrological measures with the aim to facilitate market access, increase knowledge on the national systems of the other Party and strengthen confidence between the Parties.
- 2. Upon the request of a Party, the other Party shall, to the extent possible, and taking into consideration the level of development of that other Party, provide to the requesting Party technical information and assistance to strengthen the national systems of standardization, conformity assessment procedures and metrology of the Parties.
- 3. The Parties shall develop cooperation programmes and provide technical assistance to each other with the aim of achieving full and effective compliance with their obligations under the WTO/TBT Agreement.
- 4. The Parties shall support the development and application of international standards.

Article 3. Exchange of Information

The Parties shall exchange information on:

- a) standards, technical regulations and conformity assessment procedures, in particular, on those that may adversely affect reciprocal trade; and
- developments in regional and multilateral fora in the areas related with standards, technical regulations, conformity assessment procedures and metrology.

Article 4. Equivalence

The Parties, recognizing the differences in their respective levels of institutional capacity, shall develop mechanisms to:

- a) determine the equivalence of technical regulations; and
- b) promote the equivalence of the results of conformity assessment procedures which shall be formalized in mutual recognition agreements.

Article 5. Committee on Technical Barriers to Trade

- 1. The Parties hereby establish the Committee on Technical Barriers to Trade, which shall be comprised of an equivalent number of representatives of each Party.
- 2. These representatives shall be designated as follows:
 - a) in the case of Guatemala, by the Ministry of the Economy or its successor; and
 - b) in the case of Belize, by the Ministry with responsibility for standards and standards related matters.

Article 6. Functions of the Committee on Technical Barriers to Trade

The functions of the Committee on Technical Barriers to Trade ("TBT Committee") shall include:

- a) to identify, monitor and make recommendations to the Commission for the permanent elimination of unnecessary technical barriers to trade;
- to facilitate the process by which the Parties shall make equivalent their respective measures related to standards, technical regulations, conformity assessment procedures and metrology;
- c) to monitor conformity assessment procedures so that they do not become obstacles to trade and to ensure that their application is conducted in an expeditious, transparent and non-discriminatory manner;
- d) to monitor that the activities related to legal metrology are conducted in conformity with the guidelines and recommendations of the International Organization of Legal Metrology (OIML) and that the Parties guarantee, to the extent possible, the traceability of their metrological standards in accordance with the recommendations of the International Bureau of Weights and Measures (BIPM) and the OIML;
- e) to analyze specific issues and concerns arising from the interpretation and application of standards, technical regulations, conformity assessment procedures, and metrology which one Party considers to be an obstacle to trade and make recommendations to the Commission, including technical assistance.
- f) to determine the principles and any other related issues to be considered by the Parties in negotiating mutual recognition agreements between them in accordance with the provisions of this Annex.
- g) to consider any specific matter arising from the application of standards, technical regulations, conformity assessment procedures and metrology or any other related measures, whenever any Party has any doubts on the interpretation or application of this Annex, including the provision of non-mandatory technical advice and recommendations.
- h) the TBT Committee shall report annually to the Commission on the application of the provisions of this Annex and shall meet at least once a year, or as otherwise agreed upon by the Parties.

ANNEX VI

ARBITRATION PROCESS

Article 1.

- 1. Each Party shall designate four persons to be part of the "List of Arbitrators Belize-Guatemala" as follows:
 - a) for Belize, nationals of Belize or of any other CARICOM Member State; and
 - b) for Guatemala, nationals of Guatemala or of any other Central American country.

The Parties shall exchange their lists within thirty (30) calendar days from the entry into force of the present Agreement.

- 2. Within fifty (50) calendar days from the entry into force of the present Agreement, the Parties shall, by mutual agreement, designate three persons to be part of the "List of Arbitrators of Third Countries" who shall not be nationals of a CARICOM Member State or of a Central American country.
- 3. In the event that the Parties cannot agree on the members of the "List of Arbitrators of Third Countries" and a dispute arises, they shall select a member from the List of Arbitrators of the WTO for the purposes of paragraph 1(b) of Article 4 of this Annex. Provided that all matters undertaken by a Panel constituted in accordance with this paragraph shall be concluded by the said Panel notwithstanding that the List of Arbitrators of Third Countries is finalized by the Parties (in accordance with paragraph 2 of this Article) prior to the conclusion of the matter.

Article 2.

The Parties may modify their respective lists under the "List of Arbitrators Belize-Guatemala" at any time. They may also mutually agree to modify the "List of Arbitrators of Third Countries". Any modification shall be communicated in writing. However, once a Party has requested the establishment of the Arbitration Panel, the existing lists shall not be modified.

Article 3.

The lists shall be comprised of persons who are qualified and experienced in law and international trade, who are knowledgeable of the provisions of the present Agreement or of the dispute settlement mechanisms under international trade agreements.

Article 4.

- 1. The Arbitration Panel shall be comprised of three members who shall be selected in the following manner:
 - a) within ten (10) calendar days after a Party has formally requested the establishment of the Arbitration Panel, each Party shall select a principal and a substitute arbitrator from the "List of Arbitrators Belize-Guatemala";
 - b) within ten (10) calendar days after the selection of the principal arbitrators, the Parties shall choose a member from the "List of Arbitrators of Third Countries", who shall chair the Arbitration Panel.

- c) if the Parties do not select the arbitrators referred to in paragraphs (a) or (b) of this Article within the specified time-frames, they shall be selected by the Commission from the respective lists by drawing of lots.
- 2. The selection of the arbitrators in accordance with the preceding paragraph shall be communicated in writing between the Parties, or by the Commission, as the case may be.
- 3. In the event that the principal arbitrator of a Party is unable or unwilling to participate in the Arbitration Panel, that Party shall notify the other Party in writing that the substitute arbitrator referred to in paragraph 1(a) of this Article shall replace the principal arbitrator.

Article 5.

- 1. For the purpose of ensuring the impartiality of the arbitrators, any person who has participated in any aspect of the dispute settlement mechanism with regard to a dispute, shall not be selected as an arbitrator in the same dispute.
- 2. In the exercise of their duties, the arbitrators shall act on their own behalf and not as representatives of the Parties, of a government or of an international organization. Therefore, the Parties shall avoid influencing the impartiality of the arbitrators, for example by giving them instructions or pressuring them in any way.

Article 6.

The Arbitration Panel shall objectively consider the dispute by evaluating the facts of the particular case, by considering the provisions of the present Agreement and the information submitted by the Parties. Within sixty (60) calendar days from the establishment of the Arbitration Panel, the Parties shall have the opportunity to present their positions thereto, orally and in writing, and the Arbitration Panel shall have the right to question the Parties.

Article 7.

The Arbitration Panel may, upon the request of a Party or in its own right, obtain information or technical advice from any person or group it deems necessary for the purposes of settling the dispute.

Article 8.

- 1. The Arbitration Panel shall arrive at its decisions by majority vote, which shall be binding on the Parties. Said decisions shall be communicated to the Parties and to the Commission in writing within ninety (90) calendar days from the establishment of the Arbitration Panel. Said Panel shall provide reasons for its decisions, which shall be based on whether the measure in question contravenes any provision of the present Agreement, and shall specify the time-frames for their implementation.
- 2. In any event, the Arbitration Panel shall not set a time-frame for the implementation of its decisions which shall exceed six (6) months.
- 3. The decision of the Arbitration Panel shall be confined to the subject-matter of the dispute and shall indicate the measures to be adopted to resolve the same.

Article 9.

- 1. If the Party complained against fails to implement the decisions of the Arbitration Panel within the specified time-frame, the complaining Party may temporarily suspend benefits from the Party complained against. The complaining Party may, however, only suspend benefits afforded under this Agreement.
- 2. The suspension of benefits shall be equivalent to the injury caused to the complaining Party.

3. If the complaining Party decides to suspend benefits in accordance with this Article, it shall notify its decision in writing to the other Party, the Arbitration Panel and the Administrative Commission, specifying therein the benefits to it shall suspend.

Article 10.

- 1. In determining the benefits that it shall suspend, the complaining Party shall first seek to suspend those benefits that fall within the same sector as the violating measure.
- 2. Where the complaining Party considers that it is neither feasible nor effective to suspend benefits within the same sector, it may suspend benefits in other sectors and shall provide reasons therefor.

Article 11.

The suspension of benefits shall continue until the Party complained against implements the decisions of the Arbitration Panel or until the Parties come to a mutually satisfactory agreement regarding the dispute.

Article 12.

- 1. Within thirty (30) calendar days from the date of receipt of notification referred to in paragraph (3) of Article 9 of this Annex, the Party complained against may request that the Arbitration Panel be reconstituted for the purpose of determining whether the benefits suspended by the complaining Party are equivalent to the injury caused to the latter Party. The request shall be communicated to the Commission and the other Party in writing.
- 2. As far as possible, the Arbitration Panel shall be comprised of the same persons who were members of the Arbitration Panel that made the decision in accordance with Article 8 of this Annex. The Commission shall reconstitute the Arbitration Panel within ten (10) calendar days from the date of receipt of the request referred to in the preceding paragraph.
- 3. Where the Arbitration Panel cannot be reconstituted with the same persons, in accordance with the preceding paragraph, the substitute arbitrator referred to in Article 4 of this Annex shall form part of the said Panel.
- 4. Where the Arbitration Panel cannot be reconstituted with the principal or the substitute arbitrator pursuant to paragraphs 2 and 3 of this Article, the vacant seats shall be filled in accordance with Article 4 of the present Annex and within the time-frames specified therein.

Article 13.

The Arbitration Panel established for the purposes of the preceding Article shall present its decision to the Commission and to the Parties within thirty (30) calendar days from the date of the selection of its last member, or within any greater time-frame agreed upon by the Parties.

Article 14.

- 1. The Commission shall set the amount of remuneration that shall be paid to the arbitrators, their assistants and to the experts.
- 2. The remuneration of the arbitrators, their assistants and of the experts, as well as the costs for their transportation and accommodation and the general expenses of the Arbitration Panel shall be borne by the Parties, provided that the following are taken into consideration:

- a) with regard to the first Arbitration Panel, established in accordance with Article 4 of this Annex, the remuneration of the arbitrators and costs associated with the case shall be borne by the Parties in equal shares;
- b) with regard to the second Arbitration Panel, established in accordance with Article 12 of this Annex, the remuneration of the arbitrators and the costs associated with that case shall be borne by the losing Party.
- 3. Every arbitrator, assistant and expert shall keep a record of their time and their expenses and shall present a final account thereof to the Commission. The Arbitration Panel shall keep a record of the costs associated with the case and shall give a final account of the same to the Commission.

ANNEX VII

LAND TRANSPORTATION

1. Preferential treatment accorded by the Parties, under paragraph 3 of Article 48

The Parties agree to allow providers of land transportation service from one Party, to either;

- a) deliver originating goods from one Party to multiple destinations in the other Party; or
- b) pick up originating goods from the other Party for the purpose of importing said goods into his country.
- 2. Preliminary indicative list of requirements and charges applied by the Parties to the land transportation of goods, in accordance with paragraph 8 of Article 48.

BELIZE - GUATEMALA PRELIMINARY INDICATIVE LIST OF REQUIREMENTS AND CHARGES THAT APPLY TO THE LAND TRANSPORTATION OF GOODS BETWEEN BOTH PARTIES

BELIZE'S REQUIREMENTS OF GUATEMALA	GUATEMALA'S REQUIREMENTS OF BELIZE
The problems reported by truckers from Guatemala entering Belize with or without cargo especially in respect to payments that are required.	Guatemala Requirements Regarding, Bottlenecks and Charges to Land Transportation
	The authorized entry into Guatemala at Melchor de Mencos closes at 9 p.m.
	2. Belizeans are not allowed to be members of any trucking association even if the association is a registered company in Guatemala – this is Discriminatory
	3. A foreign owned trucking company registered in Guatemala is not allowed to purchase the customs form (DECLARACION DE MERCANCIAS PARA EL TRANSITO ADUANERO INTERNACIONAL TERRESTRE, FORMA 6D-SAT-CCC-C-V) from the association. Not being a member of the association, the foreign-owned company has to acquire its individual bond as

	opposed to blanket coverage offered by the association.
	 4. A registered company pays three taxes 1.) Declaracion Y Recibo De Pago Mensual Del Impuesto Al Valor Agregado (Forma 13 SAT-SCC-C-V) 2.) Declaracion Jurada Y Recibo De Pago Trimestral Impuesto A las Empresas Mercantiles Y Agropecuarias (Forma 103-SAT-SCC-S-V) 3.) Recibo de Ingresos Cobranza (Forma 51-SAT-CCC-S-V) 5. Belizean truckers are required to have a registered business in Guatemala with a registered office in Guatemala. There is a cost to this. 6. Licenses and duties have to be
	obtained according to the goods being transported
	7. The SAT office in Melchor de Mencos is not empowered to facilitate permits to importers. The importer has to visit three locations in Guatemala City to obtain the permits and the permits last only three days.
1. Vehicle insurance is US\$23.00 for every 24 hours.	
a)Spraying by OIRSA is US\$11.00 per vehicle	8. a)OIRSA fees: Q. 61.90
 b) Payment for spraying to OIRSA on return to Guatemala is Q61.90 per vehicle. c) Fumigation unnecessary and application is inefficient for agricultural products 3. Road Service Fee is US\$250.00 for 	b) Payment for spraying to OIRSA on return to Belize is US\$11.00 per vehicle. c) Fumigation unnecessary and application is inefficient for agricultural products 9. Toll Fee: Q. 20.00 10. Axle Fee: Q. 70.00
three days for a vehicle with 5 axles.	
UNICO.	11. Customs Seal: Q. 300.00 12. Customs Documents: (Fees vary according to documentation required for the goods being transported.)
	13.A producer in Guatemala is deducted 5% TAX (retencion de 5%). This is paid into the Guatemalan government, and is calculated on the freight charge and import duty on goods imported from Guatemala by a Belizean company for the services portion provided on the Belize side.
 We have reports of cases of payments for storage of US\$10.00 per day. 	
Custody payments of US\$20.00 per vehicle	