

Free Trade Agreement between the Government of the Republic of Peru and the Government of the Republic of Honduras

The Government of the Republic of Peru, on the one hand, and the Government of the Republic of Honduras, on the other hand, have decided to:

STRENGTHEN the special ties of friendship and cooperation between them and promote regional economic integration;

ENCOURAGE the creation of a broader and safer market for goods and services produced in their respective territories;

PROMOTE a comprehensive economic development in order to reduce poverty;

Encourage the creation of new employment opportunities and improve working conditions and standards of living in their respective territories;

ESTABLISH clear and mutually beneficial rules governing their commercial exchange;

ENSURE a foreseeable legal and commercial framework for business and investment;

RECOGNIZE that the promotion and protection of investments of one Party in the territory of the other Party will contribute to the increase of the flow of investments and will stimulate commercial activity of mutual benefit;

AVOID distortions in their reciprocal trade;

PROMOTE the competitiveness of their companies in global markets;

FACILITATE trade by promoting efficient and transparent customs procedures that ensure predictability for its importers and exporters;

Stimulate creativity and innovation and promote trade in the innovative sectors of their economies;

PROMOTE transparency in international trade and investment;

PRESERVE its capacity to safeguard the public welfare; Y

DEVELOP their respective rights and obligations under the Marrakesh Agreement Establishing the World Trade Organization, as well as other treaties to which they are party,

HAVE AGREED as follows:

Chapter 1. Initial Provisions and General Definitions

Section A. Initial Provisions

Article 1.1. Establishment of the Free Trade Area

The Parties to this Agreement, in accordance with the provisions of Article XXIV of the General Agreement on Tariffs and Trade 1994 of the WTO and Article V of the General Agreement on Trade in Services of the WTO, establish a free trade area.

Article 1.2. Objectives

The objectives of this Treaty are:

(A) to stimulate the expansion and diversification of trade between the Parties;

(B) eliminate unnecessary barriers to trade and facilitate the cross-border movement of goods and services between the Parties;

(C) promote free competition in the free trade area;

(D) increase investment opportunities in the territories of the Parties;

(E) adequately and effectively protect and enforce intellectual property rights in the territory of each Party, taking into account the balance between rights and obligations arising therefrom; and

(F) create effective procedures for the implementation and enforcement of this Agreement, for joint administration, and for the prevention and settlement of disputes.

Article 1.3. Relationship with other International Agreements

1. The Parties confirm the rights and obligations existing between them under the WTO Agreement and other agreements to which they are parties.

2. In the event of any inconsistency between this Agreement and the agreements referred to in paragraph 1, this Treaty shall prevail to the extent of its incompatibility, unless otherwise provided in this Treaty.

Article 1.4. Scope of Obligations

Each Party shall ensure the adoption of all measures necessary to comply with the provisions of this Treaty in its territory and at all levels of government.

Section B. General Definitions

Article 1.5. Definitions of General Application

For the purposes of this Agreement, unless otherwise specified:

TRIPS Agreement means the Agreement on Trade-Related Aspects of Intellectual Property Rights of the WTO (1);

WTO Anti-Dumping Agreement means the WTO Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994;

WTO Customs Valuation Agreement means the WTO Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994;

GATS of the WTO means the General Agreement on Trade in Services of the WTO;

WTO SPS Agreement means the Agreement on the Application of Sanitary and Phytosanitary Measures of the WTO;

WTO TBT Agreement means the WTO Agreement on Technical Barriers to Trade;

Agreement on the WTO means the Marrakesh Agreement establishing the World Trade Organization, dated 15 April 1994;

WTO Subsidies Agreement means the Agreement on Subsidies and Countervailing Measures of the WTO;

Customs tariff means any import tax or duty and a charge of any kind applied in connection with the importation of goods, including any form of surtax or charge additional to imports, except any:

(A) a charge equivalent to an internal tax established in accordance with Article III.2 of the GATT 1994;

(B) anti-dumping or countervailing duty applicable in accordance with the domestic law of a Party and in accordance with Article VI of the GATT 1994, the WTO Agreement on Subsidies and Countervailing Measures and the Agreement on the Application of the Article VI of the GATT 1994 of the WTO; or

(C) duty or other charge related to importation, proportional to the cost of the services rendered;

Customs authority means the competent authority which, under the law of a Party, is responsible for the administration and enforcement of customs laws and regulations:

(A) in the case of Honduras, the Executive Directorate of Revenue (DEI);

(B) in the case of Peru, the National Superintendence of Customs and Tax Administration (SUNAT),

Or their successors;

Chapter means the first two digits of the Harmonized System tariff classification number;

Commission means the Free Trade Commission established under Article 17.1 (The Free Trade Commission);

Public procurement means the process by which a government acquires the use of or acquires goods or services, or any combination thereof, for governmental purposes and not for commercial sale or resale or for use in the production or supply of Goods or services for commercial sale or resale;

Days means calendar days;

Means any entity incorporated or organized in accordance with applicable law, whether or not for profit, or private or governmental property, including corporations, trusts, holdings, sole proprietorships, joint ventures, and other forms of association;

GATT 1994 means the General Agreement on Tariffs and Trade 1994 of the WTO;

Measure includes any law, regulation, procedure, requirement or practice;

Merchandise means any product, article or material;

Goods of a Party means domestic products as understood in the GATT 1994 or such goods as the Parties agree to, and includes goods originating in that Party;

Original merchandise means that it qualifies in accordance with the rules of origin established in Chapter 3 (Rules of Origin and Procedures of Origin);

National means a natural person having the nationality of a Party in accordance with Annex 1.5 or a permanent resident of a Party;

Central level of government means the national level of government;

Local level of government means:

(A) in the case of Honduras: the municipalities; and

(B) in the case of Peru: provincial and local municipalities;

Regional level of government means:

(A) in the case of Honduras: "regional level of government" is not applicable; and

(B) in the case of Peru: regional government in accordance with the Political Constitution of Peru and other applicable legislation;

WTO means the World Trade Organization;

Party means the Republic of Peru, on the one hand, and the Republic of Honduras, on the other hand, jointly referred to as the Parties;

Departure means the first four digits of the Harmonized System tariff classification number;

Person means a natural person or a company;

Harmonized System or SA means the Harmonized Commodity Description and Coding System, including its General Interpretation Rules, Section Notes and Chapter Notes;

Subheading means the first six digits of the tariff classification number under the Harmonized System; Y

Territory means, for a Party, the territory of that Party as set out in Annex 1.5.

(1) For greater certainty, the TRIPS Agreement of the WTO includes any exemption in force between the Parties of any provision of the TRIPS Agreement of the WTO granted by WTO Members under the WTO Agreement.

For the purposes of this Agreement, unless otherwise specified in this Agreement:

Natural person having the nationality of a Party means:

(A) in the case of Honduras, a Honduran as defined in Articles 23 and 24 of the Constitution of the Republic of Honduras; Y

(B) in the case of Peru, Peruvians by birth, naturalization or option in accordance with the provisions of the Political Constitution of Peru and domestic legislation in the matter;

Territory 2 means:

(A) in the case of Honduras, terrestrial, maritime and air space under its sovereignty, as well as its exclusive economic zone and its continental shelf, on which it exercises sovereign rights and jurisdiction, in accordance with International Law and its Internal Law; Y

(B) in the case of Peru, the mainland, islands, maritime areas and airspace that covers them, under the sovereignty or rights of sovereignty and jurisdiction of Peru, in accordance with the provisions of the Political Constitution of Peru, Other rules of its domestic law and international law.

(2) For greater certainty, the definition and references to "territory" contained in this Agreement apply exclusively for purposes of determining the geographical scope of application of the same.

Chapter 12. Investment

Section A. Substantive Obligations

121:.

1. This Chapter shall apply to measures adopted or maintained by a Party relating to:

(A) investors of the other Party;

(B) covered investments; and

(C) with respect to Articles 12.6 and 12.8, all investments in the territory of the Party.

2. The obligations of a Party under this Section shall apply to a State enterprise or other person when it exercises a regulatory, administrative or other governmental authority which has been delegated to it by that Party, such as the authority to expropriate, grant licenses, Approve business transactions or impose fees, fees or other charges.

3. For the greater certainty, the provisions of this Chapter do not bind a Party in relation to any act or fact that took place prior to the date of entry into force of this Agreement.

4. For the sake of certainty, nothing in this Chapter shall be construed to impose an obligation on a Party to privatize any investment it holds or controls, or to prevent a Party from designating a monopoly.

5. Nothing contained in this Chapter shall require any Party to protect investments made with capital or assets derived from illegal activities and shall not be construed to prevent a Party from adopting or maintaining measures aimed at preserving public order, Fulfill their duties to maintain or restore international peace and security or protection of their own essential security interests.

6. In the event of any incompatibility between this Chapter and another Chapter of this Agreement, the other Chapter shall prevail to the extent of the incompatibility.

7. The requirement of a Party that a service supplier of the other Party provides a security or other form of financial security as a condition for providing a cross-border service does not in itself make this Chapter applicable to the measures adopted Or maintained by the Party with respect to the cross-border supply of the service. This Chapter applies to measures taken or maintained by the Party in respect of the guarantee or financial guarantee, to the extent that such security or financial guarantee constitutes a covered investment.

8. This Chapter does not apply to measures that a Party adopts or maintains in respect of investors of the other Party and the investments of such investors in financial institutions in the territory of the Party.

(1) For greater certainty, this Chapter is subject to and will be interpreted in accordance with Annexes 12.4, 12.10, 12.15 and 12.21.

122.: National Treatment

1. Each Party shall accord to investors of the other Party treatment no less favorable than that it grants, in like circumstances, to its own investors in connection with the establishment, acquisition, expansion, administration, conduct, operation and sale or other disposition Of investments in its territory.

2. Each Party shall accord to covered investments treatment no less favorable than that it grants in similar circumstances to the investments of its own investors in connection with the establishment, acquisition, expansion, administration, conduct, operation and sale or other disposition Of investments in its territory.

123.: Most-favored-nation Treatment

1. Each Party shall accord to investors of the other Party treatment no less favorable to investors of a non-Party in connection with the establishment, acquisition, expansion, administration, conduct, operation and sale or other investments in its territory.

2. Each Party shall accord to the investments covered a treatment which is no less favorable than those of an Investor in a non-Party with respect to the establishment, acquisition, expansion, administration, conduct, operation and sale or other Investments in its territory.

3. For greater certainty, treatment with respect to the establishment, acquisition, expansion, administration, conduct, operation and sale or other form of investment disposition, referred to in paragraphs 1 and 2, does not include dispute settlement mechanisms, such as The one mentioned in Section B, which are established in international treaties, including trade or investment agreements.

124.: Minimum Level of Treatment (2)

1. Each Party shall accord to covered investments a treatment consistent with customary international law, including fair and equitable treatment, as well as full protection and security.

2. For greater certainty, paragraph 1 prescribes that the minimum level of treatment of foreigners under customary international law is the minimum level of treatment that can be provided to covered investments. The concepts of "fair and equitable treatment" and "full protection and security" do not require additional treatment or beyond that required by that standard and do not create significant additional rights. The obligation in paragraph 1 to provide:

(A) "fair and equitable treatment" includes the obligation not to deny justice in criminal, civil or administrative proceedings, in accordance with the principle of due process incorporated into the principal legal systems of the world; and

(B) "full protection and security" requires each Party to provide the level of police protection required by customary international law.

3. The determination that another provision of this Agreement or of any other international agreement has been violated does not establish that this Article has been violated.

(2) For greater certainty, Article 12.4 shall be interpreted in accordance with Annex 12.4.

125.:

"Senior Executives and Boards of Directors

1. No Party may require an enterprise of that Party, which is a covered investment, to appoint natural persons of a particular nationality to hold senior management positions.

2. A Party may require that a majority of the members of the boards of directors or any committee thereof, of an enterprise of that Party which is a covered investment, be of a particular nationality or resident in the territory of the Party, Provided that the requirement does not significantly impair the ability of the investor to exercise control over its investment.

126.: Performance Requirements

1. No Party may, in relation to the establishment, acquisition, expansion, administration, conduct, operation, sale or other disposition of an investment of an investor of a Party or of a non-Party in its territory, impose or enforce any requirement or enforce any obligation or commitment of: (3)
 - (A) export a certain level or percentage of goods or services;
 - (B) achieve a certain degree or percentage of national content;
 - (C) purchase, use or give preference to goods produced in its territory, or purchase goods from persons in its territory;
 - (D) relate in any way the volume or value of imports with the volume or value of exports, or the amount of the foreign exchange inflows associated with such investment;
 - (E) restrict the sales in its territory of the goods or services that such investment produces or lends, relating in any way such sales to the volume or value of its exports or to the profits generated in foreign currency;
 - (F) transfer a particular technology, production process or other knowledge of its property to a person in its territory, except when the requirement is imposed or the obligation or commitment is enforced by a court or administrative court or a competition authority, To remedy a practice that has been determined following a judicial or administrative proceeding as anticompetitive under the competition laws of Part (4); or
 - (G) provide exclusively for the territory of a Party the goods produced by the investment or services it provides for a specific regional market or the world market.
2. A measure requiring an investment to use a technology to comply with general regulations applicable to health, safety or the environment shall not be considered incompatible with paragraph 1 (f).
3. Paragraph 1 (f) does not apply where a Party authorizes the use of an intellectual property right in accordance with Article 31 (5) of the WTO TRIPS Agreement or measures requiring the disclosure of falling property information within the scope of, and are compatible with, Article 39 of the WTO TRIPS Agreement. (6)
4. For the sake of certainty, nothing in paragraph 1 shall be construed to prevent a Party, in connection with the establishment, acquisition, expansion, administration, conduct, operation or sale or other disposition of a covered investment or investment of a Investor of a non-Party in its territory that imposes or enforces a requirement or enforces an obligation or commitment to train workers in its territory.
5. No Party may condition the receipt of an advantage or continue to receive an advantage in connection with the establishment, acquisition, expansion, administration, conduct, operation, sale or other disposition of an investment in its territory by an investor of a Party or of a non-Party, to the fulfillment of any of the following requirements:
 - (A) achieve a certain degree or percentage of national content;
 - (B) to purchase, use or grant preferences to goods produced in its territory or to purchase goods from persons in its territory;
 - (C) relate, in any form, the volume or value of imports with the volume or value of exports, or the amount of the foreign exchange inflows associated with such investment; or
 - (D) restricting sales in its territory of the goods or services that such investment produces or lends, relating in any way such sales to the volume or value of its exports or to profits generated in foreign currency.
6. Nothing in paragraph 5 shall be construed as an impediment for a Party to condition the receipt of an advantage or to continue to receive an advantage in connection with an investment in its territory by an investor of a Party or A non-Party, to the fulfillment of a requirement to locate production, provide services, train or employ workers, construct or expand particular facilities or conduct research and development in its territory.
7. Paragraphs 1 and 5 shall not apply to any requirements other than the commitment, obligation or requirements identified in those paragraphs.
8. The provisions of:
 - (A) Subparagraphs 1 (a), (b) and (c), and 5 (a) and (b) shall not apply to the qualification requirements for goods or services with respect to export promotion programs and external aid programs; and
 - (B) Subparagraphs 5 (a) and (b) shall not apply to requirements imposed by an importing Party with respect to the contents of the goods necessary to qualify for preferential tariffs or quotas.

9. Provided that such measures are not applied in an arbitrary or unjustified manner and provided that such measures do not constitute a disguised restriction on international trade or investment, nothing in subparagraphs 1 (b), (c) and (f) and 5 (a) and

(B) shall be construed to prevent a Party from adopting or maintaining measures, including those of an environmental nature:

(A) necessary to ensure compliance with laws and regulations that are not inconsistent with the provisions of this Agreement;

(B) necessary to protect human, animal or plant life or health; or

(C) related to the preservation of non-renewable natural resources.

10. Subparagraphs 1 (b), (c), (f) and (g) and 5 (a) and (b) do not apply to government procurement.

11. This Article does not exclude the application of any commitment, obligation or requirement between private parties where a Party did not impose or require the commitment, obligation or requirement.

(3) For greater certainty, a condition for receipt or continuation of receipt of an advantage referred to in paragraph 5 does not constitute an "obligation or commitment" for the purposes of paragraph 1.

(4) The Parties recognize that a patent does not necessarily confer market power.

(5) The reference to Article 31 of the WTO TRIPS Agreement includes footnote 7 of that Article.

(6) For greater certainty, the reference to the WTO TRIPS Agreement in this paragraph includes the provisions of the Protocol amending the TRIPS Agreement, signed in Geneva on 6 December 2005.

127:. Non-conforming Measures

1. Articles 12.2, 12.3, 12.5 and 12.6 shall not apply to:

(A) any non-conforming measure existing or maintained by a Party in:

(i) the central or regional level of government, as stipulated by that Party in its Schedule to Annex I, or

(ii) a local level of government;

(B) the continuation or prompt renewal of any non-conforming measure referred to in sub-paragraph (a); or

(C) amendment of any non-conforming measure referred to in subparagraph (a) provided that such amendment does not diminish the degree of conformity of the measure, as it was in force immediately before the amendment, with Articles 12.2, 12.3, 12.5 and 12.6.

2. Articles 12.2, 12.3, 12.5 and 12.6 shall not apply to any measure that a Party adopts or maintains, in relation to the sectors, sub-sectors or activities, as indicated in its Schedule of Annex II.

3. Articles 12.2 and 12.3 do not apply to any measure adopted under the exceptions under Articles 3, 4 and 5 of the WTO TRIPS Agreement.

4. Neither Party may, pursuant to any measure adopted after the date of entry into force of this Agreement and included in its Schedule to Annex II, require an investor of the other Party, by reason of its nationality, to Sell or otherwise dispose of an existing investment at the time the measure becomes effective.

5. The provisions of Articles 12.2, 12.3 and 12.5 shall not apply to:

(A) subsidies or grants made by a Party, including government-backed loans, guarantees and insurance; or,

(B) public procurement.

128:. Environmental Measures

1. The Parties recognize that it is inappropriate to promote investment by weakening or reducing the protections provided for in their internal environmental legislation. Accordingly, each Party shall endeavor to ensure that it shall not terminate or

repeal or offer to waive or repeal such legislation in a manner that would weaken or reduce the protection afforded by such legislation as a means of encouraging the establishment, acquisition, expansion or Retention of an investment in its territory.

2. Nothing in this Chapter shall be construed to prevent a Party from adopting, maintaining or enforcing any measures otherwise compatible with this Chapter which it deems appropriate to ensure that investments in its territory are made taking into account concerns in Environmental issues.

129:. Treatment In Case of Contention

1. Notwithstanding Article 12.7.5 (a), each Party shall accord to investors of the other Party and to investments covered, non-discriminatory treatment in respect of any measure it adopts or maintains in relation to losses sustained by Investments in its territory as a result of armed conflicts or civil strife.

2. Paragraph 1 shall not apply to existing measures relating to subsidies or grants that may be inconsistent with Article 12.2, with the exception of Article 12.7.5 (a).

1210:. Expropriation and Compensation

1. Neither Party shall nationalize or expropriate a covered investment, either directly or indirectly, through measures equivalent to expropriation or nationalization ("expropriation"), unless it is:

Or

(A) in the case of Honduras, because of necessity or public interest; Y

(B) in the case of Peru, because of public need or national security,

In accordance with due process, in a non-discriminatory manner and by the payment of prompt, adequate and effective compensation.

2. The compensation will be paid without delay and will be fully liquidable and freely transferable. Such compensation shall be equivalent to the fair market value of the expropriated investment immediately before the expropriation has taken place ("expropriation date"), and shall not reflect any change in value because the intention to expropriate met with Prior to the date of expropriation.

3. If the fair market value is denominated in a freely usable currency, the compensation referred to in paragraph 1 shall not be less than the fair market value at the date of expropriation plus interest at a commercially reasonable rate for that currency, Accumulated from the date of expropriation to the date of payment.

4. If the fair market value is denominated in a currency that is not freely usable, the compensation referred to in paragraph 1 - converted into the payment currency at the exchange rate prevailing on the date of payment - Shall not be less than:

(A) the fair market value at the date of expropriation converted into a freely usable currency at the market exchange rate prevailing on that date plus;

(B) interest at a commercially reasonable rate for that freely usable currency, accumulated from the date of expropriation to the date of payment.

5. The affected investor shall be entitled under the domestic law of the Party conducting the expropriation to a review of his case by a judicial or other independent authority of that Party and the valuation of his investment in accordance with The principles set out in this Article. (7) (8)

6. The provisions of this Article shall not apply to the issuance of compulsory licenses granted in relation to intellectual property rights, or to the revocation, limitation or creation of intellectual property rights to the extent that such issuance, revocation, limitation or creation is Compatible with Chapter 9 (Intellectual Property).

(7) For greater certainty, Article 12.10 will be interpreted in accordance with the provisions of Annex 12.10 on the explanation of indirect expropriation.

(8) For greater certainty, these terms refer to concepts of customary international law.

1211:. Transfers

1. Each Party shall permit all transfers relating to a covered investment to be made freely, without delay, into and into its territory. These transfers include:

(A) capital contributions;

(B) profits, dividends, interest, capital gains, royalty payments, administrative expenses, technical assistance and other charges, in-kind returns and other amounts derived from the investment;

(C) products derived from the sale or total or partial liquidation of the covered investment;

(D) payments made under a contract entered into by the investor, or the covered investment, including a loan agreement;

(E) payments made under paragraph 1 of Articles 12.9 and 12.10; and

(F) payments arising from the application of Section B.

2. Each Party shall permit transfers relating to a covered investment to be made in freely usable currency at the exchange rate prevailing in the market on the date of transfer.

3. Without prejudice to paragraphs 1 and 2, a Party may prevent or delay a monetary or in-kind transfer through the equitable, non-discriminatory and good faith application of its laws relating to:

(A) bankruptcy, insolvency or protection of the rights of creditors;

(B) issuance, trading or trading in securities, futures, options or derivatives;

(C) criminal offenses;

(D) financial reporting or record keeping of transfers where necessary to assist compliance with the law or with regulatory financial authorities; Y

(E) guarantee compliance with awards or judgments rendered in judicial or administrative proceedings.

(9) For greater certainty, the rights of creditors include, among others, rights derived from social security, public pensions or compulsory savings programs.

1212:. Denial of Benefits

A Party may deny the benefits of this Agreement to:

(A) an investor of the other Party who is an enterprise of that other Party and the investments of such investor if a person of a non-Party owns or controls the enterprise and the latter does not engage in substantial business activities in the other Party. Territory of the other Party; or

(B) an investor of the other Party who is an enterprise of that other Party and the investments of such investor if the enterprise does not engage in substantial business activities in the territory of any Party other than the denying Party; The denying Party owns or controls the company.

1213:. Special Formalities and Information Requirements

1. Nothing in Article 12.2 shall be construed to prevent a Party from adopting or maintaining a measure which prescribes special formalities related to a covered investment, such as a requirement that investors are residents of the Party or that the Covered investments are constituted under the Party's law or regulation, provided that such formalities do not significantly impair the protection afforded by one Party to investors of the other Party and investments covered under this Agreement.

2. Notwithstanding the provisions of Articles 12.2 and 12.3, a Party may require an investor of the other Party or its covered investment to provide information relating to such investment solely for informational or statistical purposes. The Party shall protect information that is confidential from any disclosure that would adversely affect the competitive position of the investor or the covered investment. Nothing in this paragraph shall be construed as an impediment for a Party to obtain or disclose information concerning the equitable and good faith application of its domestic law.

1214:. Subrogation

1. If a Party or a designated agency of the Party makes a payment to any of its investors under a security, contract of insurance or any other form of compensation granted in respect of an investment of an investor of that Party, the other Party shall recognize the subrogation or transfer of any right or claim of such investment. The right or claim subrogated or transferred shall not be greater than the original right or claim of the investor.

2. Where a Party or a designated agency of the Party has made a payment to an investor of that Party and has assumed the rights and claims of the investor, that investor may not, unless it has been authorized to act on behalf of the Party or the designated agency of the Party which made the payment, claim such rights and claims against the other Party.

Section B. Dispute Settlement Investor - State

1215:. Consultation and Negotiation

1. In the case of a dispute concerning an investment, the disputing parties must first attempt to settle the dispute through consultation and negotiation, which may include the use of third party non-binding procedures. The consultation and negotiation procedure will begin with the request sent to the address designated in Annex 12.15. Such request shall be sent to the respondent prior to the notification of intent, referred to in Article 12.16, and shall include the information indicated in subparagraphs 12.16.2 (a), (b) and (c).

2. The consultations shall be carried out for a minimum period of six (6) months and may include face-to-face meetings in the capital of the defendant.

1216:.

"Submission of a Claim to Arbitration

1. After the minimum period referred to in Article 12.15.2, in case a disputing party considers that a dispute concerning an investment through consultations and negotiation can not be resolved:

(A) the claimant, on his own account, may submit to arbitration a claim alleging:

(I) that the defendant has violated an obligation under Section A, other than an obligation under Article 12.8; and

(II) that the plaintiff has suffered losses or damages by virtue of or as a result of said breach.

(B) the claimant, on behalf of an enterprise of the defendant that is a legal person owned by the plaintiff or under its direct or indirect control, may, in accordance with this Section, submit to arbitration a claim alleging:

(I) that the defendant has violated an obligation under Section A, other than an obligation under Article 12.8; and

(II) that the company has suffered losses or damages by reason of said breach or as a result thereof.

2. At least ninety (90) days before a claim is submitted to arbitration under this Section, the claimant shall provide the defendant with written notice of his intention to submit the claim to arbitration ("notice of intent"). The notification shall specify:

(A) the name and address of the claimant and, where the claim is submitted on behalf of an undertaking, the name, address and place of incorporation of the undertaking;

(B) for each claim, the provision of Section A alleged to have been breached and any other applicable provision;

(C) the issues of fact and law on which each claim is based, including the measures in question; and

(D) the repair requested and the approximate amount of damages claimed.

3. The claimant must also provide, together with his notice of intent, evidence establishing that he is an investor of the other Party.

4. Whenever at least six (6) months have elapsed since the occurrence of the claim, and provided that the claimant has complied with the conditions set forth in Article 12.18, the claimant may submit the claim to Referred to in paragraph 1:

(A) in accordance with the ICSID Convention and the Rules of Procedure for ICSID Arbitral Proceedings, provided that both the respondent and the Claimant's Party are parties to the ICSID Convention;

(B) in accordance with the Additional Facility Rules of ICSID, provided that the defendant or the Claimant's Party is a party to

the ICSID Convention;

(C) in accordance with the UNCITRAL Arbitration Rules; or

(D) if the disputing parties so agree, before an ad hoc arbitration institution, or before any other arbitration institution or under any other arbitration rules.

5. A claim shall be deemed to be submitted to arbitration under this Section when the notice or request for arbitration ("notice of arbitration") of the claimant:

(A) referred to in paragraph 1 of Article 36 of the ICSID Convention, is received by the Secretary-General;

(B) referred to in Article 2 of Annex C of the Additional Facility Rules of ICSID, to be received by the Secretary-General;

(C) referred to in Article 3 of the UNCITRAL Arbitration Rules, together with the writ of claim referred to in Article 18 of the UNCITRAL Arbitration Rules, is received by the defendant; or

(D) referred to by any other arbitration institution or under any arbitration rules selected under subparagraph 4 (d), is received by the respondent.

When, after the submission of a claim to arbitration, an additional claim is submitted under the same arbitration procedure, it shall be deemed to be submitted to arbitration under this Section on the date of its receipt under the applicable arbitration rules and the limitation of term Established in Article 12.18.

6. The arbitration rules applicable in accordance with paragraph 4, and which are in force on the date of the claim or claims that have been submitted to arbitration under this Section, shall govern the arbitration except to the extent that it is modified or supplemented by This Treaty.

7. The liability of the disputing parties for the assumption of expenses, including, where appropriate, the costs in accordance with Article 12.21 arising from their participation in the arbitration shall be established:

(A) by the arbitral institution to which the claim has been submitted to arbitration, in accordance with its rules of procedure; or

(B) in accordance with the rules of procedure agreed upon by the disputing parties, where applicable.

8. The claimant shall deliver together with the notice of arbitration referred to in paragraph 5:

(A) the name of the arbitrator appointed by the complainant; or

(B) the complainant's written consent for the Secretary-General to name such arbitrator.

1217:. Consent of Each Party to Arbitration

1. Each Party consents to submit a claim to arbitration under this Section and in accordance with this Agreement.

2. The consent referred to in paragraph 1 and the submission of the claim to arbitration under this Section shall comply with the requirements indicated in:

(A) Chapter II of the ICSID Convention (Jurisdiction of the Center) and the Rules of the ICSID Additional Facility, which require the written consent of the parties to the dispute;

(B) Article II of the New York Convention, which requires a "written agreement"; and

(C) Article I of the Inter-American Convention, which requires an "agreement".

1218:. Conditions and Limitations to the Consent of Each Party

1. No claim may be submitted to arbitration under this Section if more than three (3) years have elapsed from the date on which the claimant had or should have been aware of the alleged violation under Article 12.16.1 and knowledge that the claimant, for claims under Article 12.16.1 (a), or the company, suffered losses or damages for claims under Article 12.16.1 (b).

2. No claim may be submitted to arbitration under this Section unless:

(A) the claimant consents in writing to arbitration, in accordance with the procedures provided for in this Agreement; Y

(B) the notice of arbitration referred to in Article 12.16.5 is accompanied by:

(I) for claims submitted to arbitration under Article 12.16.1

(A) of the applicant's written resignation; And the written waiver of the claimant and the written waiver of the company where the claim is made for the loss or damage of its participation in an enterprise of the respondent Party which is a legal person that the investor owns or controls directly or indirectly, at the time of notification; Y

(li) for claims submitted to arbitration under Article 12.16.1 (b), of the written resignations of the plaintiff and the company, of any right to initiate before any judicial or administrative tribunal under the law of any Party, or other dispute resolution proceedings, any action in respect of any measure alleged to have constituted a violation referred to in Article 12.16.

3. Notwithstanding sub-paragraph 2 (b), the claimant, for claims initiated under Article 12.16.1 (a), and the plaintiff or the company, for claims initiated under Article 12.16.1 (b), May initiate or continue a precautionary measure, which does not involve payment of monetary damages, before a judicial or administrative court of the defendant, provided that such action is brought solely for the purpose of preserving the rights and interests of the plaintiff or the company while Continue the arbitration process 10.

4. The waiver of an enterprise established in subparagraph 2 (b) (i) or 2 (b) (ii) shall not be required only where it is alleged that the defendant deprived the claimant of control of the enterprise.

5. No claim may be submitted to arbitration under this Section if the claimant (in the case of claims submitted under Article 12.16.1

(A) If the plaintiff or the company (in the case of claims submitted under Article 12.16.1 (b)) have previously submitted the same violation as is alleged before an administrative or judicial court of the defendant, or any other proceeding Settlement of binding disputes.

6. For greater certainty, if the plaintiff chooses to submit a claim described under this Section to an administrative or judicial court of the respondent or any other binding dispute settlement mechanism, that choice shall be final and the claimant may not submit the same claim Under this Section.

7. Failure to comply with any of the preconditions described in paragraphs 1 to 6 shall void the consent given by the Parties in Article 12.17.

1219:. Procedure Concerning Prudential Measures

1. When an investor submits a claim to arbitration under this Section and the defendant invokes as defense Article 12.11.3 or Article 18.5 (Measures to Safeguard the Balance of Payments), the court established in accordance with Article 12.16.1 (a) or Article 12.16.1 (b) shall request, at the request of that Party, a written report from the Parties, or from each Party, on the issue of whether the provisions indicated are a valid defense for the investor's claim and to a what extent. The court may not proceed until it receives the report or reports in accordance with this paragraph, except as provided in paragraph 2.

2. When, within ninety (90) days of requesting it, the court has not received the report (s), the court may proceed to resolve the matter.

(10) In a precautionary measure, including measures seeking to preserve evidence and property pending the processing of the claim submitted to arbitration, a defendant's judicial or administrative court in a dispute submitted to arbitration pursuant to Section B, shall apply the legislation National of that Party.

1220:. Selection of Arbitrators

1. Unless the disputing parties agree otherwise, the tribunal shall consist of three (3) arbitrators, one (1) arbitrator appointed by each of the disputing parties and the third, who shall be the chairman, shall be appointed by agreement of the Parties.

2. The Secretary General shall serve as the appointing authority for the arbitrators in the arbitration proceedings under this Section.

3. The arbitrators shall;

(A) have experience or expertise in public international law, international investment rules, or in the settlement of disputes arising out of international investment agreements;

(B) not depend upon any of the Parties or the complainant, nor be bound or receive instructions from any of them.

4. Where a tribunal other than that established under Article 12.26 is not entered within ninety (90) days from the date on which the claim is submitted to arbitration under this Section, the Secretary-General shall, at the request of Any of the disputing parties, shall designate, after consultation with the same, the arbitrator or arbitrators who have not yet been appointed. Unless previously agreed otherwise, the chairperson of the court shall not be a national of either Party.

5. For the purposes of Article 39 of the ICSID Convention and Article 7 of Part C of the Additional Facility Rules of ICSID, and without prejudice to objecting to an arbitrator for reasons other than nationality:

(A) the defendant accepts the appointment of each member of the tribunal established under the ICSID Convention or the ICSID Additional Facility Rules;

(B) the claimant referred to in Article 12.16.1 (a) may submit to arbitration a claim under this Section, or continue a claim under the ICSID Convention or the ICSID Additional Facility Rules, only to Condition that the complainant express his written consent to the appointment of each member of the court; and

(C) the claimant referred to in Article 12.16.1 (b) may submit a claim to arbitration under this Section, or continue a claim under the ICSID Convention or the ICSID Additional Facility Rules, only to Provided that the plaintiff and the undertaking express their written consent to the appointment of each member of the court.

1221:. Conduct of Arbitration

1. The disputing parties may agree in the legal seat where any arbitration is to be held in accordance with the applicable arbitration rules in accordance with Article 12.16.4. In the absence of agreement between the disputing parties, the tribunal shall determine that place in accordance with the applicable arbitration rules, provided that the place is in the territory of a State which is a party to the New York Convention.

2. The court shall be empowered to accept and consider amicus curiae written submissions from a person or entity that is not a disputing party. Any non-disputing party wishing to make written submissions before a court (the applicant) may request permission from the court, in accordance with Annex 12.21.

3. Notwithstanding the court's ability to hear other objections as preliminary issues, such as an objection that the dispute is not within the jurisdiction of the court, a court shall hear and decide as a preliminary question any objection by the respondent that, As a matter of law, the complaint submitted is not a claim in respect of which a favorable award may be made for the claimant in accordance with Article 12.27, for which:

(A) such objection shall be submitted to the court as soon as possible after the constitution of the court, and in no case later than the date fixed by the court for the respondent to submit his response to the application (or in the case of A modification of the notice of arbitration, referred to in Article 12.16.5, the date that the court sets for the respondent to submit its response to the amendment);

(B) at the time of receipt of an objection under this paragraph, the court shall suspend any action on the merits of the litigation, establish a timetable for the consideration of the objection that will be consistent with any schedule that has been established for consideration Of any other preliminary question and shall issue a decision or award on the objection, stating the grounds of the objection;

(C) in deciding on an objection under this paragraph, the court shall assume as factual the allegations of fact presented by the claimant for the purpose of supporting any claim (or any modification thereof) and, in disputes submitted in accordance with the UNCITRAL Arbitration Rules, the statement of claim referred to in Article 18 of the UNCITRAL Arbitration Rules. The court may also consider any other relevant facts that are not in dispute;

(D) the defendant does not waive any objection to competition or any substantive argument, simply because it has made an objection under this paragraph or makes use of the expedited procedure established in paragraph 4.

4. If the defendant so requests, within forty-five (45) days following the date of the establishment of the court, the tribunal shall decide, expeditiously, on an objection in accordance with paragraph 3 and Any other objection to the effect that the dispute is not within the jurisdiction of the court. The court shall suspend any action on the merits of the litigation and issue a decision or award on such objection, stating the grounds thereof, not later than one hundred and fifty (150) days after the date of the request. However, if a disputing party requests a hearing, the court may take thirty (30) additional days to issue the decision or award. Regardless of whether a hearing has been requested, the court may, for an extraordinary reason, delay the issuance of its decision or award for an additional short term, which may not exceed thirty (30) days.

5. When the court decides on a respondent's objection under paragraphs 3 or 4, it may, if warranted, grant the winning disputing party reasonable costs and attorneys' fees incurred in filing the objection or To oppose it. In determining whether

such award is warranted, the court shall consider whether the plaintiff's claim or the respondent's objection were frivolous and shall afford the disputing parties reasonable opportunity to submit their comments.

6. The defendant shall not oppose as a defense, counterclaim or countervailing duty or for any other reason that the claimant has received or will receive compensation or other compensation for all or part of the alleged damages, under an insurance or guarantee contract.

7. The court may recommend an interim measure of protection to preserve the rights of a disputing party, or for the purpose of ensuring the full exercise of the jurisdiction of the court, including an order to preserve evidence in or under the jurisdiction of the disputing party. Control of a disputing party or to protect the jurisdiction of the court. The court can not order the embargo or prevent the application of a measure that is alleged as a violation mentioned in Article 12.16.

8. In any arbitration conducted pursuant to this Section, at the request of any of the disputing parties, the court, prior to rendering a decision or award of liability, shall communicate its proposed decision or award to the Parties and the Party of the claimant. Within sixty (60) days after such proposed decision or award is communicated, the disputing parties may submit written comments to the court regarding any aspect of their proposed decision or award. The court shall consider such comments and render its decision or award no later than forty-five (45) days after the expiration of the sixty (60) day deadline for comment. This paragraph shall not apply to any arbitration in which an appeal is available under paragraph

9. If a separate multilateral treaty establishing an appellate body for the purpose of reviewing awards rendered by courts established under international trade or investment agreements to entertain investment disputes shall enter into force between the Parties, the Parties shall seek Reach an agreement that would cause such an appellate body to review awards rendered pursuant to Article 12.27 in arbitrations initiated after the multilateral agreement enters into force between the Parties.

1222:. Transparency In Arbitral Proceedings

1. Subject to paragraphs 2 and 4, the defendant, after receiving the following documents, shall place them at the disposal of the non-disputing party and the public:

(A) the notification of intent mentioned in Article 12.16.2;

(B) the notice of arbitration referred to in Article 12.16.5;

(C) the allegations, briefs and explanatory notes submitted to the court by a disputing party and any written submissions submitted in accordance with Article 12.21 and Article 12.26;

(D) orders, awards and decisions of the court; Y

(E) the minutes or transcripts of court hearings, when available.

2. The tribunal shall conduct open hearings to the public and shall determine, in consultation with the disputing parties, the relevant logistical arrangements. However, any disputing party who intends to use information classified as protected information at a hearing must so inform the court. The court will make appropriate arrangements to protect the information from its disclosure.

3. Nothing in this Section requires the respondent to make available protected information or to provide or allow access to information that he may retain pursuant to Article 18.2 (Essential Security) and Article 18.4 (Disclosure of Information).

4. Any protected information that is submitted to the court will be protected from disclosure in accordance with the following procedures:

(A) in accordance with sub-paragraph (d), neither the disputing parties nor the court shall disclose to the complaining Party or the public any protected information, where the disputing party providing the information clearly so designates it in accordance with sub-paragraph (B);

(B) any disputing party claiming that certain information constitutes protected information shall clearly designate it at the time of its submission to the court;

(C) a disputing party shall, at the same time as submitting a document containing information alleged to be protected information, submit a redacted version of the document that does not contain the information. Only the drafted version shall be provided to the non-disputing Parties and shall be made public in accordance with paragraph 1; Y

(D) the court shall rule on any objection to the designation of information alleged as protected information. If the court

determines that such information was not properly designated, the disputing party submitting the information may:

(I) withdraw all or part of the presentation containing such information; or

(II) agree to re-submit full and drafted documents with designations corrected in accordance with the court's determination and sub-paragraph (c).

In any event, the other disputing party shall, where necessary, re-submit complete and redacted documents which omit the information withdrawn in accordance with sub-paragraph (d) (i) by the disputing party who first submitted the information or re-designate The information in a manner consistent with the designation made in accordance with sub-paragraph (d) (ii) of the disputing party which first submitted the information.

5. Nothing in this Section requires the respondent to deny access to the public to information that, according to its national law, must be disclosed.

1223:. Applicable Law

1. Subject to paragraph 2, where a claim is made in accordance with Article 12.16.1 (a) or 12.16.1 (b), the tribunal shall decide the issues in dispute in accordance with this Treaty and with the main rules of international law ; and, where applicable, the national legislation of the Party in whose territory the investment was made.

2. A Commission decision declaring an interpretation of a provision of this Agreement under Article 17.1.3 (c) (the Free Trade Commission) shall be binding upon a tribunal established under this Section and any decision Or award rendered by a court shall be consistent with that decision.

1224:. Interpretation of the Annexes

1. Where the defendant submits as a defense that the measure alleged to be in breach falls within the scope of Annex I or Annex II, at the request of the defendant, the court shall request the Commission to interpret the case. Within sixty (60) days from the date of delivery of the request, the Commission shall submit to the court in writing any decision declaring its interpretation in accordance with Article 17.1.3 (c) (The Free Trade Commission).

2. The decision issued by the Commission under paragraph 1 shall be binding on the court and any decision or award rendered by the court shall be consistent with that decision. If the Commission does not issue such a decision within a period of sixty (60) days, the court shall decide on the matter.

1225:. Reports of Experts

Without prejudice to the designation of other experts when authorized by the applicable arbitration rules, the tribunal may, at the request of a disputing party or, on its own initiative, unless the disputing parties do not accept it, may designate one or more experts to Inform in writing any questions of fact relating to environmental, health, safety or other scientific matters raised by a disputing party in a proceeding, in accordance with such terms and conditions as the disputing parties agree.

1226:. Accumulation of Procedures

1. In cases where two (2) or more separate claims under Article 12.16.1 have been submitted to arbitration and the claims jointly raise a question of fact or law and arise from the same facts or circumstances, Any disputing party may seek an order of accumulation in accordance with the agreement of all disputing parties in respect of which the order of accumulation is sought or in accordance with the terms of paragraphs 2 to 10.

2. The disputing party seeking an accumulation order in accordance with this Article shall deliver a request in writing to the Secretary-General and all disputing parties for which the order of accumulation is sought and shall specify in the request following:

(A) The name and address of all the disputing parties in respect of which the order of accumulation is sought;

(B) the nature of the requested accumulation order; and

(C) the basis on which the application is supported.

3. Unless the Secretary-General determines, within thirty (30) days after receipt of a request pursuant to paragraph 2, that it is manifestly unfounded, a tribunal shall be established under this Article.

4. Unless all the disputing parties in respect of which the order of accumulation is sought agree otherwise, the tribunal established in accordance with this Article shall be composed of three (3) arbitrators:

(A) an arbitrator appointed by agreement of the plaintiffs;

(B) an arbitrator appointed by the defendant; and

(C) the presiding arbitrator appointed by the Secretary-General, who shall not be a national of either Party.

5. If, within a period of sixty (60) days following the receipt by the Secretary-General of the request made pursuant to paragraph 2, the respondent or the complainants do not appoint an arbitrator under paragraph 4, the Secretary General, at the request of any disputing party in respect of which the accumulation order is sought, shall appoint the arbitrator or arbitrators who have not yet been appointed. If the respondent fails to appoint an arbitrator, the Secretary-General shall designate a national of the respondent and, in the event that the complainants do not designate an arbitrator, the Secretary-General shall designate a national of a party to the claimants.

6. In the event that the tribunal established pursuant to this Article has established that two (2) or more claims under Article 12.16.1 have been brought to arbitration, that they raise a common issue of fact or of law, arising from The same facts or circumstances, the court may, in order to reach a fair and efficient resolution of the claims and after hearing the disputing parties, in order:

(A) assume jurisdiction and jointly determine and determine all or part of the claims;

(B) assume jurisdiction and hear and determine one or more claims, the determination of which it considers would contribute to the resolution of the others; or

(C) instruct a tribunal established under Article 12.20 to assume jurisdiction and to know and jointly determine, on all or part of the claims, provided that

(I) that court, at the request of any plaintiff who has not previously been a disputing party to that court, is reinstated with its original members, except that the arbitrator on the plaintiffs' part is designated in accordance with sub-paragraph 4 (a) and Paragraph 5; and

(II) that court decides whether to repeat any prior hearing.

7. In the event that a court under this Article has been established, a claimant who has submitted a claim to arbitration under Article 12.16.1, and whose name is not mentioned in a request under paragraph 2, may file an application In writing to the court so that that claimant is included in any order made under paragraph 6 and shall specify in the request:

(A) the name and address of the claimant;

(B) the nature of the order requested; and

(C) the grounds on which the application is based.

The complainant shall deliver a copy of his request to the Secretary-General and to the disputing parties listed in the request under paragraph 2.

8. A tribunal established pursuant to this Article shall conduct the proceedings in accordance with the provisions of the UNCITRAL Arbitration Rules, except as modified by this Section.

9. A court established pursuant to Article 12.20 shall not have jurisdiction to resolve a claim, or part of a claim, in respect of which a court established or instructed in accordance with this Article has assumed jurisdiction.

10. At the request of a disputing party, a tribunal established under this Article may, pending its decision under paragraph 6, order that proceedings of a Tribunal established under Article 12.20 be deferred, unless the latter Court has already suspended its proceedings.

1227:. Reports

1. When a court makes a definitive award unfavorable to the defendant, the court may award, separately or in combination, only:

(A) pecuniary damages and interest thereon; and

(B) restitution of property, in which case the award will provide that the defendant can pay pecuniary damages, plus interest that proceeds instead of restitution.

The court may also award costs and attorney fees in accordance with this Section and with applicable arbitration rules.

2. Subject to paragraph 1, when a claim under Article 12.16.1 (b) is submitted to arbitration:

(A) the award that provides for the restitution of property, shall provide that restitution be granted to the company;

(B) the award that grants pecuniary damage and interest that proceeds, shall provide that the sum of money be paid to the company; and

(C) the award shall provide that the same is issued without prejudice to any right that any person has on the repair under the applicable domestic law.

3. A court is not authorized to order the payment of punitive damages.

4. For greater certainty, a court shall not have jurisdiction to rule on the legality of the measure in respect of domestic law.

1228:. Purpose and Execution of a Report

1. For greater certainty, the award rendered by a court shall not have binding force except for the disputing parties and only in the concrete case.

2. Subject to paragraph 3 and to the review procedure applicable to a provisional award, the disputing party shall abide by and comply with the award without delay.

3. The disputing party may not request execution of the final award until:

(A) in the case of a final award rendered in accordance with the ICSID Convention:

(i) one hundred and twenty (120) days have passed since the date on which the award was rendered and no disputing party has requested a review or annulment thereof; or

(ii) have completed the review or annulment proceedings; and

(B) in the case of a final award rendered in accordance with the Additional ICSID Mechanism Rules or UNCITRAL Arbitration Rules or the rules selected pursuant to Article 12.16.4 (d):

(i) ninety (90) days have elapsed since the date on which the award was rendered and no disputing party has commenced a proceeding to review, revoke or annul it; or

(ii) a court has dismissed or admitted a request for review, revocation or annulment of the award and this ruling can not be appealed.

4. Each Party shall provide for the due enforcement of an award in its territory.

5. Where a defendant defaults or fails to comply with a final award, a panel shall be established pursuant to Article 15.5 (Establishment of a Panel) upon submission of an application by the complaining Party. The requesting Party may request in such proceedings:

(A) a determination that failure to comply with or disregard the terms of the final award is contrary to the obligations of this Agreement; Y

(B) in accordance with the procedures established in Article 15.9 (Panel Report), a recommendation that the respondent abide by or comply with the final award.

6. A disputing party may resort to the enforcement of an arbitral award in accordance with the ICSID Convention, the New York Convention or the Inter-American Convention, whether or not the proceedings referred to in paragraph 5 have been initiated.

7. For the purposes of Article I of the New York Convention and Article I of the Inter-American Convention, the claim submitted to arbitration pursuant to this Section shall be deemed to arise from a commercial relationship or operation.

1229:. Submission of Documents

The delivery of the notification and other documents to a Party shall be made at the place designated by it in Annex 12.15.

Section C. Definitions

1230:. Definitions

For the purposes of this Chapter:

ICSID means the International Center for Settlement of Investment Disputes;

UNCITRAL means the United Nations Commission on International Trade Law;

New York Convention means the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, held at New York on 10 June 1958;

Inter-American Convention means the Inter-American Convention on International Commercial Arbitration, held in Panama on January 30, 1975;

ICSID Convention means the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, done at Washington on 18 March 1965;

Respondent means the Party that is party to a dispute relating to an investment;

Claimant means the investor of a Party that is party to a dispute relating to investments with the other Party;

Enterprise means a business as defined in Article 1.5 (Definitions of General Application) and a branch of an enterprise;

Enterprise of a Party means a business incorporated or organized in accordance with the national law of a Party and a branch located in the territory of a Party and engaged in substantial business activities in that territory;

Protected information means:

(A) confidential business information; and

(B) privileged information or otherwise protected from disclosure, in accordance with the national legislation of the Party;

Investment means any asset owned or controlled by an investor, directly or indirectly, that has the characteristics of an investment, including such features as the commitment of capital or other resources, the expectation of profit or profit, or the assumption risky. The forms that an investment can take include:

(A) a company;

(B) shares, capital and other forms of equity participation in a company;

(C) debt instruments of a company

(I) when the company is a subsidiary of the investor, or

(II) when the original maturity date of the debt instrument is at least three (3) years,

But does not include an obligation of a Party or a State enterprise, regardless of the original date of maturity;

(D) a loan to a company

(I) when the company is a subsidiary of the investor, or

(II) when the original maturity date of the loan is at least three (3) years,

But does not include a loan to a Party or to a State enterprise, regardless of the original date of maturity;

(E) futures, options and other derivatives;

(F) turnkey contracts, construction, management, production, concession, revenue sharing and other similar contracts;

(G) intellectual property rights;

(H) licenses, authorizations, permits and similar rights granted in accordance with national legislation; (11) and

(I) other tangible or intangible, movable or immovable property rights and property rights, such as leases, mortgages, liens and pledges,

But investment does not include:

(J) an order or judgment presented in a judicial or administrative action.

(K) loans granted by one Party to the other Party.

(L) operations of public debt and debt of public institutions.

(M) pecuniary claims derived exclusively from:

(I) commercial contracts for the sale of goods or services by a national or business in the territory of one Party to a national or enterprise in the territory of the other Party; or

(II) the granting of credit in connection with a commercial transaction, such as trade financing, except for a loan covered by the provisions of sub-paragraph (d); or

(N) any other monetary claim, which does not involve the interest rates set out in subparagraphs (a) to (i),

A change in the manner in which the assets have been invested or reinvested does not affect their investment status under this Agreement provided that such modification falls within the definitions of this Article and is carried out in accordance with the domestic law of the Party in question. Whose territory the investment has been admitted.

Covered investment means, in respect of one Party, an investment in the territory of an investor of the other Party existing at the date of entry into force of this Agreement, as well as investments made, acquired or expanded thereafter;

Investor of a non-Party means, in respect of a Party, an investor who is attempting, through specific actions, (12) to carry out or has made an investment in the territory of that Party, which is not an investor of a part;

Investor of a Party means a Party or an enterprise of the Party's State, or a national or enterprise of the Party, which is attempting, through specific actions, (13) to undertake or has made an investment in the Party.

Territory of the other Party; Whereas, however, a natural person who has dual nationality will be considered exclusively a national of the State of his dominant and effective nationality;

Freely usable currency means freely usable currency as determined by the International Monetary Fund under the Agreement Establishing the International Monetary Fund;

National means a natural person having the nationality of a Party in accordance with Annex 1.5 (Country Specific Definitions);

Disputing party means the plaintiff or the defendant;

Non-disputing party means a person of a Party or a person of a non-Party with a significant presence in the territory of a Party who is not party to an investment dispute under Section B;

Disputing parties means the plaintiff and the defendant;

UNCITRAL Arbitration Rules means the Arbitration Rules of the United Nations Commission on International Trade Law, adopted by the General Assembly of the United Nations on 15 December 1976;

ICSID Additional Facility Rules means the Regulation of the Supplementary Mechanism for Procedural Administration by the ICSID Secretariat;

Secretary-General means the Secretary-General of ICSID; and

Court means an arbitral tribunal established under Article 12.20 or Article 12.26.

(11) The fact that a type of license, authorization, permit or similar instrument (including a concession, to the extent that it has the nature of such an instrument) has the characteristics of an investment, depends on factors such as nature And the extent of the rights of the holder in accordance with the national law of the Party. Among licenses, authorizations, permits or similar instruments that do not have the characteristics of an investment are those that do not generate rights protected by national legislation. For greater certainty, the foregoing is without prejudice to the fact that an asset associated with such license, authorization, permit or similar instrument has the characteristics of an investment.

(12) It is understood that an investor intends to make an investment when he has carried out the essential and necessary actions to carry out such investment, such as the provision of funds to constitute the company's capital, obtaining permits and licenses, among others.

(13) It is understood that an investor intends to make an investment when he has carried out the essential and necessary actions to carry out such investment, such as the provision of funds to constitute the company's capital, obtaining permits and licenses, among others.

The Parties confirm their common understanding that customary international law, in a general manner and as specifically referred to in Article 12.4, results from a general and consistent practice of States, followed by them in the sense of a legal obligation. With respect to Article 12.4, the minimum standard of treatment accorded to aliens by customary international law refers to all principles of customary international law which protect the economic rights and interests of aliens.

The Parties confirm their common understanding that:

(A) a measure or series of measures of a Party may not constitute expropriation unless it interferes with a tangible or intangible property right or with the essential attributes or faculties of the domain of an investment;

(B) Article 12.10 addresses two (2) situations. The first is direct expropriation, where an investment is nationalized or otherwise expropriated directly through the formal transfer of the title or the right of dominion;

(C) the second situation addressed by Article 12.10 is indirect expropriation, where a measure or series of measures of a Party have an effect equivalent to that of direct expropriation without the formal transfer of the title or the right of dominion;

(D) the determination of whether a measure or series of measures of a Party, in a specific situation, constitutes an indirect expropriation, requires a factual investigation, on a case-by-case basis, to consider inter alia:

(I) the economic impact of a Party's measure or series of measures, although the mere fact that a measure or series of measures by a Party has an adverse effect on the economic value of an investment does not, in itself, That an indirect expropriation has occurred;

(II) the extent to which the measure or series of measures of a Party interferes with unequivocal and reasonable expectations of the investment; and

(III) the nature of the measure or series of measures of a Party;

(E) except in exceptional circumstances, such as where a measure or series of measures is disproportionate in the light of its objective which can not be reasonably considered to have been adopted and applied in good faith, the non-discriminatory regulatory actions of a Party Which are designed and applied to protect legitimate public welfare objectives such as public health, safety and the environment, do not constitute an indirect expropriation.

(14) For greater certainty, the list of legitimate public welfare objectives in this sub-paragraph is not exhaustive.

"Submission of Documents to a Party under Section B (Solution of

Investor - State Disputes)

The notifications and other documents in the controversies under Section B, will be attended by delivery to:

Honduras:

Directorate-General for Administration and Negotiation of Treaties,

Third Level of the Secretary of State in the Office of Economic Development

Colonia Humuya, Edificio San José, on the Boulevard José Cecilio del Valle

Tegucigalpa, Honduras, CA

Or his successor.

Peru:

Directorate General for International Economic Affairs, Competition

And Private Investment

Ministry of Economy and Finance

Jiron Lampa # 277 (5th floor)

Lima 1, Peru

Or his successor.

1. The request to authorize the written submissions of a non-disputing party shall be filed within the time limit set by the court and shall:

(A) be made in writing, be dated and signed by the applicant, and include the address and other contact details of the applicant;

(B) be no longer than five (5) pages in length;

(C) describe the applicant, including where applicable, membership, legal status (eg company, business association or other non-governmental organization), its general objectives, the nature of its activities as well as any organization Matrix (including any organization directly or indirectly controlled by the applicant);

(D) make known whether the applicant has any affiliation, directly or indirectly, with any disputing party;

(E) identify any government, person or organization that has provided financial or other assistance during the preparation of the presentation;

(F) specify the nature of the interest that the applicant has in the arbitration;

(G) identify the specific issues of fact or law in the arbitration to which the applicant has referred in his written submission; and

(H) be drafted in the language of the arbitration.

2. The written communication of a non-disputing party shall:

(A) be filed within the time limit set by the court;

(B) be dated and signed by the applicant;

(C) be concise and in no case shall exceed twenty (20) written pages, including annexes and appendices;

(D) properly substantiate its position; Y

(E) only refer to the items indicated in your request, pursuant to subparagraph 1 (g).

Chapter 13. Cross-border Trade In Services

131:. Scope of Application

1. This Chapter applies to measures adopted or maintained by a Party which affect cross-border trade in services provided by service suppliers of the other Party. Such measures include measures affecting:

(A) the production, distribution, marketing, sale and supply of a service;

(B) the purchase or use of, or payment for, a service;

(C) access to and use of distribution and transportation systems, or telecommunications networks and services related to the provision of a service;

(D) the presence in its territory of a service supplier of the other Party; and

(E) the granting of a bond or other form of financial guarantee, as a condition for the provision of a service.

2. For the purposes of this Chapter, measures adopted or maintained by a Party means measures taken or maintained by:

(A) central, regional or local governments or authorities; and

(B) non-governmental institutions in the exercise of powers delegated by governments or central, regional or local

authorities.

3. This Chapter does not apply to:

(A) air services 1, including national and international scheduled and non-scheduled air transport services, as well as related services in support of air services, except:

(i) aircraft repair and maintenance services while the aircraft is out of service;

(ii) the sale and marketing of air transport services; and

(iii) computerized reservation system (SRI) services;

1 For greater certainty, the term air services includes traffic rights.

(B) public procurement; and

(C) subsidies or grants made by a Party, including government-supported loans, guarantees and insurance.

4. Articles 13.2, 13.5, 13.9 and 13.10 shall apply to measures of a Party which affect the supply of a service in its territory by a covered investment 2.

5. This Chapter does not impose on any Party any obligation vis-à-vis a national of the other Party who intends to enter its labor market or who has permanent employment in its territory, or to confer any right to that national with respect to such access or employment Nor shall it apply to measures relating to citizenship or residence on a permanent basis.

6. Nothing in this Chapter shall be construed to impose any obligation on a Party with respect to its immigration measures.

7. This Chapter does not apply to services provided in the exercise of governmental authority. A service provided in the exercise of governmental authority means any service that is not provided on a commercial basis or in competition with one or more service providers.

8. This Chapter does not apply to measures affecting the provision of financial services 3 as defined in paragraph 5 (a) of the Annex on Financial Services of the WTO GATS.

132:. Subsidies

Notwithstanding Article 13.1.3 (c), if the results of negotiations related to Article XV: 1 of the WTO GATS enter into force for each Party, this Article shall be reviewed jointly, as appropriate Appropriate, with a view to determining whether this Article should be amended in order for those results to be incorporated into this Agreement. The Parties agree to coordinate such negotiations, as appropriate.

2 The Parties understand that nothing in this Chapter, including this paragraph, is subject to Section B (Investor-State Dispute Settlement) of Chapter 12 (Investments).

3 For greater certainty, the provision of financial services should mean the provision of services as defined in Article I.2 of the WTO GATS.

133:. National Treatment

Each Party shall accord to service suppliers of the other Party treatment no less favorable than that it accords, in similar circumstances, to its service providers.

134:. Most-favored-nation Treatment

Each Party shall accord to service suppliers of the other Party treatment no less favorable than that it accords, in like circumstances, to service providers of a non-Party.

135:. Access to Markets

No Party may adopt or maintain, on the basis of a regional subdivision or the whole of its territory, measures which:

(A) impose limitations on:

(I) the number of service providers, whether in the form of numerical quotas, monopolies or exclusive service providers or through the requirement of an economic needs test;

(II) the total value of service assets or transactions in the form of numerical quotas or the requirement of an economic needs test;

(III) the total number of service operations or the total amount of service output, expressed in designated numerical units, in the form of quotas or by requiring an economic needs test 4;

(IV) the total number of natural persons that may be employed in a given service sector or which a service provider may employ and which are necessary for the provision of a specific service and are directly related to it, in the form of numerical quotas or Through the requirement of an economic needs test; or

(B) restrict or prescribe specific types of legal person or joint venture through which a service provider may provide a service.

4 Subparagraph (iii) does not cover measures by a Party that limit inputs for the provision of services.

136:. Local Presence

No Party may require a service provider of the other Party to establish or maintain a representative office or other form of business or reside in its territory as a condition for the cross-border supply of a service.

1. Articles 13.3, 13.4, 13.5 and 13.6 do not apply to:

(A) any existing non-conforming measure that is maintained by a Party in:

(I) the central level of government, as stipulated by that Party in its Schedule of Annex I;

(II) a regional level of government, as stipulated by that Party in its Schedule of Annex I; or

(III) a local level of government;

(B) the continuation or prompt renewal of any non-conforming measure referred to in sub-paragraph (a); or

(C) any amendment to any non-conforming measure referred to in subparagraph (a), provided that such amendment does not diminish the conformity of the measure, as it was in force immediately prior to amendment, with Articles 13.3, 13.4, 13.5 or 13.6.

2. Articles 13.3, 13.4, 13.5 and 13.6 do not apply to any measure that a Party adopts or maintains in relation to sectors, sub-sectors or activities as set out in its Schedule of Annex II.

1. In the event of a Party making an amendment or modification to any existing non-conforming measure set out in its Schedule to Annex I, pursuant to Article 13.7.1 (c), the Party shall notify the other Party as soon as possible Possible, on such amendment or modification.

2. In the event that a Party adopts a measure after the entry into force of this Agreement, with respect to the sectors, subsectors or activities set out in its Schedule

5 The Parties understand that nothing in this Article is subject to the dispute settlement procedure of this Agreement, established in Chapter 15 (Settlement of Disputes).

Of Annex II, the Party shall, to the extent possible, notify the other Party of such action.

139:.

"Transparency in the Development and Application of Regulations 6

In addition to Chapter 16 (Transparency):

(A) each Party shall establish or maintain adequate mechanisms to respond to consultations of interested persons regarding its regulations relating to the subject matter of this Chapter; 7

(B) upon the adoption of definitive regulations concerning the subject matter of this Chapter, each Party shall respond in writing, as far as possible, even on request, to substantive comments received from interested persons with respect to the

proposed regulations; Y

(C) to the extent possible, each Party shall give a reasonable period between the publication of definitive regulations and the date on which they enter into force.

1. The Parties shall ensure that all measures of general application for which this Chapter applies are administered in a reasonable, objective and impartial manner. This obligation shall not apply to the measures covered by Annex I or to the measures covered by Annex II of each Party.

2. When a Party requires authorization for the provision of a service, the competent authorities of that Party shall, within a reasonable period of time after submission of an application deemed complete in accordance with its national laws and regulations, inform the Decision on your application. At the request of that applicant, the competent authorities of the Party shall, without undue delay, provide information concerning the status of the request. This obligation shall not apply to the authorization requirements that are covered by Article 13.7.2.

3. In order to ensure that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services, each Party shall endeavor to ensure, in an appropriate manner for each Individual sector, such as

6 For greater certainty, regulations include regulations that establish or apply licensing criteria or authorizations.

7 Implementation of the obligation to establish appropriate mechanisms for small administrative agencies may need to take budgetary and resource constraints into account.

13-5

Measurements:

(A) are based on objective and transparent criteria, such as competence and ability to provide the service;

(B) are not more burdensome than necessary to ensure the quality of the service; Y

(C) in the case of licensing procedures, do not in themselves constitute a restriction on the provision of the service.

4. The Parties recognize their mutual obligations related to national regulation in Article VI: 4 of the WTO GATS and affirm their commitment to the development of any discipline required under Article VI: 4. To the extent that any such disciplines are adopted by WTO members, the Parties shall review them jointly, as appropriate, with a view to determining whether this Article should be amended in order for those results to be incorporated into this Agreement.

1. For the purposes of compliance, in whole or in part, with its rules or criteria for the authorization or certification of service providers or licensing thereof, and subject to the requirements of paragraph 4, a Party May recognize the education or experience obtained, the requirements met or the licenses or certificates granted in a given country. Such recognition, which may be effected through harmonization or otherwise, may be based on an agreement or agreement with the country concerned or may be granted autonomously.

2. Where a Party recognizes, autonomously or through an agreement or agreement, education or experience gained, requirements met or licenses or certificates issued in the territory of a non-Party, no provision of Article 13.4 shall be construed in the To require the Party to accord such recognition to the education or experience gained, the requirements met or the licenses or certificates issued in the territory of the other Party.

3. A Party which is party to an agreement or arrangement of the kind referred to in paragraph 1, existing or future, shall provide adequate opportunities to the other Party, if the other Party is interested, to negotiate its adherence to such agreement or Agreement or to negotiate with others comparable. Where a Party grants recognition autonomously, it shall provide the other Party with appropriate opportunities to demonstrate that the education, experience, licenses or certificates obtained or requirements met in the territory of that other Party should be recognized.

4. No Party shall accord recognition in a manner which would constitute a means of discrimination between countries in the application of its rules or criteria for the authorization or certification of service providers or licensing

13-6

To them, or a disguised restriction on trade in services.

5. The Parties shall endeavor as far as possible to encourage relevant professional services bodies in their territory to consider the use of standards and criteria in Annex 13.11 in discussions for a potential agreement or agreement referred to

in paragraph 1.

1. Each Party shall allow all transfers and payments related to the cross-border supply of services to be effected freely and without delay to and from its territory.

2. Each Party shall allow all transfers and payments related to the cross-border supply of services to be made in freely circulating currency at the exchange rate prevailing in the market on the date of the transfer.

3. Notwithstanding paragraphs 1 and 2, a Party may prevent or delay the performance of the transfer or payment through the equitable, non-discriminatory and good faith application of its domestic law in respect of:

(A) bankruptcy, insolvency or protection of the rights of creditors;

(B) issuance, trading or operation of securities, futures, options or derivatives;

(C) financial reporting or record keeping of transfers where necessary to assist law enforcement or financial regulatory authorities;

(D) criminal or criminal offenses; or

(E) guarantee of compliance with orders or judicial or administrative rulings.

1313:. Denial of Benefits

Subject to prior notification in accordance with Article 16.3 (Provision of

Or

Information) and consultations, a Party may deny the benefits of this Chapter to:

(A) a service supplier of the other Party if the service provider is a company owned or controlled by persons from a non-Party and the enterprise has no substantial business activities in the territory of the other Party; Or 8

8 The term consultations in this Article does not refer to consultations under Article 15.4 (Consultations).

13-7

(B) a service supplier of the other Party if the service provider is a company owned or controlled by persons of the denying Party and the enterprise has no substantial business activities in the territory of the other Party.

1314:. Implementation

The Parties shall consult annually or otherwise agree to revise the implementation of this Chapter and consider other matters of trade in services of mutual interest.

1315:. Definitions

For the purposes of this Chapter:

Cross-border trade in services or cross-border supply of

Services means the provision of a service:

(A) from the territory of one Party to the territory of the other Party;

(B) in the territory of a Party, by a person of that Party, to a person of the other Party; or

(C) by a national of one Party in the territory of the other Party,

But does not include the provision of a service in the territory of one Party by a covered investment or by an investor of the other Party, as defined in Article 12.30 (Definitions);

Enterprise means a business as defined in Article 1.5 (Definitions of General Application) and a branch of an enterprise;

Existing means effective as of the date of entry into force of this Agreement;

Service provider of a Party means a person of that Party who intends to supply or provides a service;

Aircraft repair and maintenance services means the activities performed on an aircraft or part of it while the aircraft is out of service and does not include so-called line maintenance;

Computerized reservation systems (CRS) means services provided through computerized

9 The Parties understand that for the purposes of Articles 13.3, 13.4 and 13.5, service providers have the same meaning as services and service providers as used in WTO GATS Articles XVII, II and XVI, respectively.

13-8

About the schedules of air carriers, available seats, rates and rules of fare establishments, and through which reservations can be made or tickets issued;

Professional services means services which, for their performance, require higher education or equivalent training or experience, the exercise of which is authorized or restricted by a Party, but does not include services rendered by persons practicing a trade or crew of merchant ships and aircraft; Y

Sale or marketing of an air transport service means the opportunities of the air carrier concerned to freely sell and market its air transport services and all aspects of marketing such as market research, advertising and distribution, but not includes the determination of prices of air transport services and the applicable conditions.

10 For greater certainty, higher education shall be understood as established by the national legislation of the Parties.

13-9

Development of Professional Services Standards

1. Each Party shall encourage the relevant bodies in its respective territories to develop mutually acceptable standards and criteria for the issuance of licenses and certificates to professional service providers and to submit recommendations to the Commission on their mutual recognition.

2. The standards and criteria referred to in paragraph 1 may be elaborated in relation to the following aspects:

(A) education: accreditation of educational institutions or academic programs;

(B) examinations: qualifying examinations for licensing, including alternative assessment methods, such as oral examinations and interviews;

(C) experience: duration and nature of the experience required to obtain a license;

(D) conduct and ethics: standards of professional conduct and the nature of disciplinary measures in case of contravention of those standards;

(E) professional development and renewal of certification: continuing education and the corresponding requirements to keep the professional certificate;

(F) scope of action: scope or limits of authorized activities; Y

(G) local knowledge; Requirements on knowledge of aspects such as laws, regulations, language, geography or local climate.

3. Upon receipt of a recommendation referred to in paragraph 1, the Commission shall review it within a reasonable time to decide whether it is consistent with this Agreement. On the basis of the Commission's review, each Party shall encourage its respective competent authorities to implement this recommendation, where appropriate, within a mutually agreed time-frame.

Temporary Licenses

4. For mutually agreed individual professional services, each Party shall encourage the competent bodies in its territory to develop procedures for the granting of temporary licenses to professional service providers of the other Party.

13-10

Working Group on Professional Services

5. The Parties may, by mutual agreement, establish working groups on professional services, including representatives of

the relevant professional bodies of each Party, to facilitate the activities listed in paragraphs 1 and 4.

6. Working groups may consider, for individual professional services, the following issues:

(A) develop viable standards procedures for the licensing and certification of professional service providers; Y

(B) other matters of mutual interest related to the provision of professional services.

7. The working groups shall report to the Commission on their progress and future direction with regard to their work.

Review

8. The Commission shall review the implementation of this Annex at least once every three (3) years.

Chapter 14. Temporary Entry of Business People

141:. General Principles

1. In addition to Article 1.2 (Objectives), this Chapter reflects the preferential commercial relationship between the Parties, the mutual objective of facilitating the temporary entry of business persons in accordance with their national legislation and the provisions of Annexes 14.3.1 and 14.3.2, based on the principle of reciprocity and the need to establish transparent criteria and procedures for the temporary entry of business persons. It also reflects the need to ensure the security of borders and to protect the national workforce and permanent employment in their respective territories.

2. This Chapter shall not apply to measures affecting natural persons of one Party seeking access to the labor market of the other Party 1 or to measures relating to citizenship, nationality, permanent residence or permanent employment.

142:. General Obligations

1. Each Party shall apply its measures relating to the provisions of this Chapter in accordance with Article 14.1 and in particular shall apply them expeditiously to avoid undue delays or undue impairment in trade in goods or services or in the conduct of Investment in accordance with this Treaty.

2. For the sake of certainty, no provision of this Chapter shall be construed to prevent a Party from applying measures to regulate the entry or residence of natural persons in its territory, including those measures necessary to protect the integrity of its frontiers and Ensure the orderly movement of natural persons through them, provided that such measures are not applied in a manner that unduly delays or impairs trade in goods or services or the conduct of investment activities in accordance with this Agreement. The mere fact of requiring a visa for natural persons shall not be considered as undue impairment or impediment in the trade of goods or services or investment activities in accordance with this Agreement.

143:. Authorization of Temporary Entry

1. In accordance with the provisions of this Chapter, each Party shall authorize the temporary entry of business persons who comply with the migratory measures applicable to temporary entry and other measures related to health and safety

1 For greater certainty, this paragraph does not nullify or impair the obligations under Section C of Annex 14.3.1.

And national security, including the provisions contained in Annexes 14.3.1 and 14.3.2.

2. Each Party shall establish the value of rights in processing applications for temporary entry of business persons in a manner that does not delay or unduly impair trade in goods or services or the conduct of investment activities in accordance with this Agreement And do not exceed the approximate administrative costs.

3. The authorization of temporary entry under this Chapter does not replace the requirements required for the exercise of a profession or activity in accordance with the specific regulations in force in the territory of the Party authorizing temporary entry.

144:. Exchange of Information

1. In addition to Article 16.2 (Publication), and recognizing the importance to Parties of the transparency of information on the temporary entry of business persons, each Party shall:

(A) provide the other Party with relevant materials to enable it to ascertain its measures relating to this Chapter; Y

(B) at the latest six (6) months after the date of entry into force of this Agreement, prepare, publish and make available to the interested parties material explaining the requirements for temporary entry, including references to legislation Applicable in accordance with this Chapter, so that the business persons of the other Party may know them.

2. Each Party shall, on request and in accordance with its national legislation, collect, maintain and make available to the other Party information relating to the granting of authorizations for the temporary entry of business persons, in accordance with this Chapter, to persons Of the other Party to whom migration documentation has been issued, in order to include specific information pertaining to each category authorized in Annex 14.3.1.

145:. Temporary Entry Committee of Business People

1. The Parties hereby establish a Temporary Entry Committee for Business Persons (hereinafter referred to as the Committee), composed of representatives of each Party.

2. The functions of the Committee shall include, among other matters of mutual interest:

2 In the case of Honduras, the representatives will be the Secretary of State in the Office of Economic Development, the Secretary of State in the Office of Labor and Social Security, and the National Institute of Migration, or their successors.

14-2

(A) review the implementation and administration of this Chapter;

(B) reporting to the Commission on the implementation and administration of this Chapter, where appropriate;

(C) establish procedures for the exchange of information on measures affecting the temporary entry of business persons under this Chapter;

(D) consider developing measures to further facilitate the temporary entry of business persons;

(E) compliance with matters established in accordance with Article 14.6; Y

(F) address any other matter related to this Chapter.

3. Unless otherwise agreed by the Parties, the Committee shall meet at least once every three (3) years, on the date and in accordance with the agenda previously agreed upon by the Parties. The Parties shall determine those cases in which special meetings may be held.

4. Meetings may be held by any means agreed upon by the Parties. When present, they shall be held alternately in the territory of each Party, and it shall be the responsibility of the Party hosting the meeting.

5. Unless otherwise agreed by the Parties, the Committee shall be of a permanent nature and shall draw up its working rules.

6. All decisions of the Committee shall be taken by mutual agreement.

146:. Cooperation

Taking into account the principles set forth in Article 14.1, the Parties shall endeavor as far as possible to:

(A) cooperate to strengthen institutional capacity and promote technical assistance among migration authorities;

(B) exchange information and experiences on regulations and implementation of programs and technology in the context of migration issues, including those related to the use of biometric technology, advanced passenger information systems, frequent passenger programs and travel document security; and

(C) strive to co-ordinate actively in multilateral fora, in order to promote the facilitation of the temporary entry of business people.

147:. Settlement of Disputes

1. A Party may not commence proceedings pursuant to Chapter 15 (Settlement of Disputes) in respect of a refusal to authorize temporary entry under this Chapter unless:

(A) the case concerns a recurring practice; and

(B) the business person concerned has exhausted, in accordance with applicable national law, the administrative remedies available to him in respect of that particular case.

2. The remedies referred to in sub-paragraph 1 (b) shall be considered exhausted when the competent authority has not issued a final decision within one (1) year from the beginning of an administrative proceeding and the decision has been delayed for reasons that are not attributable to the affected business person.

148.: Relation with other Chapters

1. Nothing in this Agreement shall be interpreted as imposing any obligation on the Parties with respect to their immigration measures, however, the provisions of this Chapter and those of Chapter 1 (General Provisions and General Definitions), Chapter 15 (Dispute Settlement), Chapter 16 (Transparency), Chapter 17 (Treaty Administration), Chapter 18 (Exceptions), and Chapter 19 (Final Provisions).

2. Nothing in this Chapter shall be construed as imposing obligations or commitments with respect to other Chapters of this Agreement.

149.: Transparency In the Processing of Requests

1. In addition to Chapter 16 (Transparency), each Party shall establish or maintain adequate mechanisms to respond to the inquiries of persons interested in applications and procedures relating to the temporary entry of business persons.

2. Each Party shall endeavor, within a reasonable period of time in accordance with its national law, to inform the applicant of the decision taken in respect of its request, after considering that the request for temporary entry is complete in accordance with its national law. At the request of the applicant, the Party shall endeavor to provide, without undue delay, information concerning the status of the request.

1410.: Definitions

For the purposes of this Chapter:

Business activities means those legitimate commercial activities created and operated for the purpose of gaining profits in the market. It does not include the possibility of obtaining employment, nor salary or remuneration coming from labor source in the territory of a Party;

Executive means a business person in an organization that primarily directs the management of the organization, widely exercises decision-making and receives only general supervision or direction from senior executives, board of directors and / or business shareholders;

Temporary entry means the entry into the territory of one Party by a business person of the other Party, without the intention of establishing permanent residence;

Specialist means an employee who has specialized knowledge of the company's products or services, technical expertise or an advanced level of experience or knowledge of the company's processes and procedures;

Manager means a business person in an organization that primarily directs the organization or a department or subdivision of the organization, oversees and controls the work of other supervisory, professional, or managerial employees, has the authority to hire and fire, or take other actions (Such as authorization of promotions or permits) and exercise discretionary authority in day-to-day operations;

National means a national as defined in Article 1.5 (Definitions of General Application), but does not include permanent residents; Y

Business person means the national of a Party engaged in trade in goods or the provision of services, or in investment activities.

Annex 14.3.1: Categories of Business Persons Section A: Business Visitors

1. Each Party shall authorize temporary entry to the business person who intends to carry out any of the business activities referred to in Appendix 1 to this Section without requiring him to obtain a work permit or employment authorization, Provided that such person, in addition to complying with the existing immigration measures applicable to temporary entry,

exhibits:

(A) evidence proving the nationality of a Party;

(B) documentation proving that the business person will engage in any business activity set forth in Appendix 1 to this Section and state the purpose of their entry; Y

(C) proof of the international nature of the proposed business activity and that the business person does not intend to enter the local labor market.

2. Each Party shall provide that a business person complies with the requirements of sub-paragraph 1 (c) when he demonstrates that:

(A) the principal source of remuneration for the proposed business activity is outside the territory of the Party authorizing temporary entry; Y

(B) the principal place of business of that person and where the profits are actually earned is predominantly outside the territory of the Party granting temporary entry.

Normally, a Party will accept a statement as to the principal place of business and the actual place where profits are actually earned. In the event that the Party requires any additional verification in accordance with its national legislation, it shall normally consider that a letter from the employer or the organization representing such circumstances described in sub-paragraphs 2 (a) and 2 (b).

3. Neither Party may:

(A) require, as a condition for authorizing temporary entry under paragraph 1, prior approval procedures or other procedures having a similar effect; neither

(B) impose or maintain any numerical restrictions on temporary entry in accordance with paragraph 1.

4. A Party may require the business person applying for temporary entry under this Section to obtain a visa prior to entry.

14-6

Appendix 1: Business Visitor

Business activities covered under Section A include:

1. Meetings and Consultancies:

Business persons attending meetings, seminars or conferences, or conducting consultations and consultancies.

2. Research and Design:

Technical, scientific and statistical researchers conducting independent research or investigations for a company established in the territory of the other Party.

3. Cultivation, Manufacturing and Production:

Procurement and production personnel, at managerial level, carrying out commercial operations for a company established in the territory of the other Party.

4. Marketing:

(A) researchers and market analysts conducting research or analysis independently or for an enterprise established in the territory of the other Party; Y

(B) staff of trade and promotional fairs attending trade conventions.

5. Sales:

(A) representatives and sales agents who place orders or negotiate contracts for goods or services for an enterprise established in the territory of the other Party but not delivering the goods or providing the services; and

(B) purchasers who make purchases for a company established in the territory of the other Party.

6. Post Sale Services:

Installation, repair, maintenance and supervisor personnel who have the technical expertise essential to fulfill the seller's contractual obligation; And to provide services or train workers to provide such services under a warranty or other service contract relating to the sale of commercial or industrial equipment or machinery, including computer software purchased from a company established outside the territory of The Party to which temporary entry is requested, during the term of the warranty or service agreement.

7. General services:

(A) management and supervisory personnel engaged in commercial operations for a company located in the territory of the other Party;

(B) public relations and publicity personnel, providing advice to clients or attending or participating in conventions;

(C) tourism staff (travel and travel agents, tour guides or tour operators), attending or participating in conventions;

(D) specialized cooks who attend or participate in gastronomic events or exhibitions, train or provide advice to customers related to gastronomy in the territory of the other Party;

(E) translators or interpreters providing services as employees of an enterprise located in the territory of the other Party, except those services which, in accordance with the law of the Party authorizing temporary entry, must be provided by authorized translators;

(F) providers of information and communications technology services attending meetings, seminars or conferences or conducting consultations; Y

(G) traders and consultants in the development of franchises who wish to offer their services in the territory of the other Party.

14-8

1. Each Party shall authorize temporary entry and shall issue supporting documentation to the business person who intends to:

(A) carry out a substantial commercial exchange of goods or services, principally between the territory of the Party of which it is a national and the territory of the Party to which the entry is requested; or

(B) establish, develop or manage an investment in which the business person or his enterprise has committed or is likely to commit a significant amount of capital in accordance with national legislation,

Provided that the business person also complies with the existing immigration measures applicable to temporary entry.

2. Neither Party may:

(A) require labor certification tests or other procedures of similar effect as a condition for authorizing temporary entry under paragraph 1; neither

(B) impose or maintain numerical restrictions in respect of temporary entry under paragraph 1.

3. A Party may require the business person applying for temporary entry under this Section to obtain a visa prior to entry.

14-9

Section C.

"Transfers of Personnel within a Company

1. Each Party shall authorize temporary entry and issue supporting documentation to the business person employed by an enterprise who is transferred to be an executive, manager, or specialist in such enterprise or one of its subsidiaries or affiliates, provided that such person And that company comply with existing immigration measures applicable to temporary entry. Each Party may require that the person has been employed by the company continuously for one (1) year within three (3) years immediately preceding the filing date of the application.

2. Each Party may require the approval of the employment contract by the competent authority as a prerequisite for the authorization of temporary entry.

3. For greater certainty, nothing in this Section can be interpreted in the sense that it affects the labor legislation or the professional practice of each Party.

4. For greater certainty, in accordance with its national law, a Party may require the transferred business person to render services under subordination relationship at the destination enterprise.

5. A Party may request from the business person requesting temporary entry under this Section, that prior to the entry obtains a visa prior to entry.

14-10

Section D. Professionals

Within three (3) years of the entry into force of this Agreement, the Parties shall enter into consultations for the purpose of developing provisions in this Section.

14-11

Annex 14.3.2: Term of Stay

Section A. Honduras

In the case of Honduras, the National Immigration Institute shall authorize the initial stay, necessary extensions or special residence permits, in accordance with the provisions of the Migration and Aliens Act and its Regulations and the provisions of this Chapter, within the following deadlines:

1. Business Visitors:

(A) Initial period: from one (1) day to ninety (90) days.

(B) Application for an extension of permanence: until the completion of one hundred and twenty (120) days, insofar as the conditions that led to its granting are maintained.

2. Traders and Investors:

(A) Traders:

(i) Initial period: from one (1) day to ninety (90) days.

(ii) Application for an extension of permanence: until the completion of one hundred and twenty (120) days, insofar as the conditions that motivated its granting are maintained.

(B) Investors:

(i) Initial period: from one (1) day to ninety (90) days.

(ii) Application for an extension of permanence: until the completion of one hundred and twenty (120) days, insofar as the conditions that motivated its granting are maintained.

(iii) Within one hundred and twenty (120) days, they may apply for a residence permit for a period of one (1) year, which may be renewed for consecutive periods.

3. Transfers of Personnel within a Company

(A) Initial period: from one (1) day to ninety (90) days.

(B) Request for an extension of stay: until one hundred twenty

(120) days, to the extent that the conditions that

Motivated its granting.

(C) Within a period of one hundred and twenty (120) days, they may apply for a special residence permit for a period of up to five (5) years, which may be renewed for consecutive periods.

14-12

1. Business Visitors:

It is granted a stay period of up to one hundred and eighty-three (183) days.

(Migratory Quality: Business).

2. Traders and Investors:

(A) Traders:

It is granted a stay period of up to one hundred and eighty-three (183) days. (Migratory Quality: Business).

(B) Investors:

(I) Investors in the process of committing an investment: they are granted a term of up to one hundred eighty-three (183) days. (Migratory Quality: Business).

(ii) Independent: You are granted a stay period of up to one (1) year, renewable for consecutive periods as requested, as long as the conditions that led to its granting are maintained. (Migratory Quality: Independent).

3. Transfers of Personnel Within a Company:

It is granted a stay period of up to one (1) year, renewable for periods

As many times as requested, insofar as

Conditions that motivated its granting. (Migratory Quality: Worker).

14-13

Chapter 15. Dispute Resolution

151:. Cooperation

The Parties shall at all times endeavor to reach agreement on the interpretation and application of this Agreement and shall make every effort, through cooperation, consultation or other means, to reach a mutually satisfactory solution to any matter that may affect its functioning.

152:. Scope of Application

Unless otherwise provided in this Agreement, the dispute settlement provisions of this Chapter shall apply to the prevention or settlement of disputes between the Parties relating to the interpretation or application of this Agreement or where a Party considers that:

(A) a current or proposed measure of the other Party may be inconsistent with the obligations of this Agreement; or

(B) the other Party has in any way failed to comply with the obligations of this Agreement.

1. In the event of any dispute arising under this Agreement and under another free trade agreement to which the disputing Parties are parties or the WTO Agreement, the complaining Party may choose the forum to settle the dispute.

2. Once the complaining Party has requested the establishment of a panel under one of the treaties referred to in paragraph 1, the selected forum shall be exclusive of the others.

1. A Party may request in writing to the other Party consultations regarding any existing or proposed measures or any other matter that may affect the operation of this Agreement, in accordance with Article 15.2.

2. The requesting Party shall seek to initiate consultations by means of a written request to the other Party and shall state the reasons for its request, including the identification of the measure or other matter in question and an indication of the legal basis of the claim.

15-1

3. The other Party shall respond in writing, subject to paragraph 4, to consultations with the requesting Party within a maximum period of thirty (30) days from the date of receipt of the request, unless the Parties Agree another term.

4. In cases of urgency, including those relating to perishable goods or goods or services that rapidly lose their commercial value, such as certain seasonal goods or services, consultations shall begin within fifteen (15) days from the date of receipt of Request by the other Party.

5. The requesting Party may require the other Party to make available to the staff of its governmental institutions or other regulatory entities having technical knowledge of the subject matter of the consultations.

6. The Parties shall make every effort to arrive at a mutually satisfactory solution of any matter through consultations, in accordance with the provisions of this Article. To this end, each Party shall:

(A) provide sufficient information to permit a full review of the measure in force or in draft or any other matter that might affect the operation and application of this Agreement; Y

(B) give the confidential or private domain information received during the consultations the same treatment as the Party providing it.

7. Consultations shall be confidential and without prejudice to the rights of the Parties in proceedings under this Chapter.

8. Consultations may be conducted in person or by any technological means agreed upon by the Parties. In case the consultation is in person, it must be done in the capital of the consulted Party, unless the parties agree otherwise.

1. Unless the Parties agree otherwise, and subject to paragraph 5, if a matter referred to in Article 15.4 has not been resolved within:

(A) forty (40) days after receipt of the request for consultations;

(B) twenty-five (25) days after the request for consultations has been received in the case of matters referred to in Article 15.4.4; or

(C) such other period as the consulting Parties may agree upon, the complaining Party may refer the matter to a panel.

2. The complaining Party shall transmit to the other Party a written request for the establishment of a panel, in which it shall indicate the reason for the request,

15-2

Specific measures or other matter subject to the complaint and provide a brief summary of the legal basis of the claim with sufficient information to present the problem clearly.

3. With the submission of the application, it will be understood that the panel has been established.

4. Unless the Parties agree otherwise, the panel shall be integrated and perform its functions in accordance with the provisions of this Chapter.

5. A panel may not be established to review a proposed measure.

156:. Qualifications of Panelists

All panelists should:

(A) have expertise or experience in law, international trade, other matters relating to this Agreement or in the settlement of disputes arising out of international trade agreements;

(B) be selected strictly on the basis of their objectivity, impartiality, reliability and good judgment;

(C) be independent, have no connection with any of the Parties and not receive instructions from them; Y

(D) comply with the Code of Conduct established by the Commission, in accordance with Article 17.1.2 (d) (the Free Trade Commission).

1. The panel shall consist of three (3) members.

2. Each Party shall, within fifteen (15) days after the date of receipt of the panel request, appoint one (1) panelist, nominate up to four (4) non-national candidates from the Parties for the Chairman of the panel and shall notify the other Party in writing of the designation of its panelist and proposed candidates as chair of the panel.

3. If a Party fails to nominate one (1) panelist within the stipulated time, the Party shall be selected by the other Party within five (5) days from among the candidates nominated for the chair.

4. The Parties shall, within thirty (30) days from the date of receipt of the request for the establishment of a panel, endeavor to reach an agreement and designate the chair among the candidates who have been nominated. If at that time the Parties can not agree on the President, the President shall be selected

15-3

By lottery between the candidates that have been proposed, within seven (7) additional days at the expiration of the term of thirty (30) days.

5. If a panelist appointed by a Party resigns, is withdrawn, or is unable to perform its function, that Party shall designate a new panelist within fifteen (15) days, otherwise the designation of the new panelist shall be made in accordance With paragraph 3. If the chairperson of the panel waives, is withdrawn, or is unable to perform its function, the Parties shall agree to designate a replacement within fifteen (15) days, otherwise the replacement shall be designated in accordance with Paragraph 4. If no other candidate remains, each Party shall nominate up to three (3) additional candidates within a further twenty (20) days and the panelist or chairman shall be selected by lot within seven (7)) Subsequent days between the proposed candidates. In either case, any term shall be suspended from the date on which the panelist or the president waives, is retired or is unable to perform his function, and the suspension shall end on the date of selection of the replacement.

1. The Commission shall establish the Rules of Procedure, in accordance with Article 17.1.2 (d) (The Free Trade Commission).

2. Any panel established pursuant to this Chapter shall follow the Rules of Procedure. A panel may establish, in consultation with the Parties, additional procedural rules that do not conflict with the provisions of this Chapter.

3. Unless the Parties agree otherwise, the Rules of Procedure shall ensure:

(A) that the proceedings will guarantee the right, at least to a panel hearing, and the opportunity to submit written pleadings and rebuttals;

(B) that the hearings before the panel, the deliberations, as well as all written submissions and communications presented in the proceeding, shall be confidential;

(C) that all submissions and comments made by a Party to the panel shall be made available to the other Party;

(D) protection of information that either Party designates as confidential information; Y

(E) the possibility of using technological means to carry out the procedures, provided that the means used does not diminish the right of a Party to participate in the proceedings and that its authenticity can be guaranteed.

15-4

4. Unless otherwise agreed by the Parties within fifteen (15) days following the establishment of the panel, the terms of reference of the panel shall be:

"To examine, in an objective manner and in the light of the relevant provisions of this Treaty, the matter referred to in the request for the establishment of the panel and to formulate conclusions, resolutions and recommendations in accordance with Article 15.9."

5. If a Party wishes the panel to reach conclusions on the level of adverse trade effects on a Party as a result of any measure that is found to be inconsistent with the obligations of the Treaty, the mandate shall indicate it.

6. At the request of a Party or on its own initiative, the panel may seek information and seek the technical advice of such experts as it deems necessary, provided the Parties so agree, and in accordance with such terms and conditions as those Parties may agree, With the Rules of Procedure.

7. The panel may delegate to the president the authority to make decisions

Administrative and procedural aspects.

8. The panel may, in consultation with the Parties, modify any time limit

Corresponding to their actions and make other administrative or procedural adjustments that may be required for the transparency and efficiency of the procedure.

9. The conclusions, determinations and recommendations of the panel in accordance with the provisions of Article 15.9 shall be adopted by a majority of its members.

10. Panellists may submit separate opinions on matters not covered by the

Came to a unanimous decision. The panel may not disclose the identity of the panelists who

Have expressed a majority or minority opinion.

11. Unless the Parties otherwise agree, the expenses of the panel, including the remuneration of its members, shall be borne in equal parts, in accordance with the Rules of Procedure.

1. Unless otherwise agreed by the Parties, the panel shall base its report on the relevant provisions of this Treaty, on the submissions and arguments of the Parties, or on any information received by the Parties in accordance with Article 15.8.

2. Unless the Parties agree otherwise, the panel shall submit the report to the Parties within one hundred and twenty (120) days or ninety (90) days for urgent cases, counted from the appointment of the last panelist.

3. Only in exceptional cases, if the panel considers that it can not issue its report within one hundred and twenty (120) days or ninety (90) days for urgent cases, it shall inform the Parties in writing of the reasons justifying the delay, Along with a

15-5

Estimate of the time in which it will issue its report. Any delay shall not exceed an additional thirty (30) days, unless the parties agree otherwise.

4. The report shall contain:

(A) conclusions, with factual and legal grounds;

(B) determinations as to whether or not a Party has complied with its obligations under this Agreement and any other determination requested in the terms of reference; Y

(C) its recommendations for the implementation of the decision, when one of the Parties so requests.

5. The panel shall not disclose confidential information in its report, but may draw conclusions derived from such information.

6. Unless otherwise agreed by the Parties, the Parties shall make the report available to the public within fifteen (15) days of receipt, subject to the protection of confidential information.

1. Upon receipt of a panel report, the Parties shall reach agreement on the settlement of the dispute, which shall be in accordance with the determinations and recommendations of the panel, if any, unless the Parties agree otherwise.

2. If possible, the solution shall be the elimination of any measure that does not comply with the provisions of this Treaty.

3. If the Parties do not agree on a solution within thirty (30) days after the submission of the report, or such other period as the Parties may agree, the Party to which it has been requested, at the request of the complaining Party, It will begin negotiations with a view to agreeing on compensation. Such compensation will be temporary and will be granted until the dispute is resolved.

1. If the Parties:

(A) have not reached an agreement on the settlement of the dispute and no compensation has been requested in accordance with Article 15.10, within thirty (30) days following the submission of the report; or

(B) do not agree to compensation in accordance with Article 15.10, within thirty (30) days following the submission of the complaining Party's request; or

15-6

(C) have reached agreement on the settlement of the dispute or compensation in accordance with Article 15.10 and the complaining Party considers that the Party complained against has failed to comply with the terms of the agreement,

The complaining Party may, upon notice to the Party complained against, suspend benefits of equivalent effect to that Party complained against. In the notification, the complaining Party shall specify the level of benefits it proposes to suspend.

2. In considering the benefits to be suspended in accordance with paragraph 1:

(A) the complaining Party shall first seek to suspend benefits within the same sector (s) affected by the measure or other matter that the Panel has concluded is inconsistent with its obligations under this Agreement; Y

(B) the complaining Party which considers that it is impracticable or ineffective to suspend benefits within the same sector (s) may suspend benefits in other sectors.

3. Suspension of benefits shall be temporary and the complaining Party shall only apply to:

(A) that the measure found to be inconsistent with the obligations of this Agreement is brought into conformity with it; or

(B) the time at which the Parties reach agreement on the settlement of the dispute; or

(C) that the panel described in Article 15.12 conclude in its report that the Party complained against has complied.

1512:.

"Review of Compliance and Suspension of Benefits

1. A Party may, by written communication to the other Party, request that the panel established pursuant to Article 15.5 be reconstituted to determine:

(A) if the level of benefit suspension applied by the complaining Party in accordance with Article 15.11.1 is manifestly excessive; or

(B) any disagreement as to the existence of the measures taken to comply with the panel report originally established or with respect to the consistency of those measures with this Agreement.

2. In the written submission, the Party shall indicate the specific measures or issues in dispute and provide a brief summary of the legal basis of the claim sufficient to present the problem clearly.

15-7

3. If the original panel or any of its members can not be reconvened, the provisions of Article 15.7 shall apply mutatis mutandis.

4. The provisions of Articles 15.8 and 15.9 apply mutatis mutandis to the procedures adopted and the reports issued by a panel that is reconstituted under the terms of this Article, with the exception that, in accordance with the provisions of Article 15.8. 8, the panel shall submit a report within sixty (60) days from the appointment of the last panelist, if the request refers to sub-paragraph 1 (a) and within ninety (90) days, if the panel Referred to subparagraph 1 (b).

5. A panel reconstituted pursuant to subparagraph 1 (b) shall determine whether it is appropriate to terminate any suspension of benefits. If the panel is reconstituted in accordance with sub-paragraph 1 (a) and determines that the level of suspended benefits is manifestly excessive, it shall set the level of benefits it considers to have an equivalent effect.

1513:.

"Matters Relating to Judicial and Administrative Proceedings

1. If a dispute arises as to the interpretation or application of this Agreement in an internal judicial or administrative proceeding of a Party which either Party deems to merit its intervention, or if a court or administrative body requests the opinion of a Party, That Party shall notify the other Party. The Commission will endeavor to agree, as soon as possible, on an appropriate response.

2. The Party in whose territory the court or administrative body is located shall submit the interpretation agreed by the Commission before the court or administrative body in accordance with the proceedings of the court in question.

3. If the Commission fails to reach an agreement, each Party may present its own views before the court or administrative body, in accordance with the procedures of the body concerned.

1514: Rights of Individuals

Neither Party may grant a right of action under its domestic law against the other Party on the ground that a measure of the

other Party is inconsistent with this Agreement.

1515:.

"Alternative Means of Settlement of Disputes

1. To the greatest extent possible, each Party shall promote and facilitate the use of arbitration and other alternative means of settling international commercial disputes between private individuals in the free trade area.

15-8

2. To this end, each Party shall provide for adequate procedures to ensure compliance with arbitration agreements and the recognition and enforcement of arbitral awards rendered in such disputes.

3. A Party shall be deemed to comply with paragraph 2 if it is a party to the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, done at New York on 10 June 1958 and Conforms to its provisions.

1516:.

"Suspension and Termination of the Procedure

1. The Parties may agree to suspend the work of the panel at any time for a term not greater than twelve (12) months following the date of such agreement. If panel work remains suspended for more than twelve (12) months, panel authority shall lapse unless otherwise agreed by the Parties. If the panel authority expires and the Parties have not reached agreement on the settlement of the dispute, nothing in this Article shall prevent a Party from requesting a new proceeding relating to the same matter.

2. The Parties may agree to terminate the proceedings before a panel by means of a joint notification to the chair of the panel at any time prior to the notification of the report.

15-9

Chapter 16. Transparency

1. Each Party shall designate, within sixty (60) days following the date of entry into force of this Agreement, a contact point to facilitate communications between the Parties on any matter covered by this Agreement.

2. At the request of the other Party, the contact point shall indicate the office or official responsible for the matter and shall provide such support as may be necessary to facilitate communication with the requesting Party.

1. Each Party shall ensure that its laws, regulations, procedures and administrative rulings of general application relating to any matter covered by this Agreement are published promptly or otherwise are made available to the persons concerned and to the other part.

2. To the extent possible, each Party shall:

(A) publish any measure referred to in paragraph 1 which it proposes to adopt, relating to matters covered by this Agreement; Y

(B) provide interested parties and the other Party with the opportunity to comment on such measures.

1. At the request of a Party, and to the extent permitted by its domestic law, the other Party shall provide information and promptly respond to questions relating to any matter that could materially affect this Agreement.

2. Any provision of information provided under this Article shall be made without prejudice to whether or not the measure is compatible with this Agreement.

164: Administrative Procedures

In order to administer in a compatible, impartial and reasonable manner all measures of general application affecting the matters covered by this Agreement, each Party shall ensure that in its administrative procedures in which the measures referred to in Article 16.2.1 To persons, goods or services in particular of the other Party in specific cases:

16-1

(A) wherever possible, persons of the other Party who are directly affected by a proceeding shall, in accordance with national law, receive reasonable notice of the commencement of the proceedings, including a description of their nature, to which the procedure is initiated and a general description of all the issues in dispute;

(B) where the time, nature of the proceedings and the public interest permit, such persons are given a reasonable opportunity to present facts and arguments in support of their claims, prior to any final administrative action; Y

(C) its procedures are in accordance with national legislation.

1. Each Party shall establish or maintain judicial or administrative tribunals or proceedings for the purpose of prompt review and, where appropriate, correction of final administrative actions related to matters covered by this Agreement. These courts shall be impartial and shall not be bound by the agency or the authority responsible for administrative enforcement of the law and shall have no material interest in the outcome of the case.

2. Each Party shall ensure that, in such courts or in such proceedings, the Parties have the right to:

(A) a reasonable opportunity to support or defend their respective positions; Y

(B) a resolution based on the evidence and arguments or, in cases where required by national legislation, in the file compiled by the administrative authority.

3. Each Party shall ensure that, in accordance with the means of challenge or subsequent review to which it may be provided in accordance with its domestic law, such resolutions shall be implemented by its agencies or authorities and shall govern their practice with respect to The administrative action in question.

166:. Specific Rules

The provisions of this Chapter are without prejudice to the specific rules established in other Chapters of this Treaty.

16-2

167:. Definition

For the purposes of this Chapter:

Administrative resolution of general application means an administrative resolution or interpretation that applies to all persons and situations of fact that generally fall within its scope, and which establishes a standard of conduct, but does not include:

(A) resolutions or rulings in an administrative proceeding that applies to a particular person, commodity or service of the other Party in a specific case; or

(B) a ruling which resolves in respect of a particular act or practice.

16-3

Chapter 17. Administration of the Treaty

1. The Parties shall establish the Free Trade Commission, composed of representatives at the ministerial level of each Party, in accordance with Annex 17.1, or by the persons to whom they designate.

2. The Commission shall:

(A) monitor the implementation of the Treaty;

(B) oversee the further development of the Treaty;

(C) oversee the work of all bodies established under this Treaty, including committees and working groups;

(D) to approve at its first meeting, unless otherwise agreed by the Parties, the Rules of Procedure and the Code of Conduct referred to in Chapter 15 (Dispute Settlement), as well as to modify them as necessary;

(E) set the amount of compensation and expenses to be paid to the members of the panels referred to in Chapter 15 (Settlement of Disputes);

(F) to know of any other matter that could affect the operation of the Treaty; Y

(G) establish and modify its rules of procedure.

3. The Commission may:

(A) establish and delegate responsibilities to the bodies established under this Agreement;

(B) modify in compliance with the objectives of this Treaty:

(I) the Schedules set out in Annex 2.3 (Tariff Elimination Program) by improving the market access tariff conditions, including the possibility of accelerating the tariff elimination and including one or more goods excluded from the Tariff Elimination Program. Tariff Elimination;

17-1

(ii) the rules of origin established in Annex 3.1 (Specific Rules of Origin), Annex 3.16 (Certificate of Origin) and Annex 3.17 (Declaration of Origin); Y

(iii) Annex 10.1 (Coverage Annex);

(C) issue interpretations of the provisions of this Agreement;

(D) discuss any proposed amendment to this Treaty to make a recommendation to the Parties;

(E) review the impacts of the Treaty on the Parties' micro, small and medium-sized enterprises;

(F) request the advice of individuals or non-governmental groups; Y

(G) take any other action for the performance of their duties as the Parties may agree.

4. Each Party shall implement, in accordance with its national legislation, any changes referred to in subparagraph 3 (b) within the period agreed by the Parties.

5. All decisions of the Commission shall be adopted by mutual agreement.

6. The Commission shall meet at least once a year in ordinary session, unless the Commission decides otherwise. The ordinary sessions of the Commission shall be held alternately in the territory of the Parties or by any technological means.

172.:

"Coordinators of the Free Trade Agreement

1. Each Party shall designate a Coordinator of the Free Trade Agreement, in accordance with Annex 17.2.

2. The Coordinators shall work jointly in the development of agendas and in other preparations for the meetings of the Commission and shall monitor appropriately the decisions of the Commission.

173.: Administration of Dispute Resolution Procedures

Controversies

1. Each Party shall:

(A) designate an office to provide administrative support for the panels contemplated in Chapter 15 (Dispute Settlement) and perform other functions under the instruction of the Commission; Y

17-2

(B) notify the other Party of the address of its designated office.

2. Each Party shall be responsible for the operation and costs of its designated office.

17-3

The Free Trade Commission will be composed of:

(A) in the case of Honduras: the Secretary of State in the Office of Economic Development; Y

(B) in the case of Peru: the Minister of Foreign Trade and Tourism, or his successors.

17-4

Annex 17.1.3 (b): Implementation of the Modifications Approved by the
Free Trade Commission

In the case of Honduras, the decisions of the Commission under Article 17.1.3 (b) shall be equivalent to the instrument referred to in Article 21 of the Constitution of the Republic of Honduras.

17-5

"Coordinators of the Free Trade Agreement

The Coordinators of the Free Trade Agreement will be:

(A) in the case of Honduras: the Director General of Administration and Negotiation of Treaties of the Secretary of State in the Economic Development Office or his designee; Y

(B) in the case of Peru: the unit designated by the Vice Minister of Foreign Trade,

Or their successors.

Chapter 18. Exceptions

181:. General Exceptions

1. For the purposes of Chapter 2 (Market Access to Goods), Chapter 3 (Rules of Origin and Procedures of Origin), Chapter 4 (Trade Facilitation and Customs Procedures), Chapter 5 (Cooperation and Mutual Assistance in Customs Matters), Chapter 6 (Sanitary and Phytosanitary Measures) and Chapter 7 (Technical Barriers to Trade), Article XX of the GATT 1994 and its interpretative notes are incorporated into this Agreement and form an integral part thereof, mutatis mutandis. The Parties understand that the measures referred to in Article XX (b) of the GATT 1994 include environmental measures necessary to protect human, animal or plant life or health and that Article XX (g) of the GATT Of 1994 applies to measures relating to the conservation of living or non-living exhaustible natural resources.

2. For the purposes of Chapter 13 (Cross-Border Trade in Services) and Chapter 14 (Temporary Entry of Business Persons), WTO GATS Article XIV (including footnotes) is incorporated into this Agreement and forms Which is an integral part thereof, mutatis mutandis. The Parties understand that the measures referred to in Article XIV (b) of the WTO GATS include environmental measures necessary to protect human, animal or plant life or health.

182:. Essential Security

Nothing in this Agreement shall be construed as:

(A) oblige a Party to provide or give access to information the disclosure of which it considers to be contrary to its essential security interests; or

(B) prevent a Party from implementing measures it deems necessary to fulfill its obligations with respect to the maintenance or restoration of international peace or security or to protect its essential security interests.

1. Except as provided in this Article, nothing in this Agreement shall apply to taxation measures.

2. Nothing in this Agreement shall affect the rights and obligations of the Parties deriving from any tax convention. In case of

18-1

Incompatibility between this Agreement and any of these agreements, the agreement shall prevail to the extent of the incompatibility. In the case of a tax agreement between the Parties, the competent authorities under that agreement shall have sole responsibility for determining whether there is any inconsistency between this Agreement and that agreement.

3. By way of derogation from paragraph 2:

(A) Article 2.2 (National Treatment) and such other provisions in this Agreement as are necessary to give effect to such Article shall apply to taxation measures to the same extent as Article III of the GATT 1994; and

(B) Article 2.11 (Export Taxes) will apply to tax measures.

4. Subject to the provisions of paragraph 2:

(A) Article 13.3 (National Treatment), shall apply to tax measures on income, capital gains, or on the taxable capital of companies relating to the acquisition or consumption of specific services, except that nothing in this subparagraph shall prevent a Party from conditioning the receipt or continuation of receipt of an advantage related to the acquisition or consumption of specific services, to the requirement to provide the service in its territory; Y

(B) Articles 12.2 (National Treatment) and 12.3 (Most Favored Nation Treatment) and 13.3 (National Treatment) and 13.4 (Most Favored Nation Treatment) shall apply to all tax measures, except those on income, earnings of capital, or over taxable corporate capital, estate taxes, inheritance, donations and generation-skipping transfers.

5. Paragraph 4 may not:

(A) impose any most-favored-nation obligation in respect of the benefit conferred by a Party in pursuance of any tax convention;

(B) apply to any non-conforming provision of any existing tax measure;

(C) apply to the continuation or prompt renewal of a non-conforming provision of any existing tax measure;

(D) apply a reform to a non-conforming provision of any existing tax measure, so long as that reform does not

18-2

At the time of its execution, its degree of conformity with any of the articles mentioned in paragraph 4;

(E) apply to the adoption or application of any tax measure to ensure the application or collection of taxes in an equitable or effective manner (as permitted by WTO GATS Article XIV (d)); or

(F) apply to a provision that conditions the receipt or continued receipt of an advantage in respect of contributions to, or income from, fiduciary pensions or pension schemes, on the requirement that the Party maintain continuous jurisdiction over the pension fiduciary or pension plan.

6. Subject to paragraph 2 and without prejudice to the rights and obligations of Parties in accordance with paragraph 3, paragraphs 3, 5, 6, 7, 8, 9 and 10 of Article 12.6 (Performance Requirements) shall apply to The tax measures.

7.

(A) Article 12.10 (Expropriation and Compensation) and 12.16 (Submission of a Claim to Arbitration) shall apply to a tax measure that is alleged to be expropriation. However, no investor may invoke Article 12.10 (Expropriation and Compensation) as the basis of a claim where it has been determined in accordance with this paragraph that the measure does not constitute an expropriation¹. An investor seeking to invoke Article 12.10 (Expropriation and Compensation) with respect to a tax measure, it shall first submit the matter to the competent authorities of the Party complained against and referred to in sub-paragraph (b), upon written notice of its intention to submit a claim to arbitration pursuant to Article 12.16 (Submission of a Claim to Arbitration), so that said authorities determine whether the tax measure constitutes

¹ With reference to Article 12.10 (Expropriation and Compensation) in assessing whether a tax measure constitutes expropriation, the following considerations are relevant:

(A) taxation does not generally constitute expropriation. The mere introduction of new tax measures or the imposition of taxes in more than one jurisdiction with respect to an investment does not constitute, nor in itself, expropriation;

(B) tax measures consistent with internationally recognized tax policies, principles and practices do not constitute expropriation and, in particular, tax measures aimed at preventing tax evasion or avoidance should not generally be considered as expropriation; Y

(C) tax measures applied on a non-discriminatory basis, as opposed to being addressed to an investor of a particular nationality or to specific individual taxpayers, are less likely to constitute expropriation. A tax measure should not constitute expropriation if, when the investment is made, it is already in force, and the information on the measure was made public

or otherwise made publicly available.

18-3

An expropriation. If the competent authorities do not agree to examine the matter or if, having agreed to examine it, they do not agree that the measure does not constitute an expropriation, within six (6) months after the matter has been referred to, the investor may Submit your claim to arbitration, in accordance with Article 12.16 (Submission of a Claim to Arbitration).

(B) For the purposes of this paragraph, the competent authorities

Mean:

(I) in the case of Honduras, the Executive Directorate of Revenue (DEI); Y

(ii) in the case of Peru, the Ministry of Economy and Finance, or its successors.

8. For the purposes of this Article:

Tax convention means an agreement to avoid double taxation.

Other international agreement or arrangement in tax matters; and

Taxes and tax measures do not include:

(A) a customs tariff as defined in Article 1.5 (Definitions of General Application); or

(B) the measures listed in exceptions (b) and (c) of the Customs Tariff definition of Article 1.5 (Definitions of General Application).

184.: Disclosure of Information

Nothing in this Agreement shall be construed to oblige a Party to provide or give access to confidential information, the disclosure of which may impede compliance with its domestic law, is contrary to the public interest, or would be likely to prejudice commercial interests Of private companies, whether public or private.

185.:

"Measures to Safeguard the Balance of Payments

In accordance with the WTO Agreement and consistent with the Agreement Establishing the International Monetary Fund, a Party may adopt or maintain temporary and non-discriminatory safeguard measures with respect to payments and capital movements that it deems necessary:

(A) in case of existence or threat of serious external financial or balance of payments difficulties; or

(B) in cases where, under exceptional circumstances, payments and capital movements cause or threaten to cause serious difficulties for macroeconomic management, particularly monetary and exchange rate policy.

18-5

Chapter 19. Final Provisions

191.: Appendices, Appendices and Footnotes

The Annexes, Appendices, and footnotes to this Agreement form an integral part thereof.

1. The Parties may agree to any amendment to this Agreement.

2. When the amendment is agreed upon and approved in accordance with the legal procedures of each Party, the amendment shall form an integral part of this Agreement and shall enter into force on the date on which the Parties so agree.

193.: Amendments to the Wto Agreement

If any provision of the WTO Agreement that has been incorporated into this Agreement is amended, the Parties shall consult with a view to amending the appropriate provision of this Agreement, as appropriate, in accordance with Article 19.2.

194.: Reservations and Interpretative Declarations

This Treaty shall not be subject to reservations or unilateral interpretative declarations. 1

195.: Entry Into Force

This Treaty shall enter into force sixty (60) days after the date on which the Parties exchange written notifications confirming that they have complied with their respective legal procedures or on such date as the Parties so agree.

196.: Complaint

Any Party may denounce this Treaty. The denunciation shall take effect one hundred and eighty (180) days after being communicated to the other Party, without prejudice to the parties being able to agree on a different period of time to effect the denunciation.

1 Peru understands that this provision does not affect its position on reservations and interpretative declarations in relation to other treaties other than this.

1. A Party's Schedule to this Annex establishes, in accordance with Article 12.7 (Non-Conforming Measures) and Article 13.7 (Non-Conforming Measures), nonconforming aspects of a Party's existing measures that are not subject to any or all Obligations imposed by:

(A) Article 12.2 (National Treatment) or Article 13.3 (National Treatment);

(B) Article 12.3 (Most-Favored-Nation Treatment) or Article 13.4 (Most-Favored-Nation Treatment);

(C) Article 12.5 (Senior Executives and Boards of Directors);

(D) Article 12.6 (Performance Requirements);

(E) Article 13.5 (Market Access); or

(F) Article 13.6 (Local Presence).

2. Each reservation in the Party's Schedule establishes the following elements:

(A) Sector refers to the general sector for which the reservation has been made;

(B) Subsector refers to the specific sector for which the reservation has been made;

(C) Affected Obligations specifies the obligation (s) referred to in paragraph 1 which, pursuant to Article 12.7 (Non-Conforming Measures) and Article 13.7 (Non-Conforming Measures), do not apply to nonconforming aspects of the listed And as provided in paragraph 3;

(D) Government level indicates the level of government that maintains the listed measure (s);

(E) Measures identify the laws, regulations or other measures in respect of which the reservation has been made. A measure cited in the element

Measurements:

(i) means the modified measure, continued or renewed, as of the date of entry into force of this Agreement, and

(ii) includes any subordinate measure, adopted or maintained, under the authority of such measure and in a manner consistent with it; Y

(F) Description sets out the liberalization commitments, if the

On the date of entry into force of this Treaty and the remaining non-conforming aspects of the existing measures on which the reservation has been made.

3. In the interpretation of a reservation of the List, all elements of the reserve will be considered. A reservation shall be

interpreted in the light of the relevant obligations of the Chapters in respect of which the reservation has been made. As in:

(A) the Measures element is qualified by a commitment to liberalize the element Description, the element Measures thus qualified, will prevail over any other element; Y

(B) the Measures element is not qualified, the Measures element shall prevail over any other element, except where any discrepancy between the Measure element and the other elements taken as a whole is so substantial and material that it would not be reasonable to conclude that the element Measures must Prevail, in which case the other elements shall prevail to the extent of the discrepancy.

4. In accordance with Article 12.7 (Non-Conforming Measures) and Article 13.7 (Non-Conforming Measures), the Articles of this Agreement specified in the Affected Obligations element of a reservation do not apply to non-conforming aspects of the measures identified in the element Measures of that reservation.

5. Where a Party maintains a measure requiring the service provider to be a national, a permanent resident or resident in its territory as a condition for the provision of a service in its territory, a reservation made for that measure in respect of Article 13.3 (National Treatment), Article 13.4 (Most Favored Nation Treatment), or Article 13.6 (Local Presence), shall operate as a reservation with respect to Article 12.2 (National Treatment), Article 12.3 (Most Favored Nation Treatment), or Article 12.6 (Performance) with respect to such measure.

6. For greater certainty, Article 13.5 (Market Access) refers to non-discriminatory measures.

7. The Parties understand that the provision contained in Article 292 of the Constitution of the Republic of Honduras is fully covered by Article 18.2 (Essential Security). For more certainty, the contents of Article 18.2 (Essential Security) (b) do not in any way mean impairment of what is established in Article 292 of the Constitution of the Republic of Honduras.

8. The Parties understand that the requirement to appoint representatives, agents or agents, local or resident, is not inconsistent with the obligations of Chapter 12 (Investments) and Chapter 13 (Cross-Border Trade in Services). 1

9. For greater certainty, the residence requirement for the recognition of degrees or degrees is not inconsistent with Article 13.2 (National Treatment), Article 13.4 (Most Favored Nation Treatment) and Article 13.6 (Local Presence).

1 For greater certainty, this does not limit the ability of the Parties to require the appointment of representatives or agents, local or resident when the national legislation of the sector so requires.

1. Sector:

List of Peru

All Sectors

Subsector:

Obligations Concerned:

National Treatment (Article 12.2)

Level of Government:

Central

Measurements:

Political Constitution of Peru (1993), article 71.

Legislative Decree No. 757, Official Gazette "El Peruano" of November 13, 1991, Framework Law for the Growth of Private Investment, article 13.

Description:

Investment

No foreign national, company incorporated under foreign law or company incorporated under Peruvian law, wholly or partly, directly or indirectly, in the hands of foreign nationals, may acquire or hold by title, directly or indirectly, lands or waters (including mines, Forests or energy sources) within fifty (50) kilometers of Peru's borders. By Supreme Decree approved by the Council of Ministers, exceptions may be authorized in case of public necessity that has been expressly

declared.

For each case of acquisition or possession in the referred area, the investor must submit the corresponding request to the competent Ministry in accordance with the current legal regulations. For example, this type of authorization has been granted in the mining sector.

Annex I-PE-1

2. Sector:

Fisheries and Related Services

Subsector:

Obligations Concerned: Level of Government: Measures:

Description:

National Treatment (Article 13.3)

Central

Supreme Decree No. 012-2001-PE, Official Gazette "El Peruano" of March 14, 2001, Regulations of the General Fisheries Law, articles 67, 68, 69 and 70.

Cross-Border Trade in Services

The owners of foreign-flagged fishing vessels must present a bond of irrevocable, unconditional and unconditional character, prior to the commencement of their operations, with a validity period of no more than thirty (30) calendar days after the date of Finalization of the fishing permit issued to the satisfaction of the Ministry of Production by a banking, financial or insurance institution duly recognized by the Superintendency of Banking and Insurance. Said letter will be issued for an amount equivalent to twenty-five percent (25%) of the amount to be paid by way of payment of fishing rights.

Owners of foreign-flagged fishing vessels (in accordance with the abovementioned regulations) operating in Peruvian jurisdictional waters, are required to count on their vessels with the Satellite Monitoring System, except by Ministerial Resolution The shipowners of highly migratory fisheries.

Foreign-flagged fishing vessels holding a fishing permit must carry a scientific technical observer designated by the Instituto de Mar del Perú (IMARPE) on board. Shipowners, in addition to providing accommodation on board to such a representative, will have to pay an allowance per day of shipment, which will be deposited in a special account that IMARPE will administer for this purpose.

Owners of foreign-flagged fishing vessels operating in Peruvian jurisdictional waters shall hire a minimum of thirty percent (30%) of Peruvian crew members, subject to applicable national legislation.

Annex I-PE-2

3. Sector:

Broadcasting Services

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description:

National Treatment (Article 12.2)

Local Presence (Article 13.6)

Central

Law No. 28278, Official Journal "El Peruano" of July 16, 2004, Radio and Television Law, article 24.

Investment and Cross-Border Trade in Services

Only natural persons of Peruvian nationality, or juridical persons constituted under Peruvian law and domiciled in Peru, may be holders of authorizations and licenses of broadcasting services.

The foreigner, either directly or through a sole proprietorship, may hold authorization or license.

Annex I-PE-3

4. Sector:

Audiovisual Services

Subsector:

Obligations Concerned:

National Treatment (Article 13.3)

Performance Requirements (Article 12.6)

Level of Government:

Central

Measurements:

Law No. 28278, Official Journal "El Peruano" of July 16, 2004, Radio and Television Law, Eighth Complementary and Final Disposition.

Description:

Investment and Cross-Border Trade in Services

Holders of broadcasting services (open signal) must establish a minimum national production of thirty percent (30%) of their programming, from 5:00 AM to 12:00 PM, on average weekly.

Annex I-PE-4

5. Sector:

Broadcasting Services

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description:

National Treatment (Articles 12.2 and 13.3)

Most Favored Nation Treatment (Articles 12.3 and 13.4)

Central

Supreme Decree No. 005-2005-MTC, Official Journal "El Peruano" of February 15, 2005, Regulation of the Radio and Television Law, article 20.

Investment and Cross-Border Trade in Services

If a foreigner is, directly or indirectly, a shareholder, partner or associate of a legal person, that legal person may not hold authorizations to provide the broadcasting service within the localities bordering the country of origin of said foreigner, except in the case Of public necessity authorized by the Council of Ministers.

This restriction does not apply to legal entities with foreign participation that have two (2) or more authorizations in force, provided that it is the same frequency band.

Annex I-PE-5

6. Sector:

All Sectors

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description:

Senior Executives and Boards of Directors (Article 12.5)

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Central

Legislative Decree No. 689, Official Gazette "El Peruano" of November 5, 1991, Law for the Recruitment of Foreign Workers, articles 1, 3, 4, 5 (modified by Law No. 26196) and 6.

Investment and Cross-Border Trade in Services

Employers, whatever their activity or nationality, will give preference to the hiring of national workers.

Foreign natural persons providing services and employed by companies providing services may provide services in Peru through a work contract that must be concluded in writing and for a fixed term, for a maximum period of three (3) years, renewable, in succession, for equal periods, and must also include the commitment to train national personnel in the same occupation.

Foreign natural persons may not represent more than twenty percent (20%) of the total number of employees, employees and workers of a company, and their remuneration may not exceed thirty percent (30%) of the total salary payroll. And wages. These percentages will not apply in the following cases:

(A) when the foreign service provider is a Peruvian spouse, ascendant, descendant or brother;

(B) in the case of personnel of foreign companies engaged in international land, air or water transport services with foreign flag and registration;

(C) in the case of foreign personnel working in multinational service companies or multinational banks subject to legal regulations

Annex I-PE-6

Specific cases;

(D) in the case of a foreign investor, provided that his investment permanently has a minimum amount of five (5) Tax Units 1 during the term of his contract;

(E) in the case of artists, athletes or service providers who perform public performances in Peruvian territory, up to a maximum of three (3) months per year;

(F) in the case of an alien with an immigrant visa;

(G) in the case of an alien with the country of origin of which there is a labor reciprocity agreement or dual nationality; Y

(H) in the case of foreign personnel who, under bilateral or multilateral agreements concluded by the Government of Peru, provide services in the country.

Employers may request exemptions from the limiting percentages relating to the number of foreign workers and the percentage of their remuneration in the total amount of the company's payroll when:

(A) are professional or technical personnel

Specialized;

(B) they are management and / or management personnel of

A new business activity or

Business restructuring;

(C) they are teachers hired for the

Higher education, basic or secondary education in foreign private schools, or language teaching in private national colleges or in specialized language teaching centers;

(D) they are staff of companies in the sector

1 The "Tax Tax Unit (ITU)" is a reference amount that is used in the tax rules in order to maintain in constant values the tax bases, deductions, limits of taxation and other aspects of the taxes considered appropriate by the legislator.

Annex I-PE-7

Public or private contracts with agencies, institutions or companies in the public sector; Y

(E) in any other case established by Supreme Decree following the criteria of specialization, qualification or experience.

Annex I-PE-8

7. Sector:

Professional services

Subsector:

Legal services

Obligations Concerned:

National Treatment (Articles 12.2 and 13.3)

Level of Government:

Central

Measurements:

Legislative Decree No. 1049, Official Gazette "El Peruano" of June 26, 2008, Legislative Decree of the Notary, article 10.

Description:

Investment and Cross-Border Trade in Services

Only natural persons of Peruvian nationality by birth can provide notary services.

Annex I-PE-9

8. Sector:

Professional services

Subsector:

Obligations Concerned: Level of Government: Measures:

Description:

Architectural Services

National Treatment (Articles 12.2 and 13.3)

Central

Law No. 14085, Official Gazette "El Peruano" of June 30, 1962, Law of Creation of the College of Architects of Peru.

Law No. 16053, Official Journal "El Peruano" of February 14, 1966, Professional Exercise Law, Authorizes the Colleges of Architects and Engineers of Peru to supervise the professionals of Engineering and Architecture of the Republic, article 1.

Agreement of the National Council of Architects, approved in Session N ° 04-2009 of December 15, 2009.

Investment and Cross-Border Trade in Services

To practice as an architect in Peru, a person must be a member of the College of Architects. Tuition fees are different for nationals and foreigners, and subject to revision by the College of Architects. For greater transparency, the current tuition fees are:

(A) Peruvians graduated from Peruvian universities seven hundred seventy-five new soles (S /.775);

(B) Peruvians graduated from foreign universities one thousand two hundred and forty nuevos soles (S /. 1240);

(C) foreigners graduated from Peruvian universities one thousand two hundred and forty nuevos soles (S /. 1240); Y

(D) foreign graduates in foreign universities three thousand one hundred nuevos soles (S /. 3100).

Also, for temporary registration, non-resident foreign architects require a partnership agreement with a Peruvian architect residing in Peru.

Annex I-PE-10

9. Sector:

Professional services

Subsector:

Audit Services

Obligations Concerned:

National Treatment (Articles 12.2 and 13.3)

Local Presence (Article 13.6)

Level of Government:

Central

Measurements:

Internal Regulation of the College of Public Accountants of Lima, articles 145 and 146.

Description:

Investment and Cross-Border Trade in Services

The audit companies must be constituted solely and exclusively by public accountants who are collegiate and resident in the country and duly qualified by the Association of Public Accountants of Lima.

Annex I-PE-11

10. Sector:

Security Services

Subsector:

Personal Protection Services, Private Surveillance, Money and Values Transportation, Own Account Protection, Security Technology, Consulting and Advice on Private Security Issues

Obligations Concerned:

National Treatment (Article 13.3)

Local Presence (13.6)

Senior Executives and Boards of Directors (Article 12.5)

Level of Government:

Central

Measurements:

Supreme Decree No. 003-2011-IN, Official Gazette "El Peruano" of March 31, 2011, Regulation of Private Security Services, articles 12, 18, 22, 36, 40, 41, 46, 47 and 48.

Description:

Investment and Cross-Border Trade in Services

The provision of personal and patrimonial security services by natural persons is reserved for Peruvian nationals.

Only legal entities established in Peru may request authorization for the provision of security services, and must accredit it by means of a copy of the registration form of incorporation of the company.

Senior executives who are also shareholders of security service companies must have a current foreigner's license with an Independent-Investor's immigration status. To obtain the foreigner's license you must be a resident of Peru.

Annex I-PE-12

11. Sector:

11. Sector:

Recreational, Cultural and Sports Services

Subsector:

National Artistic Production Services

Obligations Concerned:

National Treatment (Article 13.3)

Level of Government:

Central

Measurements:

Law No. 28131, Official Journal "El Peruano" of December 18, 2003, Law of the Artist, Interpreter and Performer, articles 23 and 25.

Description:

Cross-Border Trade in Services

All national audiovisual artistic production must be conformed by at least eighty percent (80%) of national artists.

Any national artistic spectacle presented directly to the public must be conformed by at least eighty percent (80%) of national artists.

National artists must receive not less than sixty percent (60%) of the total salary wages of artists.

The same percentages established in the previous paragraphs apply to the technical worker linked to the artistic activity.

Annex I-PE-13

12. Sector:

12. Sector:

Recreational, Cultural and Sports Services

Subsector:

Circumstance Entertainment Services

Obligations Concerned:

National Treatment (Article 13.3)

Level of Government:

Central

Measurements:

Law No. 28131, Official Gazette "El Peruano" of December 18, 2003, Act of the Artist, Performer and Performer, article 26.

Description:

Cross-Border Trade in Services

Every foreign circus show will enter the country with its original cast, for a maximum term of ninety (90) days, and may be extended for an equal period. In the latter case, at least thirty percent (30%) of national artists and fifteen percent (15%) of national technicians will be included in the artistic cast. These same percentages should be reflected in the payrolls.

Annex I-PE-14

13. Sector:

Commercial Advertising Services

Subsector:

Obligations Concerned:

National Treatment (Article 13.3)

Level of Government:

Central

Measurements:

Law No. 28131, Official Journal "El Peruano" of December 18, 2003, Law of the Artist, Interpreter and Performer, articles 25 and 27.2.

Description:

Cross-Border Trade in Services

The commercial publicity that is made in the country must count with at least eighty percent (80%) of national artists.

National artists must receive not less than sixty percent (60%) of the total salary wages of artists.

The same percentages established in the previous paragraphs apply to the technical worker linked to commercial advertising.

Annex I-PE-15

14. Sector:

14. Sector:

Recreational, Cultural and Sports Services

Subsector:

Bullfighting Shows

Obligations Concerned:

National Treatment (Article 13.3)

Level of Government:

Central

Measurements:

Law No. 28131, Official Gazette "El Peruano" of December 18, 2003, Act of the Artist, Performer and Performer, article 28.

Description:

Cross-Border Trade in Services

At least every bullfighting event must involve at least one national killer. In novilladas, calves and mixed must participate at least one national novillero.

Annex I-PE-16

15. Sector:

Broadcasting Services

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description

National Treatment (Article 13.3)

Performance Requirements (Article 12.6)

Central

Law No. 28131, Official Journal "El Peruano" of December 18, 2003, Law of the Artist, Interpreter and Performer, articles 25 and 45.

Investment and Cross-Border Trade in Services

Broadcasters with an open signal shall allocate not less than 10% (10%) of their daily programming to the dissemination of folklore, national music and series or programs produced in Peru related to history, literature, culture or national reality Peruvian, made with contracted artists in the following percentages:

(A) a minimum of eighty percent (80%) of national artists;

(B) national artists shall receive not less than sixty percent (60%) of the total payroll of artists; Y

(C) the same percentages established in the previous paragraphs apply to the technical worker linked to the artistic activity.

Annex I-PE-17

16. Sector:

Customs Warehouse Services

Subsector:

Obligations Concerned:

Local Presence (Article 13.6)

Level of Government:

Central

Measurements:

Supreme Decree No. 08-95-EF, Official Gazette "El Peruano" of February 5, 1995, Approve the Regulations of Customs Warehouses, article 7.

Description:

Cross-Border Trade in Services

Only natural or legal persons domiciled in Peru may request authorization to operate customs warehouses.

Annex I-PE-18

17. Sector:

Telecommunications Services

Subsector:

Obligations Concerned:

National Treatment (Article 13.3)

Level of Government:

Central

Measurements:

Supreme Decree No. 020-2007-MTC, Official Gazette "El Peruano" of July 4, 2007, Single Text Ordered from the General Regulation of the Telecommunications Law, article 258.

Description:

Cross-Border Trade in Services

It is prohibited to perform call-back, understood as the provision of telephone services for making telephone calls originated in the country, in order to obtain a return call with tone of invitation to dial, originating from a basic network Of telecommunications located outside the national territory.

Annex I-PE-19

18. Sector:

Transport

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description:

Air transport

National Treatment (Article 12.2)

Senior Executives and Boards of Directors (Article 12.5)

Central

Law No. 27261, Official Gazette "El Peruano" of May 10, 2000, Civil Aeronautics Law, Article 79.

Supreme Decree No. 050-2001-MTC, Official Gazette "El Peruano" of December 26, 2001, Regulations of the Civil Aeronautics Law, Articles 159, 160 and VI Complementary Disposition.

Investment

The National Commercial Aviation is reserved for Peruvian natural and juridical persons.

For purposes of this entry, a Peruvian legal entity is considered to be one that meets the following requirements:

(A) be constituted in accordance with Peruvian laws,

Indicate in its corporate purpose the commercial aviation activity to which it is to be dedicated and have its domicile in Peru, for which it must develop its main activities and install its

Administration in Peru;

(B) at least half plus one of the directors, managers and persons in charge of controlling and directing the company must be of Peruvian nationality or have permanent address or habitual residence in Peru; Y

(C) at least fifty-one percent (51%) of the company's share capital must be owned by Peru and be under the real and effective control of shareholders or partners of Peruvian nationality permanently resident in Peru. (This limitation shall not apply to companies incorporated under Law No. 24882, which may maintain ownership percentages within the margins established therein). Six (6) months after the company's operating permit was granted to provide air transportation services

Annex I-PE-20

Trade, the share of the share capital of foreigners may be up to seventy percent (70%).

Annex I-PE-21

19. Sector:

Transport

Subsector:

Aquatic transport

Obligations Concerned:

National Treatment (Articles 12.2 and 13.3)

Local Presence (Article 13.6)

Senior Executives and Boards of Directors (Article 12.5)

Level of Government:

Central

Measurements:

Law No. 28583, Official Journal "El Peruano" of July 22, 2005, Law on Reactivation and Promotion of the National Merchant Marine, Articles 4.1, 6.1, 7.1, 7.2, 7.4 and 13.6.

Law No. 29475, Official Journal "El Peruano" of December 17, 2009, Law amending Act No. 28583, Law on Reactivation and Promotion of the National Merchant Marine, Article 13.6 and Tenth Transitory and Final Disposition.

Supreme Decree No. 015-2014-DE, Official Gazette "El Peruano" of November 28, 2014, Supreme Decree approving the Regulation of Legislative Decree No. 1147, which regulates the strengthening of the Armed Forces in the competencies of the Authority National Maritime - General Direction of Captaincies and Coast Guard, articles 517 and 518.

Description:

Investment and Cross-Border Trade in Services

1. National Shipper or National Shipping Company means the natural person of Peruvian nationality or juridical person constituted in Peru, with principal domicile, actual and effective seat in Peru, that is dedicated to the service of water transport in national traffic or cabotage 2 And / or international traffic and is owner or lessee under the modalities of financial lease or bareboat lease, with compulsory purchase option, of at least one Peruvian flag merchant ship and has obtained the corresponding Permission of Operation of the General Directorate Of Water Transportation.

2. At least fifty-one percent (51%) of the corporate capital of the legal entity, subscribed and paid, must be owned by Peruvian citizens.

3. The Chairman of the Board of Directors, the majority of Directors and the General Manager must be of Peruvian nationality and

2 For greater certainty, water transport services include transportation by lakes and rivers.

Annex I-PE-22

To reside in Peru.

4. The captain and crew of the ships of the national shipping companies shall be of Peruvian nationality in their entirety, authorized by the General Direction of Captaincies and Coast Guard. In exceptional cases, and once a duly qualified Peruvian staff has been established and experienced in the type of ship in question, the contracting of services of foreign nationality may be authorized up to a maximum of fifteen percent (15%) of the total Of the crew of each vessel and for a limited time. This exception does not reach the master of the vessel.

5. To obtain a Practical license, you must be a Peruvian citizen.

6. Cabotage is reserved exclusively for merchant ships of Peruvian flag owned by the National Shipping Company or National Shipping Company or under the modalities of Financial Leasing or Lease to Naked Hull, with compulsory purchase option; Except that:

(A) the transportation of hydrocarbons in national waters is reserved for up to twenty-five percent (25%) for Peruvian naval vessels; Y

(B) for water transport between Peruvian ports only or cabotage, in cases where there are no vessels of their own or leased under the modalities indicated above, it will be allowed to charter vessels of foreign flag to be operated only by National Shipping Companies or Shipping Companies For a period not to exceed six (6) months.

Annex I-PE-23

20. Sector:

Transport

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description:

Aquatic transport

National Treatment (Articles 12.2 and 13.3)

Local Presence (Article 13.6)

Central

Decree No. 056-2000-MTC, Official Gazette "El Peruano" of December 31, 2000, Provide that maritime and related transportation services in bays and port areas must be provided by authorized natural and juridical persons, with vessels and Artifacts of national flag, article 1.

Ministerial Resolution No. 259-2003-MTC / 02, Official Gazette "El Peruano" of April 4, 2003, Approve Regulations for Water Transport and Related Services Provided in Bay Traffic and Port Areas, articles 5 and 7.

Investment and Cross-Border Trade in Services

Services Water Transport and related that are made in traffic bay and port areas must be supplied by natural persons domiciled in Peru, and juridical persons constituted and domiciled in Peru, properly authorized with vessels and equipment Peruvian flag, Including:

(A) fueling service;

(B) mooring and untying service;

- (C) diving service;
- (D) vessel supply service;
- (E) dredging service;
- (F) pilotage service;
- (G) waste collection service;
- (H) towing service; Y
- (I) people transportation service.

Annex I-PE-24

21. Sector:

Transport

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description:

Aquatic transport

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Central

Supreme Decree No. 006-2011-MTC, Official Gazette "El Peruano" of February 4, 2011, Supreme Decree approving the Regulation of Aquatic Tourist Transportation, article 1.

Cross-Border Trade in Services

The water tourist transport service will be provided by natural or legal persons, domiciled and incorporated in the country, for the regional and national scope is reserved to be exclusively provided with ships own or chartered Peruvian flag or under the modality of leasing or leasing To bare helmet, with compulsory purchase option.

Annex I-PE-25

22. Sector:

Transport

Subsector:

Obligations Concerned: Level of Government: Measures:

Description:

Aquatic transport

National Treatment (Article 13.3)

Central

Law No. 27866, Official Gazette "El Peruano" of November 16, 2002, Port Labor Law, articles 3 and

7. Cross-Border Trade in Services

Only Peruvian citizens can register in the Port Workers Registry.

The port worker is the natural person who, under a subordinate relationship to the port employer, performs a specific

service intended for the execution of port work, such as "stevedore", "tarjador", "winchero", "gruero" "Portalonero", "lifter of side of ship" and / or the other specialties that according to the particularities of each port establishes the Regulation of the present Law.

Annex I-PE-26

23. Sector:

Transport

Subsector:

Obligations Concerned: Level of Government: Measures:

Description:

Ground Passenger Transportation Local Presence (Article 13.6)

Central

Supreme Decree No. 017-2009-MTC, "El Peruano" Official Gazette of April 22, 2009, National Transportation Administration Regulation, article 33, as amended by Supreme Decree No. 006-2010-MTC dated January 22, 2010.

Cross-Border Trade in Services

The provision of transport service, must provide security and quality to the user, for it, it is necessary to have an adequate physical infrastructure; Which, as appropriate, includes: administrative offices, land terminals of persons or goods, road stations, road stops, all other infrastructure used as a place of loading, unloading and storage of goods, maintenance workshops And any other that is necessary for the provision of the service.

Annex I-PE-27

24. Sector:

Transport

Subsector:

Obligations Concerned: Level of Government: Measures:

Description:

Ground transportation

National Treatment (Article 13.3)

Central

Agreement on International Road Transport (ATIT) signed between the Governments of the Republic of Chile, the Argentine Republic, the Republic of Bolivia, the Federative Republic of Brazil, the Republic of Paraguay, the Republic of Peru and the Oriental Republic of Uruguay, Signed in Montevideo on January 1, 1990.

Cross-Border Trade in Services

Foreign vehicles that, according to the ATIT, are allowed by Peru to carry out international road transport, will not be able to provide local transportation (cabotage) in the Peruvian territory.

Annex I-PE-28

25. Sector:

25. Sector:

Research and Development Services

Subsector:

Archaeological Services

Obligations Concerned:

National Treatment (Article 13.3)

Level of Government:

Central

Measurements:

Supreme Decree No. 003-2014-MC, Official Gazette "El Peruano" of October 3, 2014, Regulation of Archaeological Interventions, article 23.

Description:

Cross-Border Trade in Services

When archaeological research programs and projects are conducted by a foreign researcher who does not reside in Peru, a director of Peruvian nationality must also be present. Both directors must be registered in the National Register of Archaeologists (RNA).

The two directors will assume the same responsibilities in the formulation and integral execution of the program or project, both in the field and in the cabinet, as well as in the preparation of the final report.

Annex I-PE-29

26. Sector:

Energy Related Services

Subsector:

Obligations Concerned:

Level of Government: Measures:

Description:

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Central

Law No. 26221, Official Journal "El Peruano" of August 19, 1993, General Law of Hydrocarbons, article 15.

Cross-Border Trade in Services

Foreign natural persons, in order to conclude exploration contracts, must be registered in the Public Registers and appoint a proxy of Peruvian nationality, domiciled in the capital of the Republic of Peru.

Foreign companies must establish a branch or establish a company in accordance with the General Companies Law, establish their domicile in the capital of the Republic of Peru and appoint a representative of Peruvian nationality.

Annex I-PE-30

1. Sector:

List of Honduras

All Sectors

Subsector:

Obligations affected:

National Treatment (Article 12.2)

Level of Government:

Central

Measurements:

Decree No. 131, Constitution of the Republic, Title III, Chapter II, Article 107.

Decree No. 90-1990, Law for the Acquisition of Urban Goods in the Areas that delimits Article 107 of the Constitution of the Republic, Articles 1 and 4.

Decree No. 968, Law for the Declaration, Planning and Development of Tourism Zones, Title V, Chapter V, Article 16.

Description:

Investment

The lands of the State, the common land, and the private land, forty (40) kilometers from frontiers and coastlines, and such lands on the islands, corns, reefs, reefs, peñones, May be acquired, possessed, or held only under any title by the nationals of Honduras by birth, by companies formed entirely by Honduran nationals, and by state institutions.

Notwithstanding the preceding paragraph, any person may acquire, own, hold, or lease for up to forty (40) years (which may be renewed) urban land in such areas provided that it is certified and approved for tourism, economic development or Social, or for the public interest by the Secretary of State in the Office of Tourism.

Any person who acquires, possesses, or supports the holdings of such urban land can transfer that land only with prior authorization from the Secretary of State in the Office of Tourism.

Annex I-HO-1

2. Sector:

All Sectors

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

National Treatment (Article 12.2)

Market Access (Article 13.5)

Central

Decree No. 131, Constitution of the Republic, Title III, Chapter II, Article 137.

Decree No. 189-59, Article 11 Labor Code of Honduras.

Investment and Cross-Border Trade in Services

The commercial presence of foreign companies should contribute to the training of Honduran personnel in the respective specialties.

A maximum quota of ten percent (10%) is established for the number of foreign workers in a company, who can not receive more than fifteen percent (15%) of the total wages paid. Both proportions may be modified when obvious reasons for protection and promotion of the national economy or lack of Honduran technicians in an activity or defense of national workers who demonstrate their capacity are required. In all these circumstances, the Executive Branch may, by means of a reasoned agreement issued through the Ministry of Labor and Social Security, reduce both proportions by up to ten percent (10%) each and for a period of five (5) years for each Companies, or increase them to eliminate the participation of foreign workers.

The above percentages are not applicable to the managers, directors, administrators, superintendents and chief executives of the companies provided that the total of these does not exceed two (2) in each of them.

In order to obtain the respective work permit, foreigners must reside in Honduras.

Annex I-HO-2

3. Sector:

All Sectors

Subsector:

Obligations affected:

National Treatment (Article 12.2)

Most-Favored-Nation Treatment (Article 12.3)

Level of Government:

Central

Measurements:

Decree No. 131, Constitution of the Republic of Honduras, Title VI, Chapter I, Article 337.

Agreement No. 345-92, Regulations of the Investment Law, Chapters I and VI, Articles 3 and 49.

Description:

Investment

Small-scale industry and trade is reserved for Hondurans.

Foreign investors may not engage in small-scale industry and trade, unless they are naturalized citizens and their country of origin grants reciprocity.

"Small-scale industry and commerce" is defined as the company with capital less than one hundred and fifty thousand Lempiras (LPS 150,000.00), excluding land, buildings, and vehicles.

Annex I-HO-3

4. Sector:

All sectors

Subsector:

Obligations affected:

National Treatment (Article 12.2)

Most-Favored-Nation Treatment (Article 12.3)

Level of Government:

Central

Measurements:

Decree No. 65-87, dated May 20, 1987, Cooperatives Act of Honduras, Title II, Chapter I, Articles 18 and 19.

Agreement No 191-88 dated May 30, 1988, Regulation of the Cooperatives Act of Honduras, Article 34 (c) and (d).

Description:

Investment

Non-Honduran cooperatives may be established in Honduras upon authorization of the Honduran Institute of Cooperatives of Honduras. Such authorization shall be granted provided that there is reciprocity in the country of origin.

Annex I-HO-4

5. Sector:

Agents and Customs Agents

Subsector:

Obligations affected:

National Treatment (Articles 12.2 and 13.3)

Level of Government:

Central

Measurements:

Decree No 212-87, Customs Act Title IX, Chapter I, Section One and Third, Articles 177 and 182.

Description:

Investment and Cross-Border Trade in Services

Licensed customs agents must be Honduran nationals by birth.

The employees of the customs agent, who carry out procedures on behalf of the customs agent, must also be Honduran nationals by birth.

Annex I-HO-5

6. Sector:

Agricultural

Subsector:

Obligations affected:

National Treatment (Article 12.2)

Level of Government:

Central

Measurements:

Agreement No. 2124-92, Regulation of Land Allocation in Agrarian Reform, Articles 1 and 2.

Description:

Investment

The beneficiaries of the agrarian reform must be Honduran nationals by birth in

Individual or organized in peasant cooperatives or other peasant enterprises.

Annex I-HO-6

7. Sector:

All Sectors

Subsector:

Obligations Concerned:

National Treatment (Articles 13.3)

Local Presence (Article 13.6)

Level of Government:

Central

Measurements:

Decree No. 255-2002, Administrative Simplification Law, Article 8 Amendments to the Commercial Code, Articles 308 and 309.

Description:

Cross-Border Trade in Services

In order for a company organized under foreign law 1 to engage in the exercise of trade in Honduras, it must establish its own assets for the commercial activity to be carried out in Honduras.

1 Companies incorporated under foreign laws are those that do not have their legal domicile in Honduras.

Annex I-HO-7

8. Sector:

Communication Services

Subsector:

Postal Services

Obligations

Affected:

Level of Government:

Market Access (Article 13.5)

Central

Measurements:

Decree No. 120-93, Organic Law of the Honduras Post Company, Articles 3 and 4.

Description:

Cross Border Services

The operation of the postal service in Honduras is reserved exclusively for the Honduran Post Office (HONDUCOR). 2

2 However, this exclusivity does not apply to immediate delivery services.

Annex I-HO-8

9. Sector:

Communication Services

Subsector:

Radio, television and newspapers

Obligations affected:

Senior Management and Boards of Directors (Article 12.5)

Level of Government:

Central

Measurements:

Decree No. 131, Constitution of the Republic of Honduras, Chapter II, Article 73, third paragraph.

Decree No. 6, Thought Emission Act, Chapter IV, Article 30.

Decree No. 759, Law of the College of Journalists of Honduras, Article 8, amended by Decree No. 79 of January 1, 1981.

Description:

Investment

Only Honduran nationals by birth may hold senior management positions in printed newspapers or free-to-air news media (radio and television), including intellectual, political, and

3

Management.

3 This does not apply to print newspapers or news outlets established outside Honduras

Annex I-HO-9

10. Sector:

Communication Services

Subsector:

Obligations affected: Level of Government: Measures:

Description:

Telecommunications National Treatment (Article 13.3)

Central

Decree No. 185-95, Framework Law for the Telecommunications Sector Chapter I, Article No. 26.

Agreement No. 141-2002 dated December 26, 2002, General Regulation of the Framework Law of the Telecommunications Sector, Title III, Chapter I, Article 93.

Cross-Border Trade in Services

Foreign governments will not be able to participate directly in the provision of public telecommunications services.

Annex I-HO-10

11. Sector:

Communication Services

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

Telecommunications

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Central

Decree No. 185-95, Framework Law of the Telecommunications Sector, Chapter I.

Agreement No. 141-2002, General Regulation of the March Law of the Telecommunications Sector.

Cross-Border Trade in Services

With the exception of the State of Honduras, no operator or any of its partners, with a participation of at least ten percent (10%) or with respect to them, an affiliated company, subsidiary or a person belonging to its economic group may

participate, Directly or indirectly, in more than ten percent (10%) of the capital of a company that has authorization to provide the same services. Data transmission services are exempt from this measure.

The reversed practice of reverse calls involving telephone services provided within the national territory that are systematically originated outside the country as a direct result of unfinished international calls originated within the national territory is prohibited.

Foreign companies to request the respective qualifying title, must indicate domicile in the country.

Annex I-HO-11

12. Sector:

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

Construction or consultancy services and related engineering services-Civil Engineering

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Central

Decree No. 47-1987, Organic Law of the College of Civil Engineers of Honduras, Article 67.

Regulation of the Organic Law of the College of Civil Engineers of Honduras, Articles 100 (A) - (D) and 101.

Decree No. 753, Organic Law of the College of Architects of Honduras, Articles 37 (b), (c), (d), (g), and (H) .

Regulation of the Organic Law of the College of Architects of Honduras, Articles 4 (h), 7 (a), (c), (d) and (H) , 13, 68 and 69.

Decree No. 902, Organic Law of the College of Mechanical Engineers, Electricians and Chemicals of Honduras, Article 40 (c), (d) and (h).

Cross-Border Trade in Services

Consultancy and construction companies should be organized in accordance with the laws of Honduras to be members of the Honduran Civil Engineers Association (CICH) and to carry out civil engineering projects in Honduras. For greater certainty, consulting and construction companies set up under the law of a foreign country may be provisionally registered with the CICH to carry out specific civil engineering projects. Higher registration fees will apply to foreign companies. In addition, foreign personnel must be authorized by the CICH to work on such projects.

Annex I-HO-12

13. Sector:

Distribution Services-Petroleum Products

Subsector:

Obligations affected:

National Treatment (Article 12.2)

Level of Government:

Central

Measurements:

Decree No. 549, Law on Representatives, Distributors and Agents of National and Foreign Companies, Chapters I and VI, Articles 4 and 25.

Decree No. 804, amends Article 4 of the Law of Representatives, Distributors and Agents of National and Foreign Companies.

Book Description:

Investment

Only Honduran nationals and companies

Constituted under Honduran law may be authorized to sell petroleum products. 4. Companies must be owned by at least fifty-one percent (51%) by Honduran nationals.

4 For greater certainty: Petroleum products: liquid fuel, automotive oil, diesel, kerosene, and LPG.

Annex I-HO-13

14. Sector:

Electricity

Subsector:

Obligations affected:

Market Access (Article 13.5)

Level of Government:

Central

Measurements:

Decree No. 158-94 dated November 26, 1994, Framework Law of the Sub-Electric Sector, Chapter V, Article 15.

Description:

Cross-Border Trade in Services

Only the Government of Honduras, through the National Electric Energy Company, can carry out the transmission of electric power, conduct the operation of the transmission system and dispatch center.

Annex I-HO-14

15. Sector:

Lotteries

Subsector:

Obligations affected: Level of Government: Measures:

Description:

Market Access (Article 13.5)

Central

Decree No. 438, dated April 23, 1977, Article 5 (c), Organic Law of National Patronage of Children.

Cross-Border Trade in Services

The National Children's Trust (PANI) exclusively administers the national lottery.

Annex I-HO-15

16. Sector:

Education Services

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

Private pre-school, primary and secondary education services

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Local Presence (Article 13.6)

Senior Executives and Boards of Directors (Article 12.5)

Central

Decree No. 131, Constitution of the Republic, Title III, Chapter VIII, Articles 34, 166 and 168.

Decree No. 79, Organic Law on Education, Articles 64 and 65.

Decree No. 136-97, Law on the Status of Teachers, Articles 7 and 8.

Executive Agreement No. 0760 -5E-99, General Regulation of the Teacher Statute, Article 6.

Investment and Cross-Border Trade in Services

The principal or supervisor of a school must be a Honduran national by birth.

Teachers at all levels of the education system must be Honduran nationals by birth. Foreign nationals may, however, teach particular subjects at the levels of secondary or secondary education if there are no such Honduran nationals available to teach such subjects. Notwithstanding the above sentence, foreign nationals may teach the Constitution, civic education, geography, and history of Honduras only if there is reciprocity for Honduran nationals in their country of origin.

Private schools at all levels must be incorporated under Honduran law. For greater certainty, there are no restrictions on the foreign ownership of such schools.

Annex I-HO-16

17. Sector:

Entertainment Services

Subsector:

National Artistic Production Services

Obligations affected:

National Treatment (Article 13.3)

Level of Government:

Central

Measurements:

Decree No. 123 of October 23, 1968, Law on Protection of Musical Artists, Articles 1 to 4.

Description:

Cross-Border Trade in Services

Notwithstanding the foregoing, Honduras agrees that foreign musical artists wishing to perform performances in Honduras

either individually or in aggregate must pay the Honduran Artists Union five percent (5%) of their fees and the entrepreneur or Lessee shall, if possible, hire for the same show local musical artists of the country.

For greater certainty, foreign musical artists must register with the Honduran Artists Union for each performance in Honduras.

Annex I-HO-17

18. Sector:

Championships and Services of soccer games

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Central

Rules of Championships and Competitions National League of Non-Amateur Football of the First Division, Articles 9 and 10.

Cross-Border Trade in Services

For the registration of foreign players will require the proof issued by the Ministry of Government and Justice, stating that the residence document is in process.

Each club affiliated to the Football League may register a maximum of four (4) foreign players.

Annex I-HO-18

19. Sector:

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

Services Recreational, cultural and sporting services - Casinos of games of chance or chance (includes roulette games, ladies, deck, point and bank, baccarat slot machines and the like)

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Central

Decree No. 488, dated February 16, 1977, Gambling and Gambling Act, Article 3.

Cross-Border Trade in Services

Only Hondurans by birth and legal entities constituted in accordance with the laws of the country may apply to the Executive for licenses to operate gambling casinos or gambling.

Annex I-HO-19

20. Sector:

Environmental services

Subsector:

Obligations affected: Level of Government: Measures:

Description:

Market Access (Article 13.5)

Central

Decree No. 134-90, Law of Municipalities, Article 13 (3) and (4).

Decree No. 104-93, General Environmental Law, Articles 29 and 67.

Cross-Border Trade in Services

Only the state, through its municipalities, can provide public services of water distribution, waste treatment and sanitation and hygiene services. For greater certainty, the municipalities are responsible for the construction of aqueducts, maintenance and administration of drinking water, sanitary sewerage, drainage and the promotion and development of related projects.

Annex I-HO-20

21. Sector:

Investigation and Security Services

Subsector:

Obligations affected:

National Treatment (Article 12.2)

Senior Executives and Boards of Directors (Article 12.5)

Level of Government:

Central

Measurements:

Decree No. 156-98, Organic Law of the National Police, Article 91.

Description:

Investment

Foreign companies requesting permission to provide private security services must associate with Honduran companies engaged in the same activity and appoint a Honduran manager by birth.

Annex I-HO-21

22. Sector:

Fishing industry

Subsector:

Obligations affected:

National Treatment (Article 12.2)

Level of Government:

Central

Measurements:

Decree No. 154, Fishing Law, Chapters IV, Articles 20 and 29.

Book Description:

Investment

Only Honduran nationals residing in Honduras and companies incorporated under Honduran law that are owned by at least fifty-one percent (51%) of Honduran nationals may engage in commercial fishing in waters, seas, rivers and lakes situated in Honduras. For greater certainty, only vessels with Honduran flag can carry out commercial fishing activities in territorial waters of Honduras.

Annex I-HO-22

23. Sector:

Transport

Subsector:

Air transport

Obligations affected:

National Treatment (Article 12.2)

Senior Executives and Boards of Directors (Article 12.5)

Level of Government:

Central

Measurements:

Decree No. 55-2004, May 19, 2004, Civil Aeronautics Law, Title VIII, Chapter I, Articles 106 and 149.

Description:

Investment

The public transport air services between any two (2) points of the national territory, are reserved for Honduran companies.

Honduran companies are those that meet the following requirements:

- 1) Fifty-one percent (51%) of its capital, at least it must belong to Honduran natural or juridical persons; Y
- (2) the effective control of the company and its management must also be in the hands of Hondurans.

To perform private air services for remuneration, the authorization of the General Directorate of Civil Aviation is required and be a natural or legal person of Honduran nationality.

Annex I-HO-23

24. Sector:

24. Sector:

Subsector:

Transport services

Maritime Transport 5 - Coastal Navigation

Obligations affected:

National Treatment (Articles 12.2 and 13.3)

Most Favored Nation Treatment (Articles 12.3 and 13.4) Local Presence (Article 13.6)

Level of Government:

Central

Measurements:

Decree No. 167-94, Organic Law of the National Merchant Marine, dated January 2, 1995, Title II, III, Chapter VII, Article 40.

Agreement No. 000764, Regulations of Maritime Transport dated December 13, 1997, Article 6.

Decree No. 154, Fisheries Act, Chapter IV, Article 26.

Description:

Investment and Cross-Border Trade in Services

Cabotage navigation for commercial purposes is reserved for Honduran merchant ships.

Exceptionally, when there are no Honduran merchant vessels or are not available and for such time, the General Directorate of the Merchant Navy may authorize foreign merchant vessels to provide cabotage services in Honduras. In such circumstances preference shall be given to vessels carrying the flag of Central American countries.

Honduran merchant vessels must be incorporated in accordance with the laws of Honduras, and at least fifty-one percent (51%) of their subscribed and paid-in capital must be owned by Honduran nationals and the company must be domiciled in Honduras.

For greater certainty, only Honduran nationals by birth may be captains of commercial fishing vessels.

5 For greater certainty, maritime transport also includes transport by lakes and rivers

Annex I-HO-24

25. Sector:

Transport services

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

Ground transportation

National Treatment (Articles 12.2 and 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Market Access (Article 13.5)

Local presence (Article 13.6)

Central

Decree No. 319-1976, Land Transportation Act, Articles 3, 5, 17, 18, 27 and 28.

Agreement No. 200, Regulations of the Land Transport Law, Articles 1, 7.32, 33 and 34.

Decree No. 205-2005, Transitory Law of January 3, 2006, Article 46.

Investment and Cross-Border Trade in Services

Domestic public passenger land transport services and cargo transportation services may be provided only by Honduran nationals and companies incorporated under Honduran law in which at least fifty-one percent (51%) of the capital is owned by Honduran nationals. It is necessary to obtain a certificate of operation from the General Directorate of Transport of the Secretariat of State in the Offices of Infrastructure and Public Services (INSEP), which is subject to a test of economic necessity.

International public passenger land transport services and cargo transport services may be provided by foreign nationals and by companies incorporated under the laws of a foreign country on the basis of reciprocity, but authorization for

particular routes shall be granted in preference to Nationals of Honduras and companies incorporated under Honduran law.

Foreigners who enter the national territory may drive with the current license they carry and will be subject to the principle of reciprocity.

Annex I-HO-25

26. Sector:

26. Sector:

Transport services

Subsector:

Transportation by Rail

Obligations affected:

National Treatment (Article 12.2)

Senior Executives and Boards of Directors (Article 12.5)

Level of Government:

Central

Measurements:

Decree No. 48, Constitution of the National Railroad of Honduras, Chapters I and VIII, Article 32 and Article 12 (amended by Decree No. 54).

Description:

Investment

The National Railway of Honduras will be able to sell its subsidiary companies to private entrepreneurs of Honduran nationality and to companies constituted under the legislation of Honduras.

To be a high level manager of the National Railroad of Honduras, it is required to be a Honduran national by birth.

Annex I-HO-26

27. Sector:

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

Other Commercial Services-General Storage Warehouses

Market Access (Article 13.5)

Local Presence (Article 13.6)

Central

Agreement No. 1055, Regulation of General Warehouses of Deposits, Article 3.

Cross-Border Trade in Services

Only companies incorporated under the laws of Honduras with fixed capital and for the sole purpose of providing storage services are authorized to provide such services.

Annex I-HO-27

28. Sector:

Professional services

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

National Treatment (Article 13.2)

Local presence (Article 13.6)

Central

Decree No. 131, Constitution of the Republic of Honduras, Chapter VIII, Articles 160.

Regulation for the Recognition of University Studies and Incorporation of Professionals, Article 11 (d) approved by the University Council of the National Autonomous University of Honduras.

Cross-Border Trade in Services

For the incorporation of foreign professionals it is necessary to prove legal residence in Honduras.

Annex I-HO-28

29. Sector:

Professional services

Subsector:

Consulting Services in Business Administration

Obligations affected:

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Market Access (Article 13.5)

Level of Government:

Central

Current Measures:

Decree No. 900, Organic Law of the College of Business Administrators of Honduras, Articles 61-E and 61-F.

Regulation of Organic Law of the College of Business Administrators of Honduras, Articles 4 (c) and (d); 96 (d) and (e) 111,113, 114 and 115.

Description:

Cross-Border Trade in Services

Foreign nationals may enter into contracts to provide business management consulting services after they have obtained authorization from the contract by the College of Business Administrators of Honduras.

Companies incorporated under foreign law may enter into contracts to provide business management consulting services after having obtained authorization from the contract by the College of Business Administrators of Honduras, if such services are not otherwise available in Honduras or because of Contractual needs. To provide such services, such companies must form a partnership with companies

Hondurans who are duly registered with the College of Business Administrators of Honduras.

Foreign nationals and companies incorporated under foreign law must pay registration fees higher than those imposed on nationals

Hondurans and to companies incorporated under Honduran law.

For the Collegiate of foreign professionals, reciprocity in the country of origin is required for graduates in business administration and related degrees graduated abroad.

Annex I-HO-29

There are differentiated enrollment costs for foreign consulting companies.

Annex I-HO-30

30. Sector:

Professional services

Subsector:

Obligations affected: Level of Government: Existing Measures:

Description:

Agricultural Engineering and Agronomy National Treatment (Article 13.3)

Central

Decree No. 148-95, Organic Law of the Association of Professionals in Agricultural Sciences of Honduras, Article 5.

Regulation of the Organic Law of the Association of Professionals in Agricultural Sciences of Honduras, Article 9 and Table of Payments to COLPROCAH.

Cross-Border Trade in Services

Agricultural agronomists and foreign agricultural engineers will be subject to registration fees in the highest professional association, which are imposed on Honduran agricultural engineers and agronomists.

Annex I-HO-31

31. Sector:

Professional services

Subsector:

Obligations affected:

Level of Government: Current Measures:

Description:

Forest engineering

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Central

Decree No. 70-89 of July 8, 1989, Article 5 and 66 of the Organic Law of the College of Forest Engineers of Honduras.

Cross-Border Trade in Services

Consultants in forestry engineering constituted under foreign law must hire Honduran nationals who are members of the College of Forest Engineers of Honduras in a significant proportion to the size of the project.

It is required to accredit legal residence for the association of foreign professionals of the specialized forestry engineering, and to be hired after checking the necessity of its services and authorized by the School.

Annex I-HO-32

32. Sector:

Professional services

Subsector.

Real estate management

Obligations affected:

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Local Presence (Article 13.6)

Market Access (Article 13.5)

Level of Government:

Central

Current Measures:

Organic Law of the Veterinary Association of Honduras, Article 12.

Regulation of the Organic Law of the College of the Veterinary Medical Association of Honduras, Articles 5, 7 and 9.

Description:

Cross-Border Trade in Services

Foreign companies wishing to provide veterinary services in Honduras must be incorporated under Honduran law. Foreign veterinarians may be subject to higher quotas on the professional register than the veterinarians of Central America must pay.

Foreign veterinary doctors to provide the service require legal residence.

Annex I-HO-33

33. Sector:

Professional services

Subsector:

Microbiologists and Clinicians

Obligations affected:

National Treatment (Article 13.3)

Local Presence (Article 13.6)

Level of Government:

Central

Current Measures:

Regulation of Registration of the College of Microbiologists and Clinical Chemists. Articles 5, 6 and 8.

Description:

Cross-Border Trade in Services

For the provision of services foreigners must prove residence in Honduras, in addition they must obtain the work card.

Foreign microbiologists and clinicians will have to pay a higher fee on the registry than do Honduran microbiologists and clinicians.

Annex I-HO-34

34. Sector:

Professional services

Subsector:

Notaries

Obligations affected:

National Treatment (Article 13.3)

Level of Government:

Central

Current Measures:

Decree No. 353-2005 of January 17, 2007, Notary Code, Article 7.

Description:

Cross-Border Trade in Services

To be a Notary is required to be Honduran by birth, obtain the Notary exequatur.

Annex I-HO-35

35. Sector:

Professional services

Subsector:

Accountants

Obligations affected:

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Local Presence (Article 13.6)

Level of Government:

Central

Measurements:

Decree No. 19-93, Organic Law of the College of University Professionals in Public Accounting, Articles 4 (c) and 23.

Description:

Cross-Border Trade in Services

To be a member of the Honduran College of University Professionals in Public Accounting, foreigners must accredit:

A) legal residence; Y

B) reciprocity in the country of origin

Any person wishing to settle in Honduras and provide public accounting services must be constituted under the laws of

Honduras.

Annex I-HO-36

36. Sector:

Professional services

Subsector:

Obligations affected:

Level of Government: Measures:

Description:

Architects

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Local presence (Article 13.6)

Central

Decree No. 753 of May 3, 1979, Organic Law of the College of Architects of Honduras, Article 3 (c).

Internal Regulations of the College of Architects of Honduras, Articles 4 (c), 6 (c) and 7 (c) and (d).

Cross-Border Trade in Services

Companies organized under foreign law must designate a member of the Honduran Association of Architects (CAH) as their prior representative to register with the CAH to provide architectural services in Honduras. For more certainty, companies organized under foreign law can register only for specific projects.

To provide architectural services to foreigners will be allowed in the framework of reciprocity.

Foreign architects to provide professional services in Honduras must prove legal residence in Honduras, their incorporation in the National Autonomous University of Honduras and proof of having performed the Social Service, provided that there is reciprocity in the procedure and equal number in exercise between This College and equivalent bodies in their countries.

Annex I-HO-37

37. Sector:

Professional services

Subsector:

Nurses

Obligations Concerned:

National Treatment (Article 13.3)

Market Access (Article 13.5)

Level of Government:

Central

Measurements:

Decree No. 90-99, Law of the Statute of Professional Nursing Personnel of Honduras, July 21, 1999, Articles 6, and 12 (1).

Regulation of the Organic Law of the College of Nurses of Honduras, Articles 5 and 6 (B) (a) and (b).

Description:

Cross-Border Trade in Services

The employer may not hire more than five percent (5%) of foreign staff.

Foreign nursing professionals to provide professional services must present a residency card in Honduras.

Annex I-HO-38

38. Sector:

Professional services

Subsector:

Physiotherapy

Obligations Concerned:

National Treatment (Article 13.3)

Market Access (Article 13.5)

Level of Government:

Central

Measurements:

Decree No. 167-95 Law of the Statute of the Employee Physician dated October 9, 1985, Article 10.

Description:

Cross-Border Trade in Services

Employers or employers are prohibited from:

1. To hire or appoint less than ninety percent (90%) of Honduran physicians by birth, a percentage to be calculated based on the total number of doctors to be employed, appointed or contracted.
2. To pay Honduran employees doctors by birth, less than eighty-five percent (85%) of the total salaries that medical personnel earn in the respective company, establishment or institution.

Annex I-HO-39

39. Sector:

Professional services

Subsector:

Obligations Concerned: Level of Government:

Measurements:

Description:

Medical and dental services

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Local Presence (Article 13.6)

Market Access (Article 13.5)

Central

Decree No. 203-1993 of November 4, 1993, Labor Statute of the Dentist, Chapter VI Section II, Article 7 (a).

Chapter II. For Foreign Members, Article 4, Subsections (h), (i) and (j)

Cross-Border Trade in Services

To be a member of the College of Dental Surgeons of Honduras requires for foreigners:

A) proof of having resided permanently in the country for five (5) years or more, after having obtained a professional title. Foreign dentists married to Hondurans, with two (2) or more years of marriage, are exempt from this requirement; Y

B) proof of reciprocity that specifies that Honduran dentists may practice the profession in a similar circumstance in the country of origin.

The hiring or appointment of less than eighty percent (80%) of Honduran dental surgeons in the Dentistry personnel they use is prohibited, except in those cases where a professional of such specialization is not needed in Honduras.

Annex I-HO-40

40. Sector:

Professional services

Subsector:

Obligations affected:

Level of Government: Current Measure:

Description:

Mechanical, Electrical and Mechanical Engineers

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Local Presence (Article 13.6)

Central

Regulation of the Organic Law of the College of Mechanical Engineers, Electricians and Chemicals of Honduras, Articles 4 (b) and (c), and 5 (b) and (c).

Cross-Border Trade in Services

For the provision of professional service foreigners:

A) Must be resident in Honduras.

B) A certificate of reciprocity is required in the country of origin in the professional exercise for membership in the College of Mechanical, Electrical and Chemical Engineers.

Annex I-HO-41

41. Sector:

Professional services:

Subsector:

Civil Engineers

Obligations affected:

National Treatment (Article 13.3)

Level of Government:

Central

Current Measure:

Organic Law, Chapter II, Members of the College, Article 4, subsection (c).

68. Registration of Titles, Subsection a) and B)

Description:

Cross-Border Trade in Services

Foreigners are required to pass a professional examination before the College of Civil Engineers of Honduras (CICH).

Foreign professionals are required to register a degree in the school to carry out a specific job, provided that the college authorizes them after checking the need for their services and the term of stay in the country.

Annex I-HO-42

42. Sector:

Professional services

Subsector:

Obligations affected:

Level of Government: Existing Measures: Description:

Professional Services: psychologists

National Treatment (Article 13.3)

Local presence (Article 13.6)

Central

Regulation of Membership, Chapter I, Article 4 (d).

Cross-Border Trade in Services

To be a member of the College of Psychologists of Honduras and obtain authorization for the exercise of the profession, a foreigner must prove that he has a residence card and a work permit.

Annex I-HO-43

43. Sector:

Professional services

Subsector:

Professional Services: Pedagogues

Obligations affected:

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4)

Level of Government:

Central

Current Measures:

Constitution of the Republic, Articles 34 and 168.

Statute of the College of Pedagogues, Article 8.

Description:

Cross-Border Trade in Services

Foreigners may only work within the limits established by law, perform jobs in science and arts education, and provide technical and advisory services to the State when there are no Hondurans who can perform such jobs and provide such services.

Central American and other national teachers may enter the teaching profession, provided that reciprocity exists in their country of origin.

Annex I-HO-44

44. Sector:

Professional services

Subsector:

Journalists

Obligations affected:

National Treatment (Article 13.3)

Level of Government:

Central

Current Measure:

Decree No. 759, Law of the College of Journalists of Honduras, Article 8, amended by Decree No. 79 of January 1, 1981.

Description:

Cross-Border Trade in Services

For the functions of Director, Sub-Director and Editor-in-Chief, it is required to be Honduran by birth.

In order to exercise the intellectual, political and administrative orientation of print, radio and television newspapers, it is required to be a Honduran by birth.

Annex I-HO-45

45. Sector:

Electric Power Services

Subsector:

Obligations affected:

Market Access (Article 13.5)

Level of Government:

Central

Measurements:

Decree No. 158-94, Framework Law of the Electricity Subsector, Article 23.

Description:

Cross-Border Trade in Services

In order to be able to establish itself in Honduras and to be able to provide electricity distribution services, a company must be constituted as a mercantile company with nominal shares.

Annex I-HO-46

1. The Schedule of a Party to this Annex provides, in accordance with Article

12.7 (Non-Conforming Measures) and Article 13.7 (Non-Conforming Measures), reserves adopted by a Party for sectors, subsectors or activities for which it may maintain existing measures, or adopt new or more restrictive measures, which are inconsistent with obligations imposed by:

(A) Article 12.2 (National Treatment) or Article 13.3 (National Treatment);

(B) Article 12.3 (Most-Favored-Nation Treatment) or Article 13.4 (Most-Favored-Nation Treatment);

(C) Article 12.5 (Senior Executives and Boards of Directors);

(D) Article 12.6 (Performance Requirements);

(E) Article 13.5 (Market Access); or

(F) Article 13.6 (Local Presence).

2. Each reservation in the Party's Schedule establishes the following elements:

(A) Sector refers to the general sector for which the reservation has been made;

(B) Subsector refers to the specific sector for which the reservation has been made;

(C) Obligations Affected specifies the obligation (s) referred to in paragraph 1 which, pursuant to Article 12.7 (Non-Conforming Measures) and Article 13.7 (Non-Conforming Measures), do not apply to sectors, subsectors or activities listed in the reservation; Y

(D) Description establishes the coverage of the sectors, subsectors or activities covered by the reserve.

3. In accordance with Article 12.7 (Non-Conforming Measures) and Article

13.7 (Non-Conforming Measures), the Articles of this Agreement specified in the Affected Obligations element of a reservation do not apply to the sectors, subsectors and activities identified in the Description element of that reservation.

1. Sector All Sectors

Subsector:

Obligations Concerned: Most-Favored-Nation Treatment (Articles 12.3 and 13.4)

Description: Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure that grants differential treatment to countries of

accordance with any bilateral or multilateral international treaty in force or subscribed prior to the date of entry into force of this Agreement.

Peru reserves the right to adopt or maintain any measure that grants differential treatment to countries of

in conformity with any bilateral or multilateral international treaty in force or which subscribes after the date of entry into force of this Treaty in respect of:

(A) aviation;

(B) fishing; or

(C) maritime affairs, 1 including salvage.

1 For greater certainty, maritime affairs include transport by lakes and rivers.

Annex II-PE-1

2. Sector

Subsector:

Obligations Concerned:

Description:

Issues Related to Indigenous, Peasant, Native and Minority Communities

National Treatment (Articles 12.2 and 13.3)

Most-Favored-Nation Treatment (Articles 12.3 and 13.4) Local Presence (Article 13.6)

Performance Requirements (Article 12.6)

Senior Executives and Boards of Directors (Article 12.5)

Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure that grants rights or preferences to socially or economically disadvantaged minorities and to ethnic groups. For the purposes of this entry, "ethnic groups" means indigenous, native and peasant communities.

Annex II-PE-2

3. Sector

Fisheries and Related Services

Subsector:

Obligations Concerned:

Description

National Treatment (Articles 12.2 and 13.3)

Most Favored Nation Treatment (Articles 12.3 and 13.4) Performance Requirements (Article 12.6)

Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure related to artisanal fishing.

Annex II-PE-3

4. Sector:

Cultural Industries

Subsector:

Obligations Concerned: Most-Favored-Nation Treatment (Articles 12.3 and 13.4)

Description: Investment and Cross-Border Trade in Services

For the purposes of this entry, the term "cultural industries" means:

(A) publication, distribution or sale of books, journals, periodicals or printed or electronic journals, excluding the isolated activity of printing and typographic composition of any of the foregoing;

(B) production, distribution, sale or display of film or video recordings;

(C) production, distribution, sale or display of music recordings in audio or video;

(D) production and presentation of performing arts 2;

(E) production and display of visual arts;

(F) production, distribution or sale of printed or machine-readable music;

(G) design, production, distribution and sale of handicrafts; or

(H) broadcasters intended for the general public, as well as all activities related to radio, television and cable transmission,

satellite programming services and transmission networks.

Peru reserves the right to adopt or maintain any measure granting preferential treatment to persons (natural and legal) from other countries under any existing or future bilateral or multilateral international treaty with respect to cultural industries, including

2 The term "performing arts" means live performances or presentations such as theater, dance or music.

Annex II-PE-4

Audiovisual cooperation.

For greater certainty, Articles 12.2 (National Treatment) and 12.3 (Most Favored Nation Treatment) and Chapter 13 (Cross-Border Trade in Services) do not apply to government support programs for the promotion of cultural activities.

Annex II-PE-5

5. Sector:

Handicrafts

Subsector:

Obligations Concerned: Description:

National Treatment (Articles 12.2 and 13.3)

Performance Requirements (Article 12.6)

Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure regarding the design, distribution, retailing or display of handicrafts that are identified as Peruvian handicrafts.

Performance requirements should in all cases be consistent with the WTO Agreement on Trade-Related Investment Measures (WTO TRIMs Agreement).

Annex II-PE-6

6. Sector:

Audiovisual Industry

Subsector:

Obligations Concerned: Description:

National Treatment (Article 13.3)

Performance Requirements (Article 12.6)

Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure that establishes a specific percentage (up to twenty percent - 20%) of all cinematographic works exhibited annually in cinemas or exhibition halls in Peru for Peruvian cinematographic works. Among the criteria that Peru will consider for the establishment of such percentage are: national film production, the existing exhibition infrastructure in the country and public attendance.

Annex II-PE-7

7. Sector:

Subsector:

Obligations Concerned: Description:

Jewelry Design Performing Arts Visual Arts Music Industry Publishing Industry

National Treatment (Article 13.3)

Performance Requirements (Article 12.6)

Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure conditioning the reception or continuity of receipt of government support for the development and production of jewelry design, performing arts, visual arts, music and publishing industry, to achieve a certain level Or percentage of domestic creative content.

Annex II-PE-8

8. Sector:

Subsector:

Obligations Concerned: Description:

Audiovisual Industry

National Treatment (Articles 12.2 and 13.3)

Most-Favored-Nation Treatment (Articles 12.3 and 13.4)

Investment and Cross-Border Trade in Services

Peru may adopt or maintain any measure granting to a person of another Party the same treatment accorded by such Party to a Peruvian person in the audiovisual, publishing and musical sectors.

Annex II-PE-9

9. Sector

Social services

Subsector:

Obligations Concerned:

Description:

National Treatment (Articles 12.2 and 13.3)

Most-Favored-Nation Treatment (Articles 12.3 and 13.4) Local Presence (Article 13.6)

Performance Requirements (Article 12.6)

Senior Executives and Boards of Directors (Article 12.5)

Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure regarding the execution of laws and the provision of social rehabilitation services and the following services, to the extent that they are social services that are established or maintained for reasons of interest Public: insurance and income security, social security services, social welfare, public education, public training, health and child care.

Annex II-PE-10

10. Sector:

Public Drinking Water Service

Subsector:

Obligations Concerned: Description:

Local Presence (Article 13.6)

Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure regarding the public drinking water service.

Annex II-PE-11

11. Sector:

Public Sewer Service

Subsector:

Obligations Concerned: Description:

Local Presence (Article 13.6) Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure in relation to the public sewer service.

Annex II-PE-12

12. Sector:

Telecommunication

Subsector:

Obligations Concerned: Description:

Most-Favored-Nation Treatment (Article 13.4) Local Presence (Article 13.6)

Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure regarding the granting of a concession for the installation, operation and operation of public telecommunications services.

Annex II-PE-13

13. Sector:

Education Services

Subsector:

Obligations Concerned:

Description:

National Treatment (Article 13.3)

Most-Favored-Nation Treatment (Article 13.4) Local Presence (Article 13.6)

Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure with respect to natural persons providing education services, including teachers and auxiliary personnel providing educational services in the stages of basic education and higher education, including "technical- Productive," and other persons providing services related to education, including promoters of educational institutions at any level or stage of the education system.

Annex II-PE-14

14. Sector:

Transport

Subsector:

Obligations Concerned: Description:

Road Transport Services National Treatment (Article 13.3)

Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure authorizing only Peruvian natural or juridical persons to provide

ground transportation services for goods or persons within the territory of the Republic of Peru (cabotage). For this, companies must use the Peruvian automotive fleet.

Annex II-PE-15

15. Sector:

Transport

Subsector:

Obligations Concerned:

Description:

International Road Transport Services

National Treatment (Articles 12.2 and 13.3)

Most-Favored-Nation Treatment (Articles 12.3 and 13.4) Local Presence (Article 13.6)

Investment and Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure relating to international land transport operations of cargo or passengers in neighboring areas.

In addition, Peru reserves the right to adopt or maintain the following limitations for the provision of international ground transportation services from Peru:

(A) the service provider must be a Peruvian natural or legal person;

(B) the service provider must have a real and effective address in Peru; Y

(C) in the case of a legal entity, the service provider must be legally incorporated in Peru and have more than fifty percent (50%) of its capital stock and its effective control in the hands of Peruvian nationals.

Annex II-PE-16

16. Sector:

All Sectors

Subsector:

Obligations Concerned: Description:

Market Access (Article 13.5)

Cross-Border Trade in Services

Peru reserves the right to adopt or maintain any measure relating to Article 13.5 (Market Access), except for the following sectors and subsectors subject to the limitations and conditions listed below:

Legal services: For (a) and (c): None, except that a maximum number of places for notaries is established depending on the number of inhabitants of each city. For (b): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Architectural services: For (a), (b) and (c): None, except for temporary registration, nonresident foreign architects require a partnership agreement with a resident Peruvian architect. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Engineering Services: For (a), (b) and (c): None. For

(D) : No commitments, except as provided in the Law for the Hiring of Foreign Workers.

Veterinary Services: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Services provided by midwives, nurses, physiotherapists and paramedical personnel: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Computer and related services: For (a), (b) and (c): None. For (d): No commitments, except for

Established in the Law for the Hiring of Foreign Workers.

Real estate services: That involve own or leased real estate or to commission or contract: For (a), (b) and (c): None. For (d): No commitments, except for

Annex II-PE-17

Established in the Law for the Hiring of Foreign Workers.

Leasing or rental services without crew / operators, relating to ships, aircraft, any other transport equipment and other machinery and equipment:

For (a), (b) and (c): None, unless:

National Naviero or Empresa Naviera Nacional is understood to mean the natural person of Peruvian nationality or juridical person constituted in Peru, with principal domicile, real and effective headquarters in Peru, that is dedicated to the service of water transport in national traffic or cabotage³ and / Or international traffic and is owner or lessee under the modalities of financial lease or bareboat rental, with option to purchase compulsory, of at least one Peruvian flag merchant ship and has obtained the corresponding Permission of Operation of the General Directorate of Transportation Water.

Cabotage is reserved exclusively for merchant vessels of Peruvian flag owned by the National Shipping Company or National Shipping Company or under the modalities of Financial Leasing or Leasing to Casco Nude, with compulsory purchase option; Except that:

(I) the transportation of hydrocarbons in national waters is reserved for up to twenty-five percent (25%) for Peruvian naval vessels; Y

(II) for water transportation between Peruvian ports only or cabotage, in cases where there are no vessels of their own or leased under the modalities indicated above, it will be permitted to charter vessels of foreign flag to be operated only by National Shipping Companies or Shipping Companies National, for a period not to exceed six (6) months.

³ For greater certainty, water transport includes transport by lakes and rivers.

Annex II-E-18

For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Advertising services: For (a), (b) and (c): None, except that: commercial advertising made in the country must have at least eighty percent (80%) of national artists. National artists must receive not less than sixty percent (60%) of the total salary wages of artists. The same percentages established in the previous paragraphs apply to the technical worker linked to commercial advertising. For (d): No commitments, except what is established in the Law of Artist, Interpreter and Performer and in the Law for the Hiring of Foreign Workers.

Market research and public opinion polling services, administrative consultants, management consultants, and technical testing and analysis services: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Services related to agriculture, hunting and forestry: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Services related to mining, personnel placement, and research and security: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Maintenance and repair services of equipment (excluding vessels, aircraft or other transport equipment), building cleaning services, photographic services, packaging services and services provided at assemblies and conventions: For (a), (B) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Editorial and printing services: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

National or international long distance telecommunications services: For (a), (b), (c) and (d): Peru reserves the right to adopt

or maintain any measure other than

Annex II-PE-19

Inconsistent with Peru's obligations under Article XVI of the WTO GATS.

Telecommunication carriers, private telecommunications services and value added services 4: For (a), (b), (c): None, except for the obligation to obtain a concession, authorization or registration, or other enabling Provided for the provision of such services. Legal entities constituted in accordance with Peruvian law may be eligible for a concession.

It is prohibited to perform call-back, understood as the provision of telephone services for making telephone calls originated in the country, in order to obtain a return call with tone of invitation to dial, originating from a basic network Of telecommunications located outside the national territory.

International traffic must be routed through an operator to which the Ministry of Transport and Communications has granted a concession or other enabling title.

Interconnection between private services is prohibited.

For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Commissioning services (except hydrocarbons): For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Retail trade services, except alcohol and tobacco: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Wholesale trade services (except hydrocarbons): For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Franchise Services: For (a), (b) and (c): None. For (d): Without commitment, except as provided in the Law for the

4 Value-added services will be defined according to Peruvian legislation.

Annex II-PE-20

Contracting of Foreign Workers.

Repair services of personal and household items: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Services of hotels and restaurants (including outsourced catering services), of travel agencies and organization of group tours, of tourist guides: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Entertainment services (including theaters, bands and orchestras and circuses), news agencies, libraries, archives, museums and other cultural and sports services: For (a), (b) and (c): None, except the next:

(I) any production of scenic and visual art, and any national artistic spectacle presented directly to the public must comprise at least eighty percent (80%) of national artists. National artists must receive not less than sixty percent (60%) of the total salary wages of artists. The same percentages apply to the technical worker linked to the artistic activity.

(li) any foreign circus show will enter the country with its original cast, for a maximum term of ninety (90) days, which may be extended for the same period. In the latter case, at least thirty percent (30%) of national artists and fifteen percent (15%) of national technicians will be included in the artistic cast. These same percentages should be reflected in the payrolls.

For (d): No commitments, except as established in the Law of Artist, Interpreter and Performer, and in the Law for the Hiring of Foreign Workers.

Services for the operation of sports facilities

5 The term "performing arts" means live performances or presentations such as theater, dance or music.

Annex II-PE-21

Competition and for recreational sports: For (a), (b) and (c): None. For (d): No commitments, except as indicated in the Law for the Recruitment of Foreign Workers.

Playground Services: For (a), (b) and (c): None. For (d): No commitments, except as indicated in the Law for the Recruitment of Foreign Workers.

Maritime and inland waterway transport services: For (a), (b), (c) and (d): Peru reserves the right to adopt or maintain any measure inconsistent with Peru's obligations under Article XVI of the WTO GATS.

Road transport services: rental of commercial vehicles with driver, maintenance and repair of road transport equipment, road, bridge and tunnel operation services: Para (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Ancillary services in relation to all means of transport: loading and unloading services,

Storage, transportation agencies: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Aircraft repair and maintenance services: For (a): No commitments. For (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Services of sale and commercialization of air transport services, and Computer reservation services: For (a), (b) and (c): None. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Natural science research and development services: For (a), (b) and (c): None, except that an operating permit may be required and the competent authority may arrange for the shipment to include one or more representatives of The relevant Peruvian activities, in order to participate and know the studies and their scope. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Annex II-PE-22

Social sciences and humanities research and development services: For (a), (b) and (c): None, subject to the respective authorizations of the competent authority. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

Interdisciplinary research and development services: For (a), (b) and (c): None, except that an operating permit may be required. For (d): No commitments, except what is established in the Law for the Hiring of Foreign Workers.

For greater certainty, nothing in this reservation should be inconsistent with Peru's commitments under Article XVI of the WTO GATS.

For the purposes of this non-conforming measure:

1. "(a)" refers to the provision of a service from the territory of one Party to the territory of the other Party;
2. "(b)" refers to the provision of a service in the territory of one Party by a person of that Party to a person of the other Party;
3. "(c)" refers to the provision of a service in the territory of one Party by an investor of the other Party or a covered investment; Y
4. "(d)" refers to the provision of a service by a national of one Party in the territory of the other Party.

Annex II-PE-23

1. Sector:

Communication services

Subsector:

Telecommunication

Obligations affected:

National Treatment (Article 12.2)

Market Access (Article 13.5)

Description:

Investment and Cross-Border Trade in Services

Honduras reserves the right to adopt, maintain, or modify the level of ownership interest in the Honduran Telecommunications Company

(HONDUTEL), as well as its subsidiaries or subsidiaries.

Annex II-HO-1

2. Sector:

Professional services

Subsector:

Obligations affected:

Description:

Agronomists

National Treatment (Article 13.3)

Most Favored Nation Treatment (Article 13.4) Local Presence (Article 13.6)

Cross-Border Trade in Services

Honduras reserves the right to adopt or maintain any measure that applies to the compulsory professional association of agricultural engineers.

Annex II-HO-2

3. Sector:

Professional services

Subsector:

Obligations Concerned: Description:

Social workers

National Treatment (Article 13.3)

Cross-Border Trade in Services

Honduras reserves the right to adopt or maintain any measure that applies to the compulsory professional association of social workers.

Annex II-HO-3

4. Sector:

Professional services

Subsector:

Obligations affected:

Description:

Chemicals and pharmaceuticals

National Treatment (Article 13.3)

Most Favored Nation Treatment (Article 13.4) Local Presence (Article 13.6)

Cross-Border Trade in Services

Honduras reserves the right to adopt or maintain any measure that applies to the compulsory professional association of

chemists and pharmacists.

Annex II-HO-4

5. Sector:

Social services

Subsector:

Obligations affected:

Description:

Senior Executives and Boards of Directors (Article 12.5) National Treatment (Article 13.3)

Most Favored Nation Treatment (Article 13.4) Market Access (Article 13.5)

Local Presence (Article 13.6)

Investment and Cross-Border Trade in Services

Honduras reserves the right to adopt or maintain any measure regarding the application and enforcement of laws and the provision of social rehabilitation services; As well as the following services to the extent that they are social services that are established or maintained for reasons of public interest; Pensions, unemployment insurance, social security services, pension fund services, social welfare, public education, public training, health and child care.

Annex II-HO-5

6. Sector:

Minority Issues

Subsector:

Obligations affected:

Description:

Senior Executives and Boards of Directors (Article 12.5) Performance Requirements (Article 12.6)

National Treatment (Articles 12.2 and 13.3)

Local Presence (Article 13.6)

Investment and Cross-Border Trade in Services

Honduras reserves the right to adopt or maintain any measure granting rights or preferences to socially and economically disadvantaged minorities.

Annex II-HO-6

7. Sector:

Distribution Services - Petroleum Products

Subsector:

Obligations affected:

Description:

National Treatment (Articles 12.2 and 13.3)

Senior Executives and Boards of Directors (Article 12.5) Performance Requirements (Article 12.6)

Market Access (Article 13.5)

Local Presence (Article 13.6)

Investment and Cross-Border Trade in Services

Honduras reserves the right to adopt or maintain measures related to the importation and wholesale distribution of crude oil, reconstituted, refined, bunker products and all their derivatives.

Annex II-HO-7

8. Sector:

All Sectors

Subsector:

Obligations Concerned: Most-Favored-Nation Treatment (Articles 12.3 and 13.4)

Description: Investment and Cross-Border Trade in Services

Honduras reserves vis-à-vis Peru, the right to adopt or maintain any measure granting different treatment to countries in accordance with any bilateral or multilateral international treaty in force or which is signed prior to the date of entry into force of this Agreement Treaty.

Honduras reserves the right to adopt or maintain any measure that grants different treatment to countries in accordance with any international treaty in force or subscribed after the date of entry into force of this Treaty in respect of

A) aviation;

(B) fishing; or

C) maritime affairs 1, including rescue.

1 For greater certainty, maritime affairs include transport by lakes and rivers

Annex II-HO-8