

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

G/19

27 August 1952

General Distribution

NICARAGUA - EL SALVADOR FREE TRADE AREA

First Annual Report by the Government of Nicaragua

In accordance with the undertaking to furnish to the Contracting Parties each year a report on action taken pursuant to Articles III and IV of the Free-Trade Area Treaty between Nicaragua and El Salvador, and of such additional information as would be of assistance to the Contracting Parties, the Government of Nicaragua has transmitted a report drawn up by the "Ministerio de Economía", the relevant passages of which are reproduced hereunder.

Report

"The Government of Nicaragua has not taken measures of quantitative restriction on any Salvadorean product; on the other hand, the Government of El Salvador informed our Government through Mr. Manuel F. Chavarría, President of the Salvadorean Delegation of the Mixed Trade Commission, that, owing to the persistent fall in the price of maize, with disturbing effects on the economy of that Republic, they find themselves obliged to resort to the faculties granted in Article III and have temporarily forbidden the importation of maize from Nicaragua.

"The Government of Nicaragua, desiring to ensure that the Treaty operates as well as possible, issued on 26 April 1952 Executive Decree No. 17, copy of which is herewith attached for your information. I am also sending you a tabulation of the movement of trade between Nicaragua and El Salvador, both in items covered by the Free-Trade Treaty and in others, during the period September to May.

"The Government of El Salvador has requested the inclusion of new products in Annex A and the matter is being considered by Nicaragua. Similarly, Nicaragua has requested the inclusion of new products and the Government of El Salvador is studying the request.

"During the period of operation of the Free-Trade Treaty, i.e. from September to May, the movement of trade has been the following:

Imports - September to May :	497,252 dollars
Exports - " " " :	1,241,459 dollars

The balance of trade is therefore : 744,207 dollars."

¹ Basic Instruments II, page 3.

Decree No. 17

signed on 26 April 1952 and published in the "Gaceta Oficial"
on 15 May 1952

The President of the Republic.....,

Decreases:

THE FOLLOWING SPECIAL REGULATIONS FOR TRADE IN GOODS COVERED BY THE
FREE-TRADE TREATY WITH THE REPUBLIC OF EL SALVADOR

Exports

Article 1. Export certificates established by the Law on the Control of International Exchanges may apply, without the requirement of an obligation to surrender foreign exchange, to exports to El Salvador of goods covered by the Free-Trade Treaty, provided that the interested party:

- (a) Negotiates in advance with the Banco Nacional de Nicaragua the foreign exchange corresponding to the value of the export. This negotiation may take place directly or, with the Banco Central de Reserva de El Salvador, utilizing the agencies set up under the Special Payments Agreement (Convenio Especial de Pagos) in accordance with Annex "C" of the Treaty.
- (b) Or can prove by means of the appropriate customs declaration certified by the Nicaraguan customs authorities, that he has effected an importation in accordance with the procedure laid down in the first paragraph of Article 4 of this Decree, of a value equal to, or greater than that of the goods he intends to export.

Article 2. The undertakings to surrender foreign exchange arising out of exports to El Salvador of Nicaraguan goods covered by the Free-Trade Treaty may be cancelled if the interested party is able to prove with the appropriate customs declaration, certified by the Nicaraguan customs authorities, that he has subsequently imported Salvadorean goods covered by the Free-Trade Treaty, of a value equal to, or greater than the value of the undertaking signed by him. If the value of the importation referred to should be less than that covered by the undertaking, he will be only credited with the value of the importation.

Article 3. The Banco Nacional de Nicaragua will cancel the undertakings to surrender foreign exchange, referred to in the preceding article, on the basis of the value of imports certified by the Nicaraguan customs authorities.

Imports

Article 4. Residents of the Republic of El Salvador wishing to take with them into Nicaragua products covered by the Free-Trade Treaty may do so without fulfilling the requirements of prior deposit and registration required by Articles 19 and 20 of the Law on the Control of International Exchanges, merely by presenting to the appropriate customs office the declaration provided for in the Free-Trade Treaty.

The same procedure as laid down in the preceding paragraph will be applied to imports by persons not residents of the Republic of El Salvador when such persons, finding themselves in El Salvador for the purpose of selling goods exported from Nicaragua, wish to import into Nicaragua Salvadoran goods covered by the Treaty.

Article 5. The customs authorities shall transmit to the Banco Nacional de Nicaragua (Issue Department), a copy of the customs declarations corresponding to all imports from El Salvador which are covered by the Treaty. If such imports have taken place in accordance with the provisions of article 2 of this Decree, the Banco Nacional de Nicaragua will register the importation upon receipt of the copy of the customs declaration.

Article 6. This Decree shall enter into force on the day of its publication in "La Gaceta", the Official Gazette.

MOVEMENT OF TRADE OF NICARAGUA WITH THE REPUBLIC OF EL SALVADOR

EXPORTS - 1951

ITEM	SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER		TOTAL	
	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars
Pigs (No.)	138	3,120	170	2,550	47	940	62	1,209	417	7,819
Butter	8,602	8,428	8,235	8,343	1,999	3,167	5,952	6,389	24,688	26,327
Cheese	14,105	5,877	20,502	7,669	10,669	4,285	6,327	3,422	51,603	21,253
Millet	93,912	5,074	6,900	375	21,252	1,155	4,600	250	126,664	6,854
Rice	24,923	5,247	116,380	23,377	20,700	4,050	28,520	5,580	190,523	38,054
Maize	831,020	63,169	1,253,203	83,356	1,327,318	83,446	1,550,842	98,769	4,962,383	328,740
Beans	82,892	13,890	108,337	18,827	39,192	5,816	57,867	3,757	288,288	49,290
New potatoes	-	-	16,100	765	13,800	750	10,488	570	40,388	2,085
Cocoa beans	6,693	5,238	-	-	1,288	1,068	17,020	11,265	25,001	17,571
Sesame	9,524	2,085	-	-	-	-	828	180	10,352	2,265
Starch	29,149	7,608	-	-	-	-	-	-	35,129	8,908
Oilcloth	320	650	5,980	1,300	-	-	-	-	4,704	3,329
Oattonseed oil	-	-	544	355	2,699	1,913	541	411	-	-
Cedar "espino" sq. ft.	3,857	135	3,864	1,428	7,337	2,711	33,611	12,418	44,812	16,557
"Espavel" "	24,087	843	6,143	215	9,958	348	-	-	19,958	698
"Guanacaste" "	7,067	247	2,494	87	-	-	-	-	26,581	930
Cedar "real" "	-	-	-	-	67,899	2,356	-	-	74,966	2,603
"Genizaro" "	-	-	3,142	189	1,000	34	16,000	702	20,142	925
Sawn pine	25,210	1,085	10,448	366	-	-	-	-	10,488	365
Sawn cedar "real"	65,182	6,056	9,000	385	29,000	1,158	-	-	63,210	2,120
Sawn "genizaro"	13,104	779	95,124	8,878	41,000	3,376	10,796	920	212,102	19,230
Sawn "guanacaste"	57,304	3,591	39,395	2,437	8,000	436	31,000	1,960	91,579	5,612
Iron tanks	8,632	4,150	57,642	3,641	45,000	2,780	35,000	2,028	194,946	12,040
Raw hides of cattle	-	-	21,580	10,375	21,580	10,375	19,240	9,250	71,032	34,150
All other exports	-	3,217	4,380	2,476	6,945	3,296	5,920	3,346	17,246	9,118
	-	-	-	2,354	-	1,483	-	2,307	-	9,371
TOTAL:	-	140,289	-	179,758	-	135,943	-	170,733	-	626,723

S U M M A R Y

Goods exported from Nicaragua to the Republic of El Salvador showing
Quantities, Values and Duties

PERIOD: JANUARY-MAY - 1952

Product	Unit	Quantity	US\$ Value	Duty
Pigs	Heads	2,049	40,872.00	Free
Cheese	Kilos	22,722	11,729.00	"
Rice	"	157,445	19,528.00	"
Maize	"	4,639,098	284,457.00	"
Beans	"	634,271	96,253.00	"
Cocoa	"	90,334	60,390.00	"
Liquors	Liters	11,340	7,800.00	"
Cottonseed oil	Kilos	6,182	2,284.00	"
Oilcloth	"	5,514	3,939.00	"
Onions	"	1,932	420.00	"
Wheat	"	9,701	462.00	"
Potatoes	"	36,676	1,992.00	"
Butter	"	10,909	10,397.00	"
Cotton	"	8,557	2,638.00	"
Sesame seeds	"	1,702	370.00	"
Starch	"	8,654	13,206.00	"
Cotton seed	"	246,560	9,647.00	"
Castor oil	"	706	755.00	"
Palm oil	"	15,141	7,134.00	"
Pine	Sq. feet	22,000	945.00	116.55
Cedar "Espino"	" "	15,000	828.00	34.65
Cedar "Real"	" "	221,724	19,589.00	1,338.90
"Genizaro"	" "	50,128	2,764.00	107.00
"Guanacaste"	" "	146,140	6,929.00	504.00
Waterproofs	Kilos	908	3,258.00	Free
Raw hides of cattle	"	10,694	6,150.00	"
T O T A L			614,736.00	2,101.10

MOVEMENT OF TRADE OF NICARAGUA WITH THE REPUBLIC OF EL SALVADOR

REPORT FOR 1952

ITEM	JANUARY			FEBRUARY			MARCH			APRIL			MAY		
	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars	Kilos	Dollars	
Compressed gases	18,820	3,320	11,292	1,992	21,224	3,744	-	-	-	-	-	-	-	-	
Perfumery	248	579	-	-	-	-	-	-	-	-	-	-	241	500	
Automobile tyres (No.)	670	1,081	-	-	-	-	600	732	-	-	-	-	-	-	
Salt	34,380	375	71,300	744	17,940	225	-	-	-	-	-	-	290	24	
Tanks and containers	18,655	10,375	11,193	6,225	-	-	47	5	-	-	-	-	2,300	140	
Purses and bags (No.)	60,000	29,400	3,700	17,290	16,500	7,590	16,500	7,590	-	-	-	-	3,000	1,920	
Table linen	5	4	381	312	626	918	102	93	-	-	-	-	-	-	
Films (rolls)	65	710	124	1,240	91	910	50	510	-	-	-	-	28	350	
Ropes, cables, etc.	2,300	550	2,917	795	1,175	275	555	118	-	-	-	-	-	-	
Postage	251	67	-	-	-	-	6,820	880	-	-	-	-	-	-	
Household utensils	3,842	1,036	1	64	-	-	-	-	-	-	-	-	-	-	
Private vehicles (No.)	1	1,400	12	9,000	4	3,203	11	9,225	-	-	-	-	3	3,710	
Lorries and buses (No.)	8	16,266	13	47,031	13	35,515	7	35,848	-	-	-	-	3	7,600	
Hemp	38	14	63	18	-	-	-	-	-	-	-	-	-	-	
Clothing	15	29	22	29	18	27	-	15	-	-	-	-	-	-	
Pharmaceutical products	6	40	441	178	-	-	-	-	-	-	-	-	-	-	
Hats (dozen)	50	175	380	957	516	1,795	135	191	-	-	-	-	248	332	
Cotton oil	-	-	5,318	3,132	-	-	2,217	3,170	-	-	-	-	-	-	
Stationery	-	-	46	122	92	65	19	37	-	-	-	-	12	45	
Glassware	422	85	-	-	-	-	-	-	-	-	-	-	4	65	
Furniture	-	-	-	-	67	47	200	1,200	-	-	-	-	512	630	
Seeds for sowing	-	-	1,333	1,695	167	36	320	78	-	-	-	-	39	114	
Insecticides	-	-	720	748	-	-	-	-	-	-	-	-	-	-	
Demijohns and bottles	-	-	256	14	-	-	-	-	-	-	-	-	189	13	
Metall manufactures	2,670	3,539	13,526	2,316	66,117	22,823	-	-	-	-	-	-	50,415	14,934	
Machinery	3	405	34	120	-	-	2,292	635	-	-	-	-	-	-	
Other products	248	93	341	892	764	739	16,319	2,985	-	-	-	-	-	1,225	
TOTAL:		69,643		94,884		77,922		63,312						31,643	

186
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