

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

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PROVISIONAL ACCESSION OF GUATEMALA

Memorandum on Foreign Trade Régime

The following Memorandum on Foreign Trade Régime has been received from the Permanent Mission of Guatemala. In order that the matter may be examined by the Working Party (L/6189/Rev.1), contracting parties are requested to communicate to the secretariat by 15 November 1988 any questions they may wish to put concerning the matters dealt with in the Memorandum, for transmission to the authorities of Guatemala.

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LIST OF DOCUMENTS ADDED TO THE MEMORANDUM
ON THE FOREIGN TRADE RÉGIME OF GUATEMALA¹

1. Arancel Centroamericano de Importación (Incluye el Convenio sobre el Régimen Arancelario y Aduanero Centroamericano y la legislación centroamericana sobre el valor aduanero de las mercancías).
2. Código Aduanero Uniforme Centroamericano (CAUCA).
3. Reglamento del Código Aduanero Uniforme Centroamericano (RECAUCA).
4. Tratado General de Integración Económica Centroamericana.
5. Acuerdo Transitorio de Intercambio Comercial entre las Repúblicas de Guatemala y Honduras.
6. Tratado de Libre Comercio y de Intercambio Preferencial entre las Repúblicas de Guatemala y Panamá.
7. Acuerdo de Alcance Parcial entre las Repúblicas de Guatemala y Colombia.
8. Acuerdo de Alcance Parcial entre la República de Guatemala y los Estados Unidos Mexicanos.
9. Acuerdo de Alcance Parcial entre las Repúblicas de Guatemala y Venezuela.
10. Ley Orgánica de la Zona Libre de Industria y Comercio Santo Tomás de Castilla (ZOLIC).
11. Reglamento de la Ley Orgánica de la Zona Libre de Industria y Comercio Santo Tomás de Castilla (ZOLIC).
12. Reglamento para Operaciones de Intercambio Directo de Bienes en el Régimen Cambiario.
13. Acuerdo de Creación de la Ventanilla Unica para las Exportaciones.

¹These documents may be consulted in the secretariat (Development Division, Office 2010).

GUATEMALA'S FOREIGN TRADE REGIME

1. GENERAL ECONOMIC SITUATION

One of the objectives of the stabilization and economic restructuring policy adopted at the beginning of 1986 as a result of the decline in economic activity in Guatemala during the first few years of the 1980s was to stimulate domestic demand by expanding employment.

In 1986 this policy succeeded in checking the decline in economic activity, which remained at the level reached at the end of 1985, a year in which the gross domestic product in constant prices¹ amounted to Q 2,936.6 million.

It should be emphasized that a factor of decisive importance in this context was the expansion of real domestic demand (1 per cent) in comparison with the 1985 level as a result of the recovery of private consumption which, in 1986, amounted to Q 2,283.7 million. Among the various productive sectors, impressive performances were turned in by the mining industry, which expanded by 29.6 per cent, and by the electricity and water sectors which expanded by 12.2 per cent. It should be mentioned that the recovery reflected by the value added in the manufacturing industry in 1986 amounted to Q 468.1 million in real terms and contributed to a significant extent to the upturn in employment.

In the agricultural sector, the prices of the principal export products continue to decline and acted as a disincentive for production, which declined by 0.4 per cent in comparison with 1985 and amounted to Q 514.4 million in real terms at the end of 1986.

Lastly, it may be mentioned that the increase in domestic consumption was the result of higher employment and wage levels brought about by the wage and employment policy which was adopted by the Government of the Republic in the middle of 1986 and which had the effect of creating approximately 30,000 new jobs and increasing the average wages of workers affiliated with the social security system by 12 per cent.

2. FOREIGN TRADE

2.1 Exports

Exports declined at a cumulative rate of 1.2 per cent during the 1977-1986 period (Annex 1). The decline gathered momentum in 1981, when purchases by the countries of the Central American area fell off. This development, in conjunction with the 30 per cent decline in coffee exports, caused a drop in total exports, which for that year amounted to US\$1,291.3 million. This situation persisted up to 1984, when total exports recovered

¹Base year: 1958

slightly by 4 per cent in comparison with 1983, only to decline in 1985 and 1986 when they amounted to US\$1,020.6 and 1,061.6 million respectively.

Guatemala's exports consist of traditional and non-traditional exports and exports to Central America. Traditional products include green coffee, cotton, bananas, sugar, meat, cardamom and petroleum. Exports of the latter product began in 1980, and since that time account for an average of 2.8 per cent of the total. Non-traditional exports are considered to be other goods exported to markets outside the Central American area.

During the decade under review, traditional products constituted an average of 70 per cent of total exports, the principal one being green coffee which, during the past ten years, accounted for an average of 39.5 per cent of total exports. Non-traditional exports and exports to Central America amounted to 13.8 per cent and 29 per cent respectively in 1980. In 1986, however, they declined to 12.2 per cent and 17.8 per cent respectively.

Guatemala's main export markets, apart from the Central American Common Market, include the United States of America which, during the past ten years, accounted for 35.6 per cent of exports, the European Economic Community (13 per cent) and Japan (6 per cent).

2.2 Imports

Imports declined at a cumulative rate of 2.4 per cent during the 1977-1986 period (Annex 1). In 1981 they recovered and amounted to US\$1,540 million, mainly as a result of higher international prices for imported goods. Since that year they have been declining at a cumulative annual rate of 10.7 per cent and amounted to US\$959.5 million in 1986.

Currency exchange restrictions and the shortage of foreign currency attributable to the aggravation of the crisis brought about a decline in imports beginning in 1982; they recovered slightly in 1984 only to contract once again in 1985 and 1986.

Guatemala's main source of imports was the United States of America which, during the past ten years, accounted for approximately 33 per cent of the total; the next two most important sources were Japan and the Federal Republic of Germany which accounted for 7.1 per cent and 6.4 per cent of the total respectively.

The main import products during the period under review were fuels and lubricants, chemical products, machinery and transport equipment.

Lastly, attention should be drawn to the increasing proportion of raw materials for industry, imports of which rose from 32 per cent in 1977 to 53 per cent in 1986; this reflects the extent to which the industrial sector depends on foreign sources and the increase in the relative prices of most imported inputs.

2.3 Trade balance

During the 1977-1986 period exports declined at a cumulative rate of 1.2 per cent, whereas imports fell at a cumulative rate of 2.4 per cent. For this reason in 1986 the surplus amounted to US\$167.3 million, the total of value of Guatemala's foreign trade being about US\$2,003 million. It should be mentioned that, during the last three years of the period in question, the foreign trade balance improved in that the deficit of US\$49.9 million in 1984 narrowed to US\$17.1 million in 1985 and that in 1986 there was a surplus of US\$167.3 million.

3. ECONOMIC POLICIES AND STRATEGIES

The Political Constitution of the Republic of Guatemala states that the economic and social system is based on principles of social justice. The State is under a duty to manage the national economy in such a way as to ensure that natural and human resources are used to increase the wealth of the country and to achieve full employment and the equitable distribution of the national income. To this end, the State is required to:

- Promote the country's economic development by stimulating agriculture, livestock breeding, industry, tourism and other activities;
- Monitor the quality of products for internal consumption and export in order to protect the health and safety of consumers;
- Promote rural development programmes based on the principle of private property;
- Encourage the orderly and efficient development of domestic and foreign trade; and
- Create favourable conditions that encourage the investment of domestic and foreign capital.

On the subject of international relations, the Political Constitution states that Guatemala is to establish normal relations with other States in accordance with international principles, norms and practices, in order to maintain peace and ensure freedom, to promote human rights and to strengthen democratic processes and the international institutions that guarantee mutual and equitable benefits for States.

Having regard to the guidelines contained in the Political Constitution of the Republic and the crisis being experienced by the national economy, the Government drew up a Short-Term Economic and Social Plan for 1986, with projections for 1987, embodying corrective measures designed to reduce or at least to curb unemployment, inflation, the fiscal deficit, the payments imbalance and the depreciation of the national currency.

In March 1987 the Government put into effect the so-called National Reorganization Plan which complements the policies contained in the previous plan. Its general economic objective is comprehensive development, while specific objectives include stabilization - including appreciation of the national currency and price stability - as well as the stimulation of activities within and outside the country. The stimulation of activities within the country implies the maintenance of competitive prices, support for domestic production and the development of a distribution and trade infrastructure.

The stimulation of activities outside the country implies policies designed to promote the export of goods and services with the following specific objectives:

- Maximization of traditional exports;
- Maximization of non-traditional exports;
- Stimulation of domestic and foreign investment; and
- Promotion of tourism.

4. INSTRUMENTS OF TRADE POLICY

4.1 Tariff and customs system

The Convention on the Central American Tariff and Customs Régime, of which El Salvador, Nicaragua and Costa Rica are also signatories, was approved on 28 December 1984 by Decree Law No. 123-84.

The Central American Tariff and Customs Régime consists of the Convention, the Central American Import Tariff (Annex A), Central American Legislation on the Valuation of Goods for Customs Purposes (Annex B) and its Regulations, the Central American Uniform Customs Code (CAUCA) and its Regulations (RECAUCA), and the decisions and other common customs and tariff provisions based on the Convention.

4.1.1 The Convention on the Central American Tariff and Customs Régime

The Régime is described as a basic instrument of the Central American economic integration process which is designed to guide and strengthen the development of producing sectors, to satisfy fiscal and balance-of-payments requirements, to encourage efficient production and to rationalize the cost of tariff protection, especially for the consumer, to contribute to the achievement of foreign trade policy objectives, to contribute to the equitable distribution of the benefits and costs of economic integration, and to improve the organization and administration of Central American customs services.

Some of the other most important provisions of the Convention are those concerning unfair trade practices and safeguards. According to the Convention, the Contracting States may adopt, in respect of goods from outside the region, countervailing measures necessary to curb trade practices that harm or are likely to harm Central American production, especially in the case of goods imported at a price below their normal value or in the case of export subsidies.

On the subject of safeguard measures, the Convention states that when a Contracting State encounters serious payments imbalance problems, sudden general shortages of raw materials and basic finished goods, disorganization of the market, unfair trade practices or yet any other circumstances likely to lead to a national emergency, it may unilaterally modify import duties for a maximum period of 30 days. This can be done without prejudice to other non-tariff measures that may be adopted by States on the basis of their national legislation.

Within that period, the Council must meet to consider the situation, determine its seriousness and decide what measures should be taken jointly; in so doing it may consider the possibility of suspending or modifying the measures adopted unilaterally or, depending on circumstances, authorize the extension of such measures. Regulations have been approved by the Tariff and Customs Council not only for dealing with unfair trade practices but also on the matter of safeguards.

Institutional provisions

The following bodies have been established under the Régime:

- The Central American Tariff and Customs Council;
- The Tariff Policy Committee;
- The Customs Committee; and
- The Secretariat.

The Central American Tariff and Customs Council is responsible for managing and administering the Régime, and to this end it:

- Adopts any decisions necessary to ensure the operation of the Régime;
- Settles any disputes that may arise concerning the application of the Convention and of ancillary and supplementary instruments;
- Approves customs duties and their modification; and
- Performs the other functions provided for by the Convention.

The powers and functions of the Committees are decided upon by the Council. The Permanent Secretariat of the General Treaty on Central

American Economic Integration (SIECA) acts as the Secretariat of the Council and other tariff régime bodies and is responsible for ensuring the proper application of the Convention and the decisions that may be adopted by subsidiary bodies.

4.1.2 The Central American Import Tariff

The Central American Import Tariff is the instrument which contains the nomenclature for the official classification of goods that may be imported into the territory of the Contracting States, as well as the rates of import duties and rules for the implementation of the Tariff.

The Central American Uniform Customs Nomenclature (NAUCA II) contains the official classification of goods and is based on the Nomenclature of the Customs Co-operation Council. It is divided into sections, chapters, sub-chapters and headings, corresponding to those of the Customs Co-operation Council's nomenclature, but its sub-headings and items constitute additional breakdowns peculiar only to NAUCA II.

The official classification of goods imported into the customs territory of each Contracting State is decided upon in accordance with the customs legislation in force of that State.

Article 17 of the Convention states, with reference to import duties, that any goods imported are subject to the payment of the duties specified in the Tariff, which are expressed in ad valorem terms.

The Contracting States undertake not to collect, in connection with or with regard to an import operation, duties other than those laid down in the Central American Import Tariff.

Nevertheless, the Council may agree to modify customs duties from one to 100 per cent of the nominal ad valorem tariff with a view to achieving the objectives of the Convention and, in particular, promoting productive activities, protecting the consumer and contributing to the implementation of foreign trade policy.

This procedure, which in customs and tariff jargon is known as the "flexibilizing mechanism", is governed by regulations.

In the case of Guatemala, the tariff contained in Annex A of the Régime was approved by Decree Law No. 146-85.

Exceptions

In accordance with Article 21 of the Convention, the Contracting States alone may grant exemptions and exceptions in respect of customs duties on:

- The household effects of residents when they definitively return to the country after having been absent for the previous 24 months;

- Goods covered by the provisions of regional and international agreements in force or by national legislation concerning the various objectives or activities of the manufacturing industry mentioned in the Central American Convention on Tax Incentives and its Protocols;
- Goods imported with a view to the development of handicraft activities, small-scale industries and industries exporting to third countries;
- Duly specified activities authorized by the Council;
- Goods originating in the country and re-imported without any processing within a period of three years.

The Contracting States may similarly authorize the suspension of customs duties, in their respective territories, on goods imported or exported temporarily in accordance with customs legislation; these periods of suspension may be extended successively by further periods of the same length as those initially authorized.

4.2 Customs system

The Central American Uniform Customs Code (CAUCA), its Regulations (RECAUCA), and the Customs Law, Decree No. 2064 and its amendments constitute the legal basis of the Guatemalan customs system. It is in accordance with these instruments that the customs services are organized and the national customs administration is run.

The Central American Uniform Customs Code specifies the institutions, services and activities in this field, indicates the dates or time-limits for the performance of various operations and the requirements or formalities that have to be satisfied, and describes the organization of, and the various bodies constituting, the country's customs system.

4.2.1 Institutional provisions

The Guatemalan customs system is subordinate to the executive body, namely, the Ministry of Public Finance, and consists of:

- The General Customs Directorate;
- Customs houses and offices; and
- The Tariff Committee.

The General Customs Directorate is the supreme customs body at the national level and is responsible for the technical and administrative management of customs houses and offices and the various activities of the sector. In this connection, it is responsible for:

- Complying with and ensuring compliance with provisions relating to customs matters;
- Resolving, in accordance with the relevant legislation, assimilation problems that arise in connection with the classification of goods;
- Dealing with complaints submitted to it concerning the application of customs duties and customs laws and regulations, without prejudice to the initiation of recourse procedure.

The customs houses and offices are subordinate to the General Customs Directorate and, under its authority and supervision, are responsible for monitoring and collecting levies on goods entering the country, leaving the country and in transit, as well as for their custody and valuation, in accordance with the relevant legal provisions.

4.2.2 Appeals

Appeals for a hierarchical review of the decisions of the Customs Administrator may be lodged with the Director-General of Customs. Appeals of this nature must be submitted in writing at the time of notification or within three working days of such notification. Appeals against the decisions of the Director-General of Customs may be lodged with the Administrative Tribunal, and only in matters concerning customs classification may the appeal be lodged with the Tariff Committee, whose decision is final.

4.3 The valuation of goods for customs purposes

The valuation of goods for customs purposes, is governed by Decree Law No. 147-85, which is the Central American Legislation on the customs value of goods (Annex B of the Central American Tariff and Customs Régime).

The Value Law is based on the Brussels definition of value. According to this Law, a normal price is one which, at the time the customs clearance certificate (póliza) is accepted, it is felt can be fixed for the imported goods as a result of a transaction effected in the context of free competition between a buyer and seller independent of one another.

For purposes of determining the normal price, it is assumed that:

- The goods are handed over to the buyer at the port or point of entry into the territory of the importing country;
- The seller assumes all the expenses connected with the sale and hands over the goods at the port or point of entry into the territory of the importing country; such expenses include transport, insurance, commission and/or brokerage charges, expenditure incurred in securing, outside the importing country, the documents necessary for the import of the goods into the

importing country, and consular fees and charges; taxes and charges payable outside the importing country, with the exception of those from which the goods have been exempted or whose import has been or should be reimbursed; the cost of packaging or containers with the exception of those subject to a special customs régime or constituting part of the same customs operation, as well as expenditure connected with the storage and removal from storage and the loading and unloading of goods; and

- The buyer pays the taxes and charges payable in the importing country and therefore such taxes and charges are not included in the normal price.

As regards currency conversion, if the value is expressed in a currency other than that of the importing country, customs duties collected at the exchange rate in force.

Where, owing to the nature of the goods imported, the consignee or importer is unable to present proof of transport and insurance charges, the sum in question is estimated by the Customs Authority in accordance with the regulations contained in this Law.

The normal price is determined on the basis of the price paid or to be paid subject to the appropriate modifications or adjustments where this price is different from the usual competitive price. Where this is impossible, the normal price is determined by reference to the following list of prices in succession and by process of elimination:

- The usual competitive price;
- The probable transaction price;
- The actual transaction price; and
- The price determined on the basis of the rental contract or contracts.

Each of the above concepts is defined in Article 14, which has already been mentioned.

This Law also states that the consignee or importer shall declare the customs value of the goods to the appropriate customs office in the document entitled "Declaration of Customs Value", whose layout, form and content, as well as exceptions, are indicated in the regulations giving effect to the Law, without prejudice to the obligation to furnish any additional document or information considered to be necessary for the verification of customs value.

Appeals for a review of the adjustment and modification decisions based on the investigation and verification of the declared customs value

may be lodged with the Director of Customs. Such appeals must be submitted within 30 working days of the date of the notification.

4.4 System of levies

4.4.1 Customs duties

As has already been noted, imports in Guatemala are subject to the ad valorem duties set out in the Central American Import Tariff approved by Decree Law No. 146-85. The duties are payable on any goods imported from third countries intended for final use and consumption within the country. These duties consist of a variable percentage specified in the Tariff, depending on the nature of the goods, and are applicable to their customs value.

These tariffs vary as follows:

- Essential goods not produced in the Central American area: 1 per cent;
- Goods not produced in the area: 5 per cent;
- Capital goods, raw materials and intermediate products produced in the Central American area: from 10 to 30 per cent
- Capital goods not produced in the area, depending on the extent to which they are considered essential: from 5 to 10 per cent;
- Finished goods produced in the area: average of 60 per cent.

Imports for small industries and other productive activities governed by special laws are exempted. Such industries may, subject to entitlement, import machinery, equipment and raw materials free of customs duties.

It should be added that Decree No. 63-87 of the Congress of the Republic increased the customs tariffs set out in the Central American Import Tariff by 4 per cent; the products listed in Annex 2 are not affected by this increase.

4.4.2 Value added tax

The value added tax (VAT) is governed by Decree Law 97-84, as amended by Legislative Decree No. 60-87. This tax of 7 per cent is payable on the transfer of ownership or sale of goods and the provision of services. In the case of imports, the tax is calculated on the c.i.f. value of the invoice converted into national currency at the current exchange rate, plus the applicable customs duties. Imports, transfers of ownership or sales of the goods listed in Annex 3 are not subject to this tax.

4.4.3 Consular fees

Imports into Guatemala are also subject to consular fees which are set out in Decree Law No. 279, amended by Decree No. 78-74 of the Congress of the Republic, Article 1(b) of which specifies the following rates:¹

- Authentication of invoices	Q 15
- Authentication of signatures	Q 5
- Authentication additional copies	Q 2
- Additional copies of shipment and maritime transport invoices	Q 2
- Health certificates	Q 10

4.5 Treatment of imports

4.5.1 Control

The following public sector bodies are responsible for exercising control over imports:

Bank of Guatemala (Central Bank)

The Bank is required to comply with and apply the provisions of Resolution JM-99-86 of Monetary Council, Section II of which states that, "Before effecting any import operation, the importer must register the goods concerned with the Exchange Control Department in order to obtain an authorization to withdraw the goods and, if necessary, an import exchange control licence. In the case of imports for which payment is effected through the regulated or banking foreign exchange markets, or for which foreign currency is not required, the Exchange Control Department may authorize the competent banks to grant permission for withdrawal of the goods on the basis of appropriate forms."

At the present time there are no restrictions on obtaining foreign currency for the import of goods, which may be paid for through the regulated market at an exchange rate of Q 2.5 per US\$1; the demand for foreign currency for the payment of services is satisfied by the banking market, whose rate of exchange varies, depending on supply and demand.

General Trade Directorate

This Directorate is responsible for issuing import licences which must be obtained before products that may distort the country's economy are imported. The purpose of import licences is to protect national

¹Based on the official exchange rate of Q 1 = US\$1

enterprises against excessive imports of certain products or imports which constitute unfair competition. Cases of this nature sometimes come to light and/or are identified as a result of reports emanating from the sectors affected. The products for which an import licence must first be obtained are listed in Annex 4.

Other bodies in the public sector are also responsible for exercising control over imports, mainly in their specific areas of competence. These bodies are as follows:

- The National Agricultural Marketing Institute (INDECA), which issues licences for the import of basic seeds;
- The Technical Directorate for the Control of Foodstuffs of Animal Origin, which issues licences for the import of food products of animal origin;
- The Technical Plant Health Directorate, which issues licences for the import of products of vegetable origin;
- The General Livestock Services Directorate, which issues licences for the import of live animals;
- The General Health Services Directorate, which issues licences for the import of medicinal products as well as drugs and psychotropic substances;
- The Ministry of Defence which, through its import department, controls the import of products such as arms and ammunition, warships, cartridges, potassium chlorate, fireworks, explosives and other similar products.

4.5.2 Prohibitions

The import of any products which are considered likely to affect the health of the population, national security or the country's natural resources is prohibited in Guatemala. These products are listed in Annex 5.

4.5.3 Import requirements

Any physical or legal person may engage in import operations after having satisfied the legal requirements laid down in this connection. These requirements are as follows:

- Commercial patent;
- Number and code of the importer assigned by the Bank of Guatemala (Central Bank);
- Commercial invoice;

- Import certificate (póliza) or customs form;
- Certificate of origin, where necessary;
- Import licence, if required;
- Health certificates, if required.

4.6 Treatment of exports

4.6.1 Export incentives

4.6.1.1 Temporary suspension of customs duties

Decree Law No. 21-84 specifies the tax incentives for industrial enterprises that export to markets outside the Central American area. Under this Law, which designates such enterprises as "fully export-oriented enterprises", they are entitled to the following benefits:

- Temporary suspension of customs duties on raw materials, materials, intermediate products, semi-finished products, packaging and containers used in the manufacture of export products;
- Complete exemption from the payment of customs duties and other levies and charges on the import of machinery, equipment, spare parts and accessories, as well as on fuels and lubricants required in the production process, with the exception of petrol; and
- Exception from the payment of income tax for a period of 10 years.

There are no restrictions on the origin of capital, so that these benefits can be enjoyed by foreign enterprises legally authorized to do business in the country on the same footing as national enterprises.

There is also a category of so-called "partially export-oriented" enterprises, which are enterprises that market some of their production in the Central American area. These enterprises enjoy the same advantages except for the exemption from the payment of duties on imports of machinery, equipment, spare parts and accessories and of the income tax. However, duties are temporarily suspended on any foreign machinery that they lease and bring into the country, providing that it is re-exported three months after the completion of their operations.

In order to be entitled to the temporary suspension of duties, export enterprises must put up security or a deposit in cash in the amount of the duties which they would otherwise have to pay.

4.6.1.2 Tax Rebate Certificate

Created by Decree Law No. 73-83, amended by Decree Law No. 22-84, this Certificate was introduced on 16 March 1984 for a period of 10 years in order to stimulate exports of non-traditional products, and represented an amount equivalent to 10 per cent of the f.o.b. value of products which were already being exported before the entry into force of the Law and 15 per cent in the case of new products exported to countries outside the Central American area with which Guatemala has no bilateral or multilateral free trade agreements, or where such products are not covered by such agreements. However, Decree No. 25-86 of the Congress of the Republic suspended the validity of this system for a period of two years from June 1986.

4.6.2 Extraordinary tax on imports

Decree No. 23-86, amended by Decree No. 94-87, both of which were adopted by the Congress of the Republic, introduced an extraordinary and temporary tax consisting of a specific levy on exports of traditional products (coffee, sugar, cotton, bananas and cardamom) and a tax of 4 per cent on the f.o.b. value of non-traditional products.

These taxes are being reduced in successive stages; the process began in June 1987 and will be completed in June 1990 when all exports will be exempt from these taxes.

Bananas and coffee are subject to the following supplementary taxes:

Banana tax

Decree No. 31-81 of the Congress of the Republic introduced a tax of one centavo (Q 0.01) per 20-kg crate exported, payable to the Ministry of Agriculture, Livestock and Food and of two centavos (Q 0.02) per 20-kg crate exported payable to the municipalities where the bananas are produced.

Coffee tax

Decree Law No. 114 of the Government of the Republic introduced a tax of 15 centavos (Q 0.15) per 100 lbs (equivalent to 46 kg) of green coffee for export, payable to coffee-producing municipalities. This municipal tax is paid by exporters for the account of the producers in the offices of the Municipal Development Institute (INFOM).

4.6.3 Control

Export control is exercised by the following bodies in the public sector:

Bank of Guatemala (Central Bank)

The Bank issues foreign exchange export licences in order to monitor receipts of foreign currency generated by export activities, in accordance with Resolution JM-99-86 of the Monetary Council.

General Trade Directorate

This Directorate issues prior export licences for certain products as well as certificates of origin under the Generalized System of Preferences. An export licence has to be obtained for the export what are considered to be certain key products and whose export could upset the balance of the country's economy; the licence offers a means of protecting certain national economic sectors as its purpose is to ensure domestic supplies of the various products listed in Annex 6.

The following public sector bodies also participate in export control operations in their respective areas of competence:

General Directorate of Agricultural Services

The Directorate, through its Technical Plant Health Directorate, certifies the absence of pests, insects or endemic diseases in shipments of agricultural products (Phytosanitary Certificate).

General Health Services Directorate

It is responsible for issuing sanitary licences for the export of foodstuffs as well as for certifying the absence of toxic chemical and organic substances, the purity of elements, components, etc. It also monitors the export of narcotic drugs, psychotropic substances, medicines, beauty products, toilet and hygienic articles, etc.

General Livestock Services Directorate

Through its Technical Animal Health Directorate, it monitors and supervises compliance with health standards relating to exports of foodstuffs of animal origin.

National Forestry Institute

This Institute issues permits for the export of wood and wood products.

The "Single Export Window"

The "Single Export Window", which is designed to facilitate and expedite export formalities, began functioning in 1937 under the Ministry of the Economy. All the other various bodies described above are part of this "Window".

4.6.4 Prohibitions

The export of certain products whose sale would affect the country's economy, the nation's cultural heritage or the survival of certain species of regional flora and fauna, is prohibited in Guatemala. These products are listed in Annex 7.

4.7 Other trade policy instruments

4.7.1 Barter

In certain specific and specified cases, Guatemalan exports may be paid for in goods of a value equivalent to the amount of foreign currency that should be received. The relevant procedure is governed by Decree No. 22-86 of the Congress of the Republic and Resolutions JM-99-87 and 178 of the Monetary Council.

The following criteria are taken into account for purposes of direct trade:

- Conditions are unfavourable for the foreign marketing of the products to be exported;
- The products in question are intended for new markets or to recover markets;
- The products should contain a high proportion of value added;
- Steps should be taken to determine that the goods to be imported are of economical advantage to the country, i.e. that they are essential products, raw materials for industry not produced locally and other intermediate products that supplement domestic production;
- The prices of the products to be exchanged must correspond to prices on the international market.

4.7.2 Free zones

Guatemala's free zone, namely, "The Free Industrial and Trade Zone of Santo Tomás de Castilla" (ZOLIC) was set up by Decree No. 22-73, amended by Decree No. 15-79. This state enterprise is self-administered and has its own resources. It is managed by a Governing Board on which the public and private sectors are represented.

It is intended for the establishment of industrial and commercial enterprises engaged in introducing, storing, exhibiting, packing, manufacturing, bottling, setting up, assembling, refining, purifying, mixing, processing and, in general, dealing in and handling any type of goods, products, raw materials, equipment, packaging materials and other commercial items with the sole exception of those whose import is prohibited by the laws of the Republic.

Enterprises which are established in the Zone are exempt from the payment of duties, levies, taxes, excise taxes, fiscal and municipal levies, as well as income tax, for a period of 12 years.

4.7.3 Maximum consumer prices (Agreement No. 175-87 of the Ministry of the Economy)

Decree No. 58-87 of the Congress of the Republic states that the Ministry of the Economy is authorized to fix maximum prices for the sale of essential products to the population of the country in order to prevent unwarranted rises in the prices of these products and to protect the real income of the population. Products for which maximum sales prices have been fixed are listed in Annex 8.

5. PRODUCTION INCENTIVES

Tax exemptions are provided for by a number of national laws with a view to promoting the production of certain goods.

5.1 Law on the promotion of poultry farming (Decree No. 13-31, amended by Decree No. 63-87, of the Congress of the Republic)

With a view to stimulating production of basic necessities in order to improve the diet of the people and to contribute to the improvement of the country's economy and resources, this Law declares poultry farming to be in the national interest and therefore accords it the following advantages:

- Exemption from all levies, taxes, excise duties, municipal levies and customs duties on installations, machinery, equipment and accessories used in poultry farming, as well as on the chemical, pharmaceutical and biological products used for the protection, maintenance, breeding and feeding of poultry;
- Exemption from the stamped paper and fiscal stamp requirements in the establishment of poultry farming companies and enterprises;
- Exemptions in respect of the import of pullets, chicks and other kinds of poultry whose unit weight does not exceed 185 grams;

5.2 Law on the promotion of dairy farming (Legislative Decree No. 72-73)

This Decree states that it is the basic obligation of the State to promote livestock breeding as well as the production of milk and dairy products essential for the nutrition of the country's inhabitants. For this reason, the breeding of dairy cattle and the processing and marketing of milk and dairy products are declared to be in the national and social interest. The following privileges and benefits are accorded to this end:

- Exemption from the payment of customs duties and surcharges and fiscal levies on the import of feedstuffs, veterinary products,

- fertilisers, herbicides and insecticides used in dairy cattle breeding and farming, as well as frozen semen from registered bulls and the apparatus required for its conservation and use;
- Exemption from the custom duties and surcharges, fiscal levies and charges payable on the import of plant, machinery, equipment, implements and accessories used in the production and processing of milk and milk products as well as on vehicles used for the transport and distribution of milk;
 - Exemption from the payment of excise taxes and municipal and fiscal levies;
 - Exemption from the payment of stamp duty on the sale of liquid milk in the natural state, cooled and pasteurized; and
 - Exemption from the payment of municipal taxes, levies and excise taxes on the transfer or sale of dairy cattle and on the possession of cowsheds.

5.3 General Law on Co-operatives (Legislative Decree No. 82-78)

Co-operatives enjoy the protection of the State, which provides them with the technical and financial assistance they require and accords them the following exemptions:

- Complete exemption from the stamped paper tax and stamp duty;
- Exemption from the tax on transactions, the transfer and award of property, legacies, bequests and donations, when they are intended for the use of the co-operatives;
- Exemption from the payment of levies, duties, charges and surcharges on imports of machinery, working vehicles, tools, instruments, inputs, equipment and educational materials, breeding animals and equipment used for agricultural, livestock breeding, industrial or handicraft purposes, providing that they are not produced in the country or in the Central American area.

The co-operatives may engage in any lawful activities in the production, consumption and service sectors which are compatible with the principles and spirit of the co-operative movement.

5.4 Law on the promotion of industrial decentralization (Legislative Decree No. 24-79)

The State deems it necessary to encourage industrial enterprises engaged in the development of agricultural, livestock, forestry, fishery and other resources which are situated in regions outside the Department of Guatemala. It also deems it necessary to develop a specific policy for the promotion of small industries. To this end, the Law offers the following incentives:

- For industrial enterprises situated outside the Department of Guatemala and falling into the regional category, 70 to 90 per cent exemption from the payment of income tax for a period of 8 to 10 years;
- For small industries, a 60 to 100 per cent reduction in duties on imports of machinery, equipment, spare parts and accessories for a period of up to 10 years, depending on the geographical area in which the industry is situated.

5.5 Other laws

Other legal provisions have been adopted to promote productive activities, such as the cultivation and export of bananas, petroleum exploration and production, and the development of the mining industry.

6. GOVERNMENT PROCUREMENT

All procurements of, and awards of contracts for, goods, supplies, works and services by the State and its decentralized bodies, both autonomous and semi-autonomous, municipalities and public enterprises are governed by Legislative Decree No. 35-80, the Law on Procurement and Contracts and its amendments.

Under this Law, the Administration is required to issue public notices both domestically and abroad of invitations to tender with a view to the procurement of or award of contracts for goods, supplies, works or services, except in cases where their value does not exceed one hundred and fifty thousand quetzals (Q 150,000) and others expressly specified by that Law.

The procurement of and award of contracts for goods, supplies, works and services not exceeding this amount are alone subject to the price quotation system which is governed by the regulations set out in the Law.

The purpose of the Law is to ensure the efficient administration and use of the State's economic resources and to obtain the best possible conditions as regards price, quality, financing and delivery dates in effecting such procurements and acquiring such services. For this purpose, a competent body was set up under the Law, which covers all matters concerning invitations to tender and tendering procedures, and specifies exceptions.

Modalities and conditions in respect of the goods, works or services needed, as well as the requirements that must be satisfied by enterprises submitting bids, are announced in the Official Gazette and in the country's newspapers with the largest circulation. Bids are submitted to the Council for Tenders, which was set up as the competent body in the matter and which evaluates tenders and awards contracts.

According to the Law, tenders are not invited in the following cases, among others:

1. The award of contracts for studies, designs, and advisory and consultancy services, which do not in themselves imply construction work, whenever this is necessary or when required by specific agreements approved by the Congress of the Republic;
2. When the President of the Republic so decides in agreement with the Council of Ministers;
3. When such works, goods, supplies or services are indispensable for the dealing with emergency situations;
4. When they are indispensable to protect the frontiers, the natural resources (subject to an international régime) or the territorial integrity of Guatemala;
5. When they are indispensable in connection with the services to be made available to municipalities; and
6. When they involve the procurement or acquisition of sports articles by the Guatemalan Autonomous Sports Confederation.
7. BANKING, MONETARY AND EXCHANGE REGULATIONS

7.1 Organic Law of the Bank of Guatemala (Central Bank)

Decree No. 215 of the Congress of the Republic, the Organic Law of the Bank of Guatemala, states that the Bank is an autonomous body governed by the provisions of this Law and of the Monetary Law.

The Bank of Guatemala, which is the sole bank of issue and financial agent of the State, dictates the country's monetary, banking and credit policy. Its principal objective is to promote the creation and maintenance of the most favourable monetary, exchange and credit conditions for the orderly development of the national economy.

At the international level, the Central Bank is in particular required to:

- Maintain the external value and convertibility of the national currency in accordance with the régime established by the Monetary Law;
- Manage the country's international reserves and the international transfer régime with a view to protecting the country from undue monetary pressures and to mitigate, by means of an appropriate monetary, banking and credit policy, the adverse effects of seasonal, cyclical or accidental payments imbalances on the money in circulation, credit, prices and economic activities in general;

- Protect the country's international economic equilibrium and the competitive position of domestic products on the domestic and external markets.

The supreme authority in this respect is the Monetary Council, which is composed of representatives of State and private banks, duly constituted commercial, industrial and agricultural trade associations, the Ministers of the Economy, Public Finance and Agriculture, Livestock Breeding and Foodstuffs, a representative of the Congress of the Republic and a representative of the Governing Board of the San Carlos de Guatemala University (National University).

The Monetary Council is an autonomous body and is governed by the Political Constitution of the Republic and by the Monetary Law.

7.2 Monetary Law

The Monetary Law states that Guatemala's currency unit is the "quetzal", which is subdivided into 100 equal parts called centavos. The quetzal is in circulation throughout the national territory. The Law further states that the purpose of the monetary and exchange régime is the external convertibility of the national currency, and specifies that the application and administration of the régime will be adapted to the international treaties and agreements which have been concluded and ratified.

The official exchange rate for the quetzal in terms of the United States dollar is US\$1 = Q 1.00. In addition there is an official foreign exchange market, a regulated market, in which the exchange rate is US\$1 = Q 2.50, and an inter-bank market where exchange rates are fixed on the basis of the free interplay of supply and demand. At the present time the exchange rate in this market is stable at approximately Q 2.50.

The official market handles payments connected with the national debt disbursed before 5 June 1986 and the private liabilities registered with the Bank of Guatemala before this date as well as those which, having been declared by 5 June 1986, were registered subsequently.

This market also arranges the payments that should have been handled by the foreign currency market responsible for essential payments during the validity of the International Transfers Emergency Régime, which remained in force up to May 1986 when it was abolished by Decree No. 22-86 of the Congress of the Republic (Transitional Law on the Foreign Exchange Régime).

The regulated market arranges payment for all imports of goods and receives the foreign currency proceeds of exports to countries outside the Central American area.

8. ECONOMIC AND TRADE RELATIONS WITH THIRD COUNTRIES

8.1 Central American Common Market

The Economic Integration Programme was launched in 1958 when the Multilateral Treaty on Central American Free Trade and Economic Integration was signed.

By this Treaty, the Governments of Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica, decided to set up a free trade régime whose establishment was to be completed in 10 years from the entry into force of the Treaty. To this end, they decided to eliminate between their territories the duties, customs levies and requirements in respect of the products listed in Annex A. The signatory States undertook to grant unconditional and unlimited most-favoured-nation and national treatment to goods originating in the contracting States, on condition that such treatment would not be extended to concessions granted under other free trade treaties signed between Central American States.

The States also agreed that, before signing or ratifying any multilateral agreements on commodities, trade or tariff concessions, or deciding to accede to any international body set up under such agreements, or yet negotiating arrangements within the framework of such bodies, they would hold consultations in order to adopt a common or joint position, if possible. Lastly, they agreed to maintain the "Central American Clause of Exemption" in trade agreements concluded on the basis of most-favoured-nation treatment with countries other than the Central American States.

In the General Treaty on Central American Economic Integration, the Governments of Guatemala, El Salvador, Honduras and Nicaragua reaffirmed and ratified the undertakings they had assumed in the Multilateral Free-Trade Treaty¹. Under this Treaty they agreed to establish a Central American free trade zone and adopted a uniform Central American tariff. To this end, they granted free trade treatment to all products originating in their respective territories, the only exceptions being those covered by the special régimes mentioned in Annex A to the Treaty. As a result, the natural and manufactured products of the contracting countries were exempted from the payment of import and export levies, as well as consular fees and all other charges, surcharges and taxes levied on imports and exports or collected with regard to such imports and exports, whether national, municipal or of any other kind, with the exception of levies or charges connected with lighterage, wharfage, warehousing and the handling of goods, as well as any others payable by law in respect of port, storage or transport services.

¹The General Treaty was signed on 13 December 1960 in Managua, Nicaragua, by the four countries; Costa Rica acceded to the Treaty on 23 July 1962.

According to the General Treaty these goods are granted national treatment in all the States concerned and are exempt from all restrictions and quantitative measures with the exception of the control measures that are legally applicable in the territories of the Contracting States for sanitary, security or police reasons.

One of the basic principles of the General Treaty concerns the protection of industrial development, and in this respect it specifies that the Governments of signatory States undertake not to grant customs duty exemptions or reductions for imports from outside the Central American area in respect of articles produced in the Contracting States in acceptable quality and price conditions and in sufficient quantity; they also undertake to refrain from the unilateral conclusion, with countries not in the Central American area, of new treaties that jeopardize the principles of Central American economic integration, and to maintain the "Central American Clause of Exception" in trade agreements concluded on the basis of such treatment.

As regards institutional arrangements, the General Treaty established the Central American Economic Council, consisting of the Ministers of the Economy, as the supreme body responsible for the integration of the economies of the Contracting States.

The Executive Council was entrusted with the task of applying and administering the General Treaty and taking all the necessary measures and steps designed to translate the Central American Economic Union into practice. This body consisted of a permanent representative and an alternate designated by each one of the contracting parties, although in practice these functions were performed by the Deputy Ministers of the Economy.

The Permanent Secretariat (SIECA) was set up as the technical body; it had the status of a legal person in international law and its main function was to ensure the proper application of the General Treaty and the other legal instruments comprising the regional integration programme.

When the institutional structure of the programme was disrupted in 1969, the Central American Economic Council was in practice replaced by the Meeting of the Ministers of the Economy while the Executive Council was replaced by the Meeting of the Deputy Ministers of the Economy, which adopted the decisions falling within the competence of the bodies set up by the General Treaty.

At the present time these bodies are called, respectively, the Meeting of Ministers responsible for Central American Economic Integration and Regional Development, and the Meeting of Deputy Ministers responsible for Central American Economic Integration and Regional Development.

The Central American integration process, as a social movement, has been influenced by the cyclical and market conditions that have affected Central America throughout the past 25 years; the evolution of this

process is familiar to the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade (GATT) since Nicaragua has been a Contracting Party of GATT since 1949 and is a member of the Central American Common Market.

8.2 Bilateral trade agreements

8.2.1 With Central American countries

Honduras

Guatemala's trade with Honduras has been on a bilateral basis since 10 February 1973 when the first bilateral agreement between the two countries was signed.

At the present time this trade is governed by the Transitional Trade Agreement signed on 30 October 1984. The Agreement is of indefinite duration and its validity will come to an end when Honduras rejoins the regional Central American integration scheme. Under this Agreement the Signatory States grant one another free trade treatment in respect of all products originating and manufactured in their respective territories, which are duly set out in a list that indicates those to which free trade treatment has been granted and those which are subject to a special régime.

The other important undertakings assumed by the States include the provision on national treatment and the obligation not to grant preferential treatment to third countries outside Central America in respect of articles produced in the Contracting States in acceptable quality and price conditions and in sufficient quantity.

The Agreement also contains provisions on unfair trade practices and others concerning the facilitation of reciprocal trade.

Treaty on Free Trade and Preferential Trade between Panama and Guatemala

Bilateral trade relations between Guatemala and Panama are governed by the Treaty which established a free trade and reciprocal preferential trade régime. Under this Treaty, the natural or manufactured products originating in the two countries and set out in the lists that were negotiated will be granted free trade treatment, preferential treatment or will be subject to quantitative controls. These goods are exempt from the payment of consular fees and any other levies, surcharges and taxes payable on imports and exports or collected in connection with imports and exports. The two countries undertake not to extend this customs treatment, which they have granted to one another, to third countries not in the Central American area.

Other important provisions of the Agreement concern the facilitation of trade and unfair trade practices.

8.2.2 Partial-scope agreements

In recent years Guatemala has used partial-scope agreements as another instrument of trade policy. It has accordingly concluded such agreements, which are no more than bilateral trade agreements, with Mexico, Colombia and Venezuela.

Partial-scope agreements are trade policy instruments created by Articles 4 and 25 of the Montevideo Treaty of 1980 with a view to facilitating the development of economic co-operation activities that contribute to the expansion of markets.

Such agreements allow Guatemala's products access to the markets of Mexico, Colombia and Venezuela on the basis of a non-reciprocal preferential customs and non-customs régime; however, it is recognized in these instruments that in the future Guatemala can, when circumstances permit, grant preferential treatment to each one of these countries.

8.2.3 Other trade agreements

The Government of Guatemala has also concluded bilateral trade agreements with other countries with a view to the expansion of reciprocal trade. Some of these agreements are listed in Annex 9.

8.2.4 Other foreign trade instruments

The other foreign trade instruments used by Guatemala include the schemes of the Generalized System of Preferences introduced by the developed countries, and in particular by the European Economic Community, the United States, Canada and Japan.

On 1 January 1984, Guatemala was designated a beneficiary country under the Caribbean Basin Economic Recovery Act (CBERA), adopted by the United States as Public Law No. 98-67. The trade aspect of this programme consists in the creation of a one-way free trade zone in which products originating in the beneficiary countries - in this case in Guatemala - are allowed duty-free entry, with the exception of textiles and clothing, leather articles, tinned tuna, petroleum and petroleum products and watches and spare parts for watches. This preferential customs treatment is to come to an end on 30 September 1995.

Although bovine meat and sugar are not included among the exceptions specified by the Caribbean Basin Economic Recovery Act, both these products are restricted and/or controlled by special regulations. Meat is governed by the Meat Import Act (Public Law 96-177), which regulates meat imports through quotas, and sugar is covered by the Agricultural Adjustment Act which contains a Price Support Programme under which it is subject to quotas.

9. INSTITUTIONAL ORGANIZATION OF GUATEMALA'S FOREIGN TRADE

Under the Political Constitution of the Republic, one of the State's basic duties is to promote the orderly and efficient development of the country's foreign trade by creating markets for domestic products. Moreover, Article 15 of the Law on the Executive states that it is the function of the Ministry of the Economy to direct and shape the country's external economic policy and to promote, develop and expand international trade and studies of agricultural, mining and industrial markets.

The Government set up the National Export Promotion Council (CONAPEX) with a view to pursuing an export promotion, diversification and expansion policy. This Council was established at the highest level as a direct advisory body for the President of the Republic. Its Chairman is the Minister of the Economy and its members are the Ministers of Public Finance, Agriculture, Livestock and Foodstuffs and Foreign Relations, the President of the Central Bank and representatives of the private sector. The National Export Co-ordinating Commission (CONACOEX) was also established as a co-ordinating body responsible for the harmonization and implementation of the export promotion, diversification and expansion policy and the decisions of CONAPEX.

The implementation of foreign trade policy is the responsibility of the General Trade Directorate (DIRECOM), which is subordinate to the Ministry of the Economy and required to:

- Examine and resolve international trade problems;
- Direct and carry out activities concerned with the promotion, development and regulation of international trade;
- Simplify administrative formalities and procedures and make them more flexible;
- Make recommendations concerning the issue of appropriate regulations;
- Analyse the country's trade balance and recommend appropriate measures;
- Advise and co-operate with the private export sector;
- Promote and ensure the viability of exports;
- Investigate markets for export products;
- Promote and encourage the financing of non-traditional export products outside the Central American area;
- Compile, keep up to date and disseminate information on foreign trade;

- Promote the country's participation in fairs, exhibitions and trade missions; and
- Propose the introduction of incentives and appropriate measures for the promotion of exports and submit proposals for making use of them.

DIRECOM participates in the formulation of foreign trade policy and in the negotiation of bilateral and multilateral trade agreements.

The private sector, for its part, is organized in various trade associations, such as the Chamber of Industry, Chamber of Commerce, Chamber of Exports, Chamber of Exporters of Non-Traditional Products, Chamber of Agriculture, the National Coffee Association, the National Cotton Council, the National Association of Sugar Producers, etc.

ANNEXES

Annex 1

Guatemala: Total Foreign Trade, 1977-1986

(US\$'000)

Year	Total trade	Exports f.o.b.	Imports f.o.b.	Balance exports/imports
1977	2,424,099.3	1,197,087.4	1,227,011.9	(29,924.5)
1978	2,482,722.5	1,090,190.7	1,392,541.8	(302,361.1)
1979	2,745,385.9	1,241,448.1	1,503,937.8	(262,489.7)
1980	3,118,050.6	1,519,834.0	1,598,216.6	(78,382.6)
1981	2,899,588.7	1,226,112.5	1,673,476.2	(447,363.7)
1982	2,507,735.1	1,119,772.5	1,387,962.6	(268,190.1)
1983	2,293,800.6	1,158,805.6	1,134,995.0	23,810.6
1984	2,400,782.0	1,122,286.0	1,278,496.0	(156,210.0)
1985	2,195,382.9	1,020,571.6	1,174,811.3	(154,239.7)
1986	2,021,134.8	1,061,638.4	959,496.4	102,142.0

Source: Foreign Exchange Department, Bank of Guatemala

(US\$ '000)

Group	1977		1978		1979		1980		1981	
	Value	%	Value	%	Value	%	Value	%	Value	%
TOTAL	1,227,011.9	100.0	1,392,541.9	100.0	1,503,937.8	100.0	1,598,216.6	100.0	1,673,476.2	100.0
A. Consumer goods	285,457.9	23.3	335,129.6	24.1	358,319.4	23.8	292,834.1	18.3	311,978.6	18.6
1. Non-durable	174,982.9	14.3	211,368.0	15.2	225,483.1	15.0	207,487.8	13.0	235,043.6	14.0
2. Durable	110,575.0	9.0	123,761.5	8.9	132,836.3	8.8	85,346.3	5.3	76,935.0	4.6
B. Raw materials and intermediate products	395,623.2	32.3	425,633.4	30.6	459,213.1	30.5	725,728.5	45.4	779,101.1	46.5
1. Metallic	40,868.0	3.3	54,232.6	3.9	67,935.8	4.5	74,343.4	4.7	89,355.2	5.3
2. Other	355,755.2	29.0	371,400.8	26.7	390,276.3	26.0	651,385.1	40.8	689,745.9	41.2
C. Fuels and lubricants	114,108.1	9.3	170,344.6	12.2	214,256.2	14.2	199,265.4	12.5	192,917.6	11.5
D. Construction materials	60,022.0	4.9	86,215.9	6.2	100,569.8	6.7	98,533.1	6.2	98,739.7	5.9
E. Machinery, equipment and tools	299,024.4	24.4	362,911.1	26.1	339,275.0	22.5	280,007.1	17.5	287,080.1	17.2
1. For agriculture	33,459.0	2.7	34,784.5	2.5	23,301.6	1.5	22,775.2	1.4	27,295.6	1.6
2. For industry	176,537.5	14.4	228,055.0	16.4	226,431.6	15.1	180,794.3	11.3	193,469.7	11.6
3. For transport and communications	89,777.9	7.3	100,121.6	7.2	88,541.8	5.9	76,437.6	4.8	66,314.8	4.0
F. Miscellaneous	20,976.3	1.7	12,217.2	0.9	14,314.3	1.0	7,847.4	0.5	13,759.1	0.8

Source: Foreign Exchange Department, Bank of Guatemala

(US\$'000)

Group	1982		1983		1984		1985		1986	
	Value	%	Value	%	Value	%	Value	%	Value	%
TOTAL	1,387,352.6	100.0	1,154,995.0	100.0	1,278,495.0	100.0	1,174,811.3	100.0	959,436.9	100.0
A. Consumer goods	264,366.9	20.5	235,273.4	20.7	263,765.3	20.6	224,907.0	19.1	166,430.4	17.1
1. Non-durable	231,704.1	16.7	189,262.3	16.7	209,073.0	16.4	166,624.5	14.2	121,349.6	12.6
2. Durable	32,662.8	3.8	45,011.1	4.1	54,692.3	4.3	58,282.2	5.0	45,080.8	4.5
B. Raw materials and intermediate products	627,004.1	45.2	603,639.8	53.2	676,842.0	52.9	621,559.5	52.9	510,368.6	53.2
1. Metallic	67,881.1	4.9	59,632.4	5.3	82,547.7	6.5	77,094.7	6.6	64,306.4	6.7
2. Other	559,123.0	40.3	543,947.4	47.9	594,294.3	46.5	544,464.8	46.3	446,062.2	46.5
C. Fuels and lubricants	149,554.0	10.8	113,035.7	10.0	131,128.1	10.3	120,505.2	10.3	88,448.4	9.2
D. Construction materials	77,250.3	5.6	59,924.9	5.3	55,378.2	4.4	50,381.6	4.3	54,664.1	5.7
E. Machinery, equipment and tools	242,955.8	17.5	115,324.4	10.2	146,562.7	11.5	153,196.9	13.1	135,646.9	14.1
1. For agriculture	11,568.5	0.8	9,857.8	0.9	13,312.5	1.0	10,804.6	0.9	11,123.2	1.2
2. For industry	195,525.6	14.2	80,143.6	7.1	100,953.6	7.9	106,192.4	9.1	94,084.7	9.8
3. For transport and communications	34,651.7	2.5	25,283.0	2.2	32,236.4	2.5	36,199.9	3.1	30,521.0	3.2
F. Miscellaneous	6,421.5	0.5	7,796.9	0.7	3,818.7	0.3	3,660.3	0.3	5,955.5	0.6

Source: Foreign Exchange Department, Bank of Guatemala

Origin of Imports c.i.f., by Country

(US\$ '000)

Country	1977		1978		1979		1980		1981	
	Value	%	Value	%	Value	%	Value	%	Value	%
TOTAL	1,227,011.9	100.0	1,392,541.8	100.0	1,503,937.8	100.0	1,539,216.6	100.0	1,673,478.2	100.0
Federal Republic of Germany	49,376.4	4.0	104,359.2	7.5	107,210.0	7.1	86,718.3	5.6	107,000.5	6.4
Netherlands Antilles	32,523.3	2.6	51,431.6	3.7	50,369.7	3.3	121,697.2	7.9	59,332.7	3.5
Belgium and Luxembourg	11,563.2	0.9	9,445.5	0.7	6,203.3	0.4	7,869.2	0.5	13,992.3	0.8
Colombia	9,291.6	0.8	5,472.8	0.4	6,594.9	0.4	4,306.5	0.3	4,737.6	0.3
Brazil	18,155.5	1.5	21,929.1	1.6	16,651.4	1.1	13,331.4	0.9	17,655.8	1.0
Canada	6,733.3	0.5	8,543.3	0.6	9,539.1	0.6	9,512.1	0.6	13,655.6	0.8
Taiwan	54,652.2	4.5	62,597.4	4.5	61,574.7	4.1	65,323.4	4.2	57,293.7	3.4
Costa Rica	2,210.4	0.2	5,519.5	0.4	4,372.5	0.3	4,255.5	0.3	4,419.8	0.3
Denmark	119,768.0	9.8	141,650.0	10.2	163,715.6	10.9	99,270.4	6.4	102,812.3	6.1
El Salvador	15,909.9	1.3	14,028.7	1.0	16,535.6	1.1	20,670.0	1.3	32,732.0	2.0
Spain	409,327.6	33.4	429,029.7	30.8	467,410.2	31.1	546,912.9	35.6	566,799.1	33.9
United States	15,769.3	1.3	25,203.8	1.8	23,203.7	1.5	27,295.2	1.8	30,431.7	1.8
France	14,181.1	1.2	11,493.1	0.8	13,701.2	0.9	13,802.6	0.9	13,435.3	0.8
Netherlands	21,635.5	1.8	25,634.5	1.8	29,193.0	2.0	35,630.4	2.3	20,767.6	1.2
Honduras	16,516.4	1.4	30,363.4	2.2	22,191.8	1.5	21,498.8	1.4	24,110.3	1.4
Hong Kong	122,036.9	10.0	130,930.3	9.4	122,899.0	8.2	128,459.9	8.4	129,238.3	7.7
Italy	43,131.2	3.5	48,141.8	3.5	45,638.5	3.0	50,688.6	3.3	128,263.1	7.7
Japan	34,636.6	2.8	34,252.8	2.5	19,765.9	1.3	16,416.6	1.1	15,666.3	0.9
Nicaragua	37,525.4	3.1	34,353.2	2.5	31,407.7	2.1	36,853.3	2.4	30,507.5	1.8
United Kingdom	3,771.1	0.3	6,316.8	0.5	5,460.9	0.4	4,471.7	0.3	5,612.6	0.3
Sweden	16,193.7	1.3	25,293.3	1.8	1,026.0	0.1	18,336.6	1.2	27,081.1	1.6
Switzerland	83,865.3	6.8	91,449.5	6.6	110,232.1	7.3	158,593.6	10.3	119,481.1	7.1
Venezuela	55,500.9	4.5	56,645.6	4.1	121,592.3	8.1	71,615.6	4.6	109,763.6	6.5
Other countries										

Source: Foreign Exchange Department, Bank of Guatemala

Origin of Imports c.i.f., by Country

(US\$'000)

Country	1992		1993		1994		1995		1996	
	Value	%	Value	%	Value	%	Value	%	Value	%
TOTAL	1,307,852.6	100.0	1,134,895.0	100.0	1,276,495.0	100.0	1,174,811.3	100.0	959,495.4	100.0
Federal Republic of Germany	77,153.9	5.9	56,551.2	5.0	75,995.9	5.9	85,549.6	7.4	69,955.6	7.3
Netherlands Antilles	99,245.7	7.6	68,951.6	6.0	92,224.4	7.2	53,976.0	4.6	7,952.5	0.8
Belgium and Luxembourg	8,737.7	0.7	5,675.1	0.5	5,823.4	0.5	7,019.6	0.6	5,256.9	0.5
Colombia	4,045.5	0.3	4,632.5	0.4	4,400.9	0.3	5,036.8	0.4	3,597.0	0.4
Brazil	14,592.5	1.1	6,639.4	0.6	14,642.3	1.2	18,481.8	1.6	16,289.1	1.7
Canada	18,812.2	1.4	18,486.6	1.6	16,935.5	1.3	11,302.5	1.0	9,453.1	1.0
Taiwan	11,124.5	0.8	19,146.8	1.7	13,534.5	1.1	16,623.8	1.4	17,611.1	1.8
Costa Rica	59,013.0	4.5	81,975.8	7.2	63,678.3	5.0	31,150.4	2.7	27,950.1	2.9
Denmark	3,255.0	0.2	3,230.1	0.3	2,957.7	0.2	1,875.4	0.2	2,579.9	0.3
El Salvador	117,443.6	8.9	103,640.2	9.1	97,591.8	7.6	47,717.4	4.1	46,065.2	4.8
Spain	75,913.7	5.8	13,168.1	1.2	15,493.9	1.2	17,869.0	1.5	19,042.9	2.0
United States	426,225.4	32.6	359,802.6	31.6	395,556.4	30.9	435,095.7	37.0	414,655.1	43.2
France	19,230.3	1.4	16,798.1	1.5	17,576.9	1.4	22,879.0	1.9	13,719.1	1.4
Netherlands	13,853.3	1.0	5,668.9	0.5	16,565.6	1.3	14,675.5	1.2	11,433.3	1.2
Honduras	25,293.0	1.9	26,885.4	2.4	10,110.6	0.8	4,197.7	0.4	4,105.0	0.4
Hong Kong	3,300.1	0.2	2,478.5	0.2	3,157.6	0.2	3,099.4	0.3	2,930.0	0.3
Italy	16,047.9	1.2	11,633.7	1.0	11,231.5	0.9	12,083.9	1.0	10,123.0	1.1
Japan	72,704.3	5.5	55,714.1	4.9	70,505.1	5.5	67,834.8	5.8	54,285.0	5.6
Mexico	102,164.6	7.8	89,645.5	7.8	116,514.9	9.1	124,272.6	10.6	60,119.6	6.3
Nicaragua	14,361.3	1.1	12,359.2	1.1	16,109.6	1.3	6,957.8	0.6	6,315.1	0.7
United Kingdom	17,025.5	1.3	12,654.9	1.1	16,568.9	1.3	22,015.5	1.9	13,858.4	1.4
Sweden	5,005.9	0.4	3,165.2	0.3	5,315.5	0.4	3,716.2	0.3	4,796.9	0.5
Switzerland	20,607.8	1.5	15,433.5	1.4	16,456.5	1.3	16,125.8	1.4	11,422.5	1.2
Venezuela	62,640.2	4.8	102,152.7	9.0	103,932.5	8.1	78,726.2	6.7	53,430.2	5.6
Other countries	89,307.6	6.8	48,646.3	4.2	70,073.8	5.5	65,451.9	5.6	72,662.8	7.6

Source: Foreign Exchange Department, Bank of Guatemala

Destination of Exports f.o.b. by Country

(US\$'000)

Country	1977		1978		1979		1980		1981	
	Value	%	Value	%	Value	%	Value	%	Value	%
TOTAL	1,187,681.4	100.0	1,049,180.7	100.0	1,241,646.7	100.0	1,519,814.1	100.0	1,226,122.6	100.0
Federal Republic of Germany	165,114.0	13.9	122,116.2	11.7	108,419.7	8.7	126,018.4	8.3	89,986.6	7.3
Saudi Arabia	5,389.3	0.4	5,663.4	0.5	9,587.0	0.8	9,372.7	0.6	10,249.1	0.8
Belgium and Luxembourg	16,434.6	1.2	25,353.2	2.4	21,528.2	1.8	21,597.6	1.4	32,197.3	2.6
Canada	5,157.4	0.5	3,917.7	0.4	2,710.0	0.2	6,016.6	0.4	4,231.2	0.3
People's Republic of China	8,601.7	0.7	26,193.1	2.6	66,345.7	5.3	62,535.6	4.1	44,438.6	3.6
Taiwan	17,749.3	1.5	10,929.0	1.0	3,500.0	0.3	6,123.4	0.4	24,241.7	2.0
Costa Rica	41,512.8	3.5	60,397.2	5.8	71,316.3	5.7	69,018.3	4.5	57,458.0	4.7
Denmark	6,556.3	0.6	2,513.5	0.2	2,378.3	0.2	1,609.5	0.1	1,082.6	0.1
El Salvador	111,211.2	9.3	130,107.6	11.9	153,335.5	12.4	193,964.3	12.8	187,655.0	15.3
Spain	10,693.0	0.9	5,921.3	0.5	10,369.6	0.8	7,224.5	0.5	3,168.0	0.3
United States	406,101.0	33.9	322,239.1	29.6	368,162.0	29.7	418,126.7	27.5	308,656.2	25.2
Finland	25,347.5	2.1	20,335.4	1.9	16,199.3	1.3	23,540.6	1.6	16,581.2	1.4
France	7,255.7	0.6	5,881.6	0.5	9,610.5	0.8	13,454.8	0.9	7,613.0	0.6
Netherlands	70,174.4	5.9	42,671.6	4.2	55,644.5	4.5	61,977.0	4.2	42,342.8	3.5
Hong Kong	1,425.4	0.2	2,035.6	0.2	743.6	0.1	1,025.3	0.1	1,673.4	0.1
Honduras	30,355.6	2.5	38,656.9	3.5	50,296.7	4.1	60,591.0	4.0	64,583.5	5.3
Italy	29,674.3	2.5	45,420.5	4.3	49,675.2	3.9	73,293.7	4.8	31,098.6	2.6
Jamaica	243.2	0.0	463.1	0.0	470.7	0.0	921.0	0.1	711.7	0.1
Japan	91,619.0	7.8	69,159.4	6.3	85,619.0	7.9	41,673.0	2.8	59,555.3	4.9
Jordan	1,766.0	0.1	5,553.5	0.5	13,052.7	1.1	21,657.1	1.4	16,459.7	1.3
Kuwait	8,364.3	0.7	10,948.3	1.0	11,933.9	1.0	12,168.2	0.8	6,323.6	0.7
Mexico	6,869.1	0.6	6,178.3	0.6	11,739.2	0.9	23,124.9	1.5	65,411.5	5.3
Nicaragua	41,035.8	3.4	39,515.4	3.6	31,591.1	2.5	36,429.8	2.4	62,465.8	5.1
Norway	4,831.4	0.4	2,538.2	0.2	2,580.6	0.2	3,416.8	0.2	3,684.4	0.3
Panama	2,855.8	0.2	11,315.3	1.1	14,026.9	1.1	16,857.7	1.1	16,525.5	1.4
United Kingdom	4,030.3	0.3	16,155.3	1.5	15,672.3	1.3	65,633.3	4.4	14,242.0	1.2
Dominican Republic	2,035.8	0.2	3,556.9	0.3	4,432.2	0.4	5,958.5	0.4	7,497.8	0.6
Sweden	7,699.3	0.7	4,043.3	0.4	3,631.1	0.3	2,561.5	0.2	3,228.6	0.3
Switzerland	3,615.0	0.3	13,326.1	1.3	4,926.4	0.4	6,681.2	0.4	1,073.6	0.1
Other countries	51,621.2	4.6	26,735.5	2.4	25,311.7	2.1	37,697.1	2.4	41,413.7	3.4

Source: Foreign Exchange Department, Bank of Guatemala

Destination of Exports f.o.b., by Country

(US\$'000)

Country	1972		1973		1974		1975		1976	
	Value	%	Value	%	Value	%	Value	%	Value	%
TOTAL	1,119,772.5	100.0	1,153,405.6	100.0	1,122,266.0	100.0	1,020,571.6	100.0	1,051,639.4	100.0
Federal Republic of Germany	70,193.3	7.0	62,311.4	5.4	61,520.9	5.5	75,454.2	7.4	87,338.0	8.2
Saudi Arabia	10,265.1	0.9	14,155.7	1.3	13,152.1	1.2	21,159.1	2.1	26,412.3	2.5
Belgium and Luxembourg	10,117.3	0.9	10,172.6	0.9	12,257.3	1.1	7,332.5	0.7	9,204.7	0.9
Canada	4,155.5	0.4	236.1	0.0	13,501.5	0.9	10,316.4	1.1	7,537.6	0.7
People's Republic of China	15,951.3	1.3	370.3	0.0	--	0.0	62.5	0.0	--	0.0
Taiwan	5,397.0	0.6	306.3	0.0	15,210.6	1.4	5,448.0	0.5	6,095.0	0.6
Costa Rica	51,571.9	4.6	52,421.0	4.5	54,536.1	4.9	45,208.4	4.4	52,855.0	5.0
Denmark	531.3	0.1	440.5	0.0	475.7	0.0	496.2	0.0	400.2	0.0
El Salvador	130,227.9	11.0	163,433.7	14.1	176,411.4	15.7	120,235.1	11.8	106,832.1	10.1
Spain	4,237.0	0.4	4,163.5	0.3	6,252.1	0.5	2,735.9	0.3	1,655.1	0.1
United States	303,391.9	27.1	353,760.7	30.5	411,455.9	37.2	359,190.8	35.9	403,182.7	38.5
Finland	15,175.2	1.4	14,531.4	1.3	15,335.5	1.4	12,520.4	1.2	13,821.5	1.3
France	8,624.4	0.8	37,310.2	3.3	5,433.0	0.5	5,553.4	0.6	6,432.7	0.6
Netherlands	33,542.2	3.4	31,235.3	2.7	59,832.7	5.3	12,302.1	1.2	29,657.4	2.8
Hong Kong	415.6	0.0	583.1	0.0	121.4	0.0	316.3	0.0	127.2	0.0
Honduras	50,563.2	4.5	54,261.0	4.7	34,531.2	3.1	29,577.6	2.9	21,733.5	2.1
Italy	41,055.7	3.7	31,411.0	2.7	37,372.6	3.4	42,310.2	4.1	35,257.3	3.4
Jamaica	529.1	0.0	2,015.8	0.2	1,731.9	0.2	5,404.5	0.5	5,711.2	0.5
Japan	55,462.0	5.0	39,435.6	3.4	49,461.7	4.4	33,316.4	3.3	41,195.1	3.9
Jordan	21,755.4	1.9	15,552.2	1.4	15,312.2	1.4	21,515.1	2.1	16,234.1	1.5
Kuwait	0,565.2	0.0	8,721.7	0.8	15,733.3	1.4	2,523.2	0.2	1,358.7	0.1
Mexico	15,053.9	1.3	14,768.9	1.3	15,036.2	1.3	12,654.8	1.2	6,184.5	0.6
Nicaragua	43,314.0	4.0	50,335.8	4.4	28,609.2	2.6	15,111.8	1.5	8,432.2	0.8
Norway	15,115.3	1.4	1,115.1	0.1	1,672.3	0.1	1,233.4	0.1	2,766.2	0.3
Panama	21,522.0	2.0	15,133.2	1.3	21,473.2	1.9	16,456.5	1.6	16,353.3	1.6
United Kingdom	15,570.0	1.4	13,271.0	1.1	11,220.4	1.0	4,255.9	0.4	2,584.3	0.2
Dominican Republic	1,232.3	0.1	2,023.0	0.2	4,311.0	0.4	5,631.5	0.5	4,651.1	0.4
Sweden	1,410.6	0.1	4,134.5	0.4	1,533.2	0.1	3,165.6	0.3	16,022.5	1.5
Switzerland	1,341.1	0.1	3,033.9	0.3	1,522.8	0.1	1,469.8	0.1	4,322.6	0.4
Other countries	17,515.1	1.6	101,671.7	8.8	63,555.3	5.7	122,164.1	12.0	66,312.5	6.3

Source: Foreign Exchange Department, Bank of Guatemala

Guatemala: Value of Exports (f.o.b.), by Product,

1977-1986

(US\$'000)

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
TOTAL	1,197,037.4	1,050,144.7	1,211,414.1	1,519,834.9	1,225,112.5	1,113,772.5	1,154,865.6	1,122,235.0	1,020,571.4	1,261,531.4
PRINCIPAL PRODUCTS	856,764.2	694,582.5	742,651.4	850,353.9	643,241.0	611,401.2	669,384.3	667,370.9	637,150.4	710,611.2
Cotton	154,551.9	135,311.6	149,146.0	155,325.3	127,577.5	74,533.5	46,377.3	70,427.4	59,233.3	27,247.7
Sugar	81,015.3	45,432.8	53,510.8	69,252.4	65,251.5	23,146.3	129,763.7	74,572.7	44,254.3	50,415.3
Bananas	22,731.5	20,333.7	18,434.6	41,762.1	43,376.6	49,254.4	33,457.8	55,534.3	61,352.8	71,259.3
Coffee	542,451.3	432,222.0	431,347.9	453,912.5	234,325.8	251,237.5	259,523.9	333,743.2	411,423.7	213,253.3
Cardamom	26,841.5	33,821.7	49,217.7	55,650.3	24,235.3	29,537.5	31,462.7	53,436.8	55,733.3	45,571.1
Meat	25,045.5	30,600.7	41,353.6	38,563.2	29,275.2	15,233.0	14,345.2	11,623.4	8,241.3	3,222.3
Petroleum	--	--	--	23,733.5	22,114.3	46,111.1	60,322.5	31,250.1	11,224.2	21,912.5
CENTRAL AMERICA	230,121.4	268,674.1	306,594.2	410,523.0	376,913.3	337,547.0	320,924.3	261,432.9	267,756.3	156,613.3
OTHER PRODUCTS	110,261.9	126,524.1	152,352.5	221,622.1	207,515.2	170,522.3	163,437.0	163,452.2	156,731.3	127,341.2
Essential oils	2,124.7	1,633.7	1,529.5	2,677.7	2,434.0	2,155.4	1,692.9	1,569.6	1,545.4	1,658.0
Live animals	--	--	--	--	--	19,434.0	34.1	523.0	--	--
Sesame	5,547.4	9,415.1	11,751.5	10,045.2	15,325.9	9,571.5	9,016.2	11,462.0	10,154.5	11,331.1
Cotton derivatives	4,877.0	4,651.4	5,317.4	5,237.8	5,313.7	2,772.3	431.2	1,732.7	1,194.0	732.1
Articles of clothing	1,362.9	1,422.0	1,423.9	1,775.6	1,597.4	1,151.7	1,771.7	3,152.1	3,139.1	5,730.5
Handicrafts	2,299.5	592.0	1,330.0	775.7	591.7	744.3	801.7	314.1	452.9	565.3
Cocoa	12,187.0	9,159.5	5,252.4	2,423.5	427.1	43.5	1,120.3	2,431.2	651.9	1,037.5
Shrimps, fish and langosta	6,265.7	6,529.0	7,224.3	5,781.4	11,274.9	8,563.3	8,719.9	10,265.4	9,141.5	4,327.1
Natural rubber	2,973.4	3,158.6	4,455.3	6,024.1	5,597.6	3,713.3	5,533.5	7,265.4	6,003.7	5,025.4
Chewing gum and chiquibol	4,431.1	2,077.5	15.5	354.6	--	676.5	723.5	789.4	--	--
Flowers, plants, roots & seeds	6,363.7	7,427.9	9,422.4	10,613.4	10,544.5	9,678.3	8,350.3	10,787.3	10,423.7	9,115.7
Fruit & preparations of fruit	462.9	1,073.7	1,171.3	4,222.3	7,333.3	1,626.3	2,201.5	2,233.5	3,221.1	4,731.1
Wood & articles of wood	2,453.5	2,556.8	1,575.4	1,330.5	5,146.8	3,239.9	1,594.0	1,621.4	2,423.3	5,453.1
Bee honey	1,513.3	2,635.2	2,423.3	2,510.1	2,414.1	2,135.0	2,327.2	2,311.6	2,111.8	2,553.0
Other honey	6,126.4	1,822.0	3,253.5	5,444.6	11,723.1	4,537.2	2,332.1	4,742.2	6,169.6	5,720.5
Minerals	5,314.2	6,322.2	2,850.0	2,278.8	1,227.1	1,134.9	317.4	521.6	1,377.7	2,512.8
Nickel	--	6,479.6	27,222.9	53,149.4	--	--	--	--	--	--
Food products	1,833.2	6,356.3	4,972.9	8,474.2	9,822.2	5,657.1	4,516.6	7,283.1	6,275.9	7,157.7
Glass products	308.9	1,978.9	2,631.7	2,847.1	1,367.9	1,481.5	704.5	1,636.1	3,515.3	3,557.9
Metal products	651.3	1,126.6	1,462.1	3,159.1	2,395.1	1,456.2	828.9	815.6	652.1	383.3
Chemical products	9,343.8	13,668.0	15,313.6	25,736.8	27,471.5	27,266.6	24,716.7	23,381.1	21,122.2	27,831.4
Leaf tobacco/tobacco manufacture	6,372.6	11,150.4	11,470.0	14,600.7	15,918.5	17,723.2	13,326.2	16,953.7	13,163.7	10,512.3
Fabric, yarn and thread	3,240.8	6,439.8	6,452.3	7,450.1	3,762.2	3,237.4	2,548.9	4,531.5	2,354.2	2,332.5
Vegetables	2,136.4	3,237.1	3,744.7	7,961.4	8,371.4	10,512.7	9,197.4	11,353.9	10,342.9	11,152.2
Others	19,154.2	11,638.6	15,423.8	25,254.7	32,515.3	7,936.1	6,676.6	5,791.3	7,737.5	5,311.1
Re-exports	--	--	--	--	--	31,853.4	59,221.9	29,811.4	29,351.8	--

Source: Foreign Exchange Department, Bank of Guatemala

ANNEX 2

Products Exempted From the Four Per Cent Increase in the Duties
Listed in the Central American Import Tariff (NAUCA II)

<u>PRODUCT</u>	<u>NAUCA II</u>
(a) <u>Petroleum and petroleum products</u>	
Crude and refined petroleum	27 09 00 00
Petroleum spirits containing anti-knock preparations	27 10 01 02
Petroleum spirits not containing anti-knock preparations	27 10 01 03
Aviation spirit	27 10 01 04
Kerosene	27 10 02 00
Bunker oil and other combustible oils	27 10 02 00
Medium oils	27 10 02 00
Gas oil	27 10 03 01
Fuel oil	27 10 03 02
Natural combustible gases such as methane, propane and butane in any form	27 11 00 00
(b) Chemical products used as feedstocks for the manufacture of medicinal and pharmaceutical products, exclusively for human consumption, imported by laboratories engaged in the preparation of such products	Chapters 28 and 29
(c) Pharmaceutical products for human consumption	Chapter 30

ANNEX 3

List of Products Not Subject to VAT

<u>Food products</u>	<u>NAUCA II</u>
Milk in hermetically-sealed containers or in any other form	04 01 01 00
Curdled milk, not in containers	04 01 02 00
Full cream milk in hermetically-sealed containers or in any other form	04 02 05 01
Semi-skimmed milk in hermetically-sealed containers or in any other form	04 02 05 02
Potatoes, unpackaged	07 01 01 99
Onions, unpackaged	07 02 00 00
Vegetables, unpackaged	07 02 00 00
Beans, unpackaged	07 05 01 00
Fruit, unpackaged	08 01 00 00
Coffee, roasted	09 01 80 00
Ground coffee, not including packaged and soluble coffee	09 01 80 00
Wheat, unmilled	10 01 80 00
Grain maize	10 05 80 00
Rice, husked or unhusked	10 06 80 00
Grain maicillo, unpackaged	10 07 80 00
Sorghum, unmilled, unpackaged	10 07 80 00
Corn starch and other edible starches	10 08 01 00
Wheat flour, fine and coarse	11 01 01 00
Barley flour	11 01 03 00
Oat flour	11 01 04 00

Maize flour	11 01 80 00
Maicillo and sorghum flour	11 01 80 00
Lard, edible	15 01 00 00
Edible animal and vegetable fats	15 01 00 00
Cane sugar, unrefined and refined	17 02 80 00
Bread	19 05 00 00
Medicinal and nutritional milk for infants, in hermetically-sealed containers or in any other form	21 07 01 00
Common salt, refined	25 01 12 00
Common or sea salt, unrefined	24 01 80 00
Certain agricultural products	
Vegetable seeds	06 02 00 00
Seed potatoes	07 01 01 01
Bean seeds	07 05 01 00
Wheat seeds	10 01 01 01
Maize seeds	10 05 01 00
Rice seeds	10 06 01 00
Maicillo or sorghum seeds	10 07 01 00
Cotton seeds	12 01 80 02
Sesame seeds	12 01 80 99
Petroleum and certain petroleum products	
Crude and distilled petroleum	27 09 00 00
Petroleum spirits containing anti-knock preparations	17 10 01 02
Petroleum spirits not containing anti-knock preparations	27 10 01 03
Aviation spirit	27 10 01 04

Kerosene	27 10 02 00
Bunker oil and other combustible oils	27 10 02 00
Medium oils	27 10 02 00
Gas oil	27 10 03 01
Fuel oil	27 10 03 02
Diesel oil	27 10 03 03
Combustible gases such as methane, propane and butane in any form	27 11 00 00
Certain school supplies and publications	
Rubbers or rubber erasers	40 14 03
Loose sheets of paper or blocks of newsprint	48 10 02 99
Exercise books with or without spirals	48 18 80 00
Printed books and brochures of any kind	49 01 00 00
Periodicals or reviews, unbound	49 02 00 00
Printed teaching materials, engravings, wall charts, tables and graphs for statistical and evaluation purposes, of official design, and maps	49 05 00 00
Pocket pencil-sharpeners for schoolchildren	82 13 80 00
Plasticine or plasticine adapted for the use of children	97 03 00 00
Pencils of any colour for writing or drawing	98 05 01 00
Writing chalk	98 05 03 00
Blackboards or slates with writing surfaces, whether framed or not	98 06 00 00

ANNEX 4

Products for Which an Import Licence Must be Obtained

<u>PRODUCT</u>	<u>NAUCA II</u>
Food products	Chapters 16, 18, 19, 20 and 21
Animals, products and by-products	Chapter 1 (Products and by-products). Chapters 2, 3, 4 and 5 (not edible)
Arms and ammunition	36 02 00 00, 36 01 00 00, 93 07 00 00, 93 04 00 00, 93 02 00 00, 89 01 80 00
Birds	01 06 80 99
Pure bred poultry	01 05
Coffee	06 02 00 00
Cartridges	93 07 00 00
Safety helmets	83 13 00 00
Rubber	40 02 00 00, 40 06 00 00
Potassium chlorate	28 32 00 00
Drugs and psychotropic substances	30 03 01 00 and 10 03 80 00
Postage and revenue stamps, stamp- impressed paper and banknotes, unissued	49 07 01 00
Explosives	36 02
Detonating caps	36 04 00 00
Cattle	01 02 01 00
Basic cereals	07 05 01 00, 10 50 80 00, 10 06 80 00, 10 07 80 00, 12 01 80 01, 12 01 80 02, 12 02 00 00
Flour	11 01 01 00

Herbicides "Sal dimethylamine of acid 2, 40D, Dichlorophenoxyacetic"	38 01 04 99
Rubber trees	12 03 00 00 and 06 02 00 00
Insecticides	38 11 02 01, 38 11 02 02, 38 11 01 09, 38 11 80 00
Fireworks	36 03 00 00
Kenaf	12 03 00 00
Powdered milk	04 02 05 01, 04 02 05 02, 04 02 05 03, 04 02 06 00
Fresh apples	08 06 00 00
Medicines	29 42 00 00, 30 03 01 00, 30 03 80 00, 03 05 02 00, 30 05 80 00, 29 38 00 00, 29 44 00 00
Biological medicaments for human consumption	29 39 00 00, 30 01 00, 30 02
Coin	72 01 00 00
Ammunition	03 07 00 00
Paper	48 01 01 00, 48 01 00 00, 48 10 00 00, 48 01 80 00
Fresh pears	08 06 00 00
Lead	Chapter 78
Propellent powders	36 01 00 00
Animal food products	Chapter 23
Biological, chemical and pharmaceutical products for animals	29 39 00 00, 29 42 00 00, 30 01 00 00, 30 02 30 03
Toilet preparations	33 06 00 00
Medicinal products	29 42 00 00, 30 03 01 00, 30 03 80 00, 03 05 02 00, 30 05 80 00, 29 38 00 00, 29 44 00 00

Organic products, not chemically specified	38 19 01 04 and 38 19 01 99
Fruit juices	20 05 00 00
Rosella	12 03 00 00
Salt	25 01 02 00 and 25 01 80 00
Fats	15 02 00 00
Seeds	12 03 00 00
Cotton seeds	12 01 80 02
Cloth	50 09 00 00, 53 11 00 00, 53 12 00 00, 54 05 00 00, 55 07 00 00, 55 08 00 00, 55 09 80 00, 56 07 00 00, 57 10 00 00, 57 11 00 00, 59 03 01 00, 60 01 00 00, 60 06 00
Line telephonic and telegraphic apparatus	85 13 00 00
Radiotelegraph, radiotelephone and television transmitters and receivers with or without cabinets (including radio receivers combined with record players or sound recorders and television cameras)	85 15
Fresh grapes	08 04 00 00

ANNEX 5

Products Whose Import is Prohibited

<u>PRODUCT</u>	<u>NAUCA II</u>
Bees	01 06 80 01
Domestic and wild animals	Chapter 1, with the exception of 01 05 01 06 80 01
Animal products and by-products	Chapter 1, Products and by-products, Chapters 2, 3, 4 and 5 (not edible)
Christmas trees	06 02 00 00
Sand	25 05 00 00
Weapons	93 04 00 00
Pyrotechnic articles	36 05 00 00 (see fireworks)
Flower bulbs and tubers	06 01 00 00
Cocoa	18 01 00 00
Coffee	09 01 01 01, 12 03 00 00, 06 02 00 00
Cyclamates	29 30 00 00
Confetti	97 05 00 00
Dichlorophenoxyacetic ester	29 02 80 00
Packings or packagings	
White phosphorous	28 40 00 00
Fruit and flowers	Chapter 8 (Fruit) 06 03 00 00 (Flowers)
Flour	11 01 01 00
Books	49 01 00 00
Used tyres	40 11

Marijuana	12 07 00 00
Opium	13 03 80 00
Potatoes	07 01 01 99
Paper (waste)	47 02 00 00
Fish (piranhas)	03 01 01 02, 03 01 01 99, 02 01 01 01
Plants	Chapter 6
Biological products for veterinary use	29 39 00 00, 30 02 04, 29 01 00 00, 30 01 00 00, 30 03 and Chapter 23
Vegetable products	Chapters 6, 7, 8, 9, 10, 12, 14, 23 06
Rosella	12 03 00 00
Salt	25 01 02 00, 25 01 80 00
Fats	15 02 00 00
Seeds	12 03 00 00
Earth	25 32 00 00
Wheat	01 01 01 02

ANNEX 6

Products for Which an Export Licence Must be Obtained

<u>PRODUCT</u>	<u>NAUCA II</u>
Vegetable oils	15 07, 15 08 00 00, 15 12
Sesame	12 01 80 99
Cotton	55 01 00 00
Foodstuffs	Chapters 2, 3, 4, 7, 8, 9, 10 and 11 Headings 12 08, 15 08, 15 12, 15 13 Chapters 16, 18, 19, 20 and 21 Chapters 17 and 22 Heading 23 01 02 00
Animal feed	23 04 and 23 06 00 00
Animals, products and by-products	Chapter 1, Products and by-products; Chapters 2, 3, 4 and 5 (not edible) Heading 01 06 80 99
Sugar	17 01 00 00
Cocoa	18 01 00 00
Coffee	09 01 01 02
Shrimps - Crustaceans	03 03 01 00
Cardamom	09 08 01 01
Fresh meat, chilled or frozen	02 01 02 00
Poultry meat	02 02
Cattle hides, raw, fresh, dried or salted	41 01 00 00
Bovine and equine leather and skins, chamois-dressed or made up into patent leather or metallized leather	41 02 00 00, 41 06 00 00, 41 08 00 00, 41 09 00 00
Scrap metal	74 01 00 00, 73 03 00 00, 76 01 00 00, 77 01 00 00, 79 01 00 00, 75 01 00 00, 78 01 00 00

Waste paper	47 02 00 00
Drugs and pschycotropic substances	30 03 01 00, 30 03 80 00, 29 42 00 00
Various kinds of woodland fauna and flora	01 06 80 99, 03 01 01 99, 06 02 00 00
Bovine animals	01 02 80 00
Horses	01 02 01 00
Basic cereals (maize, maicillo or sorghum, rice, beans, sesame, ground-nuts and sunflower)	10 05 80 00, 10 07 08 00, 10 06 80 00, 07 05 01 00, 12 01 80 99, 12 01 80 01, 12 01 80 03
Cottonseed flour or cake	12 02 00 00
Eggs	04 05 00 00
Wood	44 03, 44 04, 44 05, 44 07, 44 08, 44 09, 44 11, 44 12, 44 14
Margarine and butter	15 01 00 00, 15 30 00 00
Molasses	17 02 02 00, 17 03 00 00
Osiers	14 01 01 00
Molluscs (see shrimps)	
Coin, bars and ingots	72 01 00 00, 71 05 00 00, 71 07 00 00
Silver coin	72 01 00 00
Pigeons	01 06 80 99
Fish (see shrimps)	03 03 01 00
Skins (see tanned leather)	41 02 00 00, 41 06 00 00, 41 08 00 00, 41 09 00
Agricultural products	Chapters 7, 8, 9, 10, 12, 14 Heading 18 01 00 00

Medicinal products	30 03 01 00, 30 03 80 00, 30 05 02 00, 30 05 80 00, 29 38 00 00, 29 42 00 00, 29 44 00 00
Products and by-products of animal origin (see animals)	Chapter 1, Products and by-products, Chapters 2, 3, 4 and 5, not edible, Heading 01 06 80 99, 12 01 08 00, 12 07 00 00
Cotton seeds	12 03 00 00, 12 07 00 00
Tobacco	24 01 00 00, 24 02 00 00
Fresh tuna fish (see shrimps)	

ANNEX 7

Products Whose Export is Prohibited

<u>PRODUCT</u>	<u>NAUCA II</u>
Coffee beans	09 01 01 01
Cyclamates	29 30 00 00
Citronella	12 07 00 00
Tree ferns	06 02 00 00
Archeological, historical or artistic objects	99 03 00 00, 99 05 00 00, 99 06 00 00
Orchids	06 03 00 00
Lizard skins	41 05 00 00
Quetzals (national bird)	99 05 00 00
Roots of dioscoracea and amarillidacea plants	11 01 00 00
Whole blood, plasma or by-products	30 01 00 00
Lemon tea	12 07 00 00, 12 03 00 00, 06 02 00 00
Tortoises (animals)	01 06 80 99

ANNEX 8

Products for Which Maximum
Consumer Prices have been Fixed¹

<u>PRODUCT</u>	<u>NAUCA II</u>
White sugar	17 01
Wheat	10 01
Wheat flour for making bread	11 01
Yeasts	21 06
Meat of bovine animals	02 01
Meat of other animals	02 01
Incaparina	19 05
Baking powder	21 06

¹Subject to adjustment, depending on market conditions

ANNEX 9

Some Trade Agreements Signed by the Government of
The Republic of Guatemala With Other Countries

Country	Signed Date	Place	Approved	Ratified Amended	Published
Austria	16.5.60	Guatemala	Legislative Decree No. 1351 of 28.4.60	16.5.60	
Korea	26.3.77	Seoul	Legislative Decree No. 7-78 of 30.3.78	13.4.78	Official Gazette of Central America, Vol. CCVIII No. 87 of 30.5.78
Taiwan	6.4.79	Taipei	Legislative Decree No. 55-80 of 11.11.80	2.12.80	Official Gazette of Central America, Vol. CCXV No. 38 of 14.1.81
Romania	28.9.79	Bucharest	Legislative Decree No. 40-80 of 23.7.80	30.7.80	Official Gazette of Central America, Vol. CCXV No. 35 of 9.1.81
India	23.4.81	New Delhi	Decree Law No. 48-82 of 29.6.82	8.7.82	Official Gazette of Central America, Vol. CCXX No. 64 of 14.2.83
Israel	15.6.82	Jerusalem	Decree Law No. 81-82	4.10.82	Official Gazette of Central America, Vol. CCXXII No. 52 of 16.11.83
Chile	28.10.81	Santiago, Chile	Decree Law No. 26-82	30.4.82	Official Gazette of Central America, Vol. CCXIX No. 94 of 4.11.82
Argentina	7.10.82	Buenos Aires	Decree Law No. 63-83 of 6.0.83	6.6.83	Official Gazette of Central America, Vol. CCXXVII No. 46 of 30.10.85