

**DRAFT**  
**Subject to Legal Review for Accuracy, Clarity, and Consistency**  
**March 8, 2004**

**This letter was negotiated during the course of the CAFTA negotiations and is related to the Agreement, but is not part of the CAFTA.**

**[Letter on Article 13.4.5(a)(iv)]**

**[date]**

The Honorable Miguel Lacayo  
Minister of Economy of El Salvador

Dear Minister Lacayo:

I have the honor to refer to Chapter Thirteen (Telecommunications) of the United States – Central America Free Trade Agreement (the “Agreement”) signed at \_\_\_\_\_ on \_\_\_\_\_, 2004.

I have the honor to confirm the following shared understanding reached by the delegations of the United States of America and the Republic of El Salvador with respect to Article 13.4.5(a)(iv) of the Agreement:

Provided that any major supplier of public telecommunications services in the territory of El Salvador does not increase the rates it charges as of December 31, 2003 for interconnection of cross-border services with the suppliers of public telecommunications services of the United States, the United States will forego use of the dispute settlement provisions of the Agreement with respect to the obligation to ensure the provision of cost-oriented rates for a period of two (2) years from the date the Agreement enters into force, and in no event later than January 1, 2007.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments, to enter into force on the entry into force of the Agreement.

Sincerely,

Robert B. Zoellick

**[identical reply letter not included]**