

May 28, 2004

The Honorable Norman Garcia
Minister of Industry and Trade
Tegucigalpa, Honduras

Dear Minister Garcia:

I have the honor to confirm the following understanding reached between the delegations of the United States and Honduras in the course of negotiations regarding Chapter Eleven (Cross-Border Trade in Services) of the Free Trade Agreement between our Governments signed this day (the "Agreement"):

The requirement under Honduran law that no more than five percent of the nurses employed at a given medical facility may be foreign nationals is not inconsistent with the Market Access obligation (Article 11.4) of Chapter Eleven (Cross-Border Trade in Services).

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments.

Sincerely,

Robert B. Zoellick

COURTESY TRANSLATION

The Honorable Robert B. Zoellick
United States Trade Representative
Washington, D.C.

Dear Ambassador Zoellick:

I am pleased to acknowledge your letter of today's date, which reads as follows:

“I have the honor to confirm the following understanding reached between the delegations of the United States and Honduras in the course of negotiations regarding Chapter Eleven (Cross-Border Trade in Services) of the Free Trade Agreement between our Governments signed this day (the “Agreement”):

The requirement under Honduran law that no more than five percent of the nurses employed at a given medical facility may be foreign nationals is not inconsistent with the Market Access obligation (Article 11.4) of Chapter Eleven (Cross-Border Trade in Services).

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments.”

I have the honor to confirm that the understanding referred to in your letter is shared by my Government, and that your letter and this reply shall constitute an agreement between our Governments.

Sincerely,

Norman Garcia