

SECOND STAGE

After a period of 60 days from the entry into force of this Act, the Parties shall establish within the following 30 days:

- (a) Maximum limits for the types of weapons classified in the annex to this Act, as well as timetables for their reduction.
- (b) Maximum limits for troops and military installations which each party may have, as well as timetables for their reduction or dismantling.
- (c) If the Parties do not reach agreement on the above-mentioned maximum limits and timetables within such period, those suggested by the Verification and Control Commission in its technical studies shall apply provisionally, with the prior consent of the Parties. The Parties shall set by mutual agreement a new time-limit for the negotiation and establishment of the above-mentioned limits.

Should the Parties fail to reach agreement on maximum limits, they shall suspend execution of the commitments with regard to international military manoeuvres, foreign military bases and installations and foreign military advisers for which time-limits have been set in the Act, except in cases where the Parties agree otherwise.

The maximum limits referred to in subparagraphs (a), (b) and (c) and the timetables shall be regarded as an integral part of this Act and shall have the same legally binding force from the day following expiry of the 30 days established for the second stage or the day following their establishment by agreement among the Parties.

Unless the parties agree otherwise, under subparagraph (c) the maximum agreed limits shall be reached 180 days after the entry into force of the Act or in a period established by the Parties.

20. In order to satisfy the requirements of peace, stability, security and economic and social development of the countries of the region and in order to establish maximum limits for the military development of the Central American States and to control and reduce their military levels, the Parties will agree on a table of values that will consider the following basic criteria and in which all armaments will be subject to control and reduction:
 - (1) Security needs and defence capacity of each Central American State;
 - (2) Size of its territory and population;
 - (3) Length and characteristics of its borders;
 - (4) Military spending in relation to gross domestic product (GDP);
 - (5) Military budget in relation to public spending and other social indicators;
 - (6) Military technology, relative combat capability, troops, quality and quantity of installations and military resources;
 - (7) Armaments subject to control, armaments subject to reduction;
 - (8) Foreign military presence and foreign advisers in each Central American State.
21. Not to introduce new weapons systems that alter the quality or quantity of current inventories of war *materiel*.
22. Not to introduce, possess or use lethal chemical weapons or biological, radiological or other weapons which may be deemed to be excessively injurious or to have indiscriminate effects.