

(Translation)

Dr. Herminio Blanco Mendoza
Minister for Trade and Industrial Development

Washington, March 20, 1997

Ambassador Charlene Barshefsky
United States' Trade Representative
600 Seventeenth Street, N.W.
Washington, D.C. 20506

Dear Ambassador Barshefsky:

I have the honour to confirm the understanding as set forth in the Annex to this letter, reached by the delegations of Mexico, Canada, and the United States of America in the Working Group on Rules of Origin, established pursuant to Article 513 of the North American Free Trade Agreement (hereinafter referred to as the "NAFTA") to make certain technical rectifications to Annex 401 of the NAFTA. These rectifications do not constitute substantial changes and have the sole purpose of establishing consistency between Annex 401 and the Parties' tariff laws.

I propose that this letter and its Annex, and your letter of confirmation in reply, together with my letter to Minister Arthur Eggleton and his letter of confirmation in reply, constitute an agreement between the three governments. I also propose that this agreement enter into force on April 15, 1997, on an exchange of written notifications certifying the completion of each Party's applicable legal procedures.

Sincerely,

(signed)
Herminio Blanco Mendoza