

Washington, D.C.
January 2, 1988

The Honorable Pat Carney
Minister of International Trade
Ottawa, Ontario

Dear Mrs. Carney:

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

"I have the honour to reconfirm the following understanding reached between the delegations of Canada and of the United States of America in the course of negotiating the Free-Trade Agreement between our two Governments signed this day:

The Parties recognize that this Agreement is subject to domestic approval procedures. Accordingly, both Parties understand the need to exercise their discretion in the period prior to entry into force so as not to jeopardize the approval process or undermine the spirit and mutual benefits of the Free Trade Agreement."

"I would be grateful if you would confirm that this understanding is shared by your Government."

I have the honor to reconfirm that the understanding referred to in your letter is shared by my Government.

Yours sincerely,

Clayton Yeutter