December 11, 1978 Manila

Dear Governor Sanchez,

I have the honor to refer to discussions between representatives of the Governments of Canada and the Republic of the Philippines held in Manila on December 11, 1978 respecting the coverage and administrative procedures to apply to Philippine exports of traditional folklore and handicraft textile products of the cottage industry, as referred to in Article 7 of the Textile Agreement initialled on April 6, 1978.

During the course of these discussions both sides agreed upon a list of traditional Philippine handicraft textile products, to be set out in Annex IV to the Agreement, which will be exempt from restraint. This list of traditional handicraft products is not conditional upon the criteria established in sections 1 (a) and 1 (b) of Annex IV, and is in addition to any fabric, garments or other textile articles which may be exempt under sections 1 (a) and 1 (b) of that Annex.

I would appreciate your acknowledgement that this is in keeping with the understanding reached during our discussions.

Yours sincerely

C. D. ARTHUR Chairman, Canadian Delegation

Conforme:

Governor Conrado E. Sanchez Co-Chairman, Philippine Delegation