

MINISTER OF TRADE AND COMMERCE

Budapest, August 9, 1968

Mr. Jozsef Biro,
Minister of Foreign Trade of the
Hungarian People's Republic,
Budapest, Hungary

MR. MINISTER:

I have the honour to acknowledge receipt of your letter of today, which reads as follows:

"On the occasion of signing today the Protocol extending the Trade Agreement of June 11, 1964 between the Hungarian People's Republic and Canada for a further period of three years from August 9, 1968, I have the honour to inform you that the Hungarian foreign trade enterprises, within the framework of the laws and regulations which apply to imports from all countries, have undertaken to buy in Canada, from Canadian firms or their agents, under normal commercial conditions, Canadian goods of their choice to a value of \$15 million during the three years of the renewed Agreement, with purchases in each of the first and second years of not less than \$3.5 million and \$5.5 million respectively. Any purchases above the minimum for the first year will count against the amount specified for the second year. They will also consider Canada as a source of supply for their additional import requirements of goods for which Canada has a demonstrated competitive export performance.

It is my understanding that it is the wish of the two governments that trade between Hungary and Canada should progressively expand on both sides. It is agreed that each government will give sympathetic consideration to representations the other government may wish to make with respect to the development of this trade. To this end, it has been agreed that representatives of the two governments will meet as required to review the progress of trade in both directions."

I hereby confirm my agreement to the above.

Accept, Sir, the assurances of my highest consideration.

JEAN-LUC PEPIN