

Scott D. Quesenberry Special Textile Negotiator Office of the United States Trade Representative Washington, D.C. 20508 United States of America

JUN 2 3 2008

Cesar Guerra
Director General, Non-Agricultural Market Access
Secretariat of Economy
Mexico

Dear Sirs:

I refer to the North American Free Trade Agreement (NAFTA), in particular the provisions of Annex 300-B, Textile and Apparel Goods. As provided in subparagraph 2 (a) of Section 7, "Review and Revision of Rules of Origin", "[O]n request of any Party, the Parties shall consult to consider whether particular goods should be subject to different rules of origin to address issues of availability of supply of fibers, yarns or fabrics in the free trade area".

I also refer to the correspondence dated April 22, 2008, from Mr. Scott Quesenberry, regarding a request for trilateral consultations for certain goods that are not available in commercial quantities in a timely manner from U.S. producers and the appropriate modifications to the relevant NAFTA rules of origin. The item of particular interest at this time is the request to amend the rules of origin for acrylic pile fabric of subheading 5801.35 and warp pile fabric of subheading 6001.10 as the acrylic staple fiber of subheading 5503.30 is in short supply.

Canada has no objections to amend the rules of origin for these fabrics and would like to request trilateral consultations regarding possible modifications to the NAFTA rules of origin for the thread and yarns that are used to make the fabrics to allow for the importation of acrylic staple fiber of subheading 5503.30. Attached is a copy of our proposal.



The Government of Canada would appreciate the views of the Governments of the United States and Mexico with respect to the dates and venue for the proposed consultations.

Yours truly,

Catherine McClymont Deputy Director

Apparel and Textiles Directorate

## Enclosure

c.c. Shezara Ali Senior Trade Policy Analyst

Bilateral Market Access Division

Foreign Affairs and International Trade Canada

## Chapter 55

55.01 – 55.07 A change to heading 55.01 through 55.07 from any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.

No change to intent, renumbering only.

55.08 – 55.11 A change to heading 55.08 through 55.11 from subheading 5503.30 or any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.