

3 March 2018

The Honourable Ildefonso Guajardo Villarreal Secretary of Economy
Mexico

Dear Secretary:

In connection with the signing on 8 March 2018 of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (hereinafter referred to as the "Agreement"), I have the honour to confirm the following agreement reached between the Government of Malaysia (hereinafter referred to as "Malaysia") and the Government of the United Mexican States (hereinafter referred to as "Mexico") (collectively the "Parties"):

- 1. For the purposes of determining whether a good of heading 87.03 qualifies as originating in accordance with Chapter 3 (Rules of Origin and Origin Procedures) of the Agreement, the applicable product-specific-rule of origin will be:
 - i. a change to a good of heading 87.03 from any other heading; or
 - ii. no change in tariff classification required for a good of heading 87.03, provided there is a regional value content of not less than:
 - a) 40 per cent under the net cost method; or
 - b) 50 per cent under the build-down method.
- 2. In order to enhance the benefits of the Agreement, both Parties shall endeavour to facilitate technical cooperation and capacity building activities in areas of mutual interest in the automotive sector.

I have the further honour to propose that this letter and your letter of confirmation in reply, both equally authentic in the English and the Spanish languages, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, to enter into effect upon the entry into force of the Agreement between Malaysia and Mexico.

Sincerely,

Mustapa Mohamed

Minister of International Trade and Industry

Malaysia



8 March 2018

H.E. Mustapa Bin Mohamed Minister of International Trade and Industry Malaysia

Dear Minister:

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

"In connection with the signing on 8 March 2018 of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (hereinafter referred to as the "Agreement"), I have the honour to confirm the following agreement reached between the Government of Malaysia (hereinafter referred to as "Malaysia") and the Government of the United Mexican States (hereinafter referred to as "Mexico") (collectively the "Parties"):

- 1. For the purposes of determining whether a good of heading 87.03 qualifies as originating in accordance with Chapter 3 (Rules of Origin and Origin Procedures) of the Agreement, the applicable product-specific-rule of origin will be:
 - i. a change to a good of heading 87.03 from any other heading; or
 - ii. no change in tariff classification required for a good of heading 87.03, provided there is a regional value content of not less than:
 - a) 40 per cent under the net cost method; or
 - b) 50 per cent under the build-down method.
- 2. In order to enhance the benefits of the Agreement, both Parties shall endeavour to facilitate technical cooperation and capacity building activities in areas of mutual interest in the automotive sector.

I have the further honour to propose that this letter and your letter of confirmation in reply, both equally authentic in the English and the Spanish languages, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, to enter into effect upon the entry into force of the Agreement between Malaysia and Mexico."

I have the further honour to confirm that my Government shares this agreement and that your letter and this letter in reply, both equally authentic in the English and the Spanish



languages, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, to enter into effect upon the entry into force of the Agreement between Mexico and Malaysia.

Sincerely,

Ildefonso Guajardo Villarreal