



5 March 2018

Hon David Parker
Minister for Trade and Export Growth
New Zealand

Dear Minister,

In connection with the imminent signing on 8 March 2018 of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (the "Agreement"), I have the honour to confirm the following understanding reached between the Government of Malaysia and the Government of New Zealand ("New Zealand") on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement:

1. The Government of New Zealand will refrain from seeking recourse to Chapter 28 (Dispute Settlement) of the Agreement with respect to the commitment of Malaysia regarding PETRONAS as contained in subparagraphs (a) through (l) in the Scope of Non-Conforming Activities of Annex IV – MALAYSIA – 3 for a period of five years after the entry into force of the Agreement for Malaysia.
2. After this period, the Government of Malaysia and the Government of New Zealand will conduct consultations with a view to deciding on actions to be taken after such period.

I have the further honour to propose that this letter and your letter in reply confirming the shared understanding between the Government of Malaysia and the Government of New Zealand, which will come into effect on the date on which the Agreement enters into force for both Malaysia and New Zealand.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mustapa Mohamed'.

Mustapa Mohamed
Minister of International Trade and Industry
Malaysia

8 March 2018

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


Dear Minister,

I have the honour to acknowledge receipt of your letter of 5 March 2018, which reads as follows:

“In connection with the imminent signing on 8 March 2018 of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (the “Agreement”), I have the honour to confirm the following understanding reached between the Government of Malaysia and the Government of New Zealand (“New Zealand”) on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement:

1. The Government of New Zealand will refrain from seeking recourse to Chapter 28 (Dispute Settlement) of the Agreement with respect to the commitment of Malaysia regarding PETRONAS as contained in subparagraphs (a) through (l) in the Scope of Non-Conforming Activities of Annex IV – MALAYSIA – 3 for a period of five years after the entry into force of the Agreement for Malaysia.
2. After this period, the Government of Malaysia and the Government of New Zealand will conduct consultations with a view to deciding on actions to be taken after such period.

I have the further honour to propose that this letter and your letter in reply confirming the shared understanding between the Government of Malaysia and the Government of New Zealand, which will come into effect on the date on which the Agreement enters into force for both Malaysia and New Zealand.”



I have further the honour to confirm that the above reflects the mutual understanding reached between the Government of New Zealand and the Government of Malaysia and that your letter and this letter in reply will constitute an understanding between the Government of New Zealand and the Government of Malaysia.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'David Parker', with a stylized flourish at the end.

Hon David Parker
Minister for Trade and Export Growth
New Zealand