



5 March 2018

**The Honourable
Dato Erywan Pehin Yusof
Second Minister of Foreign Affairs and Trade
Brunei Darussalam**

Dear Minister,

In connection with the 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 Brunei Darussalam on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement:

1. The Government of Brunei Darussalam 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 (5) five years after the entry into force of the Agreement for Malaysia.
2. During this period, the Government of Malaysia will also refrain from seeking recourse to Chapter 28 (Dispute Settlement) of the Agreement with respect to the commitment of Brunei Darussalam in Annex IV – BRUNEI DARUSSALAM – 1 for a period of (5) five years after the entry into force of the Agreement for Brunei Darussalam.
3. After these periods, both countries will conduct consultations with a view to deciding on actions to be taken after such periods.

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

Sincerely,

**Mustapa Mohamed
Minister of International Trade and Industry
Malaysia**

Tel. : (673) 2261177, 2261293
Fax : (673) 2261100, 2262904



مکتبہ بین الاقوامی اور تجارتی
MINISTRY OF FOREIGN AFFAIRS AND TRADE
BRUNEI DARUSSALAM

Your Reference:

Our Reference:

8 March 2018

His Excellency
Dato' Sri 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 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 Brunei Darussalam on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement:

- 1. The Government of Brunei Darussalam 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 (5) five years after the entry into force of the Agreement for Malaysia.*
- 2. During this period, the Government of Malaysia will also refrain from seeking recourse to Chapter 28 (Dispute Settlement) of the Agreement with respect to the commitment of Brunei Darussalam in Annex IV – BRUNEI DARUSSALAM – 1 for a period of (5) five years after the entry into force of the Agreement for Brunei Darussalam.*

3. *After these periods, both countries will conduct consultations with a view to deciding on actions to be taken after such periods.*

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

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

Sincerely,



DATO ERYWAN PEHIN YUSOF

Second Minister of Foreign Affairs and Trade