



8 March 2018

The Honourable Ildelfonso 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 understanding reached between the Government of Malaysia (hereinafter referred to as "Malaysia") and the Government of the United Mexican States (hereinafter referred to as "Mexico"), on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement, as follows:

1. Mexico 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 Annex IV – Malaysia – 3 – Scope of Non-Conforming Activities, subparagraphs (a) through (l), for a period of (5) five years after the date of entry into force of the Agreement for Malaysia.
2. After this period, both countries will conduct consultations with a view to deciding on actions to be taken after such period. This is without prejudice to the rights and obligations of both Parties under Chapter 28 (Dispute Settlement) of the Agreement.

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 understanding between our Governments, to enter into effect upon the entry into force of the Agreement between Malaysia and Mexico.

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 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:

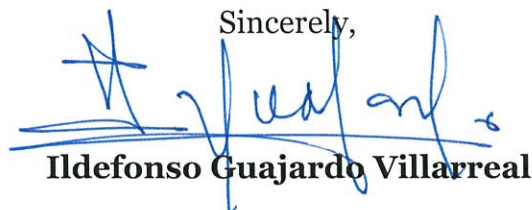
“In connection with the signing on 8 March 2018 of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (hereinafter referred to as the “Agreement”), I have the honour to confirm the following understanding reached between the Government of Malaysia (hereinafter referred to as “Malaysia”) and the Government of the United Mexican States (hereinafter referred to as “Mexico”), on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement, as follows:

1. Mexico 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 Annex IV – Malaysia – 3 – Scope of Non-Conforming Activities, subparagraphs (a) through (l), for a period of (5) five years after the date of entry into force of the Agreement for Malaysia.
2. After this period, both countries shall conduct consultations with a view to deciding on actions to be taken after such period. This is without prejudice to the rights and obligations of both Parties under Chapter 28 (Dispute Settlement) of the Agreement.

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 understanding between our Governments, 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 understanding and that your letter and this letter in reply, both equally authentic in the English and the Spanish languages, shall constitute an understanding between our Governments, to enter into effect upon the entry into force of the Agreement between Mexico and Malaysia.

Sincerely,



Idefonso Guajardo Villarreal