



5 March 2018

His Excellency
Mr. Hernando Muñoz Valenzuela
Minister of Foreign Affairs
Chile

Dear Minister Muñoz,

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 the Republic of Chile (Chile) and the Government of Malaysia (Malaysia) on Chapter 17 (State-Owned Enterprises and Designated Monopolies) and Chapter 28 (Dispute Settlement) of the Trans-Pacific Partnership Agreement, signed on 4 February 2016, in Auckland, New Zealand, incorporated, by reference, into and made part of the Agreement, *mutatis mutandis*:

1. Chile will refrain from seeking recourse to Chapter 28 (Dispute Settlement) 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 the five year-period, Chile and Malaysia will enter into consultations in order to decide if such period will be renewed.

I have the further honour to propose that this letter and your letter in reply constitute an understanding between our two Governments, which will come into effect on the date on which the Agreement enters into force for both Chile and Malaysia.

Sincerely,

MUSTAPA MOHAMED
Minister of International Trade and Industry
Malaysia



REPUBLICA DE CHILE
MINISTERIO DE RELACIONES EXTERIORES

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 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 the Republic of Chile (Chile) and the Government of Malaysia (Malaysia) on Chapter 17 (State-Owned Enterprises and Designated Monopolies) and Chapter 28 (Dispute Settlement) of the Trans-Pacific Partnership Agreement, signed on 4 February 2016, in Auckland, New Zealand, incorporated, by reference, into and made part of the Agreement, mutatis mutandis:

- 1. Chile will refrain from seeking recourse to Chapter 28 (Dispute Settlement) 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 the five year-period, Chile and Malaysia will enter into consultations in order to decide if such period will be renewed.*

I have the further honour to propose that this letter and your letter in reply constitute an understanding between our two Governments, which will come into effect on the date on which the Agreement enters into force for both Chile and Malaysia.”



REPUBLICA DE CHILE
MINISTERIO DE RELACIONES EXTERIORES

I have the further honour to confirm that the above reflects the mutual understanding reached between our Governments, and that your letter and this letter in reply will constitute an understanding between the Government of the Republic of Chile and the Government of Malaysia, which will come into effect on the date on which the Agreements enters into force for both Chile and Malaysia.

Sincerely,

A handwritten signature in blue ink, consisting of several fluid, overlapping strokes.

HERALDO MUÑOZ VALENZUELA
Minister of Foreign Affairs
Republic of Chile