

Tokyo, March 2, 2018

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

Dear Minister,

In connection with the signing on March 8, 2018 of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (the Agreement), I have the honour to confirm the following understanding:

1. The Government of Japan highly appreciates the commitment of the Government of Malaysia regarding PETRONAS as provided for in subparagraphs (a) through (l) in Scope of Non-Conforming Activities of page 3 of Schedule of Malaysia to Annex IV of the Agreement and at the same time is aware of the sensitivities surrounding this particular commitment in Malaysia.
2. In this connection, the Government of Japan and the Government of Malaysia will continue consultations on the commitment of the Government of Malaysia referred to in paragraph 1 above for the period of five years after the date of entry into force of the Agreement for Malaysia. During that period, the Government of Japan will refrain from seeking recourse to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement with respect to this commitment. After that period, both countries will conduct a review on the consultations mentioned above with a view to deciding on actions to be taken after that period.

I have the further honour to propose that this letter and your letter in reply confirm the shared understanding between the Government of Japan and the Government of Malaysia.

Sincerely,

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a cursive representation of the name Toshimitsu Motegi.

Toshimitsu Motegi
Minister in charge of Economic Revitalization of Japan



5 March 2018

**The Honourable Toshimitsu Motegi
Minister in charge of Economic Revitalization
Japan**

Dear Minister,

I have the honour to acknowledge the receipt of your letter of 2 March, 2018, which reads as follows:

“In connection with the signing on March 8, 2018 of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (the Agreement), I have the honour to confirm the following understanding:

1. The Government of Japan highly appreciates the commitment of the Government of Malaysia regarding PETRONAS as provided for in subparagraphs (a) through (l) in Scope of Non-Conforming Activities of page 3 of Schedule of Malaysia to Annex IV of the Agreement and at the same time is aware of the sensitivities surrounding this particular commitment in Malaysia.
2. In this connection, the Government of Japan and the Government of Malaysia will continue consultations on the commitment of the Government of Malaysia referred to in paragraph 1 above for the period of five years after the date of entry into force of the Agreement for Malaysia. During that period, the Government of Japan will refrain from seeking recourse to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement with respect to this commitment. After that period, both countries will conduct a review on the consultations mentioned above with a view to deciding on actions to be taken after that period.

I have the further honour to propose that this letter and your letter in reply confirm the shared understanding between the Government of Japan and the Government of Malaysia.”

I have further the honour to confirm that Government of Malaysia shares this understanding.

Sincerely,

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