



5 March 2018

**The Honourable François-Philippe Champagne**  
**Minister of International Trade**  
**Canada**

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 Canada on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement:

1. The Government of Canada 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. After these period, 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, equally valid in English and French, confirm the shared understanding between the Government of Malaysia and the Government of Canada, which will come into effect on the date on which the Agreement enters into force for both Malaysia and Canada.

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 dated 5 March 2018, which reads as follows:

“In connection with the signing on this date 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 Canada on Chapter 17 (State-Owned Enterprises and Designated Monopolies) of the Agreement:

1. The Government of Canada 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. 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, equally valid in English and French, confirm the shared understanding between the Government of Malaysia and the Government of Canada, which will come into effect on the date on which the Agreement enters into force for both Malaysia and Canada.”

I have further the honour to confirm that the above reflects the mutual understanding reached between the Government of Canada and the Government of Malaysia and that your letter and this letter in reply, equally valid in English and French, will constitute an understanding between the Government of Canada and the Government of Malaysia.

Sincerely,

  
The Honourable François-Philippe Champagne  
Minister of International Trade  
Canada