



8 March 2018

The Honourable Idefonso Guajardo Villarreal
Secretary of Economy
Mexico

Dear Secretary,

In connection with the signing on this date of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (hereinafter referred to as the "Agreement"), I have the honour to confirm the following agreement reached between the Government of Malaysia (hereinafter referred to as "Malaysia") and the Government of the United Mexican States (hereinafter referred to as "Mexico") as follows:

Nothing in Section D (Electronic Payment Card Services) of Annex 11-B (Specific Commitments) to Chapter 11 (Financial Services) of the Agreement, restricts the right of Malaysia to adopt or maintain measures that condition the cross-border supply of electronic payment services into Malaysia by a service supplier of another Party on a requirement that such electronic payment services are supplied through a payment system operated in Malaysia by an entity approved by Bank Negara Malaysia (hereinafter referred to as an "approved operator of payment system in Malaysia").

Any such measure shall:

1. be applicable only to electronic payment services for payment card transactions made in Malaysia using payment cards issued in Malaysia;
2. not be used as a means of avoiding Malaysia's obligations under Section D (Electronic Payment Card Services);
3. not result in creating a competitive disadvantage to any service supplier of Malaysia and of another Party;
4. ensure the security, speed or reliability of the services, and preserve the ability of service suppliers of another Party to innovate; and
5. not impose unreasonable costs, directly or indirectly, on service suppliers of another Party.

If an approved operator of payment system in Malaysia and a supplier of another Party enter into an agreement or agreements for the processing of electronic payment transactions that set out standards for operation of that payment system, compliance with the terms of the agreement or agreements shall be deemed to satisfy Malaysia's obligations under paragraphs 3, 4 and 5 with respect to that supplier.

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 agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, to enter into force upon the date of entry into force of the Agreement between Malaysia and Mexico.

Sincerely,


J. Jayasri
Secretary General
Ministry of International Trade and Industry
Malaysia

8 March 2018

J.Jayasiri
Secretary General
Ministry of International Trade and Industry
Malaysia

Dear Secretary General,

I have the honour to acknowledge receipt of your letter of this date, which reads as follows:

“In connection with the signing on this date of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (hereinafter referred to as the “Agreement”), I have the honour to confirm the following agreement reached between the Government of Malaysia (hereinafter referred to as “Malaysia”) and the Government of the United Mexican States (hereinafter referred to as “Mexico”) as follows:

Nothing in Section D (Electronic Payment Card Services) of Annex 11-B (Specific Commitments) to Chapter 11 (Financial Services) of the Agreement, restricts the right of Malaysia to adopt or maintain measures that condition the cross-border supply of electronic payment services into Malaysia by a service supplier of another Party on a requirement that such electronic payment services are supplied through a payment system operated in Malaysia by an entity approved by Bank Negara Malaysia (hereinafter referred to as an “approved operator of payment system in Malaysia”).

Any such measure shall:

1. be applicable only to electronic payment services for payment card transactions made in Malaysia using payment cards issued in Malaysia;
2. not be used as a means of avoiding Malaysia’s obligations under Section D (Electronic Payment Card Services);
3. not result in creating a competitive disadvantage to any service supplier of Malaysia and of another Party;
4. ensure the security, speed or reliability of the services, and preserve the ability of service suppliers of another Party to innovate; and
5. not impose unreasonable costs, directly or indirectly, on service suppliers of another Party.

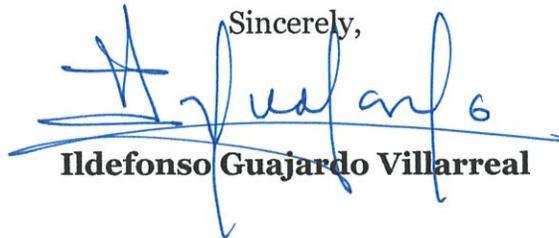


If an approved operator of payment system in Malaysia and a supplier of another Party enter into an agreement or agreements for the processing of electronic payment transactions that set out standards for operation of that payment system, compliance with the terms of the agreement or agreements shall be deemed to satisfy Malaysia's obligations under paragraphs 3, 4 and 5 with respect to that supplier.

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 agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, to enter into force upon the date of entry into force of the Agreement between Malaysia and Mexico."

I have the further honour to confirm that my Government shares this agreement, and that your letter and this letter in reply, both equally authentic in the English and the Spanish languages, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, to enter into force upon the date of entry into force of the Agreement between Mexico and Malaysia.

Sincerely,



Ildefonso Guajardo Villarreal