

THE HON ANDREW ROBB AO MP

MINISTER FOR TRADE AND INVESTMENT

4 February 2016

Magali Silva Velarde-Álvarez Minister of Foreign Trade and Tourism Peru

Dear Minister

I have the honour to acknowledge receipt of your letter of 4 February 2016, which reads as follows:

"In connection with the signing on 4 February 2016 of the Trans-Pacific Partnership Agreement (the "TPP Agreement"), I have the honour to confirm the following mutual understanding reached between the Government of Australia and the Government of the Republic of Peru during the course of negotiations on the TPP Agreement regarding the Chapter 26 (Transparency and Anticorruption) Annex on Transparency and Procedural Fairness for Pharmaceutical Products and Medical Devices ("the Annex"):

The Parties understand that in Article 2 (Principles) of the Annex, the term "high-quality healthcare" does not refer to specific final outcomes in a Party's healthcare system, including the selection of specific pharmaceutical products.

I have the further honour to propose that this letter, and your letter in reply confirming this mutual understanding, which are equally valid in English and Spanish, constitute a Memorandum of Understanding between the Government of Australia and the Government of the Republic of Peru which will come into effect on the first date on which the TPP Agreement is in force for both Australia and the Republic of Peru."

I have the further honour to confirm that the above reflects the mutual understanding reached between the Government of Australia and the Government of the Republic of Peru during the course of negotiations on the TPP Agreement, and that your letter and this letter in reply constitute a Memorandum of Understanding between the Government of Australia and the Government of the Republic of Peru.

