

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

February 4, 2016

The Honorable Magali Silva Velarde-Álvarez
Minister of Foreign Trade and Tourism
Ministry of Foreign Trade and Tourism
Lima, Peru

Dear Minister Silva:

I am pleased to acknowledge your letter of this date, which reads as follows:

“In connection with the signing on this date of the Trans-Pacific Partnership Agreement (TPP Agreement), I have the honour to confirm the following agreement reached between representatives of the Government of Peru (Peru) and the Government of the United States of America (United States):

Notwithstanding Article 2.30.4 (Allocation) of the TPP Agreement, upon entry into force of the TPP Agreement as between the United States and Peru, and continuing for as long as the TPP Agreement remains in force between the United States and Peru:

1. any quantity of goods imported into the United States under a tariff-rate quota (TRQ) set out in Appendix I to the General Notes to the Tariff Schedule of the United States in Annex 2.3 to the *United States – Peru Trade Promotion Agreement* and listed in column A of Chart 1 below shall count towards both:
 - a. the quantity of goods that may be imported under that TRQ; and
 - b. the quantity of goods that may be imported under the TRQ established in Appendix A (Tariff Rate Quotas of the United States) to the Tariff Schedule of the United States to the TPP Agreement and identified in the corresponding row of Column B of Chart 1 below;
2. any quantity of goods imported into the United States under a TRQ established in Appendix A (Tariff Rate Quotas of the United States) to the Tariff Schedule of the United States to the TPP Agreement and identified in Column B of Chart 1 below shall count towards both:
 - a. the quantity of goods that may be imported under that TRQ; and
 - b. the quantity of goods that may be imported under the TRQ set out in Appendix I to the General Notes to the Tariff Schedule of the United States in Annex 2.3 to the *United States – Peru Trade*

Promotion Agreement and listed in the corresponding row of column A of Chart 1 below; and

3. any quantity of goods imported into the United States under a tariff line subject to a safeguard set out in the Schedule of the United States to Annex 2.18 to the United States – Peru Trade Promotion Agreement shall, if entered into the United States under either the TPP Agreement or under the *United States – Peru Trade Promotion Agreement*, count towards both the trigger level for:
 - a. the relevant safeguard set out in the Schedule of the United States to Annex 2.18 to the *United States – Peru Trade Promotion Agreement*; and
 - b. the corresponding safeguard set out in Appendix B (Agricultural Safeguard Measures of the United States) to the Tariff Schedule of the United States to the TPP Agreement, and identified below in Column C of Chart 2.

Chart 1

Column A <u>United States – Peru TPA TRQ</u>	Column B <u>TPP TRQ</u>
Appendix I, paragraph 2 (Cheese)	Appendix A, paragraph 36 (Cheese)
Appendix I, paragraph 3 (Condensed and Evaporated Milk)	Appendix A, paragraph 37 (Condensed and Evaporated Milk)
Appendix I, paragraph 4 (Processed Dairy Products)	Appendix A, paragraph 38 (Processed Dairy Products)
Appendix I, paragraph 5 (Sugar)	Appendix A, paragraph 39 (Sugar and Sugar-Containing Products)

Chart 2

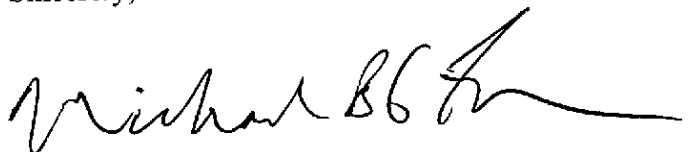
Column A <u>United States – Peru TPA Safeguard</u>	Column B <u>Tariff Classification</u>	Column C <u>TPP Safeguard</u>
Condensed and	04029170, 04029190, 04029945,	Condensed and

Evaporated Milk	04029955	Evaporated Milk (Appendix B, paragraph 8)
Cheese	04061008, 04061018, 04061028, 04061038, 04061048, 04061058, 04061068, 04061078, 04061088, 04062028, 04062033, 04062039, 04062048, 04062053, 04062063, 04062067, 04062071, 04062075, 04062079, 04062083, 04062087, 04062091, 04063018, 04063028, 04063038, 04063048, 04063053, 04063063, 04063067, 04063071, 04063075, 04063079, 04063083, 04063087, 04063091, 04064070, 04069012, 04069018, 04069032, 04069037, 04069042, 04069048, 04069054, 04069068, 04069074, 04069078, 04069084, 04069088, 04069092, 04069094, 04069097, 19019036	Cheese (Appendix B, paragraph 9)

I have the honour to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the TPP Agreement, which shall enter into force on the date of entry into force of the TPP Agreement as between the United States and Peru.”

I have the honor to confirm that my Government shares this understanding, and that your letter and this reply shall constitute an agreement between our two Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the TPP Agreement, which shall enter into force on the date of entry into force of the TPP Agreement as between the United States and Peru.

Sincerely,



Ambassador Michael B.G. Froman