



May 29, 2008

The Honourable
Mercedes Araoz
Minister of Foreign Trade and Tourism
Republic of Peru

Dear Minister Araoz:

I have the honour to acknowledge the receipt of your letter dated May 29, 2008, which reads as follows:

"I have the honour to refer to the Free Trade Agreement between the Government of the Republic of Peru and the Government of the Republic of Singapore ("the Agreement") signed at Lima on May 29, 2008.

Resulting from the above Agreement, I have the honour of confirming the understanding of both Parties in relation to Chapter 5 (Customs) of the Agreement that:

- (a) Self-certification of origin facilitates trade and saves cost.
- (b) Both Parties have discussed the establishment of a self-certification system of origin in both countries during the negotiations of the Agreement, and Peru had stated that it required a period of time to implement the self-certification system.
- (c) One year after the entry into force of this Agreement, Peru shall notify Singapore if its customs authority is ready to put into practice the self-certification system. If Peru's customs authority is not ready, the transition period to implement self-certification shall be renewable every twelve (12) months.
- (d) Until the self certification system is set up in both countries, the Certification of Origin shall be made through governmental authorities.
- (e) For the purpose of Certification of Origin through governmental authorities under paragraph (d), each Party shall provide that:
 - (i) the issuance and control of Certification of Origin shall be the responsibility of the competent authorities in each Party;
 - (ii) the Certification of Origin shall be issued on the basis of the minimum data, indicated in Annex 5A (Data Elements on Certification of Origin) and shall include the official seal and signature of the officer authorized by the Competent Authorities or their designated certifying entity;

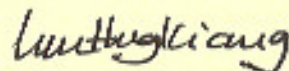
- (iii) the Certification of Origin is valid for a single shipment of one or several goods to the territory of the Parties declared on a single customs import document;
- (iv) the Certification of Origin shall be valid and effective for twelve (12) months from the date of issue;
- (v) the importer shall provide the Certification of Origin in original on request to the customs authority of the importing Party. In case the Certification of Origin contains formal errors, the Competent Authority or its Certifying Entity may allow amendments to be made on the original of the Certification of Origin, and the seal and the signature of the officer authorized by the Competent Authority or its Certifying Entity shall be printed beside the amended text. Formal errors are those that do not affect the originating status of the good;
- (vi) during the period of Certification of Origin by governmental authorities, each Party shall notify the other Party:
 - (A) the names of the certifying entities, and the registry of their respective seals; and
 - (B) the signatures and seals of the officials accredited to issue Certifications of Origin.

The notification shall indicate the effective date of the certifying entities and officials. Any modification in the names and seals shall be notified to the competent authority of the importing Party. The modifications shall be effective after five (5) days from the date of the notification.

I would be grateful if you would confirm that the understanding of my Government as stated above is shared by your Government and that this understanding shall be treated as an integral part of the Agreement."

I have the honour of confirming that this understanding is shared by my Government and that this understanding shall constitute an integral part of the Agreement.

Sincerely,



Lim Hng Kiang
Minister for Trade and Industry
Republic of Singapore