



May 29, 2008

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

Dear Minister Araoz:

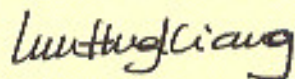
I have the honour to refer to the Free Trade Agreement between the Government of the Republic of Peru and the Government of the Republic of Singapore ("the Agreement") signed at Lima on May 29, 2008.

Resulting from the above Agreement, I have the honour to confirm the following understandings reached by both Parties that in relation to Chapter 11 (Cross-Border Trade in Services) of the Agreement:

- (a) In the interest of greater transparency, Singapore commits to respond promptly to all requests by Peru for information on any non-conforming measure related to temporary movement of nationals of a Party covered by Singapore's reservation in Annex 11E (Singapore Cross-Border Trade in Services and Investment Reservations for Future Measures) relating to supply of a service by a national of a Party in the territory of the other Party and not specified or listed under Singapore's Annex 11C (Singapore Cross-Border Trade in Services and Investment Reservations for Existing Measures and Liberalisation Commitments). Without prejudice to the rights and obligations under Chapter 11 (Cross-Border Trade in Services), this review will include information on the restrictions to temporary movement of nationals of a Party established in the immigration or labour legislation, but will not require either Party to furnish or allow access to confidential information the disclosure of which it considers would be contrary to the maintenance of public security, public order or public health.
- (b) Considering Peru's interests in the provision of services by a national of a Party in the territory of the other Party, Singapore shall endeavour to ensure market access to such service suppliers on a non discriminatory basis, for instance, in professional or specialist services.
- (c) Two years after the entry into force of this Agreement, the Parties shall review the rules and conditions applicable for temporary entry of nationals of the other Party for the purpose of further liberalising the supply of services by a national of a Party in the territory of the other Party, and this includes reviewing Chapter 12 (Temporary Entry for Business Persons), with a view to extending commitments to additional categories of business person. For this review, the Parties shall take into account the TN/S/W/31 document of WTO and any other relevant documents of WTO.
- (d) With respect to the review process in paragraph c), the Parties shall inform the Free Trade Commission of the results of the review pursuant to Article 11.14 (Implementation).

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 an integral part of the Agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Lim Hng Kiang". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Lim Hng Kiang
Minister for Trade and Industry
Republic of Singapore