

Subject to Legal Review for Accuracy, Clarity and Consistency

[DATE]

Ambassador Michael Froman
United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Dear Ambassador Froman:

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 Chile (Chile) and the Government of the United States of America (United States):

Notwithstanding Article 2.32.4 of the Agreement, upon entry into force of the TPP Agreement as between the United States and Chile, and continuing for as long as the TPP Agreement remains in force between the United States and Chile:

1. any quantity of goods imported into the United States under a tariff rate quota (TRQ) set forth in Annex 1 to the General Notes to the Tariff Schedule of the United States in Annex 3.3 to the United States – Chile Free Trade 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 to the General Notes 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 to the General Notes 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

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- b. the quantity of goods that may be imported under the TRQ set forth in Annex 1 to the General Notes to the Tariff Schedule of the United States in Annex 3.3 to the United States – Chile Free Trade Agreement and listed in the corresponding row of column A of Chart 1 below;
3. any quantity of goods provided for in the tariff items 17011100, 17011200, 17019100, 17019910, 17019920, 17019990, 17029010, 17029020, and 17029090 imported into Chile under the United States – Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement shall count towards both:
 - a. the quantity of such goods that may be imported under that agreement at rates of duty set in accordance with staging category G; and
 - b. the quantity of TPP-originating goods of the United States provided for in the tariff items 17011100, 17011200, 17019100, 17019910, 17019920, 17019990, 17029010, 17029020, and 17029090 in the Schedule of Chile to Annex 2-D of the TPP Agreement that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
4. any quantity of TPP-originating goods of the United States provided for in the tariff items 17011100, 17011200, 17019100, 17019910, 17019920, 17019990, 17029010, 17029020, and 17029090 in the Schedule of Chile to Annex 2-D of the TPP Agreement imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement, shall count towards both:
 - a. the quantity of TPP-originating goods of the United States provided for in those tariff items that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
 - b. the quantity of goods provided for in those tariff items that may be imported into Chile under the United States – Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement.
5. any quantity of goods provided for in the tariff items 17022000, 17023000, 17024000, 17026020, 17026090, 17049020, 17049030, 17049050, 17049060, 17049070, 19019019, and 19019090 imported into Chile under the United States

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– Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement shall count towards both:

- a. the quantity of such goods that may be imported under that agreement at rates of duty set in accordance with staging category G; and
 - b. the quantity of TPP-originating goods of the United States provided for in the tariff items 17022000, 17023000, 17024000, 17026020, 17026090, 17049020, 17049030, 17049050, 17049060, 17049070, 19019019, and 19019090 in the Schedule of Chile to Annex 2-D of the TPP Agreement that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
6. any quantity of TPP-originating goods of the United States provided for in the tariff items 17022000, 17023000, 17024000, 17026020, 17026090, 17049020, 17049030, 17049050, 17049060, 17049070, 19019019, and 19019090 in the Schedule of Chile to Annex 2-D of the TPP Agreement imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement, shall count towards both:
- a. the quantity of TPP-originating goods of the United States provided for in those tariff items that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
 - b. the quantity of goods provided for in those tariff items that may be imported into Chile under the United States – Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement.

Chart 1

Column A	Column B
<u>United States – Chile FTA TRQ</u>	<u>TPP TRQ</u>
Annex 1, paragraph 9 (Sugar)	Appendix A, paragraph 24 (Sugar and Sugar Containing Products)

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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 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 Chile.

Sincerely,

Heraldo Muñoz
Minister of Foreign Affairs

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[DATE]

The Honorable Heraldo Muñoz
Minister of Foreign Affairs
Ministry of Foreign Affairs
Santiago, Chile

Dear Minister Muñoz:

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 Chile (Chile) and the Government of the United States of America (United States):

Notwithstanding Article 2.32.4 of the Agreement, upon entry into force of the TPP Agreement as between the United States and Chile, and continuing for as long as the TPP Agreement remains in force between the United States and Chile:

1. any quantity of goods imported into the United States under a tariff rate quota (TRQ) set forth in Annex 1 to the General Notes to the Tariff Schedule of the United States in Annex 3.3 to the United States – Chile Free Trade 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 to the General Notes 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 to the General Notes 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

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- b. the quantity of goods that may be imported under the TRQ set forth in Annex 1 to the General Notes to the Tariff Schedule of the United States in Annex 3.3 to the United States – Chile Free Trade Agreement and listed in the corresponding row of column A of Chart 1 below;
3. any quantity of goods provided for in the tariff items 17011100, 17011200, 17019100, 17019910, 17019920, 17019990, 17029010, 17029020, and 17029090 imported into Chile under the United States – Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement shall count towards both:
 - a. the quantity of such goods that may be imported under that agreement at rates of duty set in accordance with staging category G; and
 - b. the quantity of TPP-originating goods of the United States provided for in the tariff items 17011100, 17011200, 17019100, 17019910, 17019920, 17019990, 17029010, 17029020, and 17029090 in the Schedule of Chile to Annex 2-D of the TPP Agreement that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
4. any quantity of TPP-originating goods of the United States provided for in the tariff items 17011100, 17011200, 17019100, 17019910, 17019920, 17019990, 17029010, 17029020, and 17029090 in the Schedule of Chile to Annex 2-D of the TPP Agreement imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement, shall count towards both:
 - a. the quantity of TPP-originating goods of the United States provided for in those tariff items that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
 - b. the quantity of goods provided for in those tariff items that may be imported into Chile under the United States – Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement.
5. any quantity of goods provided for in the tariff items 17022000, 17023000, 17024000, 17026020, 17026090, 17049020, 17049030, 17049050, 17049060, 17049070, 19019019, and 19019090 imported into

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Chile under the United States – Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement shall count towards both:

- a. the quantity of such goods that may be imported under that agreement at rates of duty set in accordance with staging category G; and
 - b. the quantity of TPP-originating goods of the United States provided for in the tariff items 17022000, 17023000, 17024000, 17026020, 17026090, 17049020, 17049030, 17049050, 17049060, 17049070, 19019019, and 19019090 in the Schedule of Chile to Annex 2-D of the TPP Agreement that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
6. any quantity of TPP-originating goods of the United States provided for in the tariff items 17022000, 17023000, 17024000, 17026020, 17026090, 17049020, 17049030, 17049050, 17049060, 17049070, 19019019, and 19019090 in the Schedule of Chile to Annex 2-D of the TPP Agreement imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement, shall count towards both:
- a. the quantity of TPP-originating goods of the United States provided for in those tariff items that may be imported into Chile at rates of duty equal to those applicable to the same goods, when originating under the United States – Chile Free Trade Agreement, in accordance with staging category (G) in Annex 3.3 to that agreement; and
 - b. the quantity of goods provided for in those tariff items that may be imported into Chile under the United States – Chile Free Trade Agreement at rates of duty set in accordance with staging category (G) in Annex 3.3 to that agreement.

Chart 1

Column A	Column B
<u>United States – Chile FTA TRQ</u>	<u>TPP TRQ</u>
Annex 1, paragraph 9 (Sugar)	Appendix A, paragraph 24 (Sugar and Sugar Containing Products)

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I have the honor 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 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 Chile.

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 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 Chile.

Sincerely,

Ambassador Michael B.G. Froman
United States Trade Representative