SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY AND CONSISTENCY

Dear

In connection with the signing on this date of the *Trans-Pacific Partnership Agreement* (the "Agreement"), I have the honour to confirm the following understanding reached by the Governments of New Zealand and the United Mexican States ("Mexico") during the course of negotiation of Chapter 2 (National Treatment and Market Access for Goods) regarding the treatment of the terms Tequila, Mezcal, Bacanora, Charanda and Sotol:

- 1. The *Australia New Zealand Food Standards Code* ("the Code") allows recognition of Tequila, Mezcal, Bacanora, Charanda and Sotol as products exclusively manufactured in Mexico and that no variation to the Code is necessary for such recognition.
- 2. To the extent contemplated in the Code, New Zealand will not permit the sale of any product as Tequila, Mezcal, Bacanora, Charanda or Sotol, unless it has been manufactured in Mexico according to the laws of Mexico governing the manufacture of Tequila, Mezcal, Bacanora, Charanda and Sotol and the product complies with all applicable regulations of Mexico for the sale or export as Tequila, Mezcal, Bacanora, Charanda or Sotol.

I have the honour of proposing that this letter, equally valid in English and Spanish, and your letter in reply, confirming that your Government shares this understanding, will constitute an understanding between our Governments, which will come into effect on the first date on which the Agreement is in force for both New Zealand and Mexico.

Yours sincerely,

Dear

I have the honour to acknowledge receipt of your letter of this date, which reads as follows:

"In connection with the signing on this date of the Trans-Pacific Partnership Agreement ("the Agreement"), I have the honour to confirm the following understanding reached by the Governments of New Zealand and the United Mexican States ("Mexico") during the course of negotiation of Chapter 2 (National Treatment and Market Access for Goods) regarding Tequila, Mezcal, Bacanora, Charanda and Sotol:

- 1. The *Australia New Zealand Food Standards Code* ("Code") allows recognition of Tequila, Mezcal, Bacanora, Charanda and Sotol as products exclusively manufactured in Mexico and that no variation to the Code is necessary for such recognition.
- 2. To the extent contemplated in the Code, New Zealand will not permit the sale of any product as Tequila, Mezcal, Bacanora, Charanda or Sotol, unless it has been manufactured in Mexico according to the laws of Mexico governing the manufacture of Tequila, Mezcal, Bacanora, Charanda and Sotol and the product complies with all applicable regulations of Mexico for the sale or export as Tequila, Mezcal, Bacanora, Charanda or Sotol.

I have the honour of proposing that this letter, equally valid in English and Spanish, and your letter in reply, confirming that your Government shares this understanding, will constitute an understanding between our Governments, which will come into effect on the first date on which the Agreement is in force for both New Zealand and Mexico."

I have the honour to confirm that the above reflects the understandings reached between the Governments of New Zealand and Mexico during the course of negotiations on the Agreement, and that your letter, and this letter in reply, equally valid in English and Spanish, constitute an understanding between our Governments.

Yours sincerely,