17 June 2015

Mr Gao Hucheng

Minister of Commerce

The People’s Republic of China

Dear Minister Gao,

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 China-Australia Free Trade Agreement (the “Agreement”), I have the honour to confirm the following understandings reached between the delegations of Australia and China during the course of negotiations regarding Chapter 9 (Investment) of the Agreement:

The Parties shall enter into consultations within 12 months of the date of entry into force of the Agreement on the future application of the United Nations Commission on International Trade Law (UNCITRAL) Rules on Transparency in Treaty-based Investor-State Arbitration (UN Doc A/CN.9/783) (the “UNCITRAL Transparency Rules”) to arbitrations initiated pursuant to Section B of Chapter 9 (Investment).

Unless the Parties otherwise agree, the UNCITRAL Transparency Rules shall not apply to arbitrations initiated pursuant to Section B of Chapter 9 (Investment).

I have the honour to propose that this letter and your letter in reply confirming that your Government shares these understandings shall constitute an integral part of the Agreement.”

I have the further honour to confirm that my Government shares these understandings and that your letter and this letter in reply shall constitute an integral part of the Agreement.

Yours sincerely

Andrew Robb

17 June 2015

The Hon Andrew Robb AO, MP   
Minister for Trade and Investment   
Parliament House   
CANBERRA ACT 2600

Dear Minister Robb,

In connection with the signing on this date of the China-Australia Free Trade Agreement (the “Agreement”), I have the honour to confirm the following understandings reached between the delegations of Australia and China during the course of negotiations regarding Chapter 9 (Investment) of the Agreement:

The Parties shall enter into consultations within 12 months of the date of entry into force of the Agreement on the future application of the United Nations Commission on International Trade Law (UNCITRAL) Rules on Transparency in Treaty-based Investor-State Arbitration (UN Doc A/CN.9/783) (the “UNCITRAL Transparency Rules”) to arbitrations initiated pursuant to Section B of Chapter 9 (Investment).

Unless the Parties otherwise agree, the UNCITRAL Transparency Rules shall not apply to arbitrations initiated pursuant to Section B of Chapter 9 (Investment).

I have the honour to propose that this letter and your letter in reply confirming that your Government shares these understandings shall constitute an integral part of the Agreement.

Yours sincerely

Mr Gao Hucheng

Minister of Commerce

The People’s Republic of China