

**THE HON STEVEN CIOBO MP**

Minister for Trade, Tourism and Investment

8 March 2018

The Honourable Francois-Philippe Champagne

Minister of International Trade

Canada

Dear Minister

In connection with the signing on this date of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (the “Agreement”), I have the honour to confirm the following agreement reached between the Government of Canada (Canada) and the Government of Australia (Australia):

For the purposes of determining whether a good of heading 87.03 qualifies as originating in accordance with Chapter 3 (Rules of Origin and Origin Procedures) of the Agreement, the applicable product specific rule of origin shall be:

(i) A change to a good of subheading 87.03 from any other heading; or

(ii) No change in tariff classification required for a good of heading 87.03, provided there is a regional value content of not less than:

(a) 40 per cent under the net cost method; or

(b) 50 per cent under the build-down method.

I have the further honour of proposing that this letter and your letter of confirmation in reply, equally valid in English and French, shall constitute an agreement between our Governments subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, which shall enter into force on the date of entry into force of the Agreement as between Canada and Australia.

Yours sincerely

(Signature)

Steven Ciobo

Parliament House Canberra ACT 2600 Australia

Telephone (02) 6277 7420 E-mail Trade.Minister@dfat.gov.au

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8 March 2018

The Hon Steven Ciobo, MP

Minister for Trade, Tourism and Investment

Australia

Dear Minister,

I am pleased to acknowledge receipt of your letter of 8 March 2018, which reads as follows:

“In connection with the signing on this date of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (the “Agreement”), I have the honour to confirm the following agreement reached between the Government of Canada (Canada) and the Government of Australia (Australia):

For the purposes of determining whether a good of heading 87.03 qualifies as originating in accordance with Chapter 3 (Rules of Origin and Origin Procedures) of the Agreement, the applicable product specific rule of origin shall be:

(i) A change to a good of subheading 87.03 from any other heading; or

(ii) No change in tariff classification required for a good of heading 87.03, provided there is a regional value content of not less than:

(a) 40 per cent under the net cost method; or

(b) 50 per cent under the build-down method.

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Canada Logo

I have the honour of proposing that this letter and your letter of confirmation in reply, equally valid in English and French, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, which shall enter into force on the date of entry into force of the Agreement as between Canada and Australia.”

I have the honour to confirm that the above reflects the agreement reached between our Governments during the course of negotiations on the Agreement and that your letter and this letter in reply, equally valid in English and French, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the Agreement, which shall enter into force on the date of entry into force of the Agreement as between Australia and Canada.

Sincerely,

(Signature)

The Honourable Francois-Philippe Champagne
Minister of International Trade
Canada

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le 8 mars 2018

L’honorable Steven Ciobo, depute

Ministre du Commerce. du Tourisme et de l’Investissement

Australie

Monsieur le Ministre,

J’ai l’honneur d’accuser reception de votre lettre du 8 mars 2018, dont la teneur est la suivante :

« Dans le cadre de la signature en ce jour de l’ Accord de partenariat transpacifique global et progressiste (l’« Accord »), j’ai l’honneur de confirmer l’accord suivant conclu entre le Gouvernement du Canada (Canada) et le Gouvernement de l’Australie (Australie) :

Afin de determiner si un produit de la position 87.03 est ou non admissible a titre de produit originaire aux termes du chapitre 3 (Regles d’origine et procedures d’origine) de l’Accord la regle d’origine specifique applicable au produit est la suivante :

i) Un changement a un produit de la sous-position 87.03 de toute autre position; ou

ii) Aucun changement de la classification tarifaire necessaire pour un produit de la position 87.03, a la condition que la teneur en valeur regionale ne soit pas inferieure a :

a) 40 p. l 00 selon la methode du cout net ou

b) 50 p. l 00 selon la methode regressive. Je vous prie d’agreer, Monsieur le Ministre, les assurances de ma tres haute consideration.

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J’ai egalement l’honneur de proposer que la presente lenre et votre lettre de confirmation en reponse a celle-ci, dont les versions fran aise et anglaise font egalement foi, constituent entre nos gouvernements un accord assujetti, a la procedure de reglement des differends prevue au chapitre 28 (Reglement des differends) de l’ Accord, lequel entrera en vigueur a la date d’entree en vigueur de l’Accord entre le Canada et l’Australie.

J’ai l’honneur de confirmer que la lettre qui precede reflete l’accord conclu entre nos gouvernements durant les negociations de l’Accord, et que votre lettre et la presente lettre en reponse, dont Jes versions fran aise et anglaise font egalement foi constituent un accord entre nos gouvernements, assujetti a la procedure de reglement des differends prevue au chapitre 28 (Reglement des differends) de l’Accord, lequel entrera en vigueur a la date d’entree en vigueur de l’Accord entre l’Australie et le Canada.

Je vous prie d’agreer, Monsieur le Ministre, les assurances de ma tres haute consideration.

(Signature)

L'honorable Francois-Philippe Champagne
Ministre du Commerce international
Canada