4 February 2016

Hon Todd McClay Minister of Trade New Zealand

Dear Minister McClay,

I have the honour to acknowledge the 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 (hereinafter referred to as the "TPP Agreement"), I have the honour to confirm the following understanding reached by the Government of the United Mexican States (hereinafter referred to as "Mexico") and the Government of New Zealand (hereinafter referred to as "New Zealand") during the course of negotiation of Chapter 2 (National Treatment and Market Access for Goods) of the TPP Agreement, regarding the treatment of the terms 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 to propose that this letter, and your letter of confirmation in reply, both equally authentic in the English and the Spanish languages, shall constitute an understanding between our Governments to enter into effect upon the entry into force of the TPP Agreement between our countries."

I have the further honour to confirm that the above reflects the understanding reached between the Governments of Mexico and New Zealand, during the course of negotiations of the TPP Agreement, expressed in your letter, and this letter of confirmation in reply, equally authentic in the English and Spanish languages shall constitute an understanding between our Governments, to enter into effect upon the entry into force of the TPP Agreement between our countries.

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Ildefonso Guajardo Villarreal