8 March 2018

His Excellency
Mr. Toshimitsu Motegi
Minister in charge
of Economic Revitalization
of Japan

Excellency,

In connection with the signing of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (the Agreement) on this date, I have the honour to confirm that the Government of the Socialist Republic of Viet Nam ("Viet Nam") and the Government of Japan share common understanding on relationship between Chapter 19 (Labour) and Chapter 28 (Dispute Settlement) as follows:

1. From the date of entry into force of the Agreement for Viet Nam, Viet Nam shall fully implement the obligations of Chapter 19 (Labour) of the Agreement.

2. If Japan seeks recourse to dispute settlement under Chapter 28 (Dispute Settlement) with respect to any measure that is inconsistent with the obligations of Chapter 19 (Labour), Japan shall refrain from seeking to suspend benefits stipulated in Article 28.20 (Non-Implementation – Compensation and Suspension of Benefits) for a period of three years after the date of entry into force of the Agreement for Viet Nam.

3. If Japan seeks recourse to dispute settlement under Chapter 28 (Dispute Settlement) with respect to any measure that is inconsistent with the obligations of paragraph 1(a) of Article 19.3 (Labour Rights), Japan shall refrain from seeking to suspend benefits stipulated in Article 28.20 (Non-Implementation – Compensation and Suspension of Benefits) for a period of five years after the date of entry into force of the Agreement for Viet Nam.

4. Pursuant to paragraph 2 of Article 19.12 (Labour Council), after the fifth anniversary and before the seventh anniversary of the date of entry into force of the Agreement for Viet Nam, any issues arising from paragraph 3 shall be reviewed in accordance with Article 19.12 (Labour Council). This is without prejudice to the rights and obligations of both Parties under the Agreement.

I have further the honour to propose that this letter and Your Excellency's letter in reply confirming that your Government shares this understanding shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement with respect to Viet Nam and Japan.

Yours sincerely,



Tran Tuan Anh
Minister of Industry and Trade
Socialist Republic of Viet Nam

Santiago, March 8, 2018

His Excellency
Mr. Tran Tuan Anh
Minister of Industry and Trade
Socialist Republic of Viet Nam

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's letter of today's date, which reads as follows:

> "In connection with the signing of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (the Agreement) on this date, I have the honour to confirm that the Government of the Socialist Republic of Viet Nam ("Viet Nam") and the Government of Japan share common understanding on relationship between Chapter 19 (Labour) and Chapter 28 (Dispute Settlement) as follows:
>
> 1. From the date of entry into force of the Agreement for Viet Nam, Viet Nam shall fully implement the obligations of Chapter 19 (Labour) of the Agreement.
>
> 2. If Japan seeks recourse to dispute settlement under Chapter 28 (Dispute Settlement) with respect to any measure that is inconsistent with the obligations of Chapter 19 (Labour), Japan shall refrain from seeking to suspend benefits stipulated in Article 28.20 (Non-Implementation - Compensation and Suspension of Benefits) for a period of three years after the date of entry into force of the Agreement for Viet Nam.
>
> 3. If Japan seeks recourse to dispute settlement under Chapter 28 (Dispute Settlement) with respect to any measure that is inconsistent with the obligations of paragraph 1(a) of Article 19.3 (Labour Rights), Japan shall refrain from seeking to suspend benefits stipulated in Article 28.20 (Non-Implementation - Compensation and Suspension of Benefits) for a period of five years after the date of entry into force of the Agreement for Viet Nam.

4. Pursuant to paragraph 2 of Article 19.12 (Labour Council), after the fifth anniversary and before the seventh anniversary of the date of entry into force of the Agreement for Viet Nam, any issues arising from paragraph 3 shall be reviewed in accordance with Article 19.12 (Labour Council). This is without prejudice to the rights and obligations of both Parties under the Agreement.

I have further the honour to propose that this letter and Your Excellency's letter in reply confirming that your Government shares this understanding shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement with respect to Viet Nam and Japan."

I have further the honour to confirm that my Government shares this understanding and that Your Excellency's letter and this letter in reply shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership with respect to Japan and the Socialist Republic of Viet Nam.



Toshimitsu Motegi
Minister in charge of
Economic Revitalization of Japan