October 7, 2019

His Excellency Ambassador Robert E. Lighthizer United States Trade Representative

Excellency,

In connection with the signing of the Trade Agreement between Japan and the United States of America (the Agreement), I have the honor to confirm the following understanding reached between representatives of the Government of Japan and the Government of the United States of America regarding the administration of the tariff rate quota set out in Japan's Schedule to the WTO Agreement (WTO TRQ) for designated dairy products for general use:

The Ministry of Agriculture, Forestry and Fisheries of Japan (MAFF) shall introduce within the WTO TRQ for designated dairy products for general use, in accordance with the laws and regulations of Japan, an annual global tender administrated by Agriculture & Livestock Industries Corporation (ALIC) for 750 metric tons (MT) product base (5,000 MT whole milk equivalent) of skimmed milk powder, including non-fat dry milk, with a minimum 35 percent of protein content by weight, calculated on milk solids-not-fat basis.

I have the honor to propose that this letter, equally valid in Japanese and English, and your letter in reply, equally valid in English and Japanese, shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement.

Sincerely,

SUGIYAMA Shinsuke Ambassador of Japan to the United States of America

October 7, 2019

His Excellency Mr. SUGIYAMA Shinsuke Ambassador of Japan to the United States of America

Excellency,

I am pleased to acknowledge the receipt of your letter of October 7, 2019, which reads as follows:

"In connection with the signing of the Trade Agreement between Japan and the United States of America (the Agreement), I have the honor to confirm the following understanding reached between representatives of the Government of Japan and the Government of the United States of America regarding the administration of the tariff rate quota set out in Japan's Schedule to the WTO Agreement (WTO TRQ) for designated dairy products for general use:

The Ministry of Agriculture, Forestry and Fisheries of Japan (MAFF) shall introduce within the WTO TRQ for designated dairy products for general use, in accordance with the laws and regulations of Japan, an annual global tender administrated by Agriculture & Livestock Industries Corporation (ALIC) for 750 metric tons (MT) product base (5,000 MT whole milk equivalent) of skimmed milk powder, including non-fat dry milk, with a minimum 35 percent of protein content by weight, calculated on milk solids-not-fat basis.

I have the honor to propose that this letter, equally valid in Japanese and English, and your letter in reply, equally valid in English and Japanese, shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Agreement."

I have the further honor to confirm that my Government shares this understanding and to agree that your letter, equally valid in Japanese and English, and this letter in reply, equally valid in English and Japanese, shall constitute an agreement between our two Governments, which shall enter into force on the date of entry into force of the Trade Agreement between the United States of America and Japan.

Sincerely,

Ambassador Robert E. Lighthizer United States Trade Representative