EXECUTIVE OFFICE OF THE PRESIDENT THE UNITED STATES TRADE REPRESENTATIVE WASHINGTON, D.C. 20508

April 12, 2006

The Honorable Alfredo Ferrero Diez Canseco Minister of Foreign Trade and Tourism Lima, Peru

Dear Minister Ferrero:

In connection with the signing on this date of the United States – Peru Trade Promotion Agreement (the "Agreement"), I have the honor to confirm the following understanding reached by the Governments of the United States of America and the Republic of Peru during the course of negotiation of Chapter Eleven (Cross-Border Trade in Services).

In the interest of greater transparency, this is to notify the Government of Peru that upon entry into force of the Agreement, the United States will initiate a review of state-level measures for the states of New York, New Jersey, California, Texas, and Florida and the District of Columbia in the following services subsectors: engineering; accounting; architecture; legal services; nursing; dentistry; medical general practitioners; and paramedics. The United States will review measures requiring permanent residency or citizenship and this review will be completed one year after the date of entry into force of the Agreement. The United States will inform the Government of Peru of the results of the review pursuant to Article 11.13 (Implementation).

I would be grateful if you would confirm, by an affirmative letter in response, that this understanding is shared by your Government

Sincerely,

Obert J. Portman