

30 July 2008

Honourable
Alejandro Foxley Rioseco
Ministry of Foreign Affairs
Teatinos 180
Santiago
Chile

Dear Minister Foxley

In connection with the signing on this date of the Australia – Chile Free Trade Agreement (the “Agreement”), I have the honour to confirm the following understanding reached by the Governments of Australia and the Republic of Chile during the course of the negotiation of the Agreement.

1. Australia and Chile shall negotiate a memorandum of understanding (MoU) affirming that Chile recognises that the Australian Meat Industry Classification System (AUS-MEAT Language) meets the aims and objectives of the Chile Beef Grading Scheme. Moreover, this MoU will formalise Chile’s recognition of the AUS-MEAT language, and AUS-MEAT Limited as the certifying body of this system, to grade beef for the purpose of marketing beef in Chile.
2. This MoU shall be negotiated within one year of the Agreement entering into force.

I have the honour to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an integral part of the Agreement.

Yours sincerely

[signed]

Stephen Smith
Minister for Foreign Affairs

30 July 2008

Mr Stephen Smith MP
Minister for Foreign Affairs
Parliament House
Canberra ACT 2600

Dear Minister Smith

I have the honour to acknowledge receipt of your letter of this date, which reads as follows:

“In connection with the signing on this date of the Australia – Chile Free Trade Agreement (the “Agreement”) I have the honour to confirm the following understanding reached by the Governments of Australia and the Republic of Chile during the course of the negotiation of the Agreement.

1. Australia and Chile shall negotiate a memorandum of understanding (MoU) affirming that Chile recognises that the Australian Meat Industry Classification System (AUS-MEAT Language) meets the aims and objectives of the Chile Beef Grading Scheme. Moreover, this MoU will formalise Chile’s recognition of the AUS-MEAT language, and AUS-MEAT Limited as the certifying body of this system, to grade beef for the purpose of marketing beef in Chile.
2. This MoU shall be negotiated within one year of the Agreement entering into force.

I have the honour to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an integral part of the Agreement.”

I have the further honour to confirm that my Government shares this understanding and that your letter and this letter in reply shall constitute an integral part of the Australia – Chile Free Trade Agreement.

Yours sincerely

[signed]

Alejandro Foxley Rioseco
Minister for Foreign Affairs