

November 30, 2018

The Honorable Ildefonso Guajardo Villarreal
Secretary of Economy
Mexico City
United Mexican States

Dear Secretary Guajardo:

I have the honor to acknowledge your letter of this date, which in English reads as follows:

I have the honor to refer to the agreement between the Government of the United Mexican States (“Mexico”) and the Government of the United States of America (“the United States”) reached on this date through exchange of letters regarding the commitment by the United States to exclude from a measure pursuant to section 232 of the Trade Expansion Act of 1962, as amended, passenger vehicles classified under subheadings 8703.21 through 8703.90, light trucks classified under subheadings 8704.21 and 8704.31, and any auto parts within the scope of any such measure, as set out in those letters (“the Automotive Letter Exchange”).

I have further the honor to confirm the following understanding between Mexico and the United States:

Mexico may have recourse to the dispute settlement procedures in Chapter Twenty (Institutional Arrangements and Dispute Settlement Procedures) of the North American Free Trade Agreement or Chapter 31 (Dispute Settlement) of the Agreement Between the United States of America, the United Mexican States, and Canada, whichever is in effect at the time a dispute arises, only with respect to whether the United States has excluded light trucks, the number of passenger vehicles, or the value of auto parts as set out in the Automotive Letter Exchange, from a measure taken pursuant to section 232 of the Trade Expansion Act of 1962, as amended. Those procedures are incorporated and made part of the Automotive Letter Exchange *mutatis mutandis*.

I have the honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between Mexico and the United States. I have the further honor to propose that Mexico and the United States notify each other of the completion of their

respective legal procedures required for the entry into force of this agreement and that the agreement shall enter into force on the next day following the date of the last notification.

I have the further honor to confirm that the United States shares this understanding, and that your letter and this letter in reply constitutes an agreement between the United States and Mexico. I have the further honor to inform you that the United States accepts your proposal that Mexico and the United States notify each other of the completion of their respective legal procedures required for the entry into force of this agreement and that the agreement shall enter into force on the next day following the date of the last notification.

Sincerely,

Ambassador Robert E. Lighthizer
United States Trade Representative