

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY AND CONSISTENCY
MARCH 1, 2004

The Honourable Mark Vaile MP
Minister for Trade
Parliament House
Canberra ACT 2600

Dear Minister Vaile:

I have the honor to confirm the following understanding reached between the Government of the United States of America and the Government of Australia in the course of negotiations regarding Chapter Ten (Cross-Border Trade in Services) of the United States-Australia Free Trade Agreement (the "Agreement") signed this day.

This is to notify the Government of Australia that upon entry into force of the Agreement, the U.S. Government will initiate a review of measures affecting cross-border trade in the higher education sub-sector for the purpose of providing greater transparency with respect to the States of Arizona, California, Colorado, Florida, New York, Texas, Illinois, Massachusetts, Michigan, Minnesota, Georgia, New Jersey, Ohio, Oklahoma, Pennsylvania, Washington, Virginia, and North Carolina. The review will be completed three years from the date of entry into force of the Agreement. The Government of the United States will inform the Government of Australia of the results of the review pursuant to Article 10.13 (Implementation) of the Agreement.

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

Sincerely,

Robert B. Zoellick

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Reply Letter

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Zoellick:

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

“Dear Minister Vaile:

I have the honor to confirm the following understanding reached between the Government of the United States of America and the Government of Australia in the course of negotiations regarding Chapter Ten (Cross-Border Trade in Services) of the United States-Australia Free Trade Agreement (the “Agreement”) signed this day.

This is to notify the Government of Australia that upon entry into force of the Agreement, the U.S. Government will initiate a review of measures affecting cross-border trade in the higher education sub-sector for the purpose of providing greater transparency with respect to the States of Arizona, California, Colorado, Florida, New York, Texas, Illinois, Massachusetts, Michigan, Minnesota, Georgia, New Jersey, Ohio, Oklahoma, Pennsylvania, Washington, Virginia, and North Carolina. The review will be completed three years from the date of entry into force of the Agreement. The Government of the United States will inform the Government of Australia of the results of the review pursuant to Article 10.13 (Implementation) of the Agreement.

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

Sincerely,

Robert B. Zoellick

I have the further honour to confirm that my government shares this understanding and that your letter and this reply constitute an agreement, which shall enter into force on the date of entry into force of the Australia-United States Free Trade Agreement.

Sincerely,

Mark Vaile