

Draft
Subject to Legal Review for Accuracy, Clarity, and Consistency
October 18, 2005

[month and day], 2005

H.E. Maqbool Bin Ali Sultan
Minister of Commerce and Industry
Ministry of Commerce and Industry
Sultanate of Oman

Dear Mr. Minister,

In connection with the signing on this date of the United States-Oman Free Trade Agreement (the "Agreement"), I have the honor to confirm the following understanding reached by the Governments of the United States and the Sultanate of Oman regarding the Agreement:

For greater certainty, the list of incentives in subparagraph (b) of Article 17.4.1, including the development of programs for exchanging or trading permits, credits, or other instruments, is illustrative. The encouragement of the development of such incentives is at the discretion of each Party, as appropriate and in accordance with its law.

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

Sincerely,

Robert J. Portman
United States Trade Representative

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

Dear Ambassador Portman,

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

“In connection with the signing on this date of the United States-Oman Free Trade Agreement (the “Agreement”), I have the honor to confirm the following understanding reached by the Governments of the United States and the Sultanate of Oman regarding the Agreement:

For greater certainty, the list of incentives in subparagraph (b) of Article 17.4.1, including the development of programs for exchanging or trading permits, credits, or other instruments, is illustrative. The encouragement of the development of such incentives is at the discretion of each Party, as appropriate and in accordance with its law.

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

I have the honor to confirm that the understanding referred to in your letter is shared by my Government, and that your letter and this reply shall constitute an agreement between our Governments, which shall enter into force on the date of entry into force of the Agreement.

Sincerely,

Maqbool Bin Ali Sultan
Minister of Commerce and Industry