Subject to Legal Review for Accuracy, Clarity and Consistency

UNDERSTANDING REGARDING PARAGRAPH 26-A.1 OF ANNEX 26-A ON TRANSPARENCY AND PROCEDURAL FAIRNESS FOR PHARMACEUTICAL PRODUCTS AND MEDICAL DEVICES

[Date of signature of the TPP Agreement]

The Governments of the United States of America and the Republic of Peru have reached the following understanding concerning the Annex on Transparency and Procedural Fairness for Pharmaceutical Products and Medical Devices ("the Annex") contained in Chapter 26 (Transparency and Anti-Corruption) of the Trans-Pacific Partnership Agreement signed this day:

The Parties recognize that with regard to paragraph 26-A.1 (Principles) of the Annex, it is understood that "high-quality healthcare" does not refer to specific final outcomes in a Party's healthcare system, including the selection of specific pharmaceutical products.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA: FOR THE GOVERNMENT OF THE REPUBLIC OF PERU: