

H.E. Todd McClay
Minister for Trade
New Zealand

Your Excellency,

In connection with the signing on this date of the Comprehensive Economic Partnership Agreement (the “**Agreement**”), between the United Arab Emirates (“**UAE**”) and New Zealand (“**New Zealand**”), I have the honour to confirm UAE’s understanding as follows:

The UAE is an independent, sovereign, federal State, with seven sovereign Member Emirates (“**Member Emirates**”), and pursuant to its Constitution, each Member Emirate retains full sovereignty, sovereign rights and exclusive jurisdiction over its natural resources and wealth of which the Energy Resources Sector is the subject matter of this understanding. For the purposes of this understanding, “**Energy Resources Sector**” shall mean all hydrocarbons such as oil, gas, and condensates, derivatives and primary by-products thereof with respect to ownership, management, exploration, development and production, exploitation (including reservoir management), transportation, storage, refining and processing, and distribution up to and including retail distribution.

In recognition of the foregoing, the Agreement shall not grant any rights to New Zealand or create any obligations for the UAE or any of its Member Emirates with regard to the Energy Resources Sector in the UAE. Accordingly, the Energy Resources Sector in the UAE is excluded from all aspects and provisions of the Agreement, including the Chapter on Dispute Settlement (Chapter 20). All matters pertaining to the Energy Resources Sector of any of the Member Emirates are within the exclusive jurisdiction of the Member Emirates, and all determinations and decisions of each Member Emirate made by such Member Emirate’s competent authorities pertaining to the Energy Resources Sector (“**Competent Authorities**”) that are the subject of its jurisdiction shall be final, binding and not subject to review or challenge under the Agreement or any other forum.

If the UAE with the concurrence of the Member Emirates’ Competent Authorities grants any rights excluded by this understanding to a third country with respect to the Energy Resources Sector by a bilateral or regional free trade agreement or a comprehensive economic partnership agreement, such rights shall be granted to New Zealand.

Notwithstanding the above, in the event of a difference in the interpretation or application of this understanding, the UAE and New Zealand commit to have recourse to consultations at the request of either Party to this understanding. For the purpose of such consultation, Article 20.6 (Consultations) of the Dispute Settlement (Chapter 20), shall apply *mutatis mutandis*. The Parties shall make every attempt through consultation to arrive at a mutually satisfactory resolution within 60 days from the request.

In the event that the UAE and New Zealand have failed to achieve a mutually agreed solution within 60 days following the commencement of consultations, or if the UAE fails to comply with the mutually agreed solution within the agreed timeframe, the only recourse of New Zealand shall be that it may suspend benefits under the Agreement proportionate to the trade effects which the measure in question causes or threatens to cause. Moreover, New Zealand shall repeal its compensatory measure to the extent that the UAE’s measure in question ceases to apply to New Zealand. The above-mentioned procedure shall also apply in case of any dispute relating to whether New Zealand’s compensatory measure is proportionate, with the UAE likewise ultimately having the right to suspend benefits proportionately.

The UAE and New Zealand further agree that this understanding shall constitute an integral part of the Agreement and that, in the unlikely event of any inconsistency between this understanding and any provisions of the Agreement, this understanding shall prevail to the extent of that inconsistency.

I would be grateful for your confirmation by reply letter that New Zealand agrees with this understanding.

Sincerely yours,

H.E. Dr. Thani bin Ahmed Al Zeyoudi

Minister of State for Foreign Trade

Ministry of Economy

United Arab Emirates

H.E. Dr. Thani bin Ahmed Al Zeyoudi

Minister of State for Foreign Trade

United Arab Emirates

Your Excellency,

I have the honor to acknowledge the receipt of your letter No..... dated..... 2025 which reads as follows:

“In connection with the signing on this date of the Comprehensive Economic Partnership Agreement (the “**Agreement**”), between the United Arab Emirates (“**UAE**”) and New Zealand (“**New Zealand**”), I have the honour to confirm UAE’s understanding as follows:

The UAE is an independent, sovereign, federal State, with seven sovereign Member Emirates (“**Member Emirates**”), and pursuant to its Constitution, each Member Emirate retains full sovereignty, sovereign rights and exclusive jurisdiction over its natural resources and wealth of which the Energy Resources Sector is the subject matter of this understanding. For the purposes of this understanding, “**Energy Resources Sector**” shall mean all hydrocarbons such as oil, gas, and condensates, derivatives and primary by-products thereof with respect to ownership, management, exploration, development and production, exploitation (including reservoir management), transportation, storage, refining and processing, and distribution up to and including retail distribution.

In recognition of the foregoing, the Agreement shall not grant any rights to New Zealand or create any obligations for the UAE or any of its Member Emirates with regard to the Energy Resources Sector in the UAE. Accordingly, the Energy Resources Sector in the UAE is excluded from all aspects and provisions of the Agreement, including the Chapter on Dispute Settlement (Chapter 20). All matters pertaining to the Energy Resources Sector of any of the Member Emirates are within the exclusive jurisdiction of the Member Emirates, and all determinations and decisions of each Member Emirate made by such Member Emirate’s competent authorities pertaining to the Energy Resources Sector (“**Competent Authorities**”) that are the subject of its jurisdiction shall be final, binding and not subject to review or challenge under the Agreement or any other forum.

If the UAE with the concurrence of the Member Emirates’ Competent Authorities grants any rights excluded by this understanding to a third country with respect to the Energy Resources Sector by a bilateral or regional free trade agreement or a comprehensive economic partnership agreement, such rights shall be granted to New Zealand.

Notwithstanding the above, in the event of a difference in the interpretation or application of this understanding, the UAE and New Zealand commit to have recourse to consultations at the request of either Party to this understanding. For the purpose of such consultation, Article 20.6 (Consultations) of the Dispute Settlement (Chapter 20), shall apply *mutatis mutandis*. The Parties shall make every attempt through consultation to arrive at a mutually satisfactory resolution within 60 days from the request.

In the event that the UAE and New Zealand have failed to achieve a mutually agreed solution within 60 days following the commencement of consultations, or if the UAE fails to comply with the mutually agreed solution within the agreed timeframe, the only recourse of New Zealand shall be

that it may suspend benefits under the Agreement proportionate to the trade effects which the measure in question causes or threatens to cause. Moreover, New Zealand shall repeal its compensatory measure to the extent that the UAE's measure in question ceases to apply to New Zealand. The above-mentioned procedure shall also apply in case of any dispute relating to whether New Zealand's compensatory measure is proportionate, with the UAE likewise ultimately having the right to suspend benefits proportionately.

The UAE and New Zealand further agree that this understanding shall constitute an integral part of the Agreement and that, in the unlikely event of any inconsistency between this understanding and any provisions of the Agreement, this understanding shall prevail to the extent of that inconsistency.”

I am pleased to further confirm that the proposed understanding of the United Arab Emirates with regards to the Energy Resources Sector as specified in the letter is accepted by New Zealand and shall constitute an integral part of the Comprehensive Economic Partnership Agreement between New Zealand and the United Arab Emirates.

Please accept, Your Excellency, the assurances of my highest consideration.

Yours Sincerely,

H.E. Todd McClay
Minister for Trade
New Zealand