

TRADE POLICY HIGHLIGHTS

EU IMPLEMENTS PROGRAM FOR CONIFEROUS NON-MANUFACTURED WOOD PACKING MATERIAL

On October 1, 2001, the European Union (EU) adopted temporary emergency measures to prevent the introduction of the pinewood nematode into Europe. The measures require that all new and used coniferous pallets, boxes and other forms of non-manufactured wood packing material (NMWP) originating in the United States, Canada, China, or Japan be treated and marked. The EU measures allow three treatment options for coniferous NMWP: Heat treatment (HT), fumigation, or chemical pressure impregnation. In all cases, the treated wood must bear a mark indicating the organization that treated the NMWP and the location of that organization. The EU requires that the HT program be an official program with official marks. Information on the EU's measures can be found on the USDA/APHIS web site: www.aphis.usda.gov or the EU's web site: http://europa.eu.int/comm/food/fs/ph_ps/harm/question_woodpack_en.pdf.

ITTO MEETS IN YOKOHAMA, JAPAN, OCTOBER 29 – NOVEMBER 3, 2001

The Thirty-First Session of the International Tropical Timber Council, the governing body of the International Tropical Timber Organization (ITTO), met in Yokohama, Japan, October 29 – November 3, 2001. A wide-range of decisions were taken at the recent meeting, the most notable, a decision on the issue of illegal logging and the trade of illegally logged timber. The decision authorized the Executive Director of the ITTO, upon request of producer members, to engage consultants to conduct studies and to assist producer members in devising ways to enhance forest law enforcement. The Council also adopted a new action plan to guide ITTO over the next five years. Documents relating to the Thirty-First Session can be found at <http://www.itto.or.jp/Index.html>.

CHINA SET TO JOIN WTO

China has notified the World Trade Organization (WTO) that it has ratified its membership. China is slated to become the 143rd member of the WTO on December 11, 2001. On a related item, Ministers approved Chinese Taipei's membership package on November 11, 2001.

COMMERCE ANNOUNCES PRELIMINARY DETERMINATION IN THE ANTIDUMPING INVESTIGATION OF CANADIAN SOFTWOOD LUMBER

On October 31, 2001, the Department of Commerce (DOC) announced its preliminary determination in its antidumping investigation of certain softwood lumber products from Canada, finding that Canadian producers/exporters of softwood lumber have sold their products at less than fair value in the United States. The preliminary dumping margins ranged from 5.94 to 19.24 percent. Government-to-government discussions are ongoing in an effort to find a durable solution to the long-standing dispute, and bring an end to the litigation. Discussions were held the week of November 26, in Toronto, Canada, and are scheduled for the week of December 3, in Washington, D.C.

BEC AND JTC COMMITTEES MEET IN OTTAWA

The Building Experts Committee (BEC) and the Japanese Agricultural Standards Technical (JTC) Committee met in Ottawa, Canada, September 10 and 12, 2001, respectively. This marked the first time these committees have met outside of Japan. The two committees were originally set up under the terms of the 1990 U.S.-Japan Wood Products Agreement, and are comprised of representatives from government, industry, and academia from the United States, Japan, and Canada. Discussions at the BEC focused on hybrid construction (construction using mixed materials), type approvals under the Japanese Building Standard Law, requirements relating to 2X4 construction in Japan, and the test methodology for measuring fire resistance.

Discussions at the JTC centered on foreign participation in the JAS standards revision process and equivalency under the revised Japanese Agricultural Standards Law. Equivalency is deemed by Japan to be a prerequisite for a foreign certification/grading organization to apply to function as a Registered Certification/Grading Organization in Japan. To date, Canada and Australia are the only two countries deemed to have an equivalent wood products standards system to that of Japan. The United States' request for a determination of equivalency is pending.

DRAFT ENVIRONMENTAL REVIEW OF U.S.-CHILE FTA RELEASED

On November 7, 2001, the Office of the United States Trade Representative (USTR) released the draft environmental review of the U.S.-Chile Free Trade Agreement (FTA). The draft environmental review is part of USTR's continuing implementation of Executive Order 13141 (Environmental Review of Trade Agreements) and its corresponding guidelines. In the forestry sector, the review concluded that "a FTA with Chile is not likely to result in a significant change in the price of Chilean wood, and that Chilean wood products are such a small percentage of U.S. wood imports, any changes in the flow or level of forest products trade between the two countries attributable to the FTA is not expected to be significant." The full text of the draft environmental review can be found at <http://www.ustr.gov/environment/environmental.shtml>.