

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

February 4, 2016

The Honorable Chrystia Freeland
Minister of International Trade
Canada

Dear Minister Freeland:

In connection with the signing on this date of the Trans-Pacific Partnership Agreement (the TPP Agreement), I have the honor to confirm the following agreement reached between representatives of the Government of Canada and the Government of the United States of America (individually a "Party" and collectively the "Parties"):

1. Upon entry into force of the TPP Agreement as between Canada and the United States, if either Party maintains a tariff rate quota (TRQ) in its Schedule to Annex 2-D to the TPP Agreement that is applicable to goods of the other Party, including a TRQ applicable to goods of all parties to the TPP Agreement, and that is administered through issuance of permits by either Party (a Permit TPP TRQ) the Party maintaining the Permit TPP TRQ shall have:
 - a. consulted with the other Party with respect to all procedures for the allocation and use of the Permit TPP TRQ, and any condition or requirement applicable on or in connection with the allocation or use of the Permit TPP TRQ; and
 - b. promulgated and implemented regulations or policies containing all of its procedures for the allocation and use of the Permit TPP TRQ and any condition or requirement of that Party applicable on or in connection with the allocation or use of the Permit TPP TRQ.
2. Each Party shall provide that any allocation method that it uses to allocate any Permit TPP TRQ allows for importers that have not previously imported the product subject to the TRQ (new importers), and that meet all other eligibility criteria necessary to qualify to receive a quota allocation, to be eligible for a quota allocation. Each Party shall not discriminate against new importers when allocating any such TPP TRQ.
3. Canada shall notify the United States of any change to Canada's Schedule to the Customs Tariff that increases the tariff rate applied to a dairy, poultry or egg product when imported into Canada from the United States¹ prior to finalization of such change. To the maximum extent possible, Canada shall provide such notification immediately after

¹ For purposes of this paragraph, a "change to Canada's Schedule to the Customs Tariff that increases the tariff rate applied to a dairy, poultry or egg product when imported into Canada from the United States" means a change to Canada's Schedule to the Customs Tariff that changes the classification of any good not classified before the change under a tariff item listed in Annex A to this Letter that results in the good being classified under a tariff item listed in Annex A.

publication of the proposal for the change, so as to provide a sufficient opportunity for the United States to review the proposal prior to its implementation. If the United States requests, Canada shall promptly provide information to the United States and respond to questions from the United States, pertaining to any change to Canada's Schedule to the Customs Tariff that increases the tariff rate applied to a dairy, poultry or egg product when imported into Canada from the United States, whether or not the United States has been previously notified of the change.

3. The United States shall notify Canada of any change to the Harmonized Tariff Schedule of the United States that increases the tariff rate applied to a sugar or dairy product when imported into the United States from Canada² prior to finalization of such change. To the maximum extent possible, the United States shall provide such notification immediately after publication of the proposal for the change, so as to provide a sufficient opportunity for Canada to review the proposal prior to its implementation. If Canada requests, the United States shall promptly provide information to Canada, and respond to questions from Canada, pertaining to any change to the Harmonized Tariff Schedule of the United States that increases the tariff rate applied to a sugar or dairy product when imported into the United States from Canada, whether or not Canada has been previously notified of the change.
4. Each Party shall comply with the transparency and notification obligations set out in Chapters 8 (Technical Barriers to Trade) and 7 (Sanitary and Phytosanitary Measures) of the TPP Agreement. Further, if either Party requests information from the other Party on any new or amended national level technical regulation, conformity assessment procedure, SPS measure, or standard³ developed by the central government body of that other Party for agricultural goods⁴, with the potential to have a significant effect on trade between the Parties of any such good, that other Party shall provide available information responsive to the request as appropriate.⁵

² For purposes of this paragraph, a "change to the Harmonized Tariff Schedule of the United States that increases the tariff rate applied to a sugar or dairy product when imported into the United States from Canada" means a change to the Harmonized Tariff Schedule of the United States that changes the classification of any good not classified before the change under a tariff item listed in Annex B to this Letter that results in the good being classified under a tariff item listed in Annex B.

³ For purposes of this paragraph technical regulation, standard and conformity assessment procedure, have the meaning given to those terms in Annex 1 of the *WTO Agreement on Technical Barriers to Trade*, and sanitary or phytosanitary measure has the meaning set out in Annex A of the *WTO Agreement on Sanitary and Phytosanitary Measures*.

⁴ Agricultural goods means those goods referred to in Article 2 of the *WTO Agreement on Agriculture*.

⁵ For greater certainty, nothing in this letter shall be construed to require a Party to furnish or allow access to information, the disclosure of which would be contrary to its law or would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private.

5. Each Party shall endeavour to share with the other Party, if requested by the other Party, as appropriate, available information regarding a measure for agricultural goods taken by a sub-national governmental entity in its territory that may have a significant effect on trade between the Parties of any of these goods.
6. If requested by either Party, the Parties shall meet to discuss the use or proposed use by either Party of any geographical indication that may restrict the labeling and marketing in the territory of that Party of an agricultural good produced in the territory of the other Party.
7. The Parties shall meet once each year, unless they decide otherwise, including through the use of existing bilateral meetings as appropriate, to review and discuss all matters covered by this agreement and programs of either Party related to agricultural goods.

I have the honor to propose that this letter and your letter of confirmation in reply, equally valid in French and English, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the TPP Agreement, which shall enter into force on the date of entry into force of the TPP Agreement as between the United States and Canada.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael B.G. Froman", with a long horizontal flourish extending to the right.

Ambassador Michael B.G. Froman

Annex A

0105.11.22, 0105.94.92, 0105.99.12, 0207.11.92, 0207.12.92, 0207.13.92, 0207.13.93, 0207.14.22, 0207.14.92, 0207.14.93, 0207.24.12, 0207.24.92, 0207.25.12, 0207.25.92, 0207.26.20, 0207.26.30, 0207.27.12, 0207.27.92, 0207.27.93, 0209.90.20, 0209.90.40, 0210.99.12, 0210.99.13, 0210.99.15, 0210.99.16, 0401.10.20, 0401.20.20, 0401.40.20, 0401.50.20, 0402.10.20, 0402.21.12, 0402.21.22, 0402.29.12, 0402.29.22, 0402.91.20, 0402.99.20, 0403.10.20, 0403.90.12, 0403.90.92, 0404.10.22, 0404.90.20, 0405.10.20, 0405.20.20, 0405.90.20, 0406.10.20, 0406.20.12, 0406.20.92, 0406.30.20, 0406.40.20, 0406.90.12, 0406.90.22, 0406.90.32, 0406.90.42, 0406.90.52, 0406.90.62, 0406.90.72, 0406.90.82, 0406.90.92, 0406.90.94, 0406.90.96, 0406.90.99, 0407.11.12, 0407.11.92, 0407.21.20, 0407.90.12, 0408.11.20, 0408.19.20, 0408.91.20, 0408.99.20, 1517.90.22, 1601.00.22, 1601.00.32, 1602.20.22, 1602.20.32, 1602.31.13, 1602.31.14, 1602.31.94, 1602.31.95, 1602.32.13, 1602.32.14, 1602.32.94, 1602.32.95, 1806.20.22, 1806.90.12, 1901.20.12, 1901.20.22, 1901.90.32, 1901.90.34, 1901.90.52, 1901.90.54, 2105.00.92, 2106.90.32, 2106.90.34, 2106.90.52, 2106.90.94, 2202.90.43, 2309.90.32, 3502.11.20, 3502.19.20

Annex B

04014025, 04015025, 04015075, 04021050, 04022125, 04022150, 04022190, 04022950, 04029170, 04029190, 04029945, 04029955, 04029990, 04031050, 04039016, 04039045, 04039055, 04039065, 04039078, 04039095, 04041015, 04041090, 04049050, 04051020, 04052030, 04052070, 04059020, 04061008, 04061018, 04061028, 04061038, 04061048, 04061058, 04061068, 04061078, 04061088, 04062028, 04062033, 04062039, 04062048, 04062053, 04062063, 04062067, 04062071, 04062075, 04062079, 04062083, 04062087, 04062091, 04063018, 04063028, 04063038, 04063048, 04063053, 04063063, 04063067, 04063071, 04063075, 04063079, 04063083, 04063087, 04063091, 04064070, 04069012, 04069018, 04069032, 04069037, 04069042, 04069048, 04069054, 04069068, 04069074, 04069078, 04069084, 04069088, 04069092, 04069094, 04069097, 15179060, 17011250, 17011350, 17011450, 17019130, 17019148, 17019158, 17019950, 17022028, 17023028, 17024028, 17026028, 17029020, 17029058, 17029068, 17049058, 17049068, 17049078, 18061015, 18061028, 18061038, 18061055, 18061075, 18062026, 18062028, 18062036, 18062038, 18062073, 18062077, 18062082, 18062083, 18062087, 18062089, 18062094, 18062098, 18063206, 18063208, 18063216, 18063218, 18063270, 18063280, 18069008, 18069010, 18069018, 18069020, 18069028, 18069030, 18069039, 18069049, 18069059, 19011030, 19011040, 19011075, 19011085, 19012015, 19012025, 19012035, 19012050, 19012060, 19012070, 19019036, 19019043, 19019047, 19019054, 19019058, 21011238, 21011248, 21011258, 21012038, 21012048, 21012058, 21039078, 21050020, 21050040, 21069009, 21069026, 21069036, 21069046, 21069066, 21069072, 21069076, 21069080, 21069087, 21069091, 21069094, 21069097, 22029028, 23099028, 23099048



4 February 2016

Ambassador Michael B. Froman
United States Trade Representative
United States of America

Dear Ambassador Froman,

I am pleased to acknowledge your letter of 4 February 2016, which reads as follows:

“In connection with the signing on this date of the Trans-Pacific Partnership Agreement (the TPP Agreement), I have the honor to confirm the following agreement reached between representatives of the Government of Canada and the Government of the United States of America (individually a “Party” and collectively the “Parties”):

1. Upon entry into force of the TPP Agreement as between Canada and the United States, if either Party maintains a tariff rate quota (TRQ) in its Schedule to Annex 2-D to the TPP Agreement that is applicable to goods of the other Party, including a TRQ applicable to goods of all parties to the TPP Agreement, and that is administered through issuance of permits by either Party (a Permit TPP TRQ) the Party maintaining the Permit TPP TRQ shall have:

- a) consulted with the other Party with respect to all procedures for the allocation and use of the Permit TPP TRQ, and any condition or requirement applicable on or in connection with the allocation or use of the Permit TPP TRQ; and
- b) promulgated and implemented regulations or policies containing all of its procedures for the allocation and use of the Permit TPP TRQ and any condition or requirement of that Party applicable on or in connection with the allocation or use of the Permit TPP TRQ .



2. Each Party shall provide that any allocation method that it uses to allocate any Permit TPP TRQ allows for importers that have not previously imported the product subject to the TRQ (new importers), and that meet all other eligibility criteria necessary to qualify to receive a quota allocation, to be eligible for a quota allocation. Each Party shall not discriminate against new importers when allocating any such TPP TRQ.

3. Canada shall notify the United States of any change to Canada's *Schedule to the Customs Tariff* that increases the tariff rate applied to a dairy, poultry or egg product when imported into Canada from the United States¹ prior to finalization of such change. To the maximum extent possible, Canada shall provide such notification immediately after publication of the proposal for the change, so as to provide a sufficient opportunity for the United States to review the proposal prior to its implementation. If the United States requests, Canada shall promptly provide information to the United States and respond to questions from the United States, pertaining to any change to Canada's *Schedule to the Customs Tariff* that increases the tariff rate applied to a dairy, poultry or egg product when imported into Canada from the United States, whether or not the United States has been previously notified of the change.

¹ For purposes of this paragraph, a "change to Canada's *Schedule to the Customs Tariff* that increases the tariff rate applied to a dairy, poultry or egg product when imported into Canada from the United States" means a change to Canada's *Schedule to the Customs Tariff* that changes the classification of any good not classified before the change under a tariff item listed in Annex A to this Letter that results in the good being classified under a tariff item listed in Annex A.



4. The United States shall notify Canada of any change to the Harmonized Tariff Schedule of the United States that increases the tariff rate applied to a sugar or dairy product when imported into the United States from Canada² prior to finalization of such change. To the maximum extent possible, the United States shall provide such notification immediately after publication of the proposal for the change, so as to provide a sufficient opportunity for Canada to review the proposal prior to its implementation. If Canada requests, the United States shall promptly provide information to Canada, and respond to questions from Canada, pertaining to any change to the Harmonized Tariff Schedule of the United States that increases the tariff rate applied to a sugar or dairy product when imported into the United States from Canada, whether or not Canada has been previously notified of the change.

5. Each Party shall comply with the transparency and notification obligations set out in Chapters 8 (Technical Barriers to Trade) and 7 (Sanitary and Phytosanitary Measures) of the TPP Agreement. Further, if either Party requests information from the other Party on any new or amended national level technical regulation, conformity assessment procedure, SPS measure, or standard³ developed by the central government body of that other Party for agricultural goods⁴, with the potential to have a significant effect on trade between the Parties of any such good, that other Party shall provide available information responsive to the request as appropriate.⁵

² For purposes of this paragraph, a “change to the Harmonized Tariff Schedule of the United States that increases the tariff rate applied to a sugar or dairy product when imported into the United States from Canada” means a change to the Harmonized Tariff Schedule of the United States that changes the classification of any good not classified before the change under a tariff item listed in Annex B to this Letter that results in the good being classified under a tariff item listed in Annex B.

³ For purposes of this paragraph technical regulation, standard and conformity assessment procedure, have the meaning given to those terms in Annex 1 of the WTO *Agreement on Technical Barriers to Trade*, and sanitary or phytosanitary measure has the meaning set out in Annex A of the WTO *Agreement on Sanitary and Phytosanitary Measures*.

⁴ Agricultural goods means those goods referred to in Article 2 of the WTO *Agreement on Agriculture*.

⁵ For greater certainty, nothing in this letter shall be construed to require a Party to furnish or allow access to information, the disclosure of which would be contrary to its law or would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private.



6. Each Party shall endeavour to share with the other Party, if requested by the other Party, as appropriate, available information regarding a measure for agricultural goods taken by a sub-national governmental entity in its territory that may have a significant effect on trade between the Parties of any of these goods.

7. If requested by either Party, the Parties shall meet to discuss the use or proposed use by either Party of any geographical indication that may restrict the labeling and marketing in the territory of that Party of an agricultural good produced in the territory of the other Party.

8. The Parties shall meet once each year, unless they decide otherwise, including through the use of existing bilateral meetings as appropriate, to review and discuss all matters covered by this agreement and programs of either Party related to agricultural goods.

I have the honor to propose that this letter and your letter of confirmation in reply, equally valid in French and English, shall constitute an agreement between our Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the TPP Agreement, which shall enter into force on the date of entry into force of the TPP Agreement as between the United States and Canada.”

I have the honor to confirm that your letter and this reply, equally valid in French and English, shall constitute an agreement between our two Governments, subject to dispute settlement under Chapter 28 (Dispute Settlement) of the TPP Agreement, which shall enter into force on the date of entry into force of the TPP Agreement as between the United States and Canada.

Sincerely,

The Honourable Chrystia Freeland
Minister of International Trade
Canada



Annex A

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0207.13.93, 0207.14.22, 0207.14.92, 0207.14.93, 0207.24.12, 0207.24.92,
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Annex B

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