

November 30, 2018

The Honorable Chrystia Freeland
Minister of Foreign Affairs
Canada

Dear Minister Freeland:

I have the honor to confirm the following agreement reached between the Government of the United States of America (the United States) and the Government of Canada (Canada) regarding measures maintained by the Canadian province of British Columbia (BC) governing the sale of wine in grocery stores.

In recognition of the shared commitment of the United States and Canada to resolve this ongoing trade concern, Canada shall ensure that BC modifies the measures identified in the U.S. panel request WT/DS531/7 (May 29, 2018) and implements any changes no later than November 1, 2019. Specifically, BC shall eliminate the measures which allow only BC wine to be sold on regular grocery store shelves while allowing imported wine only to be sold in grocery stores through a so-called “store within a store,” and those contested measures shall not be replicated.

The United States shall take no further action at the World Trade Organization (WTO) in relation to the BC measures, including in relation to WTO disputes WT/DS520 and WT/DS531, prior to November 1, 2019.

If BC revises the wine measures described above so as to ensure the treatment of United States goods is consistent with Article III:4 of the GATT 1994, the United States shall join Canada to notify the WTO Dispute Settlement Body (DSB) that the United States and Canada have reached a mutually agreed solution in WTO disputes WT/DS520 and WT/DS531. To the extent that the United States agrees that BC has fulfilled the commitments set out above, Canada and the United States shall provide that notification to the DSB no later than 15 days after the changes to the BC wine measures have entered into force. If BC fails to revise the BC wine measures as described, the United States may resume the panel selection process.

I have the honor to propose that this letter and your letter in reply shall constitute an agreement between the United States and Canada, to enter into force on the date of your reply.

Sincerely,

Ambassador Robert E. Lighthizer
United States Trade Representative