



Office of the U.S. Trade Representative

*Office of Monitoring and Enforcement
Executive Office of the President*

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RECENT EVENTS

U.S. Participates in Hearing on Canada Lumber Grading:

The United States is currently challenging Canadian provincial public timber pricing before a London Court of International Arbitration tribunal in a dispute under the 2006 Softwood Lumber Agreement (SLA). The United States argues that British Columbia's policy of selling high-quality public timber, a main input of softwood lumber, at a low, fixed salvage rate violates the SLA. Cheap timber allows Canadian softwood lumber producers to produce softwood lumber at unfairly low prices to the detriment of American producers.

The U.S. prevailed in the two previous SLA disputes and the tribunals ordered compensatory export measures, some of

March Enforcement Update: U.S. Launches Interagency Trade Enforcement Center

On February 28, the President signed an Executive Order authorizing the creation of the Interagency Trade Enforcement Center (ITEC) within the Office of the United States Trade Representative. ITEC is a "whole-of-government" approach to addressing unfair trade practices and will coordinate and draw resources from USTR as well as the Departments of Commerce, State, Justice, Treasury, Agriculture, and Homeland Security and the Office of the Director of National Intelligence.

The U.S. has been particularly focused on trade agreement enforcement during the Obama Administration, bringing World Trade Organization (WTO) cases against China at twice the rate of the previous administration, for example. ITEC will provide expanded resources for the U.S. to build and initiate new cases, ensuring that our trading partners abide by trading rules under the WTO and other international trade agreements. ITEC also intends to reach out to U.S. workers and businesses, increasing their participation in the identification of trade barriers and unfair trading practices.

The President's fiscal 2013 budgets called for Congress to invest \$26 million in support of the creation of ITEC. ITEC leadership and core staff should be in place within the next 90 days.

which are still in place. Earlier this year, the United States and Canada extended the SLA for two additional years.

Interested parties can view the hearing, taking place at the World Bank through March 9th. Further information can be found [here](#).

Dispute Settlement Body Adopts Reports on China Export Restraints:

Last month the Dispute Settlement Body (DSB) adopted the WTO Appellate Body and Panel Reports in the U.S. dispute against Chinese export restraints on certain industrial raw materials. The Appellate Body report, issued in January, affirmed the Panel's findings that China's export restraints are inconsistent with China's WTO obligations. The next step is for China to state its intentions with respect to complying with the DSB recommendations and rulings. Should China need a reasonable period of time to comply with the rulings, the United States will seek agreement with China on that period of time.

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Legend	Consultations	Panel	Appellate Body	Implementation	Other
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Note: the calendar above is a projection of expected events and is subject to change.

Another important action in the DSB last month was the Philippines' announcement that it would take action to comply with the DSB recommendations and rulings in the dispute on Philippine Excise Taxes on Distilled Spirits. The DSB had adopted its recommendations and rulings in January in favor of the United States that Philippine excise taxes on distilled spirits discriminated against imported distilled spirits in breach of WTO obligations.