

The Parties have further agreed that if the CMHC does not grant approval for the use of C-D grade plywood in CHMC financed housing, or grants approval only in part, the CMHC evaluation shall be reviewed by an impartial panel of experts mutually agreed by the Parties.

If the panel of experts does not agree with the CMHC findings or evaluation, or it has not completed its review by the date of entry into force of this Agreement, the United States shall be free to delay its tariff concessions on softwood plywood (4412.19.40 and 4412.99.40) and waferboard, oriented strand board and particle-board of all species (4410.10.00) pending agreement by the Parties that the issues have been resolved satisfactorily. Should the U.S. proceed to delay implementation of these tariff concessions Canada shall be free to delay its implementation of its tariff concessions on 4412.19.90, 4410.10.10, and 4410.10.91

Other Provisions

The Parties have agreed that the Free Trade Agreement does not impair or prejudice the exercise of any rights or enforcement measures arising out of the 1986 Softwood Lumber Memorandum of Understanding.

National Security

Nothing in this Agreement shall be construed

- (a) to require any Party to furnish any information the disclosure of which it considers contrary to its essential security interests; or
- (b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security interests;
 - (i) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;