

Canadian Embassy



Ambassade du Canada

501 Pennsylvania Avenue, N.W.
Washington, D.C. 20001

October 24, 2000

Note No. 0294

His Excellency Richard Fisher
Deputy United States Trade Representative
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Fisher,

I am pleased to receive your letter of today's date,
which reads as follows:

I have the honor to refer to the Softwood Lumber Agreement
between the Government of the United States of America and
the Government of Canada, signed in Washington on May 29,
1996 (the "Agreement").

I propose that, in settlement of the arbitration brought by
Canada pursuant to Article V of the Agreement regarding the
U. S. Customs Service's June 9, 1999, revocation of rougher
headed lumber ruling letters (the "arbitration"), Article II
of the Agreement be amended to add an additional paragraph
12 to that Article which will read as follows:

"12. Notwithstanding paragraph 2, in the year
ending March 31, 2001, Canada may
allocate an additional 72.5 million
board feet among softwood lumber
exporters for which no fee shall be
collected on issuance of a permit for
export to the United States."

This amendment will permit such additional amount to be
exported fee-free from Canada to the United States of
America. This amendment will be effective upon entry into
force as set out below, will not be retroactive and will
remain in force until the expiration of the Agreement on
March 31, 2001.