

## ELEMENTS OF A CONSULTATIVE PROCESS

- The United States and Canada wish to encourage a bilateral dialogue on trade in softwood lumber and related forestry resource issues. To that end, the governments announce the establishment of a bilateral consultative process. This process will establish an ongoing dialogue to create better understanding, to resolve problems, and to try to avoid litigation. Both sides acknowledge that such a dialogue is most likely to be productive in an atmosphere of co-operation and conciliation, not contentiousness and litigation.
- The consultative process will be government-to-government. Both governments will seek the views and input of the industries and other interested parties as appropriate.
- The Government of Canada intends to involve fully in the process the provincial governments, with respect to matters falling under provincial jurisdiction.
- Both sides agree to consult on a full range of issues, including, but not limited to: current and future policies and practices, as well as barriers, that affect trade in softwood lumber and related forestry resource issues; and challenges facing the industry in either or both countries. To this end, both sides will exchange factual information.
- The consultative process will include working together to resolve problems that may arise on either side, including ways to ensure that progress made in addressing problems is not eroded. Both sides will work to explore mechanisms to try to resolve problems or disputes without litigation.
- The United States and Canada note the significant changes that have taken place in forestry resource management programs and practices. Both sides recognize that a system of forestry resource management oriented to market forces will contribute to attaining a fair financial return from forest resources, and will assist in mitigating the possibility of contentiousness and litigation.
- The consultations will commence no later than March 1, 1995. At the initial session, the governments will agree on an agenda and schedule for the first year.
- Representatives will report periodically to ministers on progress made in the consultations.