

law is scheduled for implementation by May 2006. Since the release of the first draft of provisional maximum residue levels in October 2003, Canada has provided comments and has worked with Japan's Ministry of Health, Labour and Welfare.

Building Products and Housing

The building products industry in Japan is subject to many laws and regulations that Canadian exporters must comply with before they can access the Japanese market. Of particular importance is the Building Standards Law (BSL). Japanese regulations are frequently criticized for being difficult to understand, complex and costly, developed without public input and slow to change. Japan is being urged to revise the BSL as it relates to test methods, criteria and related restrictions, and to adopt international codes, standards and practices. Canada has a number of formal and informal links with the Japanese government that provide opportunities to press for change. These links include joint work between Canadian and Japanese scientists (e.g. the Canada-Japan Research and Development Workshop) and formal bilateral meetings (e.g. the Canada-Japan Housing Committee). In 2004, Canada hosted the Canada-U.S.-Japan talks on Japanese building codes and standards that take place in the Building Experts Committee, as well as the Japan Agricultural Standards Technical Committee. These meetings provided a good opportunity for Canada to demonstrate its regulatory system and use of building products. The same committees will meet in the United States in 2005.

Three- and Four-Storey Wood-Frame Construction

Japanese demand for three- and four-storey mixed-use buildings is significant. Although three-storey wood-frame apartment construction is allowed in quasi-fire protection (QFP) zones, it is restricted to a maximum of 1,500 square metres and requires uneconomic property line setbacks and limiting distance calculations for exterior wall openings. These restrictions unfairly and sharply limit the use of three-storey wood-frame construction. There is also a size limit of 3,000 square metres for non-QFP zones, and the calculations for Japanese firewall specifications (which could allow larger structures) are not science-based. Since a performance-based system for fireproof

buildings was introduced under the revised BSL, Canada has worked closely with the Japan 2x4 Association to undertake supervised fire tests, and in May 2004 ministerial approval was obtained for fire-resistant construction using the 2x4 construction method.

Value-added Building Products

To help Canadian exporters better understand the process for product certification under the revised Building Standards Law, Canada has developed a road map document for several value-added building products. In 2003, Japan implemented regulations concerning emissions of volatile organic compounds (VOCs) from building products. In spite of the challenges that foreign exporters faced initially, many Canadian companies have successfully had their products tested and obtained approvals. At present, only formaldehyde is subject to these regulations, but there is a possibility that additional VOCs will be regulated at a later date. Canada will monitor the situation and report back to Canadian industry.

Agricultural Standards for Building Products: Standards Review Process

In accordance with the five-year review system of Japan Agricultural Standards, the Ministry of Agriculture, Forestry and Fisheries (MAFF) launched a review of standards for dimension lumber in 2003. Canada supplies about 95% of Japan's imported dimension lumber. Outstanding issues with other standards remain, however. Canada will work to ensure that Canadian stakeholders have access to the MAFF process and full membership on the review committees.

Tariffs on Spruce-Pine-Fir Lumber and Panel Products

Japan's system of tariff classification distinguishes between the species and dimensions of lumber, regardless of end use. As a consequence, spruce-pine-fir (SPF) lumber imports, worth over \$400 million per year to Canada, are subject to duties ranging from 4.8% to 6%, whereas other species imported for the same purpose enter duty-free. The 6% tariff on softwood plywood and oriented strand board is also considered to severely limit Canadian exports and