

SOFTWOOD LUMBER EXPORTS TO THE UNITED STATES - PERMIT REQUIREMENTS

Annex 2

Definitions

1. "Agreement" means Canada-U.S. Softwood Lumber Agreement 2006;
2. "B.C. Coast" means the Coastal Forest Regions as defined by the existing *Forest Regions and Districts Regulation*, B.C. Reg. 123/2003;
3. "B.C. Interior" means the Northern Interior Forest Region and the Southern Interior Forest Region as defined by the existing *Forest Regions and Districts Regulation*, B.C. Reg. 123/2003;
4. "Board foot" or "BF" means the lumber volume equal to a one-inch board that is 12 inches in width and one foot in length. When calculating board feet, nominal sizes are assumed;
5. "British Columbia" means the B.C. Coast and the B.C. Interior;
6. "Bureau" means the Export and Import Controls Bureau of the Department of Foreign Affairs and International Trade;
7. "Canada" means, for purposes of the application of Export Measures, the territory to which Canadian customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic law, the Government of Canada may exercise rights with respect to the seabed and subsoil and their natural resources.
8. "CRA" means Canada Revenue Agency;
9. "Date of Shipment" means:
 - (a) in the case of products exported by rail, the date when the railcar that contains the products is assembled to form part of a train for export; and
 - (b) in any other case, the date when the products are loaded aboard a conveyance for export.

If a shipment is transshipped through a Canadian reload or other inventory location, then the Date of Shipment shall be the date on which the merchandise leaves the reload or other inventory location for final shipment to the United States;
10. "Day" means a calendar day;
11. "Effective Date" means the date of entry into force of the Agreement;
12. "Export Charge" means the charge levied by Canada on the Export Price of Softwood Lumber Products exported to the United States at the rates specified in Articles VII through IX of the Agreement;
13. "Export Measures" means the measures in Articles VII through IX, Article X(2), Article XII(2)(b)(i), and Article XVII(5)(a) of the Agreement;

14. "Export Permit" means authority to export goods on the Export Control List (ECL), pursuant to the *Export and Import Permits Act*, as amended, or any successor law;
15. "Export Price" means:
 - a) if the product has undergone only primary processing, the value that would be determined FOB at the facility where the product underwent its last primary processing before export;
 - b) if the product was last remanufactured before export by an Independent Manufacturer of Remanufactured Softwood Lumber Products, the value that would be determined FOB at the facility where the softwood lumber used to make the remanufactured product underwent its last primary processing;
 - c) if the product was last remanufactured before export by a remanufacturer that is not an Independent Manufacturer of Remanufactured Softwood Lumber Products, the value that would be determined FOB at the facility where the product underwent its last processing before export; or,
 - d) for a product described in paragraphs (a), (b) or (c) in respect of which an FOB value cannot be determined, the market price for identical products sold in Canada at approximately the same time and in an arm's-length transaction, determined in one of the following 3 ways, listed in order of preference:
 - (i) at substantially the same trade level but in different quantities;
 - (ii) at a different trade level but in similar quantities; or
 - (iii) at a different trade level and in different quantities;
16. "Exporter's Business Number" means the identifier assigned by the CRA to a registered exporter of Softwood Lumber Products;
17. "FOB" means a value consisting of all charges payable by a purchaser including those incurred in the placement on board of the conveyance for shipment, but not including the actual shipping charges or charges levied pursuant to the Agreement;
18. "Household and Personal Effects" means merchandise classifiable under Chapter 98, Subchapters IV, V, & VI of the HTSUS;
19. "HTSUS" means the Harmonized Tariff Schedule of the United States;
20. "Independent Manufacturer of Remanufactured Softwood Lumber Products" means a Canadian manufacturer of Remanufactured Softwood Lumber Products that does not hold Crown tenure rights and, after the Effective Date, has not acquired standing timber directly from the Crown, and is not an Associated Person with respect to a Tenure Holder or any Person that has acquired standing timber directly from the Crown;
21. "Maritimes" means New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador;
22. "MBF" means thousand board feet;
23. "Person" means an individual, partnership, corporation, union or association;

24. "Prevailing Monthly Price" means the most recent four-week average of the weekly framing lumber composite ("FLC") prices available 21 days before the beginning of the month to which the Prevailing Monthly Price shall be applied, as specified in Annex 7A;
25. "Quarter" means, unless otherwise specified, the three-month periods commencing January 1, April 1, July 1 and October 1 of each Year;
26. "Region" means one of the following: Alberta, the B.C. Interior, the B.C. Coast, Manitoba, Ontario, Saskatchewan, or Quebec;
27. "Region of Origin" means the Region where the facility at which the Softwood Lumber Product was first manufactured into such a product is located, regardless of whether that product was further processed (for example, by planing or kiln drying) or was transformed from one Softwood Lumber Product into another such product (for example, a remanufactured product) in another Region, with the following exceptions:
 - (a) the Region of Origin of Softwood Lumber Products first manufactured in the Maritime Provinces from logs originating in a non-Maritime province shall be the Region where the log originated; and
 - (b) the Region of Origin of Softwood Lumber Products first manufactured in the Yukon, Northwest Territories or Nunavut (the "Territories") from logs originating outside the Territories shall be the Region where the log originated;
28. "Remanufactured Softwood Lumber Products" means Softwood Lumber Products that are produced by reprocessing lumber inputs by subjecting such inputs to one or more of the following: a change in thickness; a change in width; a change in length; a change in profile; a change in texture; a change in moisture; a change in grading; joining together by finger jointing; turning; or other processes that produce components, semi-finished and/or finished Softwood Lumber Products;
29. "USCBP" means U.S. Customs and Border Protection;
30. "U.S. Consumption" means, in any period, (1) Canadian softwood lumber exports to the United States, plus (2) U.S. softwood lumber imports from countries other than Canada, plus (3) U.S. shipments of softwood lumber, minus (4) U.S. exports of softwood lumber, as set forth in Annex 7D of the Agreement;
31. "United States" means, for purposes of importation, the customs territory of the United States and the foreign trade zones located in that territory; and
32. "Year" means, unless otherwise specified, the 12-month period commencing on January 1 of any year.