



Bulletin 22-01 January 7, 2022

CIAA Bulletin

An Exclusive CIAA Member
Update

USMCA Panel Announces Win for US in Dairy TRQ Dispute with Canada

This week [a decision](#) was released in a dispute between US and Canada related to Canada's dairy tariff-rate quotas (TRQ) under the United States-Mexico-Canada Agreement (USMCA). The dispute settlement panel found that certain Canadian restrictions on use of the TRQs are in violation of its obligations under the free trade agreement. Specifically, the Panel found that Canada has breached its USMCA Article 3.A.2.11(b) commitments by "reserving TRQ pools exclusively for the use of processors."

The U.S. Trade Representative, Katherine Tai, lauded the victory in the [first dispute settlement panel proceeding](#) ever brought under USMCA. "Enforcing our trade agreements and making sure they benefit American workers and farmers is a top priority for the Biden-Harris Administration," said Ambassador Katherine Tai. "That is why this Administration filed the first-ever panel request under the USMCA. This historic win will help eliminate unjustified trade restrictions on American dairy products and will ensure that the U.S. dairy industry and its workers get the full benefit of the USMCA to market and sell U.S. products to Canadian consumers."

The Canadian government has also claimed victory in the decision. The trade and agriculture ministries released a statement saying Canada has "taken note of the Panel's finding regarding Canada's practice of reserving TRQ pools for the use of dairy processors," and "takes its commitments and obligations under international agreements seriously." Canada specifically found the Panel's statements regarding "the legitimacy of Canada's supply-management system," and Canada's "the discretion to manage its TRQ allocation policies," that supports Canada's supply-management system as key to its actions.

Canada has 45 days from when the Panel issued its final report – which was on December 20, 2021 – to comply with the Panel's findings. Should Canada not comply with the Panel's

decision under the rule of USMCA, the U.S. could retaliate by imposing tariffs on Canadian goods.

We will continue to monitor developments in this dispute and monitor whether the U.S. targets any dairy products in possible retaliation.

DATES TO REMEMBER

FEBRUARY 6, 2022

Fancy Food Show Reception
5:00 PM - 7:30 PM
Gordon Biersch Brewery
Las Vegas

MARCH 1, 2022 (approximately)

FAS issues final notice of calendar year 2022 licenses to licensees.

March 15, 2022

The license fee for each license issued is due and payable in full no later than March 15 of the year for which the license is issued. Licenses issued after March 15 of any quota year are payable in full no later than 10 days from the date of issuance. Fee payments are payable to the Treasurer of the United States and shall be made solely utilizing the electronic software designated for the purpose by the Licensing Authority.

MAY 6, 2022

Member Meeting
9:30 am - 11:30 am
Saddle Brook Marriott
Saddle Brook, NJ

MAY 6, 2022

Dinner Dance
Liberty House
Jersey City, NJ

JULY 1, 2022

Last day for an exporting country that is not designating importers for calendar year 2022 to notify FAS.

AUGUST 31, 2022

Last day to enter dairy products into U.S. Customs territory that may be used to qualify and establish eligibility for a calendar year 2022 license.

SEPTEMBER 1, 2022

First day of license eligibility period for next quota year-plus one. Example: entries made on or after September 1, 2022 can be used to establish eligibility for a license for calendar year 2023.

SEPTEMBER 1, 2022

Last date to request globalization of a calendar year 2022 license.

First transmission date for applications for reallocated license amounts for calendar year 2022.

First transmission date for all applications for calendar year 2023 licenses.

SEPTEMBER 15, 2022 (no exceptions)

Last transmission date for licensees applying for reallocated license amounts for calendar year 2020.

OCTOBER 1, 2022 (no exceptions)

Last transmission date for licensees to surrender all or the unused portion of their calendar year 2022 licenses.

OCTOBER 15, 2022 (no exceptions)

Last transmission date for all applications for calendar year 2021 licenses.

OCTOBER 31, 2022

Exporting countries that are designating U.S. importers for calendar year 2023 must submit their designations to FAS by this date.

DECEMBER 20, 2022 (approximately)

FAS issues first notice of calendar year 2023 licenses to licensees.

DECEMBER 31, 2022

Last day for licensees to make entries to fulfill the requirement to use 85% of their calendar year 2022 license amount. Last day for which calendar year 2022 licenses are valid.

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