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U.S. Lumber Coalition Calls on Trump Administration to Jettison USMCA Binational Panel Review System

Washington, D.C., January 28, 2026 – The U.S. Lumber Coalition today in a letter urged the United States Trade Representative to communicate to Canada and Mexico that the United States-Mexico-Canada Agreement (USMCA) binational panel review system needs to be scrapped during the USMCA review process.

The binational panel review system applies when a USMCA country applies its fair-trade laws to another country's imports. The exporting country can challenge actions taken to stop the unfair trade using this special dispute settlement panel process. The binational panel review gives powers to international tribunals that the Constitution reserves for U.S. courts. Foreign panel members are appointed outside of constitutional oversight or democratic accountability.

Canada, in a recent submission to a USMCA binational panel, again sought to dramatically expand the power and authority of these panels. This strengthens the need to scrap the binational review system once and for all.

Specifically, Canada argued that USMCA binational panel review replaces not only review by the U.S. Court of International Trade (CIT), but also appellate review by the U.S. Court of Appeals for the Federal Circuit (CAFC), effectively arguing that a USMCA panel does not need to concern itself with any U.S. Appeals Court decisions or precedents.

“The Government of Canada pushing the idea that a USMCA binational panel is not bound by a U.S. Court of Appeals precedent is, quite frankly, outrageous and incorrect as a matter of USMCA and U.S. law,” stated Zoltan van Heyningen, Executive Director of the U.S. Lumber Coalition. “The mere fact that the Government of Canada made this argument reveals Canada’s aggressive view that it can achieve through USMCA binational panel review that which it cannot achieve in U.S. courts.”

“The absurd but unavoidable extension of Canada’s argument that USMCA binational panel review replaces U.S. ‘judicial review’ in its entirety is that USMCA binational panels also stand in the shoes of the U.S. Supreme Court,” continued van Heyningen. “That is plainly untenable and not something to which the United States agreed, nor should it ever do so.”

“Canada is seeking to dramatically expand the power of an already flawed and Constitutionally challenged USMCA panel system in an attempt to evade U.S. trade laws, and if allowed to do so there is no end to the damage USMCA panels might do to U.S. trade remedy enforcement with rulings that are contrary to U.S. law,” added van Heyningen.

“The U.S. Lumber Coalition urges President Trump to scrap the USMCA binational panel review system in its entirety during the USMCA review process, and as such regain full U.S. sovereign control over the application of U.S. trade laws,” concluded van Heyningen.

About the U.S. Lumber Coalition

The U.S. Lumber Coalition is an alliance of large and small softwood lumber producers from around the country, joined by their employees and woodland owners, working to address Canada's unfair lumber trade practices. Our goal is to serve as the voice of the American lumber community and effectively address Canada's unfair softwood lumber trade practices. The Coalition supports the full enforcement of the U.S. trade laws to allow the U.S. industry to invest and grow to its natural size without being impaired by unfairly traded imports. Continued full enforcement of the U.S. trade laws will strengthen domestic supply lines by maximizing long-term domestic production and lumber availability produced by U.S. workers to build U.S. homes. For more information, please visit the Coalition's website at www.uslumbercoalition.org.