

and \$1.7 billion in beef). Other key markets are Mexico (\$185 million), Japan (\$81 million), Korea (\$50 million), Chinese Taipei (\$20 million), China (\$10 million) and Hong Kong (\$3 million). Other exports such as bison, sheep and goats have also been affected.

In addition, some trading partners have imposed measures on products that, based on standards set by the World Organization for Animal Health (OIE) (discussed below), should not be subject to any BSE import measures. These products include milk and milk products, semen and embryos, protein-free tallow and derivatives made from this tallow, and hides and skins.

Since the beginning of the investigation, we have kept all our trading partners fully informed of developments, through direct contacts from ministers and senior officials in Ottawa and through our missions abroad. We have also briefed foreign missions in Ottawa. Following completion of the investigation, based on science and compelling evidence that the incidence of BSE in Canada is that of a minimal risk country as defined in the OIE Terrestrial Animal Health Code, we asked all of our trading partners to resume trade in beef and other products from Canada. We have taken every opportunity to make representations on our market access interests and will continue to do so. We have also called upon trading partners to remove any restrictions on products that, according to OIE standards, should not be subject to BSE measures.

Please refer to individual country sections for more detailed information about specific markets.

BSE and the OIE

The World Organization for Animal Health (formerly the Office International des Epizooties), referred to under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures, is the standard-setting organization responsible for elaborating animal health standards and guidelines and for recommendations on the sanitary safety of animals and animal products in international trade. In 1992, the OIE first developed provisions intended to manage human and animal health risks associated with the presence of the BSE agent in cattle. Since then, the OIE BSE provisions have been updated annually based on new knowledge and information.

Canada, along with the United States and Mexico, has written to the OIE to advocate refocusing the BSE provisions consistent with a more practical, risk-based approach. As well, Canada actively participated in the discussions of the OIE BSE Working Group at its September 2003 meeting. The September meeting produced proposals for significant changes to the OIE Animal Health Code BSE provisions. These changes call for the use of product-specific risks rather than country-based risks and for the country BSE classification system to be based on the effectiveness and duration of the risk mitigation measures that countries have put in place. Canada supports this direction and is actively soliciting the support of other OIE member countries to accept the proposed revisions to the OIE Animal Health Code at the next OIE General Session in May 2004.

year, for example, the United States has regularly provided updates on the status of its bioterrorism legislation, while the United States, Canada, the European Union and others have provided the Committee with updates on the status of their respective import requirements for solid wood packing material.

In 2003, Canada issued 65 SPS notifications to the WTO Secretariat and provided comments on 13 notifications from other countries.

BIOTECHNOLOGY AND GM LABELLING

A number of countries have recently implemented mandatory labelling requirements for food products processed or produced using genetically modified (GM) organisms. The use of labelling to indicate health and safety issues is a legitimate objective, and Canada supports labelling to convey this important information to consumers. However, Canada is concerned about the increased trend toward mandatory method-of-production labelling when other, less