

Jacques". Thus, the Order has resulted in decreased demand for Canadian scallops labelled "pétoncles" and such scallops command a lower price. Canadian exporters have advised that there is a price difference of up to 20% between the two labels.

86. Canadian exporters anticipate that export volumes and prices will fall further in 1996 once only the label "pétoncles" is permitted and the full implications of the change in the labelling requirements are absorbed by French importers, wholesalers and retailers.

V. CONCLUSIONS AND SUGGESTED RECOMMENDATIONS

87. Canada therefore requests the Panel to conclude that the Order, as amended:

- (i) is inconsistent with the EC's and France's obligations under the WTO Agreement;
- (ii) nullifies or impairs benefits accruing to Canada under the WTO Agreement including the GATT and the TBT Agreement; and
- (iii) impedes the attainment of the objectives of the WTO Agreement, the GATT and the TBT Agreement.

88. Accordingly, Canada requests that the panel recommend that the French labelling requirement under the Order be brought into conformity with the WTO Agreement.