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CANADA REQUESTS WTO PANEL ON FRENCH SCALLOP LABELLING REGULATIONS

The Honourable Roy MacLaren, Minister for International Trade, announced today that, at the request of the Government of Canada, the World Trade Organization (WTO) has established a panel to examine French scallop labelling regulations.

"We have concerns with changes made since 1993 to French Government regulations on the labelling of scallops which have impaired Canadian exports," said Mr. MacLaren. "The labelling requirements are arbitrary and discriminate against Canadian products which have been sold without problem in France for more than 40 years."

In March 1993, France introduced new labelling regulations which permitted only certain scallops to be sold using the high quality terms "noix de Saint-Jacques" or "noix de Coquilles Saint-Jacques." Canadian scallops could be sold only using the term "pétoncle" on the label, which has an inferior image in France and a market price of 20 to 25 per cent less than that of "noix de Saint-Jacques."

In May 1995, Canada requested WTO consultations with the European Union, which acts on behalf of France in the WTO, in an effort to resolve this issue. These consultations were held in June without reaching a resolution.

Canadian scallops have been sold in France since the mid 1940s. Exports before the changes in labelling exceeded \$10 million per year.

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