

B. The French Order and Subsequent Amendments

10. The Order entered into force on March 28, 1993.⁷ Article 1 of the Order provides that when preserved, semi-preserved or frozen, the scallops listed in the Annex to the Order may be marketed using only the names listed in the Annex. The Annex lists the various species of scallops, their scientific names, and the names under which they may be marketed in France. The Annex provides that only scallops of the genus *Pecten* may be labelled as "coquilles Saint-Jacques" and that all other genus and species of scallops, including *Placopecten magellanicus* from Canada, must be labelled as "pétoncles".

11. Article 3 of the Order permitted the depletion of existing packaging and labelling stocks up to 31 December, 1993.

12. On December 29, 1993, France modified the Order to permit non-*Pecten* scallops subject to Article 1 of the that Order to use the term "Saint-Jacques" in the label until December 31, 1995, provided that this term was followed by either the scientific name or the term "pétoncles" in brackets. Canada welcomed the modification and pressed for it to be made permanent.

13. On October 3, 1994, France further modified the Order to require that Canadian *Placopecten magellanicus* be labelled either "pétoncles" or "pétoncles (Saint-Jacques)" until December 31, 1995. After that date, the Order would come into effect, and scallops not of the genus *Pecten*, including Canadian *Placopecten magellanicus*, would be required to be labelled "pétoncles".

C. Market Conditions**1. *The French scallop market***

14. Canada exports frozen scallops primarily of the species *Placopecten magellanicus*. Canada is the largest exporter of this species in the world. Canadian scallops imported into France are sold in both the wholesale and retail markets, including sales for direct consumption, and for use in the food service industry including restaurants, and by food product manufacturers.

15. France's domestic scallops industry harvests scallops primarily of the species *Pecten*

⁷ Prior to the introduction of the Order, labelling of scallops was not governed by a French regulation. However, French labelling guidelines for scallops (provided to the Canadian Embassy in Paris by the French Government) expressly permitted Canadian scallops to use the term "noix de Saint-Jacques".
