

9. Draft EC Council sanitary regulations for the production and marketing of live bi-valve molluscs and trade in live fish and fish eggs are expected to be published shortly.

c) General Proposals on Standards

A preoccupation exists with respect to the EC's general proposals on standards, certification and testing. It is not yet known if these proposals will apply to the food processing industry, but if they should, the policy envisaged by the Community would weaken the role of member state governments in food inspection. This matter has also been examined by the Working Group on Standards.

d) Canned Sardine Marketing Regulation

A new marketing standard adopted by the Community allows only canned sardines of the species "sardina pilchardus Walbaum" to be sold in the EC as "sardines". This new regulation came into force January 1, 1990. Canada, which has been exporting juvenile herring in the Community (mostly the United Kingdom) under the name "Canadian Sardines" could lose its markets in the EC as a consequence. The EC has refused to make an exception for "Canadian Sardines", despite the fact that this marketing designation is recognized world-wide in tariff schedules and by the Codex Alimentarius Commission of the U.N. Food and Agriculture Organization.

V - CONCERNS AND OPPORTUNITIES

Integration of the EC's internal market can and should be carried out in such a way that existing GATT rules and agreements are fully respected. To try to ensure this happens, there must be close monitoring by Canada of the harmonization of product standards and technical regulations within the EC. The existing GATT Agreement on Technical Barriers to Trade provides for the application of national treatment to foreign products and suppliers when new technical regulations in testing and certification requirements are adopted.

The EC also has an obligation to encourage the development of internationally-compatible product standards and to avoid the use of technical regulations for the purpose of creating barriers to trade. The GATT national treatment principle is designed to ensure that exporters such as Canada will be treated no less favourably than EC producers within the Community under any internal regulations or tax laws.

A preoccupation of leading fisheries exporters to the EC is that 1992 market integration could lead the Community to maintain its restrictive fisheries import regime characterized by high tariffs, minimum import prices, preferential tariff concessions