

**EUROPEAN COMMUNITIES – MEASURES CONCERNING
MEAT AND MEAT PRODUCTS (HORMONES)**

Recourse by Canada to Article 22.2 of the DSU

The following communication, dated 20 May 1999, from the Permanent Mission of Canada to the Chairman of the Dispute Settlement Body, is circulated pursuant to Article 22.2 of the DSU.

Canada refers to the letter of the United States, dated 17 May 1999, in which it requested that a meeting of the Dispute Settlement Body (DSB) be held on 3 June 1999 with respect to the dispute regarding EC Measures Concerning Meat and Meat Products (Hormones). Canada requests that the following item be added to the agenda of this meeting:

European Communities - Measures Concerning Meat and Meat Products (Hormones)
- Recourse by Canada to Article 22.2 of the DSU.

Both the panel and the Appellate Body in this dispute found the EC measures in dispute to violate the Agreement on the Application of Sanitary and Phytosanitary Measures (the SPS Agreement). On 13 February 1998, the DSB adopted the Appellate Body report and the report of the panel, as modified by the Appellate Body report. The resulting DSB recommendations and rulings include the recommendation that the EC bring its measures found to be inconsistent with the SPS Agreement into conformity with its obligations under that agreement. Subsequently, an arbitration pursuant to Article 21.3(c) of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) fixed the reasonable period of time for the implementation of the DSB recommendations and rulings at 15 months from 13 February 1998. Thus the reasonable period of time ended on 13 May 1999.

A recent communication from the Permanent Delegation of the European Commission to the Chairman of the Dispute Settlement Body, dated 12 May 1999, confirmed that the import ban that was the subject of this dispute would continue in force.

At the meeting of the DSB on 3 June 1999 Canada intends to request, pursuant to Article 22.2 of the DSU, authorization from the DSB to suspend the application to the European Communities and its Member States, of tariff concessions and related obligations under the General Agreement on Tariffs and Trade 1994 covering trade in the amount of Can\$75 million. Canada intends to implement the suspension of tariff concessions and related obligations under the GATT 1994 by imposing 100 per cent tariffs on a list of products. On 17 April 1999, Canada published in the Canada Gazette a proposed list of products on which concessions could be withdrawn, and on which public comment is now being received. This list is attached for ease of reference. The trade value of the final list of products subject to increased tariffs will be equivalent, on an annual basis, to Can\$75 million.

ATTACHMENT

Tariff Item or Heading	Description
0201	Meat of bovine animals, fresh or chilled
0202	Meat of bovine animals, frozen
0203	Meat of swine, fresh, chilled, frozen
0206.29	Bovine edible offal, frozen
0707.00.99	Cucumbers and gherkins, fresh or chilled
0709.60	Peppers of the genus Capsicum or Pimenta, fresh, chilled
1108.13	Potato starch
1109	Wheat gluten, whether or not dried
1602.20.90	Livers of any animal prepared or preserved, Other
1602.41	Hams and cuts thereof of swine prepared or preserved
1602.42	Shoulders and cuts thereof of swine prepared or preserved
1602.49	Swine meat & meat offal, excl. livers/incl. Mixtures, prepared or preserved
1602.50	Bovine meat and meat offal, excl. livers, prepared or preserved
1704.90.90	Sugar, confectionery, (incl. white chocolate), not containing cocoa
1806.90.90	Chocolates, and Chocolate confectionery, put up for retail sale
1905.20	Gingerbread and the like
1905.30	Sweet biscuits, waffles and wafers
2002.10	Tomatoes, whole or in pieces prepared or preserved o/t by vinegar or acetic acid
2007.99	Jams, fruit jellies, fruit or nut purée & paste, ckd prep. sugared, sweetened or not
2008.70	Peaches o/w prep. or preserved whether or not sugared, sweetened or not
2104.10	Soups and broths and preparations thereof
2201.10	Mineral and aerated waters not containing sugar or sweetening matter nor flavoured
2208.50	Gin
2208.60	Vodka