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EUROPEAN COMMUNITIES – MEASURES PROHIBITING THE IMPORTATION AND MARKETING OF SEAL PRODUCTS

STATUS REPORT BY THE EUROPEAN UNION

Addendum

The following communication, dated 17 September 2015, from the delegation of the European Union to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

<u>Status report by the European Union regarding implementation of the</u> <u>DSB recommendations and rulings in the disputes</u> <u>European Communities – Measures Prohibiting the Importation</u> <u>and Marketing of Seal Products</u> <u>(WT/DS400 and WT/DS401)</u>

The European Union submits this report in accordance with Article 21.6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU").

On 18 June 2014, the Dispute Settlement Body ("DSB") adopted its recommendation and rulings in the disputes *European Communities – Measures Prohibiting the Importation and Marketing of Seal Products* (WT/DS400 and 401). At the DSB meeting of 10 July 2014, the European Union notified the DSB that it intends to implement the recommendations and rulings of the DSB in these disputes in a manner that respects its WTO obligations but that it need a reasonable period of time to do so. On 5 September 2014, Canada, Norway and the European Union agreed that the reasonable period of time for the European Union to implement the recommendations and rulings of the DSB would expire on 18 October 2015.

Regarding the recommendations and rulings of the DSB relating to inconsistencies of the EU Seal Regime (consisting of Regulation (EC) No. 1007/2009 of the European Parliament and of the Council of 16 September 2009 on trade in seal products (Basic Regulation), OJ L 286, 31.10.2009, pg. 36 and Commission regulation (EU) no. 737/2010 of 10 August 2010 laying down detailed rules for the implementation of Regulation (EC) No 1007/2009 of the European Parliament and of the Council on trade in seal products (Commission Regulation No. 737/2010), OJ L 216, 17.08.2010, pg. 1) with the EU's WTO obligations, the European Commission submitted on 6 February 2015 to the European Parliament and to the Council of the European Union a proposal for the amendment of the Basic Regulation. The proposal has been approved with some minor modifications by the European Parliament in its plenary session on 7 September and is likely to also be approved by the Council at one of its forthcoming Council meeting. The proposal as approved consists mainly of removing the exception for maritime resource management hunts and of strengthening the Inuit exception. The proposal ensures that a meaningful Inuit exception remains, while strengthening coherence with the objective of the regulation by explicitly adding animal welfare considerations as a condition for the use of the exception.

Upon entry into force of these modifications, a new implementing regulation will need to be adopted by the Commission to reflect these changes.

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Regarding the recommendation and rulings of the DSB relating to the fact that (at the time of the rulings) only Greenlandic Inuit were effectively using the exception for Inuit and other indigenous communities (IC exception), the European Union has engaged with Canada in order to facilitate the setting up of the relevant attestation mechanism that will allow Canadian Inuit to use the IC exception of the EU Seal regime. The Commission decision recognising the Government of Nunavut as an attestation body under the EU's seal regime has been adopted on 30 July 2015.