

EU, Canada move to end long hormone beef row

AFP

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[Europe](#) and Canada on Thursday took a key step to ending a long row over Canadian hormone-treated beef, opening the way to normalising trade ties, the European Commission said.

A statement said the two sides signed Thursday a memorandum of understanding under which the European Union would extend its [duty-free](#) tariff rate to high-quality Canadian beef imports, while Canada would suspend sanctions slapped on EU products.

"Today's memorandum is an important step in solving this long-running dispute," said John Clancy, an EU trade spokesman. "It will relieve EU exporters from the cost of paying sanctions on the Canadian market."

Canada in 1999 imposed sanctions on imports of EU products, largely meat - mostly under the form of 100 percent duties - to the tune of over 11 million [Canadian dollars](#).

The memorandum foresees Canada suspending the measures and the EU extending its duty-free tariff-rate quota of high quality beef to an extra 1,500 tonnes until August next year.

The quantity could be increased to 3,200 tonnes for 2013, the Commission statement said.

"Both the suspension of sanctions and the increase to the EU tariff-rate quota remain subject to domestic decision-making procedures," the statement added.

The dispute over the EU ban on both US and Canadian beef from animals administered certain growth-promoting hormones dates back to 1996.

In 2008, the EU launched a fresh challenge at the [WTO](#) against sanctions imposed by the United States and Canada for its ban after a WTO appeal body recommended that an earlier ruling against Brussels be re-considered.

The World Trade Organization in 1998 had ruled that the bloc had violated trade rules by banning the hormone-treated beef, thereby allowing the United States and Canada to impose trade sanctions on the bloc.

But the EU argued it had scientific grounding for the ban, thus making the restriction valid under trade rules.

The EU ended its row with the United States in 2009.