

Annexe 3



Ref: 64826

January 23, 2012

Ms. Marie-Andrée Marquis
Advisor, Commercial Policy
Economic Development, Innovation and Export Trade
710 Place d'Youville, 3rd floor
Québec, QC G1R 4Y4

Dear Ms. Marquis:

Pursuant to Article 1702.1 (Consultations) of the *Agreement on Internal Trade*, I am writing to inform you that the Government of British Columbia is hereby requesting consultations with the Government of Quebec regarding certain measures in its *Food Products Act* and Regulation Respecting Food that restrict the manufacture and sale of dairy analogs and products that are a blend of dairy products and dairy product substitutes. In British Columbia's view, these measures are inconsistent with Quebec's obligations under the *Agreement on Internal Trade*.

Measures Subject to Consultation

The measures at issue here are found in Quebec's *Food Products Act* (primarily sections 7.1 and 7.2 thereof), and in the associated Regulation Respecting Food promulgated under that Act (collectively, the "Measures").

Relevant Provisions of the *Agreement on Internal Trade*

A preliminary assessment of the Measures indicates that the following provisions of the *Agreement on Internal Trade* are relevant in the circumstances:

Article 900 (Application of General Rules)
Article 401 (Reciprocal Non-Discrimination)
Article 402 (Right of Entry and Exit)
Article 403 (No Obstacles)

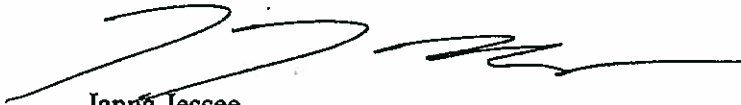
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Summary of British Columbia's Concerns

British Columbia believes that the Measures limit market access for both producers and processors of vegetable oils because only a few products explicitly identified by the Regulation can be made or sold in Quebec. The *Agreement on Internal Trade* requires Quebec to give non-discriminatory treatment to all such products manufactured outside Quebec, and to allow their free movement across provincial boundaries. Instead, the Measures operate to create an obstacle to internal trade, and as a consequence, British Columbia processors and producers have suffered injury.

I look forward over the coming months to discussing these concerns, and any other relevant concerns that may come to light during consultations, with you and any other Parties to the *Agreement on Internal Trade* that may choose to participate in these consultations.

Sincerely,



Janna Jessee
Internal Trade Representative

cc: Internal Trade Representatives

Ms. Anna Maria Magnifico
Executive Director, Internal Trade Secretariat