

DENMARK: Stays out of trade war, but likely in the next

Copenhagen-Feb 1-(BANNS)- The United States begins its ban and/or high tariffs on EU products today with Denmark luckily not included. That exemption however, may not last for long, according to the United States Embassy Monday.

The States will begin imposing high tariffs or outright banning of all EU products starting today as a result of the so-called "Banana wars." Denmark's voting against the EU on the issue though has for the time being, exempted the country from the ban. However a new war looms in the near future, US Embassy spokeswoman Karen Milleken told BANNS, and in this one, Denmark will likely be involved.

The USA has accused the EU of restrictive and protective trade policies on its banana imports. Arguing its case before the WTO and GATT since 1993, the two international organizations ultimately sided with the US. The EU however, chose to ignore the verdict with the States answering that decision by imposing the sanctions.

"Denmark has not gone along with EU policy on the banana imports and because of this, the States has exempted Danish products from the so called "Super 301" list. Fellow EU and Nordic countries, Sweden and Finland, will however be hit by the ban," said Milleken.

Another trade war is looming though, this time involving the EU ban on USA meat containing growth hormones. Despite rulings by GATT and the WTO again in favor of the USA, the EU is upholding its ban on the treated meat. To this end, Denmark has gone along with its EU neighbors and consequently will be affected by the USA actions that will first take effect in May. For Denmark this means all presently non-tariff goods will become so.

"Its reasonable to expect that Denmark will be included," said Milleken referring to the new ban.

The imposing of the sanctions couldn't come at a worse time for Denmark, which is currently suffering from an export crisis.

By Andrew Singer

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