

COMMERCE MINISTER ON EXPORT PROMOTION SCHEMES

'India under no obligation to implement WTO's dispute panel recommendations'

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INDIA IS under no obligation to implement the recommendations of the WTO's dispute panel on its export promotion schemes, which was challenged by the United States, as new Delhi has appealed against that order at the higher level, Parliament was informed on Wednesday.

A dispute settlement panel of World Trade Organization (WTO) in its report issued to members on 31 October 2019 has ruled that India's export-related schemes (including SEZ scheme) are in the nature of prohibited subsidies under the Agreement on Subsidies and

"Due to non-functioning of appellate body (of the WTO's dispute settle mechanism), the appeal has been kept in suspension. Till the appeal is disposed of, India is under no obligation to implement the recommendations of panel"

PIYUSH GOYAL
COMMERCE AND INDUSTRY MINISTER

Countervailing Measures and are inconsistent with WTO norms.

The panel has given a time-frame of 180 days for withdrawal of Special Economic Zone (SEZ) scheme.

India has appealed at the WTO's appellate body against this ruling.

"Due to non-functioning of appellate body (of the WTO's dispute settle mechanism), the appeal has been kept in suspen-

sion. Till the appeal is disposed of, India is under no obligation to implement the recommendations of panel," Commerce and Industry Minister Piyush Goyal said in a written reply to the Lok Sabha on Wednesday.

In a separate reply, the minister informed Parliament that India is involved in 15 trade disputes, mostly against the US, at the WTO at present.

"Currently, India is involved

in 15 disputes at the WTO, in which it is complainant in 4 and respondent in 11," he said.

The disputes where India is a complaining party are countervailing duty by the US on Indian steel products; measures by America concerning non-immigrant visas; renewable energy programmes of the US; and import duties imposed on steel and aluminium products by America.

Disputes at the WTO where India is a responding party include prohibition by the country on import of poultry and poultry products filed by the US, and import duties on certain information and communication technology (ICT) goods filed by the European Union, Japan and Taiwan.

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