

**INDIA - QUANTITATIVE RESTRICTIONS ON IMPORTS  
OF AGRICULTURAL, TEXTILE AND INDUSTRIAL PRODUCTS**

Notification of an Appeal by India under  
paragraph 4 of Article 16 of the Understanding on Rules  
and Procedures Governing the Settlement of Disputes (DSU)

The following notification, dated 25 May 1999, sent by India to the Dispute Settlement Body (DSB), is circulated to Members. This notification also constitutes the Notice of Appeal, filed on the same day with the Appellate Body, pursuant to the *Working Procedures for Appellate Review*.

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1. Pursuant to paragraph 4 of Article 16 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (the "DSU") and Rule 20 of the Working Procedures for Appellate Review, India hereby notifies its decision to appeal certain issues of law and legal interpretations in the Panel Report on *India - Quantitative Restrictions on Imports of Agriculture, Textile and Industrial Products* (WT/DS90/R).

2. India appeals from the issues of law and legal interpretations on the basis of which the Panel concludes that the authority of panels to determine the balance-of-payments justification of import restrictions notified under Article XII:4(a) or XVIII:12(a) of the GATT 1994 and the overall WTO-compatibility of regional trade agreements notified under Article XXIV:7(a) of the GATT 1994 is unlimited, notwithstanding the fact that the jurisdiction over these matters has been explicitly assigned to WTO bodies composed of Members.

3. Subsidiarily, if the Appellate Body were to conclude that the authority of panels to determine the balance-of-payments justification of import restrictions notified under Article XVIII:12(a) of the GATT 1994 is unlimited, India appeals from the issues of law and legal interpretations on the basis of which the Panel concludes that:

- (a) the Note *Ad* Article XVIII:11 of the GATT 1994 applies only in situations in which a removal of the restrictions would produce "immediately" the conditions specified in Article XVIII:9 of the GATT 1994;
- (b) requiring India to use macroeconomic policy instruments to meet any balance-of-payments problems caused by immediate removal of its import restrictions is consistent with the requirements of Article XVIII:11 of the GATT 1994 and the proviso thereto;
- (c) India, as the defending party, must provide evidence that its import restrictions meet certain of the requirements of Article XVIII:11 and the Note *Ad* Article XVIII:11 of the GATT; and

- (d) it has properly characterized the facts and objectively assessed the matter, including the facts, with respect to India's justification under Article XVIII:11 and the Note *Ad* Article XVIII:11 of the GATT for gradually removing its import restrictions over a period of time.
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