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<u>INDIA - QUANTITATIVE RESTRICTIONS ON IMPORTS OF</u> AGRICULTURAL, TEXTILE AND INDUSTRIAL PRODUCTS

Request for the Establishment of a Panel by the United States

The following communication, dated 3 October 1997, from the Permanent Mission of the United States to the Chairman of the Dispute Settlement Body, is circulated at the request of that delegation.

On 15 July 1997, the United States Government requested consultations with the Government of India pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes, Article XXII of the General Agreement on Tariffs and Trade 1994 ("GATT 1994"), Article 19 of the Agreement on Agriculture (to the extent it incorporates by reference Article XXII of GATT 1994), and Article 6 of the Agreement on Import Licensing Procedures (to the extent it incorporates by reference Article XXII of GATT 1994) concerning quantitative restrictions maintained by India on importation of a large number of agricultural, textile and industrial products (WT/DS90/1). The United States and India held consultations on these measures in Geneva on 17 September, and discussed their consistency with the relevant provisions of the GATT 1994, the Agreement on Agriculture and the Agreement on Import Licensing Procedures. These consultations provided some helpful clarifications but they have failed to settle the dispute.

The United States considers that quantitative restrictions maintained by India, including, but not limited to, the more than 2 700 agricultural and industrial product tariff lines notified to the WTO in Annex I, Part B of WT/BOP/N/21 dated 22 May 1997, appear to be inconsistent with India's obligations under Articles XI:1 and XVIII:11 of GATT 1994 and Article 4.2 of the Agreement on Agriculture. Furthermore, the import licensing procedures and practices of the Government of India are inconsistent with fundamental WTO requirements as provided in Article XIII of GATT 1994 and Article 3 of the Agreement on Import Licensing Procedures.

The quantitative restrictions referred to above include all import prohibitions, bans, restrictions, import licenses, special import licenses and the prohibition of non-commercial (sample) quantities as well as the procedures to implement and administer these measures.

The United States and India continue to engage in promising consultations on these measures in hopes of resolving the dispute. However, in the absence of a resolution at this time, the United States, in order to preserve its rights, respectfully requests that the Dispute Settlement Body at its next meeting on 16 October 1997 establish a panel to examine this matter.

Accordingly, the United States asks that this request for the establishment of a panel be inscribed on the agenda of the meeting of the Dispute Settlement Body to be held on 16 October 1997.