

**INDIA - MEASURES AFFECTING CUSTOMS DUTIES**

Request for Consultations by the European Communities

The following communication, dated 30 October 1998, from the Permanent Delegation of the European Commission to the Permanent Mission of India and to the Chairman of the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

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On behalf of the European Communities, I hereby request consultations with India pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) and Article XXII of the General Agreement on Tariffs and Trade 1994 (GATT 1994) on a series of customs duties increases recently implemented by the Indian authorities.

The measures in question relate to:

- Schedule 1 of the 1975 Customs Tariff Act;
- the so-called Special Customs Duty;
- the so-called Special Additional Duty.

Under the above measures, the aggregate value of tariffs resulting from the addition of the different duties applied by India exceeds its WTO bound rates under a series of tariff headings.

The EC wish to express their concerns with the apparent lack of conformity of the above measures with the obligations of India under GATT 1994. In particular the Communities' concerns relate to Article II.1(b) and Article III.2 of GATT 1994.

I look forward to receiving your reply to this request from the European Communities and to setting a mutually convenient date for these consultations.

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