

US Drags India to WTO

The United States has dragged India to the World Trade Organisation, requesting dispute consultations on the 'retaliatory duties' imposed by India on 28 US goods in June, 2019.

- India has imposed the duties as a tit-for-tat move against the US decision to impose unilateral additional tariffs on steel and aluminium imported from India.
- The US claims that the additional duties are inconsistent with the provisions of the <u>WTO's</u>
 <u>General Agreement on Tariffs and Trade</u>.
- India's argument in support of its duties is that retaliation is permitted under the WTO's Agreement on Safeguards.
- To this, the US maintains that its tariffs are not a safeguard measure but were taken under Section
 232 of the US Trade Expansion Act of 1962 on grounds of national security.
- If the dispute consultations between the two countries fail to resolve the matter then the US can ask the WTO to set up a panel to decide on the matter.
- This mini-tariff war between the US and India sparked from USA's decision to withdraw GSP status



- Also, it is not the first time the **USA and India had there trade issues** settled at WTO.
 - Recently India has won a major trade dispute against the US at the World Trade
 Organization (WTO) regarding domestic content requirements and subsidies.

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