

## **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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