

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 867
TO BE ANSWERED ON 23rd JULY, 2018

INDO-US TRADE

867. SHRI VINAYAK BHAURAO RAUT:
SHRI DHARMENDRA YADAV:
DR. P. VENUGOPAL:
SHRI ANURAG SINGH THAKUR:
SHRI ASADUDDIN OWAISI:
DR. PRITAM GOPINATH MUNDE:
SHRI SHIVKUMAR UDASI:
SHRI ANANDRAO ADSUL:
SHRI TEJ PRATAP SINGH YADAV:
SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRIMATI ANJU BALA:
SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
SHRI SHRIRANG APPA BARNE:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the tariffs on steel, aluminium and other items imposed by the United States (US) are likely to impact Indo-US bilateral trade and if so, the reaction of the Government thereto along with the total indian exports to the US from 2014 to 2018;
- (b) whether India has also hiked tariff on goods being imported from the US and if so, the details thereof along with its impact on indian economy and the bilateral trade between the two countries;
- (c) whether the US revoking preferential benefits to Indian exports would be detrimental to trade and if so, the reaction of the Government thereto;
- (d) whether the US/ US-Indian Strategic Partnership Forum has challenged India's export promotion programmes, started review of India's GSP eligibility and begun examining fixation of prices of American pharmaceuticals and medical devices and if so, the details thereof; and
- (e) whether the two countries have approached the World Trade Organisation in this regard and if so, the details thereof along with the steps taken by the Government to resolve the issue amicably?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

- (a): Yes, Madam.

After issue of United States (U.S.) Presidential proclamations imposing tariff on steel and aluminum, Government of India has taken up with U.S. Authorities for exempting Indian imports into U.S. from tariffs levied under Section 232 of U.S. Trade Expansion Act and pursued persistently with the U.S. Administration. As no positive response had emerged from the U.S. side, India filed for consultations with U.S. before World Trade Organization (WTO) Dispute Settlement Body. India also imposed retaliatory tariffs which would come into effect from 4th August, 2018. Nevertheless, India remains engaged with the U.S. for an amicable solution for the issue.

Total Indian exports to the U.S. from 2014 to 2018 are as below –

Particulars	India's Exports to USA (in US \$ Million)			
	2014-15	2015-16	2016-17	2017-18
Items where 25% tariff levied by the U.S. on Steel	1102.55	519.8	537.51	618.39
Total Steel Items	2412.83	1638.24	1593.65	1977.73
Items where 10% tariff levied by the U.S. on Aluminium	272.13	260.09	311.65	637.81
Total Aluminium Items	306.85	295.17	350.14	680.24
Total Indian Exports to USA	42,448.66	40,335.82	42,212.27	47,878.69

(b): Yes, Madam.

In response to U.S. imposition of tariffs on steel and aluminum, India hiked the tariff on 29 U.S. imports which would come into effect from 4th August, 2018. At this point of time, no major impact on Indian Economy is envisaged.

(c): India specific review of Generalized System of Preferences (GSP) has been taken up by the U.S. Presently, the review is at the stage of examination of post hearing comments and the outcome of the review may take a few more months. In case U.S. revokes preferential benefits to Indian exports, the Indian exports presently availing GSP would be impacted. India has persistently engaged with the U.S. for continuation of the GSP and also submitted pre-hearing as well as post-hearing comments.

(d): Yes, Madam.

United States requested for consultations on India's export incentive schemes at World Trade Organization in March, 2018. Also as mentioned above, the GSP eligibility review has been taken up by the U.S. U.S. is also seeking a more nuanced approach for price cap on medical devices.

(e): Both the U.S. consultations on India's export incentive schemes as well as India's consultations on imposition of tariff under Section 232 of U.S. Act are currently before the WTO.
