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Council for Trade in Goods Committee on Safeguards

IMMEDIATE NOTIFICATION TO THE COUNCIL FOR TRADE IN GOODS OF THE RESULTS OF THE CONSULTATIONS UNDER ARTICLE 12.3 OF THE AGREEMENT ON SAFEGUARDS

IMMEDIATE NOTIFICATION UNDER ARTICLE 12.5 OF THE AGREEMENT ON SAFEGUARDS TO THE COUNCIL FOR TRADE IN GOODS OF PROPOSED SUSPENSION OF CONCESSIONS AND OTHER OBLIGATIONS REFERRED TO IN PARAGRAPH 2 OF ARTICLE 8

OF THE AGREEMENT ON SAFEGUARDS

COMMUNICATION FROM INDIA

Certain steel products

The following communication, dated and received on 31 August 2022, is being circulated at the request of the delegation of India.

Pursuant to Article 12.5 of the WTO Agreement on Safeguards, India is notifying the results of the consultations held under Article 12.3 of the Agreement on Safeguards with the United Kingdom (the UK) regarding the latter's safeguard measures on certain steel products.

The present document is without prejudice to India's right to suspend substantially equivalent concessions to the trade of the UK, pursuant to Article 8.2 of the Agreement on Safeguards.

India and the UK held consultations on 5 August 2022 virtually to discuss the extensions by the UK, of the safeguard on certain steel products originally applied by the European Union. The extensions were notified by the means of the document G/SG/N/6/GBR/1 (dated 8 October 2020), G/SG/N/8/GBR/1 (dated 21 May 2021), G/SG/N/8/GBR/Suppl.1 - G/SG/N/10/GBR/1 - G/SG/N/11/GBR/1 (dated 11 June 2021), G/SG/N/8/GBR/1/Suppl.3 - G/SG/N/10/GBR/1/Suppl.1 - G/SG/N/11/GBR/1/Suppl.1 and the document <math>G/SG/N/8/GBR/1/Suppl.7 - G/SG/N/10/GBR/1/Suppl.8 - G/SG/N/11/GBR/1/Suppl.8.

India expressed its concerns regarding legal inconsistencies of both the original and the extended measures by the UK particularly with reference to, the evidence of serious injury notified to the WTO, duration of the safeguard measures exceeding 3 years (Article 7.4 of Agreement on Safeguards), nature of investigation conducted by the UK on the concerned domestic industry, and non-review of the pace of liberalization.

India submitted its concerns to the UK regarding the manner in which safeguard measures have been extended violating the provisions of GATT 1994 and the Agreement on Safeguards, and requested compensation, under Article 8.1 of the Agreement on Safeguards.

The UK disagreed with India's views on the measures but agreed to discuss adequate means of compensation.

India estimates that the safeguard measures have resulted in the decline of exports to the tune of 219 thousand metric tonnes on which the duty collection would be USD 247.7 Million. If no agreement is reached on the compensation within 30 days of the consultations, India reserves its right to suspend concessions or other obligations substantially equivalent to the adverse effects of the measures under Article 8.2 of the Agreement on Safeguards, on the UK's trade, and any other right available under GATT 1994 and Agreement on Safeguards. India also reserves the right to withdraw, modify, supplement or replace this notification, and /or make a further notification or notifications, should it deem appropriate, including in light of any subsequent developments.

The suspensions of concessions and other obligations will continue to apply until the safeguard measures of the UK are lifted.