

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

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CONSULTATIONS UNDER ARTICLE XXIII:1

Request by India

The following communication from the Permanent Mission of India was addressed to the delegation of the United States on 22 September 1980.

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1. By their order dated 21 July 1980 the United States Department of Commerce have imposed a countervailing duty of 18 per cent on certain industrial fasteners imported from India. Relying upon certain provisions of the United States Trade Agreements Act 1979, the United States Department of Commerce have taken the view that it is not necessary to refer the matter to the United States International Trade Commission for a finding on the question of material injury to domestic industry. The imposition of countervailing duty has resulted in cancellation of substantial orders by United States buyers and Indian suppliers thereby seriously affecting India's exports of industrial fasteners to the United States. The uncertain trade environment created by possible imposition of countervailing duties on other products on some of which investigations have been commenced without the consideration of injury, has had a general adverse affect on India's exports of dutiable products to the United States. The Government of India considers that the denial to India of the injury criterion in respect of dutiable products while extending the benefit to other contracting parties of the GATT is a contravention of the obligation of the United States under Article I of the General Agreement. By the United States action mentioned above, the benefit accruing to India under Articles I and VI of the General Agreement is being impaired.

2. On instructions of my authorities, therefore, I would like to request for immediate consultations with your delegation under Article XXIII:1 of the General Agreement. In view of the urgency of the matter, my authorities would request that the consultations be concluded as soon as possible. Our delegation would, of course, be ready to extend every possible co-operation towards this end.

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