



Delay in India's Case at the WTO

What is the issue?

- India's attempt to get a ruling on its case challenging an earlier WTO verdict is getting delayed, due to backlog of appeals in the Appellate Body.
- The US decision to block selection of judges at the WTO's Appellate Body is delaying the clearing of appeals. Click [here](#) to know more on this.

What is India's case about?

- India's case is related to imposition of provisional safeguard duty of 20% on import of certain categories of steel by India.
- It is a levy that a member can apply over and above the existing import tariffs, to protect domestic industry against import surges.
- E.g. since Japan has a free trade agreement with India, iron and steel imports take place at reduced import duties; but as it affects India's domestic industry, India can impose safeguard duty
- India first imposed the duty in September 2015, which it subsequently reduced and extended till March 2018.
- In November 2018, the WTO upheld Japan's complaint against India's safeguard.
- It was said that the duty was not based on reasons consistent with multilateral rules.
- Following this, India challenged the WTO verdict by filing a case with the Appellate Body, the highest decision making body of the WTO.
- It is important for India that the Appellate Body upholds its challenge.
- It's because the decision could play an important role in determining if similar duties could be imposed in the future.
- But the Appellate Body may not be able to come up with its verdict anytime soon.

Why is the delay?

- The US blocked the appointment of appeals judges at the WTO last year.
- This has now resulted in shrinking of the number of judges from 7 to just 3.
- Washington has said that it will allow judges to be appointed only after reforms are brought about in the WTO decision-making process.
- The Appellate Body admitted its failure to submit its report on India's case within the 90 days period as is the norm.

- It clarified that because of the complexity of the issue and the pending cases, it will not be able to proceed with the appeal for some time.

Source: BusinessLine



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