

EU'S STEEL TARIFFS

Govt to take retaliatory steps

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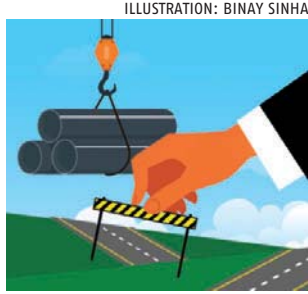
New Delhi, 20 September

India informed the World Trade Organisation (WTO) that it has decided to impose retaliatory measures against the European Union's (EU's) steel tariffs that has been in effect since 2018, and was extended till June 2026.

The move comes after bilateral engagements with the trade bloc had failed earlier this year.

While India did not share the details of the retaliatory measures, it said it will "increase tariffs on select products originating in the EU."

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MEASURING THE IMPACT

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to the imposition of these tariffs.

India said it will impose an equivalent amount of duty on the goods originating from the EU. "India hereby informs that from the year 2018 to 2023 the safeguard measures have resulted in cumulative trade loss for India to the tune of \$4.412 billion on which the

duty collection would be \$1.103 billion. Accordingly, India's proposed suspension of concessions would result in an equivalent amount of duty collected from products originating in the EU," India informed the WTO on Thursday.

"India reserves its right to effectuate the proposed suspension immedi-

ately and adjust the products as well as the tariff rates," New Delhi said, adding that it will inform the WTO on the next appropriate steps.

Provisional safeguard measure on imports of certain steel products was first imposed in 2018 on 26 varieties of steel.

The safeguard measure took the form of a tariff rate quota and any steel beyond the quota was subjected to 25 per cent additional tariff.

The idea was to 'prevent economic damage' for EU steel producers, amid high global steel overcapacity, surge of exports from China via Asian nations to the trade bloc.

While the measure was supposed to be put in place till June 2021, it was later extended till 30 June, 2024.