

US firms join Trump's tariff salvo on India

Appeal to USTR before reciprocal tariffs kick in on April 2

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New Delhi, 23 March

Industry associations and companies in the United States, including the US Chamber of Commerce (USCC), Coalition of Services Industries (CSI), and the iconic bike company Harley-Davidson have called on the Donald Trump dispensation to push India to reduce tariffs, non-tariffs, and regulatory barriers to boost American exports.

Their appeal comes as part of the review of unfair trade practices by partner countries launched by the US Trade Representative (USTR) ahead of the announcement of reciprocal tariffs on April 2.

The USCC, the largest business lobbying group in the US, asked for reduced import duties by India on pharmaceuticals to “enhance access to affordable medicines for Indian consumers but also promote greater trade and investment in the health-care sector.”

The chamber has also called for a potential trade agreement to include provisions to allow for “dual-location of pharmaceutical manufacturing” that could strengthen the global supply chain.

It highlighted price controls on patented medicines and medical devices like stents and knee implants under the National List of Essential Medicines and trade margin rationalisation policies deterring pharmaceutical investments as well as the men-



GREATER CALL FOR ACCESS

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■ The chamber highlights price controls on patented medicines and medical devices

■ CSI puts forward issues such as local content requirements, unfair advantage to UPI and RuPay cards, and data localisation

■ Harley-Davidson says there is an imbalance where US-made motorcycles pay 6-8% duty rate in the EU, 18% in Brazil, 60% in Thailand, and 100% in India

P10 CHINESE PREMIER URGES COUNTRIES TO OPEN UP MKTS

P11 EDIT: TRADE UNCERTAINTY

ace of counterfeit drugs in India.

It wants India to allow the import of refurbished/reused medical equipment including CT scanners and other advanced surgical systems.

The USCC also called for reducing the 28 per cent Goods and Services Tax (GST) on non-alcoholic aerated beverages under the classification of sin/demerit goods that adversely impact the profitability of American companies.

Among other issues, USCC highlighted strict local content requirements in India asking for “competitive neutrality” in key sectors and urging both governments to sign a public procurement agreement that allows mutual access to each other’s public sector.

“As part of any trade deal, India should commit to liberalise additional SOE (state-owned enterprises) segments...” Turn to Page 8 ▶

'Ecom imports from India must be subject to reciprocal duties'

Harley-Davidson, often cited by US President Donald Trump, raked up high tariffs in India. "While the US grants key trading partners like the European Union, Brazil, Thailand, and India imports of motorcycles with duties ranging from 0-24 per cent, there is a significant imbalance where US-made motorcycles must pay 6-8 per cent duty rate in the EU, 18 per cent in Brazil, 60 per cent in Thailand, and a 100 per cent in India."

The Coalition of Services Industries (CSI) whose members include Google, Amazon, Mastercard, in its submission, said US firms in industries face mounting trade and investment barriers in India.

"The raft of digital protectionist policies imposed, or under consideration, by the Indian government remains concerning to the US services sectors," it said.

CSI highlighted issues like the local content requirement, and unfair advantage given to Unified Payments Interface (UPI) and Rupay cards, data localisation, mandatory testing and certification of telecom equip-

ment, differential tax treatment of foreign companies, Customs duties on information technology products, among others.

The independent e-commerce retailer and sellers in their submission said India and China impose high duties on e-commerce imports and strictly regulate incoming goods through Customs controls, prohibiting exports by small retailers from the US.

"India levies import duties ranging from 42 per cent to 60 per cent on e-commerce goods and has banned certain categories like toys. To ensure a level playing field, e-commerce imports from China and India should be subject to reciprocal duties and quality controls," it added.

While India is expecting to benefit from greater market access in apparels by signing a trade deal with the US, the American Apparel & Footwear Association has complained that India is making it as difficult and costly as possible to make footwear for the market outside of India.

"Recent Quality Control Orders that India's BIS have

implemented required certification of each factory (there is a backlog), testing, audits, and each pair must be stamped with a BIS-certified logo. These protectionist regulations are forcing US companies to exit the market," it said. The US agriculture commodity associations for items like milk, rice, wheat, soybean, corn, almond, walnuts, pistachio, blueberry, cherry, and table grape raised the issue of high domestic subsidy and significant trade barriers they face in India.

The International Dairy Foods Association (IDFA) said India represents a tremendous potential for US dairy exports, which are limited through a combination of non-tariff barriers and export-tariff barriers.

"Given that US dairy exports to India reached \$52 million in 2024 just in the limited dairy products permitted to enter, IDFA believes the India market potential if restrictions were lifted is at least twice that amount due to significant demand in India for lactose, casein, and whey protein concentrates and iso-

lates, which have historically been restricted," it added.

The US Wheat Associates highlighted the "high levels of domestic support" for wheat production and trade distorting high tariffs to discourage imports by the Indian government.

The Illinois Corn Growers Association highlighted India's import prohibition of genetically modified corn and ethanol for fuel despite ambitious biofuel utilisation goals.

The American Soybean Association said India continues to be a difficult market for US soy exports as it uses "significant tariff and non-tariff barriers" to favour domestic production over imports.

The Almond Alliance representing the farmers of the largest agri commodity exports to India said reduction of import duty for inshell and kernel almonds by India would place the US in a more competitive position to Australia which has a trade agreement with New Delhi providing it a 50 per cent duty advantage.

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