

**EUROPEAN COMMUNITIES – RESTRICTIONS ON  
CERTAIN IMPORT DUTIES ON RICE**

Request for Consultations by India

The following communication, dated 27 May 1998, from the Permanent Mission of India to the Permanent Delegation of the European Commission and to the Dispute Settlement Body, is circulated in accordance with Article 4.4 of the DSU.

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My authorities have instructed me to request consultations with the European Commission (EC) pursuant to Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes, Article XXIII of the General Agreement on Tariffs and Trade 1994 (GATT 1994), Article 19 of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994, Article 6 of the Agreement on Import Licensing Procedures, Article 19 of the Agreement on Agriculture, Article 14 of the Agreement on Technical Barriers to Trade, and Article 11 of the Agreement on the Application of Sanitary and Phytosanitary Measures regarding the restrictions introduced by the European Commission through the Cumulative Recovery System (CRS), for determining certain import duties on rice with effect from 1 July 1997 through Commission Regulation No. 703/97 dated 18 April 1997.

The measures introduced through this new Regulation will restrict the number of importers of rice from India, and will have a limiting effect on the export of rice from India to the EC. The restrictions imposed through the CRS appear to be inconsistent with the obligations of the EC under the General Agreement on Tariffs and Trade 1994 and the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994.

The Government of India considers the restrictions introduced by the European Commission on imports of rice, in particular on basmati rice, through the above-mentioned Regulation, constitutes an infringement of the following provisions:

- (i) Articles I, II, III, VIII and XI of the General Agreement on Tariffs and Trade 1994;
- (ii) Articles 1 through 7, 11 and Annex I of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994;
- (iii) Articles 1 and 3 of the Agreement on Import Licensing Procedures;

- (iv) Article 2, in particular 2.1 and 2.2, of the Agreement on Technical Barriers to Trade;  
and
- (v) Article 2 of the Agreement on the Application of Sanitary and Phytosanitary Measures;
- (vi) Article 4 of the Agreement on Agriculture.

India considers that the benefits accruing to it directly or indirectly under the various Agreements referred to above are being nullified or impaired because of the failure of the EC to carry out its obligations under the provisions of various Agreements referred to above.

We look forward to receiving your reply to the present request and to fixing a mutually convenient date for consultations in this regard.

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