

## India to defend GSP benefits at USTR

Sales prospects: India's large population will benefit U.S firms that make medical devices, the submission says. AFP

India is expected to challenge charges levelled against it by the U.S dairy and medical devices industries at a hearing before the United States Trade Representative (USTR) office scheduled for Tuesday and defend its eligibility for benefits under the Generalized System of Preferences (GSP) programme.

The GSP programme provides for the duty-free treatment of designated articles when imported from beneficiary developing countries to America. What is at stake is exports worth about \$5 billion annually, of 1,937 products from India. The USTR is reviewing India's eligibility under the programme, after complaints from bodies representing the dairy and medical devices industry. The USTR had accused India of implementing "a wide array of trade barriers that create serious negative effects on U.S. commerce," in April, announcing the review. The petitions calling for a review of India's GSP benefits, "based on concerns that India has allegedly created trade barriers for these industries," are "without substantive merits," Indian embassy official Puneet Roy Kundal said in a written submission to the USTR. Mr. Kundal was also scheduled to participate in the hearing.

"India requires that dairy products [be] derived from animals which have never consumed any feeds containing internal organs, blood meal, or tissues of ruminant origin.

"In this regard, India has explained to the U.S that India's position is based on religious, cultural and moral grounds. India is committed to respect the religious and cultural beliefs of its people and it will be inappropriate to impute any other considerations to this decision," India told the USTR, pointing out that several countries export dairy products to India, meeting these requirements.

India imports dairy products from countries such as Australia and Switzerland. India will tell the USTR that this is not a question of market access but of certifications. "If several countries can meet this certification requirement, how can't the U.S?" wondered an Indian official.

### Defends price control

Defending India's measures to control prices of the medical devices, the submission said, the country was committed to providing its citizens with equitable and affordable access to essential medicines and medical devices. But this is a huge business opportunity for American companies, the submission argues. "The large size of the Indian population...is likely to benefit U.S and other multinational companies involved in manufacturing of such devices," it said.

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