

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

STARRED QUESTION NO:187  
ANSWERED ON:15.03.2002  
AGREEMENT BETWEEN INDIA AND WTO ON IMPORT OF EDIBLE OIL  
AMBATI BRAHMANAIAH

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether WTO has stipulated that India should import a given quantity of edible oil this year;
- (b) if so, the details of the agreement between India and the WTO on import of edible oil;
- (c) the provision of law or agreement under which WTO is insisting that India should import a huge quantum of edible oil;
- (d) the details of such compulsions and insistence by WTO;
- (e) whether this will have a negative impact on domestic growers; and
- (f) if so, the details thereof alongwith the details of remedial measures initiated in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI RAJIV PRATAP RUDY )

(a) to (f) : A Statement is laid in the Table of the House

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO.187 FOR MARCH 2002 REGARDING AGREEMENT BETWEEN INDIA AND WTO ON IMPORT OF EDIBLE OIL.

(a) to (d) : There are no provisions or stipulations under WTO Agreements requiring us to import a given quantity of any product. It may however be mentioned that India entered into Article XXVIII negotiations 1996, which were also concluded 1999, with a view to revise upwards the bound tariffs in respect of certain sensitive agricultural products which were historically bound at low levels of duty. One such item was rape, colza /mustard oil which was earlier bound at 45% but the bindings for which, following the negotiations has been raised to 75%. As part of the compensation involved in the negotiation we have also agreed to allow upto 1,50,000 MT of this item at 45% duty as also a similar quantity of sunflower/ safflower oil at 50% duty, which is otherwise, bound at 300%.

(e) & (f): Imports of edible oils have witnessed an increase in the recent past due to a gap between demand and supply as well as on account of depressed international prices. However, imports under tariff rate quota at lower level of duty of 45%/ 50% are not likely to have an adverse effect on the growers as these imports would be for limited quantities. Adequate protection is also being given to domestic producers through calibration of applied tariffs within bound levels.