

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

UNSTARRED QUESTION NO:961
ANSWERED ON:04.03.2013
BAN ON SHRIMP IMPORTS BY USA
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the United States of America (USA) has imposed punitive duties on the import of shrimp from other countries including India;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether it would have an adverse impact on the export of shrimp from the country particularly to the USA;
- (d) if so, the details thereof;
- (e) whether the Government has taken up this issue with the concerned authorities in the USA; and
- (f) if so, the outcome thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

(a):Yes, Madam.

(b) An Anti-dumping Duty has been imposed on India for frozen warm water shrimps by the United States of America. Indian shrimp exports were also subjected to Enhanced Bond Requirement (EBR) from August 2004 to March 2009. The 6th Administrative Review on Antidumping of frozen warm water shrimps was conducted for the period 01.02.2010 to 31.01.2011. M/s. Apex Exports and M/s. Falcon Marine Exports Ltd., were the mandatory respondents. After the 6th Administrative Review, Anti Dumping Duty for M/s. Apex Exports is 2.51% and for M/s. Falcon Marine Exports Ltd., it has been reduced to 0.13%. Antidumping duty for other companies will be 2.51%. The 7th Administrative review on Anti Dumping Duty is in process.

2. Coalition of Gulf Shrimp Industries (COGSI), USA, has filed a legal petition on 28.12.2012 for imposition of countervailing duty (CVD) on import of shrimps to USA from seven countries i.e. China, Thailand, Vietnam, Ecuador, Indonesia Malaysia and India. COGSI claims that subsidies provided by governments of these countries, to their shrimp industry enables them to sell the shrimps at lower rates in the US market. United States Department of Commerce (US DOC) and the U.S. International Trade Commission (USITC) are in the process of investigation to make a final decision on imposing of Countervailing Duties on import of frozen shrimp from India and other countries.

(c):Yes, Madam.

(d):During 2011-12, Frozen Shrimp continued to be the major export value item, accounting for 49.63% of the total US \$ earnings. Shrimp exports during the period increased by 24.86%, 42.97% and 37.99% in quantity, rupee value and US\$ value, respectively. Export of Frozen Shrimp to USA has increased 47.68% in volume and 47.55% in US\$ terms. Export of Vannamei shrimp had also picked up.

There will be an adverse impact on the Exports of Shrimp from India to the USA in the coming years, if USA imposes CVD on import of frozen shrimps from India, as it would be costlier for the US buyer.

(e): Yes, Madam.

(f): Since August 2004, an Antidumping Duty of 2.51% has been imposed by the USA on India for export of frozen warm water shrimps from India to the USA.

Govt. of India filed a dispute before the WTO Dispute Settlement Body (DSB) on the EBR issue during September 2008. Based on the DSB ruling in favour of India, the US customs has done away with the EBR requirement, since 1st April 2009.

However, the Bond executed between August 2004 to 31st March 2009 were not liquidated. Chairman, Marine Products Export Development Authority (MPEDA) and officials of the Embassy of India, Washington, met the officials of the US Department of Commerce, US Customs and appraised them about the issue of EBR Bonds with US Customs for the period August 2004 to 31st

March 2009. Due to continuous pressure from MPEDA's, Trade Promotion Office in New York and Embassy of India, Washington, the US Customs has issued an Order dated 31st May 2012, for cancellation of Bond subjected to EBR upon Customs acceptance of qualified superseding bond application.

Officials of the Government of India had consultations and a meeting with the US DOC on CVD investigation on Indian shrimp exports to the USA on 14th January 2013. Government of India expressed its concerns about the protective regime followed by the USA with regard to shrimps, WTO inconsistent actions taken by US Authorities and gross deficiencies in the petition. Officials of the Government of India also attended the conference /ITC hearing in connection with the investigation on 18th January, 2013.

However, on 25th January, 2013 the US Department of Commerce published its initiation of the CVD investigations of certain frozen warm water shrimp from India (Federal Register 78 FR 5416).