INDIA JURIS

EU and China enters into an Agreement to end Anti Dumping and Anti Subsidy Cases about European Wine Exports

The European Union "EU" and Chinese wines industries, respectively represented by the European Committee of Wine Companies (CEEV) and the Chinese Alcohol Drinks Association (CADA), have entered into an agreement which will terminate the Chinese investigation into European wine exports for anti subsidy and anti dumping which was commenced in July 2013 and will become the basis for next two years, for technological assistance and exchange between the two parties, such as wine growing-experimental vineyards and mechanization techniques winemaking and quality controls, marketing approaches, wine tastings, the Geographical indication Protection system, etc. Such kind of assistance will be given through the seminars, various internships and other training activities.

On 1st July 2013, Chinese authorities began anti-dumping and also anti-subsidy investigation into EU wine exports to China. However, certain replies were filed by the European Commission and European industry under the WTO framework and were submitted to China in the second half of 2013.

The Commission argued that there is no case of injury by which the Chinese wine producers are affected and also the aids were given to the EU wine sectors which are in compliance with the WTO rules.

The Chinese wine industry will withdraw its application for anti-dumping and antisubsidy measures from EU, so that the EU exports the quality products to China in a fair and competitive environment which is considered to be the positive development for building up of the bilateral relationship among EU and China.

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New Rules to provide benefits to the EU economy under the International Trade Agreements.

The European Commission has welcomed the most recent legal framework which is adopted by the European Parliament and European Union Council on April 2, 2014 to put into effect the EU rights under the international trade agreements. The new guidelines allow an efficient and effective EU response to illegitimate actions taken by the trading partners. The new enforcement rules paves the way to increase the single horizontal framework so as to respond effectively in order to make certain trade

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17 May 2014

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Surabhi Tyagi africa@indiajuris.com arrangements which leads to genuine benefits for EU businesses and workers.

The new enforcement guidelines will help to ensure that the trade agreements are respected and also provide benefits to the EU economy. The European Union is all geared up to take action when the countries do not play by the rules.

In case a major international trade panel like WTO panel or maybe a dispute settlement panel created under a free trade agreement – confirms that EU partner nation does not follow international trade rules, the Commission has the capacity to adopt trade sanctions under the efficient process. This is considered to be an alternative to extensive legislative procedures, which can be ill-suited for efficient enforcement measures, which will no longer be required. The Commission is now able to raise custom duties, set an import quota or impose limitations on access to public contracts by means of an executive decision to help induce the offending nation to clear out the illegitimate actions.

The Commission will have the lawful power to compensate for import restrictions which are imposed on EU products in extraordinary circumstances (so-called safeguard measures), or to reply to the cases where a WTO member raise its import tariffs without sufficient compensation for the EU.

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EU challenges the pork import ban by Russia in WTO

Russia has shut down its market for EU which is based on four cases where African swine fever (ASF) virus, was detected in wild boars at the Lithuanian and Polish borders with Belarus. Such trade ban has resulted into the significant losses to the farming sector.

At the time of joining WTO in 2012, Russia committed to make sure that its measures protecting the animal life and health are based on science and not restriction upon trade more than necessary and applicable without any discrimination to the other partners and domestic producers.

However, Russia accepts the imports despite having the notified cases of ASF detected in other countries and its own territory and it did not shut its market to all the domestic products. By rejecting such imports from EU region which is unaffected by the disease, it seems that Russia is applying the double standard and treating EU products differently.

The bilateral discussions were made but without any result, therefore, the EU has decided to go for consultation with Russia under the WTO rules, because such consultations provides a better platform for EU and Russia to discuss the matter and to reach a possible amicable solution without resorting to litigation. In case the consultations do not provide satisfactory solution then EU may request WTO to setup

Middle East

Dinesh Sabharwal middleast@indiajuris.com the panel to rule on the legality of Russia's measures.

For detailed information about the above, please <u>click here.</u>

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