US and Japan object to ban on Indian onion exports



The US and Japan have objected to India's frequent ban on onion exports at the World Trade Organisation (WTO), claiming that such prohibitions without prior notification put importing countries in great difficulty. The countries have asked India to clarify its actions and give reasons why it has not opted for an export quota, which would allow a certain amount of exports.

Both countries asked the India government to provide an explanation as to why the notification was not made before the measure was taken when prior notification is required per Article 12 of the Agreement on Agriculture. "Please explain how India has given due consideration to the effects of the measure on importing member's food security. Please provide the reason why India resorted to the export prohibitions on the products rather than an export quota, which would allow a certain amount of exports," Japan and the US said jointly.

In September, the government banned exports of all varieties of onions, anticipating a shortfall as exports shot up 30% in the April-July period.

The sudden export ban drew protests from onion farmers as well as neighbouring countries, such as Bangladesh and Nepal, which depend heavily on Indian onions. In October, the commerce ministry partially eased the curbs, allowing exports of Bangalore rose onions and Krishnapuram onions up to 10,000 tons each with immediate effect. From 1 January, the government lifted all restrictions on onion exports, with its prices starting to ease in the domestic market after the arrival of the new crop.

Source: <u>livemint.com</u>

Photo source: *Dreamstime.com*

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