

# FTA with India on manifesto agenda for both Tory, Labour

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As the UK enters the final phase of campaigning ahead of Thursday's general election, a landmark free trade agreement (FTA) with India is seen as high on the agenda no matter whether the verdict is in favour of the incumbent Conservatives or the Opposition Labour.

Both sides have been working towards clinching a pact to enhance the £38.1 billion bilateral trading partnership but with India's phased general election followed by Britain's, the negotiations remain stalled in the fourteenth round of negotiations.

The FTA talks formally kicked off in January 2022 when Boris Johnson was the British prime minister and have since had to contend with political turmoil that first led to a short-lived Liz Truss premiership followed by Rishi Sunak as Britain's first Prime Minister of Indian heritage.

"We will finalise a free trade agreement with India, alongside a deeper strategic partnership on technology and defence," reads the Conservative Party manifesto, spelling out the British Indian leader's vision.

Under the Scotland section, the party manifesto references one of the UK's key asks in the agreement to "press for the per-

manent removal of tariffs on Scotch whisky with the US government and work to achieve a significant tariff reduction in India through free trade agreement discussions".

The Labour Party, meanwhile, has been focussed on highlighting how they stand ready to get the FTA over the line after the Tories missed their Diwali 2022 deadline. "Many Diwalis have come and gone without a trade deal and too many businesses have been left waiting," David Lammy, the party's shadow foreign secretary, said in his address at the India Global Forum (IGF) in London last week.

"My message to (Finance)



**The UK's Conservative PM Rishi Sunak is facing a tough competition from Labour leader Keir Starmer. Both sides have been working towards clinching a pact to enhance the £38.1 billion bilateral trade deal**

Minister (Nirmala) Sitharaman and (Trade) Minister (Piyush) Goyal is that Labour is ready to go. Let's finally get our free trade deal done and move on," he said.

Labour's manifesto pledge



also echoes this sentiment, stating: "We will seek a new strategic partnership with India, including a free trade agreement, as well as deepening cooperation in areas like security, education, technol-

ogy and climate change." Lord Christopher Fox, a Liberal Democrat peer who sits on the House of Lords International Agreements Committee which scrutinises trade deals, has warned of "clear stumbling blocks" in the way to an FTA.

"Much work has already been done to lay the foundations of an ambitious free trade agreement (FTA) between the UK and India," notes the UK-India Business Council (UKIBC) in its own "manifesto" for a stronger bilateral partnership released in the lead up to the polls. "Concluding the FTA promptly should be a priority for the UK government. Getting this right will mean

higher economic growth, better productivity and increased private sector investment in the UK. It will also build trust and strengthen the wider UK-India partnership in areas important to both countries such as defence and security and addressing climate change," it notes.

"We recommend that the UK government prioritises completion of the negotiations and ratification of a win-win UK-India FTA, that benefits our goods and services sectors," it states, in its set of recommendations for an incoming British administration.

While the UK wants India to significantly reduce tariffs on UK exports, India is concerned about the fairness of rules applied to Indian workers temporarily transferred to the UK on business visas.