

# UK drives a hard bargain with India for free market access

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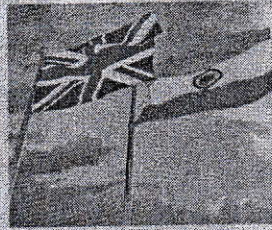
While India is hoping that the ongoing negotiations on the India-UK free trade agreement will lead to favourable immigration policies, the UK side has now asked that market access commitments made by New Delhi under India-Australia ECTA be taken as a baseline for the offer to the UK.

Top sources close to the UK-India FTA negotiations told *businessline*, the market access offered by India to Australia is being used by UK to get a similar deal before it moves on India's request on mobility.

#### UK'S STANCE

"UK reiterated its preference for India to benchmark its market access offer to India-Australia ECTA and make further improvement. Also, it was informed that the UK will improve its market access offers only after India made improvements beyond what has been offered to Australia. India, in response, reiterated that benchmarking of initial offers to India's commitments under the India-Australia ECTA was never discussed or agreed upon," said the source.

The free trade agreement



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is expected to be signed by this year, although no clear deadline has been set. According to the Indian government's internal assessments, this trade deal is expected to increase India's GDP tenfold and that of UK two-fold. India hopes for relaxations in immigration rules for Indian ex-pats to the UK, while British negotiators are using India's key asks as a bargaining chip to gain greater market access to Indian buyers.

The source said that the UK highlighted its need for better market access in services, while also signalling areas where it is willing to improve, on the immigration front. However, those improvements will only be guaranteed if India fulfils its end of the bargain.

During discussions, the UK was unwilling to relent on a key ask from India—the removal of social security

payments for Indian ex-pats living and working in the UK. Indians rack up thousands of pounds in social security payments, which they are unable to accrue benefits from since they are unable to live in the UK for long.

#### STREAMLINED BIZ VISA

What the UK is willing to offer, however, is a more streamlined business visa process, with a guaranteed length of 90 days. "This offer will be akin to the type of business visa offered by the US," said Poorvi Chothani, an immigration lawyer. "The US offers every applicant a 90-day business visa, that is not the case with the UK, which rarely offers a business visa of such a long duration," Chothani said.

Another offering by the UK includes a "temporary stay for a cumulative period of not more than 12 months, with extensions possible at the discretion of the UK government, in any 24-month period," for independent professionals. "This will be a bane for independent freelancers such as IT professionals, and independent lawyers who want to do business in the UK," Chothani said.

However, these offerings will only come to fruition if India gives the UK, and Australia market access.