

# Scope of India-UK FTA

The forthcoming round of talks will give a leg-up

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**F**rom September 18 to December 15, 2023, the UK-India Free Trade Agreement's thirteenth round of discussions were held. The round featured virtual lectures in addition to in-person meetings in Delhi and London.

Similar to round 12, the complex issues pertaining to investment, goods, and services were the focus of these negotiations.

The historic agreement ushers in a new era of economic expansion and cooperation. In the aftermath of Brexit, the UK has revitalised its focus on fostering autonomous economic relationships.

The FTA with India marks a momentous milestone. The British Prime Minister, in a statement, said the significance of this agreement was underscored as a concrete embodiment of the Global Britain agenda.

In 2021, the UK government conducted a survey to make preparations for trade agreement discussions with India.

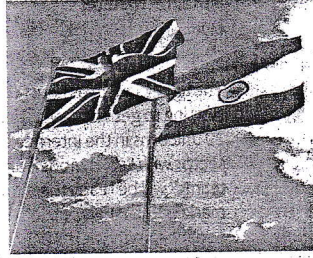
The negotiations took place in January 2022, when the Government had announced that the UK and India would explore the possibility of an interim agreement that yields immediate advantages for both nations.

In addition, a document outlining the strategic objectives, the negotiating goals, the response to the consultation, and the preliminary evaluation of the probable economic consequences of an FTA with India was released.

In April 2022, the the UK PM Boris Johnson, said that negotiators had been instructed to complete the task by Diwali. However, in October 2022, the UK Secretary of State for International Trade, Kemi Badenoch, said that the Government had abandoned the previously set date. She said that the Government's priority was to emphasise the quality of the transaction rather than its pace.

## INDIAN VIEW

In contrast, India views the FTA as a catalyst for a more interconnected and globalised future. Prime Minister Narendra Modi's commitment to foster foreign investment is effectively bolstered by this agreement. In a recent statement, he said this significant agreement serves to bolster India's progress towards achieving global integration, thereby amplifying the nation's



INDIA-UK. Trade chord/ISTOCKPHOTO

international standing.

The agreement is expected to catalyse bilateral trade, reaching an approximate worth of £100 billion by 2030.

This agreement will unlock access to the Indian market, which is characterised by a burgeoning middle class and a robust GDP trajectory poised to surpass the \$5 trillion milestone. India has discovered a promising pathway to becoming a prominent player in the global economy through its partnership with the UK.

This newfound alliance has opened unprecedented avenues for exporting cutting-edge technology and a wide range of services. The FTA possesses strategic implications that extend beyond mere economic considerations.

The FTA helps both nations navigate the intricacies of an increasingly complex global landscape. The FTA also places significant emphasis on environmental issues.

Both nations have made firm commitments to address the pressing issue of climate change, underscoring the vital connection between trade and sustainability.

Furthermore, the FTA establishes a foundation for collaboration in cutting-edge industries, including artificial intelligence, cybersecurity, and healthcare technology. It also serves as a catalyst for intellectual exchange and facilitates reciprocal advancements in technology.

This agreement is substantiated by robust data, highlighting its significance and its impact on both economies. As we anticipate the commencement of the fourteenth round this month, our attention is drawn to the imminent possibility of the closure of an additional five chapters. The emphasis on subjects such as the environment, labour, and digital trade is indeed commendable. Amidst geopolitical uncertainties, this trade agreement underscores the significance of data-driven policy-making.