

India, UK look to fast-track FTA talks

Sixth round of negotiations begins in New Delhi after a four-month hiatus

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India and the United Kingdom (UK) have decided to iron out the differences while keeping both nations' sensitivities in mind, and agreed to conclude the negotiations towards a free trade agreement (FTA) at the earliest.

UK Secretary of State for International Trade Kemi Badenoch met her Indian counterpart, Commerce and Industry Minister Piyush Goyal, on Tuesday as both nations started their sixth round of FTA negotiations in the national capital after a hiatus of more than four months.

In an interview to CNBC TV18, Badenoch said the two nations would like to conclude the negotiations as soon as possible, but it has to be a "right deal".

Goyal and Badenoch have also asked the negotiators not to spend time on issues that are unlikely to be resolved, and to move ahead on issues that could mutually benefit



Commerce and Industry Minister Piyush Goyal with his British counterpart Kemi Badenoch during a bilateral meeting in New Delhi on Tuesday PHOTO: TWITTER

both countries.

"We already know that this is not something that we can spend forever working on. There are many things that will take place such as elections. We have already seen how a change in the government or elections in

Gujarat can slow things down. So we don't want those things to get in the way," Badenoch said.

"We have asked the negotiators to move our pace to work quickly, and to not spend time on negotiations that we know both sides are unlikely to

move on. We need to find where there is a good landing zone, where both sides agree and mutually beneficial to India as well as the UK," she added.

Badenoch also said India and the UK were both negotiating FTAs with many countries, and that all those countries would be looking at the standard that would be set in this FTA. "So, a quality deal that is ambitious and balanced is the key," she said.

The minister's comments are crucial since both nations have already missed the October 24, or Diwali, deadline to finalise the agreement as several issues remained unresolved. Besides, political upheaval in the UK and elections in key states in India further slowed the talks.

While both sides have claimed to have concluded 16 out of the 25 chapters, key issues including India's demand for a liberalised migration policy and the UK's demands for lower tariffs on whiskey and automobiles, as well as opening up India's legal, architecture and financial services, are yet to be settled.

Turn to Page 5 ▶



FTA...

Commerce and industry ministry officials said they had kept March 2023 as an internal target for the finalisation of the trade deal.

An official statement from the department of commerce said both ministers reaffirmed their commitment to the ongoing India-UK FTA negotiations, which would unlock the full potential of boosting jobs, investments and exports between the two countries.

“The ministers urged the negotiating team to work together with an aim to iron out the differences in the spirit of mutual accommodation based on the principle of reciprocity and respect for each other’s sensitivities, for a balanced, mutually beneficial, fair and equitable outcome,” it said.

