

# India-UK FTA negotiations likely to restart in Nov

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India is hoping that free trade agreement (FTA) negotiations with the United Kingdom (UK) will restart in November, a senior government official has said.

It expects the UK to come forward for the next round of negotiations, after its Budget presentation later this month.

“There is a Budget presentation in the UK on October 30... Negotiations should start in November,” the official said on Wednesday.

Officials in the UK are also briefing their new ministers about the proposed FTA. A formal announcement of the restart of FTA talks is yet to be made.

India and the UK have been negotiating a trade agreement since January 2022. While both sides have made substantial progress under erstwhile British Prime Minister Rishi Sunak, FTA talks have been delayed due to elections in both the nations. The new Labour government in the UK has indicated that talks with India remain a priority.

## FTA progress

As far as the interim trade deal with Australia is concerned, the utilisation of the Economic Cooperation and Trade Agreement (ECTA) by Indian exporters is more than 80 per cent since its implementation, additional secretary Rajesh Agrawal told reporters.

Both sides are discussing if the proposed comprehensive economic cooperation agreement (CECA) can be expedited since the country's election is scheduled for May 2025.

## China emerged India's top import source during Apr-Sep: Govt data

**China has emerged India's top import source with \$56.29 billion worth of inbound shipments** during the April-September period of this financial year, according to the commerce ministry data. During the period, the US emerged as the top export destination for the country with outbound shipments increasing by 5.62 per cent to \$40.38 billion. The imports from China rose by 11.5 per cent during the first half of this financial year.

The imports stood at \$50.48 billion during April-September 2023. During the period, the top 10 import sources of India were China, Russia, the UAE, the US, Iraq, Saudi Arabia, Indonesia, Korea, Switzerland and Singapore, the data showed. In 2023-24, the US was India's largest trading partner, followed by China.

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“We have sensitivities on both sides and we will be engaging over the next two months to see if they can be reduced. In that case, we can achieve a closure. Otherwise, Australia goes for election next year. Maybe, the agreement (talks) will go beyond that also,” Agrawal said.

India has raised the concerns of Indian stakeholders regarding the European Union's (EU) sustainability measures, including carbon border adjustment mechanism (CBAM) and deforestation regulations, during the ninth round of the FTA.

“We discussed 20 policy areas. We covered text-related chapters of government procurement, rules of origin, SPS and TBT, but the focus essentially was of expectation on market access. While we discussed market access...the new

regulations, be it CBAM or deforestation, how they would have an impact was also discussed,” commerce department's additional secretary L Satya Srinivas said on Monday. The ninth round of negotiations took place on September 23-27.

Last week, top government officials from India and the EU acknowledged slower-than-expected progress in the proposed trade agreement. They called for ways of mutual cooperation and understanding to make progress in the negotiations.

Commerce and Industry Minister Piyush Goyal had said that “extraneous elements”, having no relevance to trade or business, are hurting interests of both trade and business. This, he added, is slowing down the progress of FTA negotiations.