

India-UK FTA: Last-minute legal scrubbing on, says MEA

FINGERS CROSSED. The pact may be signed during Modi's UK visit this week

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A day before Prime Minister Narendra Modi is to leave for the UK to hold discussions with his British counterpart, Keir Starmer, the Ministry of External Affairs (MEA) said that "last-minute" work on legal scrubbing of the pact was still on.

"There is the obvious legal scrubbing, etc, that any such agreement needs to go through. We are continuing to work on those and last-minute work is on. We will update you on the final details related to this at the appropriate time," Foreign Secretary Vikram Misri said in a media briefing on Tuesday.

Misri was replying to a question on whether the India-UK FTA will be formally signed during Modi's visit. The Indian PM is scheduled to leave for the UK on July 23, following which he will also visit Maldives on July 25-26.

TRADING TARIFFS

With Commerce & Industry Minister Piyush Goyal accompanying Modi in his visit to the UK, the India-UK FTA may be signed during the trip, an official source said.



SEALING THE DEAL. Prime Minister Narendra Modi and Britain's PM Keir Starmer announced conclusion of the FTA negotiations on May 6 this year REUTERS

Modi and Starmer announced conclusion of the FTA negotiations on May 6 this year.

The FTA will lead to tariff elimination for India on about 99 per cent of the tariff lines by the UK, including most labour-intensive products.

The UK will gain tariff-free access to India for 85 per cent of its tariff lines spread over ten years.

While all the details of the deal had not been shared, the Commerce & Industry Ministry had clarified that sensitive items like dairy products, apples, cheese, etc. are excluded from any duty con-

cession by India to protect its farmers.

When asked about the exclusions in the FTA, the Foreign Secretary said that the India-UK FTA was a significant pact.

"And therefore, the inclusions of tariff lines are likely to be equally significant. So, by implication, I think the exclusions may not be that many," Misri said.

EXCHANGE OFFER

India and the UK FTA is expected to double bilateral trade by 2030, currently at about \$60 billion, the government had said.

"The FTA provides posi-

ive impact on manufacturing across labour and technology-intensive sectors and opens up export opportunities for sectors such as textiles, marine products, leather, footwear, sports goods and toys, gems and jewellery and other important sectors such as engineering goods, auto parts and engines and organic chemicals," according to a government statement shared earlier.

The exemption for Indian workers, who are temporarily in the UK, and their employers from paying social security contributions in the UK for a period of three years under the Double Contribution Convention will lead to significant financial gains for the Indian service providers, it added.