

# Substance, not speed, important in India-UK FTA: UKIBC chief

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New Delhi

Businesses in UK are not disappointed with the lapse of the Diwali deadline for conclusion of the India-UK free trade pact as they want the pact to be substantial, not fast, said Kevin McCole, MD of UK India Business Council (UKIBC).

"Many UK businesses were actually concerned about the Diwali deadline. There was a concern that if speed was the priority, then substance would have been lost. Businesses want a comprehensive deal in goods, services," said McCole.

## **TARGET 2023**

Highlighting the priorities for the UK in the "end-game" of negotiations, he said there were three areas — tariffs across some sectors, services



Kevin McCole, MD, UKIBC

(specially knowledge intensive and digitally driven) and investment protection — that need more working on. With pace, positivity and political will, the deal can be clinched in 2023, he added.

The UK government gave the negotiating team a mandate in January, based on stakeholder inputs, which the team has been working on,

McCole said. As the talks enter the final phase, negotiators may be bumping against the boundaries of the mandate and ministers and politicians may need to start coming in to decide on the flexibilities, he added. For instance, for items such as wines and spirits and automobiles, while India has agreed to bring down tariffs, the UK wants steeper and wider cuts, said sources.

## **INVESTOR PROTECTION**

The model bilateral investment treaty drafted by India is not attractive for most UK investors as it allows businesses to go for international arbitration only after exhausting all options under the Indian legal system. "If India wants to project itself as an investor-friendly destination, disputes need to be resolved in 1-2 years, rather than a decade."