

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 2134
ANSWERED ON 13/12/2024

PROGRESS AND PROSPECTS OF INDIA-UK TRADE PACT

2134. SMT. JEBI MATHER HISHAM:

Will the Minister of Commerce and Industry be pleased to state:

- (a) the timeline by when the India-UK trade pact will be finalized and signed;
- (b) the number of rounds of discussions held so far and the details of the outcomes and key decisions taken in each round;
- (c) the primary impediments delaying the finalization of the trade pact and the manner of addressing those impediments;
- (d) the sectors and areas expected to be included in the proposed trade pact; and
- (e) the manner in which the trade pact is expected to enhance Indian trade interests along with the estimated benefits for key sectors, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) to (c) Trade negotiations are based on understanding between both the countries, as outcome has to be mutually beneficial to both countries' stakeholders. 13 rounds of negotiations have been held so far. The 14th Round of Negotiations, which began on 10th January 2024, was underway when negotiations were paused by UK side in May 2024 due to their elections. Both sides are engaged to work out a trade deal that is fair, equitable and mutually beneficial, which takes into consideration the ambitions and sensitivities of both the sides. Several rounds of negotiations (virtual and physical) have been held between both sides to bring convergence. After the formation of the Labour Government in the UK, both Prime Ministers met on the sidelines of the G-20 Summit in Rio de Janeiro, Brazil. Both leaders agreed to take forward an ambitious UK-India Comprehensive Strategic Partnership to take the relationship to new heights in trade and investment, security and defence, technology, climate, health and education. Subsequently, UK has announced the relaunch of the India-UK Free Trade talks early next year.

(d) The negotiations cover 26 chapters in wide range of areas like Goods, Services, Rules of Origin, Intellectual Property Rights, Government Procurement, Digital, Telecom, Financial Services, Environment, Labour, etc. Investment is negotiated as a separate agreement [Bilateral Investment Treaty].

(e) The proposed FTA is expected to increase India's exports in various sectors including in Leather, Textile, Jewellery, Marine and processed Agri products. The proposed FTA also has great potential for increasing exports in service sectors like IT/ITES etc. The India-UK FTA will potentially contribute to integrating value chains and help strengthen the resilience of supply chains.
