

Free trade talks with UK moving at a fast pace, says Goyal

FE BUREAU

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COMMERCE AND INDUSTRY minister Piyush Goyal on Tuesday said negotiations between India and the UK for a free trade agreement (FTA) is moving at a fast pace, allaying concerns that the evolving political situation in Britain may slow down the pace of talks.

India and the UK launched formal negotiations in January for the FTA, which could ultimately cover more than 90% of tariff lines. They have

set the Diwali (October 24) deadline for signing the agreement.

Speaking at the Vyapari Udyami Sammelan here, Goyal said India signed a trade pact with the UAE in a “record time” of less than three months and “now our talks with the UK is moving at a faster pace”.

Speculations about a delay in hammering out the crucial trade deal intensified in recent weeks due to political uncertainties in the UK after Boris Johnson stepped down as the leader of the Conserva-



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tive Party, paving the way for another Prime Minister. Foreign secretary Liz Truss and former British chancellor of exchequer Rishi Sunak are front-runners for the top post.

Goyal said the government is also negotiating similar FTAs with Canada, the EU and Israel. Several other economies have also evinced interest in negotiating trade pacts with India.

For instance, The Gulf Cooperation Council (GCC), Eurasian Economic Union (EAEU) and European Free Trade Association (EFTA) want

to hammer out such deals with India, he said.

At the same time, the commerce ministry does not have adequate resources to simultaneously negotiate FTAs with more nations, the minister conceded.

GCC is a union of six countries in the Gulf region, namely, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. EFTA members are Switzerland, Norway, Iceland and Liechtenstein. Five-nation EAEU comprises Russia, Armenia, Belarus, Kazakhstan and Kyrgyzstan.

India and the UK aim to double bilateral trade of both goods and services to about \$100 billion by 2030.

The India-UK trade is dominated by services, which make up about 70% of the overall annual commerce.

Given that this is going to be a modern-day trade agreement, it will go beyond the traditional pillars like goods, services and investments; it will also cover a range of areas, including gender, trade and development, labour, corruption and MSMEs, the secretary said.