

India, UK Poised to Sign Landmark Free Trade Agreement Next Week



India and the United Kingdom are set to sign a long-anticipated Free Trade Agreement (FTA) as early as next week, according to senior officials familiar with the negotiations. The deal, in discussion since January 2022, aims to reduce tariffs, open new market access, and strengthen economic cooperation between the two major economies.

The formal signing is expected to take place in London, with high-level government delegations from both sides attending the event. Negotiations have spanned multiple sectors, including goods, services, investments, and intellectual property rights, with both sides aiming for a balanced and mutually beneficial outcome.

The FTA is being described as a strategic economic milestone. In 2023, bilateral trade between India and the UK stood at approximately \$20 billion. Officials from both nations believe the agreement could substantially increase that figure by encouraging investment and lowering barriers for exporters.

According to The Financial Times, the final draft of the agreement has cleared nearly all political and technical obstacles. British Trade Secretary Kemi Badenoch has held a series of meetings with Indian officials over the past month to resolve remaining issues and secure final approval.

One of the key highlights of the FTA is the planned reduction of tariffs across major industries. Indian exporters are expected to benefit from lower duties on textiles, pharmaceuticals, and

agricultural products. In return, the UK is likely to see gains in the automotive, spirits, and professional services sectors.

“This agreement has the potential to create a new growth chapter in UK-India economic relations,” said Alan Winters, Director of the UK Trade Policy Observatory, in an interview with BBC News. “It’s not just about trade; it’s about a long-term strategic partnership.”

The FTA also aligns with India’s broader push to expand its global trade footprint and attract foreign investment. For the UK, the deal represents one of the most significant trade agreements since its exit from the European Union, signaling a pivot toward the Indo-Pacific region and key Commonwealth partners.

While the full text of the agreement is expected to be released after the official signing, both countries are preparing for a phased implementation process. Industry groups and trade analysts will be watching closely for details on sector-specific regulations, timelines, and compliance requirements.

If finalized as expected next week, the India-UK FTA could pave the way for stronger economic ties and broader geopolitical collaboration in the years ahead.