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## UK–India Trade Deal a ‘Gold Standard’ for Future Agreements, Says Goyal

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Commerce and Industry Minister Piyush Goyal has described the recently signed Free Trade Agreement (FTA) between India and the United Kingdom as a “gold standard” that could serve as a model for future trade negotiations. Signed on July 24 by Goyal and UK Trade Secretary Jonathan Reynolds, the agreement aims to enhance bilateral trade, expand market access, and protect India’s key economic interests.

The deal was finalized at Chequers, the official country residence of the British Prime Minister, in the presence of Indian Prime Minister Narendra Modi and UK Prime Minister Keir Starmer. India's Union Cabinet approved the agreement on July 22, ahead of the formal signing. According to Goyal, the agreement ensures duty-free access for nearly 99 percent of Indian exports to the UK, which is expected to significantly benefit sectors such as textiles, leather, gems and jewelry, marine products, and engineering goods.

Goyal emphasized that the deal makes no compromises on sensitive sectors, including dairy, rice, sugar, and agriculture. "This agreement ensures zero compromise and extensive benefit. It safeguards our interests while expanding opportunities for our exporters," he stated.

The FTA is expected to unlock a \$23 billion trade corridor between India and the UK, with substantial gains for micro, small, and medium enterprises (MSMEs). The seafood sector, in particular, is projected to see up to 70 percent growth in exports due to improved access to the UK market.

Goyal also addressed concerns over the UK's proposed Carbon Border Adjustment Mechanism (CBAM), which is scheduled to take effect on January 1, 2027. He warned that India would respond appropriately if the measure harms Indian exporters, stating, "India reserves the right to rebalance if its interests are hurt."

"This can become a gold standard to ensure that India protects sensitive sectors and opens the doors, particularly in areas where it's highly labor-intensive," Goyal said in a *The Hindu* report.

The agreement is currently pending ratification by the UK Parliament, which is expected to occur within the next six to twelve months. Once implemented, the deal is projected to increase bilateral trade to nearly \$120 billion by 2030.