

# Eleventh UK-India Economic and Financial Dialogue sees agreements on tackling climate change and boosting investment

- \$1.2bn package of public and private finance to help drive India's green growth
- Climate Finance Leadership Initiative India partnership launched to boost investment into sustainable infrastructure
- Agreement to be ambitious when considering services in the upcoming trade negotiations

Ahead of the UK hosting the COP26 climate conference in November, the UK announced action to help drive India's green growth, including a \$1.2bn package of public and private investment in green projects and renewable energy.

This includes a \$1bn investment from CDC, the UK's development finance institution in green projects in India, joint investments by both governments to support companies working on innovative green tech solutions, and a new \$200m private and multilateral investment into the joint Green Growth Equity Fund which invests in Indian renewable energy.

Both countries also welcomed the launch of the Climate Finance Leadership Initiative (CFLI) India partnership to mobilise private capital into sustainable infrastructure in India, including clean energy like wind and solar power and other green technologies. The partnership will be led by a group of leading financial institutions responsible for \$6.2tn of assets and chaired by Michael Bloomberg, UN Special Envoy on Climate Ambition and Solutions.

The Chancellor, Rishi Sunak, and the Indian Minister of Finance, Nirmala Sitharaman, also agreed to be ambitious when considering services in the upcoming UK-India trade negotiations, which could open up new opportunities for UK financial firms and help more Indian companies to access finance in the City of London. Services account for 71% of UK GDP, and 54% of Indian GDP.

**Chancellor of the Exchequer, Rishi Sunak said:**

The UK and India already have strong ties, and today we've made

important new agreements to boost our relationship and deliver for both our countries.

Supporting India's green growth is a shared priority so I'm pleased that we've announced a \$1.2bn investment package, and launched the new CFLI India partnership, to boost investment in sustainable projects in India as the UK gears up to host COP26.

With trade negotiations also coming up, our agreement to be ambitious when considering services will create new opportunities in both markets, supporting jobs and investment in the UK and India.

The UK-India economic relationship is already strong with bilateral trade of over £18bn in 2020, supporting nearly half-a-million jobs in each other's economies. The countries have also set out an ambitious goal to double trade by 2030, including through negotiating a Free Trade Agreement.

At today's EFD, both countries agreed to be ambitious when considering services in the upcoming UK-India trade negotiations and strengthen the financial market collaboration efforts already underway to finance growth. The UK also welcomed India's recent decision to lift the Foreign Direct Investment cap in the insurance sector from 49% to 74% which will help British firms to take greater ownership of their operations in India.

#### **Notes to editors**

- Earlier this year, the UK and Indian Prime Ministers launched the UK-India 2030 Roadmap, to bring our economies and people closer together over the next decade and boost cooperation in areas that matter to both countries
- The joint statement, signed by the Chancellor and the Indian Finance Minister, is available [here](#)
- The joint statement by Government of India, Government of UK and Climate Finance Leadership Initiative is available [here](#)