

# Joint Statement of the 14th Meeting of the India-UK Joint Economic and Trade Committee

News story

The 14th meeting of the India-UK Joint Economic and Trade Committee took place on 24 July 2020



1. We, Piyush Ved Prakash Goyal, Honourable Minister of Railways and Commerce & Industry and the Rt. Honourable Elizabeth Truss MP, Secretary of State for International Trade, met today for the 14th meeting of the India-UK Joint Economic and Trade Committee (JETCO).
2. At this meeting, we celebrated the strength of our strategic economic partnership and particularly recognised the importance of our close collaboration in response to the Covid-19 pandemic. Focusing upon our growing bilateral trade, we noted that UK-India trade has increased steadily since 2000, and grew by 9.74% to over £24 billion in the calendar year [2019](#).
3. We also discussed the shared ambition of facilitating our businesses to succeed in delivering investments, jobs, and prosperity in each other's markets, and reiterated our commitment to the dynamic new India-UK Trade Partnership announced by our Prime Ministers in April 2018, and reinforced by both countries during last year's JETCO. We look forward to go further in building links, bringing down barriers, and creating value between our two economies as the UK assumes responsibility for its independent trade policy. To deliver this, we seek to agree to an Enhanced Trade Partnership as part of a roadmap that could lead to a future FTA. The Enhanced Trade Partnership will seek to address non-tariff barriers to trade, and will establish a specific dialogue to explore routes to removing tariff barriers.

## Trade Partnership

1. We welcomed the progress made by the Joint Working Group on Trade to implement the Building Blocks approach agreed at the 13th JETCO, and noted that on each of the core sectors covered by this dialogue – food and drink, information communications technology (ICT), life sciences, chemicals, and services – we made progress on understanding, and taking steps to remove, non-tariff barriers. We agree to continue this progress alongside the Enhanced Trade Partnership, and as a part of this we will continue to consider recognition as a tool to further facilitate trade in relevant areas. We also welcomed a very positive move by UK with Graduate Immigration Route and noted the release of UK's Global Tariff as a significant step towards an independent UK trade policy.
2. The UK and India continue to share the expertise that will remove barriers for business and advance our economies. In the food and drinks sector, the Department for Environment, Food, and Rural Affairs, along with the Food Standards Agency, held discussions with Department of Commerce and the Food Safety and Standards Authority of India (FSSAI) to explore issues impacting food & drink trade and share best practices on regulatory frameworks and clearance processes. We will explore increased cooperation and consider appropriate mechanisms for boosting mutual trade flows. Both sides also welcomed progress under the Memorandum of Understanding between the UK's Department for the Environment, Food and Rural Affairs, and India's Department of Animal Husbandry and Dairying with the first annual meeting of the Joint Working Group taking place earlier this year in Delhi wherein both sides reaffirmed commitment to address market access barriers with an aim to facilitate bilateral trade.
3. We welcomed the progress made at the second annual meeting of the UK-India Joint Consultative Committee, established under the 2018 Memorandum of Understanding concerning co-operation in the sphere of law and justice, which took place earlier this year in London. Recognizing the importance of shared goals of protecting and developing the rule of law in their respective jurisdiction and internationally, India and UK are taking steps for considering a framework for enhancement of cooperation between judicial and legal professionals and on alternative dispute resolution systems. The Ministers agreed to continue supporting the ongoing bilateral cooperation.
4. We noted the proposal of a Memorandum of Understanding between the Department for Digital, Culture, Media, and Sport, and the Ministry of Electronics and Information Technology, and encouraged swift progress in concluding it. This will be an important forum for future discussions on data and digital issues. We are hopeful for further discussions between the UK Information Commissioner's Office and the Government of India on data regulation and interoperability. This will help ensure both

countries maximize the potential of their digital economies. We also looked forward to the completion of the Memorandum of Understanding between the United Kingdom Medicines and Healthcare products Regulatory Agency and the Central Drugs Standard Control Organization. Continued collaboration in all these areas and more will be crucial to delivering a successful Enhanced Trade Partnership.

5. The UK congratulated India on their rise to 63rd place in the 2019 World Bank Ease of Doing Business index – a 14-place improvement compared to 2018. The UK and India celebrated their partnership on Ease of Doing Business, building on the Memorandum of Understanding signed in 2016. Both sides welcomed the collaboration which had taken place since the last JETCO, including sharing of expertise on Regulatory Delivery and Customs. In light of the economic impact of Covid-19, both sides agreed on the importance of continuing to drive further reforms of the business environment to support greater trade and investment.
6. Both sides recognised the vital role intellectual property (IP) plays as a driver for economic growth and prosperity and an essential feature in facilitating global trade. We will continue to work in partnership with industry to develop and strengthen the positive impact of a strong, reliable environment that supports and rewards and protects innovation and creativity, including initiatives under the existing UK-India IP Memorandum of Understanding. We will continue to highlight the increasing importance of IP and its positive effect on Ease of Doing Business in India through our bilateral trade dialogue.
7. We welcomed that the UK and India are embarking upon Government to Government (G2G) working cooperation under the India – UK Memorandum of Understanding on Defence Technology and Industrial Capability Cooperation signed on 12th April 2019, which underlines the UK's intent to co-develop intellectual property to create future technologies in India.

## **Covid-19, Healthcare Partnership, and a green recovery**

1. Nowhere has the strength of our trade and investment partnership been more apparent than in our continued collaboration throughout the Covid-19 pandemic. The UK welcomes that India has ensured that key supply chains of pharmaceuticals products and surgical masks are maintained. Both sides have worked on the global stage to co-draft the G20 Covid-19 Action Plan, and supported ongoing collaboration on vaccine research, design and manufacturing. Both sides agreed to keep key supply chains open and ensure any restrictions to trade are targeted, proportionate, transparent, and temporary whilst not creating unnecessary barriers to trade.

2. As both economies seek to recover from the impact of Covid-19, increasing investment in each other's markets is more important than ever. Since 2016 Indian firms have raised £11.5 billion in masala, dollar and green bonds on the London Stock Exchange. Both sides recognize London's position as the leading global financial centre and destination for long-term institutional investment. Both sides agreed that fair competition is fundamental for the growth of UK and Indian business, and agreed to work together on measures to increase flows of investment in growing sectors, for example by reducing restriction on FDI. The UK and India are keen to re-affirm the importance of the bilateral investment relationship, with an emphasis on promoting investment flows and a positive investment environment, and look forward to holding a UK-India Investment Dialogue in due course, which can assess the scope for further cooperation on investment matters. We welcomed the fourth meeting of the UK-India Fast Track Mechanism, held in December 2019, which resolved issues faced by UK companies and secured approval for additional UK investment in India. Both sides committed to hold further meetings of the UK-India Fast Track Mechanism.
  
3. Both sides looked ahead to COP26 and welcomed the opportunity to strengthen our collaboration as a global force for good on climate action and green recovery. Our shared objectives make us natural partners. The UK is a global leader in driving energy transition, mobilising green finance, and ensuring clean and resilient infrastructure and investment. India's transformational energy efficiency programs on demand side management, particularly on LED bulbs, have been recognized to have global impact. Both sides being the Co-chairs of the Super-efficient Equipment Appliances Deployment (SEAD) Initiative of Clean Energy Ministerial (CEM), held two rounds of discussions and agreed to develop a definite strategy to expand SEAD's membership and increase ambition from countries on product efficiency, including by raising or implementing Minimum Energy Performance Standards (MEPS) across four high energy-consuming product categories – room air conditioners, refrigerators, motors, and lighting in the lead-up to COP 26. Both sides were pleased by the recent \$70 million investment by BP into the Green Growth Equity Fund, an important endorsement by the private sector of this UK-India joint venture to catalyze financing into sustainable infrastructure in India. We also celebrated the collaboration between Indian Railways and the UK's Department for International Development to support Indian Railway's objectives of energy security, consumption efficiency and greening of energy supply. We look forward to deepening our cooperation in catalyzing private sector flows into green projects, and strengthening our combined efforts to tackle global climate change and energy security.

## **Multilateral System**

1. Alongside our bilateral cooperation, we also reaffirmed our commitment

to the rules based international system and particularly the need for a fully-functioning World Trade Organization (WTO). The importance of the WTO's work in enhancing free, fair, open, inclusive and transparent trade for achieving sustainable growth and development is undeniable. To this end, we celebrated holding the third UK-India Multilateral Trade Dialogue in January of this year, and stated the ambition to hold the next UK-India Multilateral Trade Dialogue as soon as practicable, to enhance engagement and mutual understanding on multilateral trade policy priorities. We noted the importance of our commitments made at the G20 in relation to post-COVID economic recovery and that the rollback of trade restrictive measures should take place as soon as Members are practicably able. Both sides will continue their co-operation at the WTO, especially with regard to the UK's new schedule of concessions and commitments. We agreed to work together for a successful outcome at the 12th WTO Ministerial Conference.

2. We emphasized our commitment to the rules-based multilateral trading system, while also recognizing the need for reforms at the WTO, and committed to work closely with each other on this agenda. The reforms need to be inclusive in nature and be carried out in a transparent manner, priority being restoration of the two-tiered Dispute Settlement System of the WTO. The UK welcomed India's election to the United Nations Security Council, and looks forward to working with them at the Council and as co-chairs of the G20 framework working group. Success in this collaboration will enhance peace, security, and global prosperity.

## **Business-Led Joint Working Groups**

1. During the discussions today, the three business-led joint working groups set up during last year's JETCO – ICT; food and drink; and life sciences – reported to us. They made specific recommendations on how to increase trade and investment in each of these sectors, by making progress on removing barriers that will have a materially positive impact to business. We look forward to working together with businesses and to make significant progress on some of these recommendations.

## **Next meeting**

1. We agreed that we plan to meet again later this year for bilateral interaction in New Delhi (or virtually) to review progress made on the Enhanced Trade Partnership. Both delegations committed to continue working together to accelerate the already deepening India-UK trade & investment partnership, and enable the two countries to reach the full potential of this relationship.