

UK and India agree to strengthen economic relationship to boost jobs

- the counterparts agree to strengthen collaboration on financial services and infrastructure
- and pledge to continue to work together to tackle climate change through sustainable finance

The UK and India made agreements on financial services, infrastructure and sustainable finance today, helping to boost jobs and investments for UK companies.

The landmark tenth Economic and Financial Dialogue (EFD) between the UK and India saw the Chancellor, Rishi Sunak, and the Indian Minister of Finance, Nirmala Sitharaman, meeting to build further economic ties between the two countries.

The UK and India have a strong investment relationship, with UK and Indian investments supporting over half a million jobs in each other's economies. More than 800 Indian companies operate in the UK, employing more than 110,000 people.

The Chancellor and Minister of Finance discussed the importance of continuing to work together to deal with the global economic impact of Coronavirus – and tackling climate change through sustainable finance.

The Chancellor of the Exchequer, Rishi Sunak said:

The UK's economic and financial relationship with India has never been more important with the global challenges we face.

Today we set out our ambition for even stronger ties, with an agreement that will increase investment, and create and secure jobs in the UK.

We are also committed to working together to lead the global economic recovery as we build back better after the pandemic.

Agreements reached today include:

- a new UK-India Partnership on Infrastructure Policy and Financing which will help to open up infrastructure opportunities in India to UK commercial expertise and financing.
- strengthening cooperation on mobilising private capital into green investment, including through a new UK-India Sustainable Finance Forum, and greening the financial system
- a fresh mandate for the industry-led India-UK Financial Partnership to explore closer financial ties in areas including FinTech

- creating a new Financial Markets Dialogue to remove regulatory and market access barriers for UK and Indian firms
- a new partnership in Gujarat International Finance Tec (GIFT) City, India's flagship new international financial centre, which will create opportunities for UK firms
- joint investment in research collaborations worth up to £8 million to understand the impact of Covid in South Asian populations in the UK and India

During the talks, the Chancellor championed measures to help the UK financial services industry win more business in India and welcomed the decision to allow Indian companies to list on the London Stock Exchange – the UK being one of only seven jurisdictions permitted.

Ministers also agreed to explore ways to boost investment in insurance through an increase in India's foreign investment limit.

Alongside the EFD, the Chancellor addressed industry leaders at the UK-India Investing for Growth Forum hosted virtually by the City of London Corporation and the Federation of Indian Chambers of Commerce and Industry. The Chancellor highlighted the enormous potential for the UK and India to work together to drive green sustainable finance flows and generate even stronger bilateral investment.

Notes

- [The joint statement, signed by the Chancellor and the Indian Finance Minister](#)
- The Chancellor holds EFDs with key emerging market partners, including India, China and Brazil. Since the first EFD with India in 2007, UK bilateral trade with India has more than doubled to nearly £24 billion in 2019.
- India is now the UK's second largest source of investment with 120 new projects in 2019-20.
- Indian investment in the UK is focused on technology, pharmaceuticals and manufacturing, including electric vehicles at Jaguar Land Rover's Castle Bromwich plant in the West Midlands.