

India and UK Sign Comprehensive Economic and Trade Agreement (CETA)

Historic Agreement Sealed: India and UK Sign Landmark Trade Agreement, Advancing a New Era of Economic Partnership and Opportunity under the visionary leadership of Prime Minister Shri Narendra Modi

In the presence of Prime Minister Shri Narendra Modi, UK Prime Minister Sir Keir Starmer, the agreement was signed by Commerce and Industry Minister, Mr. Piyush Goyal and Secretary of State for Business and Trade, Mr. Jonathan Reynolds. Dr. S. Jaishankar, Minister of External Affairs and Ms. Rachel Reeves, Chancellor of the Exchequer were also present.

Agreement Unlocks Export Opportunity for Labour-Intensive Sectors including textiles, leather, footwear, gems & jewellery, marine products, and toys—generating large-scale employment and empowering artisans, women-led enterprises, and MSMEs

Unprecedented Market Access for Indian Goods with Zero-duty access on 99% of tariff lines, covering

nearly 100% of the trade value

Ambitious Services Commitments – A First by the UK

A wide-ranging package covering IT/ITeS, financial and professional services, business consulting, education, telecom, architecture, and engineering—unlocking high-value opportunities and job creation.

Enhanced Global Mobility for Indian Professionals

Streamlined pathways for Contractual Service Suppliers, Business Visitors, Intra-Corporate Transferees, Independent Professionals (e.g., yoga instructors, chefs, and musicians), and enabling smoother talent flow and cross-border collaboration.

Double Contribution Convention (DCC) – A Major Breakthrough: It will exempt Indian workers and their employers from social security contributions in the UK for up to three years, significantly improving take-home pay and reducing costs for Indian companies

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India and the United Kingdom have taken a major step in building a stronger economic partnership with the signing of the Comprehensive Economic and Trade Agreement (CETA) today under the visionary leadership

of Prime Minister Shri Narendra Modi. The agreement was signed by Commerce and Industry Minister, Mr. Piyush Goyal and Secretary of State for Business and Trade, Mr. Jonathan Reynolds in the presence of the two Prime Ministers.

This FTA marks a significant milestone in India's engagement with major developed economies and reflects a shared commitment to strengthening economic integration. As the world's fourth and sixth largest economies respectively, India and the UK's bilateral engagement holds global economic significance. The signing of the India-UK CETA follows the successful conclusion of negotiations announced on 6th May 2025. The bilateral trade between the two countries stand at nearly USD 56 billion, with a joint goal to double this figure by 2030.

CETA secures unprecedented duty-free access for 99% of India's exports to the UK, covering nearly the entire trade basket. This is expected to open new opportunities for labour-intensive industries such as textiles, marine products, leather, footwear, sports goods, toys, and gems and jewellery, alongside fast-growing sectors like engineering goods, auto components, and organic chemicals.

The services sector, a strong driver of India's economy, will also see wide-ranging benefits. The agreement provides greater market access in IT and IT-enabled services, financial and legal services, professional and educational services, and digital trade. Indian professionals, including those deployed by companies to work in UK across all services sectors, professionals deployed on contracts such as architects, engineers, chefs, yoga instructors, and musicians, will benefit from simplified visa procedures and liberalised entry categories, making it easier for talent to work in the UK.

Union Minister for Commerce and Industry, Mr. Piyush Goyal, conveyed profound gratitude to the Prime Minister Shri Narendra Modi for his visionary leadership and resolute commitment, which have been instrumental in achieving this historic agreement. He stated:

“This CETA marks a milestone in the trade relations between two major economies, setting an ambitious and balanced framework. It unlocks tariff-free access on 99% of Indian exports to the UK, covering nearly 100% of trade value- including labour-intensive sectors advancing the ‘Make in India’ initiative and setting the stage for bilateral trade to double by 2030. It includes ambitious commitments in goods and services, covering various sectors, while enhancing mobility for Indian professionals by simplifying access for contractual service providers, business visitors, and independent professionals. The innovative Double Contribution Convention will exempt Indian workers and their employers from UK social security contributions for three years, boosting competitiveness and earnings. This FTA will serve as a catalyst for inclusive growth, benefiting farmers, artisans, workers, MSMEs, startups, and innovators while safeguarding India's core interests and accelerating our journey towards becoming a global economic powerhouse.”

India has also secured an agreement on the Double Contribution Convention. This will exempt Indian professionals and their employers from social security payments in the UK for up to three years, improving the cost competitiveness of Indian talent.

The agreement has been designed to make trade more inclusive. Women and youth entrepreneurs, farmers, fishermen, startups, and MSMEs will gain new access to global value chains, supported by provisions that encourage innovation, promote sustainable practices, and reduce non-tariff barriers.

CETA is expected to boost trade volumes significantly in the coming years, creating jobs, expanding exports, and supporting a deeper, more resilient economic relationship between India and the United Kingdom.

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