

UK-India Trade Deal Set to Unlock Major Export Opportunities for UK Businesses

The UK and India signed a new trade agreement last week that will reduce tariffs and open up one of the world's fastest-growing markets to British businesses. The deal – described by the government as the most significant bilateral trade agreement since Brexit – is expected to boost trade by £25.5 billion a year by 2040.

For UK exporters, key benefits include lower tariffs on whisky, gin, aerospace, electricals and medical devices, cosmetics, and food products like lamb, salmon, chocolate and biscuits. Tariffs on whisky, for example, will be halved from 150% to 75%, with further reductions planned.

Indian exports will also benefit, with cuts to UK tariffs on clothing, footwear, jewellery and certain foodstuffs. Businesses are likely to benefit from lower costs for these goods once the deal comes into force – potentially within a year.

The agreement also includes improved access for UK firms in services and public procurement, as well as a three-year exemption from double social security payments for Indian nationals on short-term work visas in the UK.

Rain Newton-Smith, who is chief executive of business lobby group, the CBI, said that the deal provided a “beacon of hope amidst the spectre of protectionism”.

India is expected to become the world's third-largest economy in the coming years, and this deal could help more UK firms tap into that growth. Businesses looking to grow their export footprint or diversify into new markets may find fresh opportunities in the Indian market.

Exporting, whether of goods or services, can be an excellent way to grow your business. If you would like to explore the value of exporting to your business, such as by considering a cost-benefit analysis, or simply want advice on dealing with Customs, please give us a call. We would be happy to help you.

See: <https://www.bbc.co.uk/news/articles/c5y6y90e5vzo>