

**Ministry of External Affairs  
Europe West Division**

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**India-UK Bilateral Brief**

India and the United Kingdom share historic ties since several centuries. The two countries have a Strategic Partnership since 2004 and enjoy a multi-faceted relationship spanning across trade and economy, health, science & technology, defence & security, people-to-people relations, climate change and close cooperation on multilateral issues.

**High level visits**

- PM Modi visited the UK from April 18-20, 2018. The focus of the visit was on technology, increase cooperation in trade, investment and finance. Prime Minister Modi also participated in the Commonwealth Heads of Government Meeting in London on 19-20 April 2018.
- Before this, PM Modi had visited UK in 2015 and UK's PM Theresa May visited India in 2016.
- Since the beginning of the pandemic, the two Prime Ministers have spoken on 3 occasions. Prime Minister invited PM Boris Johnson as Chief Guest for the Republic Day celebration 2021. However, his visit had to be canceled at the last minute due to Covid19 situation in UK.

**Recent Ministerial visits**

- UK Foreign Secretary Mr. Dominic Raab visited India from 14-17 December 2020 and held delegation level talks with EAM. They discussed preparations for UK PM's planned visit to India and agreed to focus on five key areas in the proposed 2030 Roadmap – namely People-to-People contacts, Trade and Prosperity, Defence and Security, Climate Action and Health.
- UK Trade Secretary, Ms. Elizabeth Truss, visited India from 5-10 February 2021 to discuss India - UK trade and investment relationship with our Commerce and Industry Minister, Shri Piyush Goyal, and agree on the next steps.
- UK Minister of State for South Asia and Commonwealth, Lord Tariq Ahmad also visited India from 14-20 March 2021 to prepare for the proposed State visit of UK PM in April 2021 which could not take place due to the Covid19 situation in India.

**Bilateral Institutional Engagements**

- The India-UK Foreign Office Consultations was last held on 4 November 2020 led by Foreign Secretary from Indian side and UK's Permanent Under Secretary in the FCDO, Sir Philip Barton. The consultations provided an opportunity to review the entire range of bilateral relations, including political, economic, commercial, scientific, regional and international cooperation.

- The India-UK Disarmament and Non-Proliferation Dialogue was held virtually on 16 December 2020. Issues such as NPT, Civil Nuclear Cooperation, INF & New START, CWC & BWC, JCPOA, Gulf, DPRK, China, Pakistan and Export License were discussed.
- The 14<sup>th</sup> Meeting of India-UK JWG on Counter Terrorism was held in London on 21-22 January 2021. Both sides condemned terrorism in all its forms and manifestations, exchanged views on threats posed by globally proscribed terrorist entities, reaffirmed to work together and acknowledged the increasingly transnational challenge of terrorism.
- In addition, India and UK also regularly meet under the UN Dialogue (Dec, 2020), Policy Planning Dialogue (Dec, 2020), Strategic Dialogue (March, 2018), Cyber Dialogue (June, 2018) and Home Affairs Dialogue (May, 2018) to discuss cooperation in specific sectoral areas. India and UK have also agreed to hold the First Consular Dialogue in April 2021 but this could not take place due to the Covid19 situation.

### **Economic Cooperation**

- Merchandise trade between the two countries was US\$15.45 billion in 2019-20 with the trade balance in favour of India. During the period of April to August 2020, India's merchandise export to the UK was USD 2.33 billion and Import was USD 1.47 billion, totalling USD 3.80 billion.
- India invested in 120 projects and created 5,429 new jobs in the UK to become the second-largest source of foreign direct investment (FDI) after the US in 2019 according to the Department for International Trade (DIT) inward investment statistics for 2019-2020. As per the CII-Grant Thornton India meets UK Report 2020, there are now a record 850 Indian companies operating in the UK, with combined revenues of almost £41.2 billion. Together, they paid over £461.8 million in corporation tax and employed 110,793 people.
- UK is the 6th largest inward investor in India, after Mauritius, Singapore, Netherlands, Japan, and USA with a cumulative equity investment of US \$28.39 billion (April 2000 - June 2020), accounting for around 6% of all foreign direct investment into India. According to Global Britain and India report (April 2019-GBI0015), some 600 UK companies operate in India creating over 800,000 jobs, claiming one in every 20 jobs in organised sector in India (GBI0015).
- A virtual 14th Joint Economic and Trade Committee (JETCO) meeting was held on 24 July 2020 between Shri Piyush Goyal, Minister of Railways and Commerce & Industry, and Ms Elizabeth Truss MP, UK's Secretary of State for International Trade. Both sides agreed to remove barriers to trade as part of a roadmap to a Free Trade Agreement.
- The 10th Economic and Financial Dialogue (EFD) was held on 28 October virtually between the Finance Minister of India, Smt. Nirmala Sitharaman, and Mr. Rishi Sunak, Chancellor of Exchequer, UK. Both sides agreed to cooperate through a new Partnership on Infrastructure Financing and Pol-

icy to support India's ambitious plans for delivering inclusive, resilient and sustainable infrastructure. The two Ministers agreed to establish a bilateral Sustainable Finance Forum to drive forward deeper cooperation on sustainable finance. Both sides also agreed to establish a new annual India-UK Financial Markets Dialogue, to share expertise, experiences and deepen collaboration between our financial sectors. A new strategic partnership on accelerating the development of GIFT-IFSC was also announced.

## **Defence**

- India and the UK signed the Defence and International Security Partnership (DISP) in November 2015 to provide a strategic roadmap and direction to the evolving India-UK Defence Relations. Defence Consultative Group at Defence Secretary level last met in March 2019. The virtual Defence Equipment Sub-Group (DESG) meeting was last held on 9 September 2020. The secretarial level talk was focused on issues about defence production and defence industry collaboration.
- Around 70 defence related companies across the UK supply various goods for aircraft/helicopter manufacturing/overhaul at HAL like ejection seats, fuel tank kits, hydraulic pumps, engine spares etc and support legacy platforms like Jaguar, Mirage & Kiran.
- Maritime cooperation is another area where engagement is increasing. UK is deploying Carrier Strike Group in Indian Ocean region this year in line with its strategic tilt to Indo-Pacific.

## **Education, Research and Innovation**

- UK is among the favoured destinations for Indian students to pursue higher education. India was one of the biggest beneficiaries of UK's new liberalised point-based immigration system. Around 50000 Indian students are currently studying in UK.
- UK is India's second largest partner in Science and Technology collaborations. The two sides are collaborating under institutionalized mechanisms like UK-India Education and Research Initiative (UKIERI) and through UK Research and Innovation (UKRI) programmes.
- UK identifies India as a key development partner. Further, the two sides are discussing Global Innovation Programme, which will support Indian sustainable innovations to be scaled up and transferred to select developing countries. GIP builds on the success of Invest Global, a pilot project that was supported by DST and ex-DFID as part of the Millennium Development Alliance.

## **Climate and Environment**

- India and UK closely engage on climate related issues through various mechanisms including the Ministerial Energy Dialogue (Sep, 2018), and Joint Working Groups on Climate, Power and Renewables.

- India-UK Green Growth Equity Fund is mobilising institutional investments in the renewable energy, waste management, electric mobility and environment sub-sectors in India.

## **Health**

- Health sector collaboration is a key element of India-UK Strategic Partnership. The Joint Working Group on Health and Life Sciences regularly meets to prioritise and coordinate bilateral cooperation in the health sector.
- The successful partnership between Oxford University, AstraZeneca and SII on Covid19 vaccine demonstrated the potential of Indian and UK expertise working together to solve international challenges. The two sides are also working on pandemic preparedness, Antimicrobial Resistance (AMR), Zoonotic research, non-communicable diseases, digital health, ayurveda and alternate medicines, as well as health worker mobility.
- Ayurveda: An MOU was signed in April 2018 during the visit of PM Modi to the UK. Under which £110,000 was sanctioned to the Prince's Foundation, UK/College of Medicine, for developing an AYUSH Centre at St. Charles Hospital, London. It launched the 'Ayuryoga' programme in November 2020 and started online modules to raise awareness and practise of Ayurveda and Yoga in UK. Future projects under this MoU are being discussed including on the recognition of ayurvedic medicines in the UK.

## **Multilateral Collaboration**

- UK has been supportive of India's permanent membership of UNSC since 2004 and voted favourably in the roll-over decision on UNSC reforms to the 70th session of UNGA. UK is also a strong supporter of India's membership of the NSG, MTCR, Australia Group and Wassenaar Arrangement.
- UK and India are the current co-chairs of CDRI. UK is also a member of ISA and supports its activities.

## **Indian Diaspora**

- The Indian Diaspora in UK is one of the largest ethnic minority communities in the country, including approximately 1.6 million British nationals of Indian origin and about 3,51,000 NRIs living in the UK equating to almost 2.5 percent of the UK population and contributing 6% of the country's GDP. At present there are sixteen Indian origin MPs in the UK Parliament and, out of these, five of them hold key Ministerial posts in the Government.

(29 April 2021)

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