

## Webinar Report

# India-UK Trade and Economic Cooperation in the Context of Developments in the Indo-Pacific Region

15<sup>th</sup> December 2020

*Organised by:* [CUTS International](#) and [Bridge India](#)

*Moderator:* **Dr. A Didar Singh** (Distinguished Fellow, CUTS International)

*Opening Remarks:*

**Mr. Pradeep Mehta** (Secretary General, CUTS International),

**Ms. Arti Lad** (Development Practitioner and Member, Bridge India)

*Speakers:*

**Ms. Stephania Benaglia** (Associate Researcher, Centre for European Policy Studies),

**Lord Meghnad Desai** (British Economist and Labour Politician),

**Lord Jonathan Marland** (Chair, Commonwealth Enterprise and Investment Council)

and

**Dr. Jaimini Bhagwati** (Former High Commissioner of India to the United Kingdom)

## **1. Introduction**

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**1.1** Linked by common democratic values and principles, India and the UK are two potential partners who can collaborate with each other for a mutually benefitting and exciting future. At a time when the European countries including Germany and France are returning to the Indo-Pacific, cooperation with India in the Indo-Pacific will not only help the UK economically, but also to position itself as a key player in the dynamic geopolitical and security environment. Moreover, the UK government is expected to launch its Indo-Pacific vision and India has also invited the UK to have an initial limited trade deal that can potentially go for a full stretched bilateral

free trade agreement. (For India, the Indo-Pacific region comprises the area of the Pacific starting from the West Coast of the US to the Indian Ocean stretching till the East Coast of Africa).

- 1.2** In this context, the webinar discussed the potential of India-UK trade and economic cooperation, keeping in mind the recent developments in the Indo-Pacific region.

## **2. Key takeaways**

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- 2.1** The geopolitical reality will change given the final exit of UK from the EU, including the customs union and the single market. Brexit could be costly for the UK and this will change the base of its external relations. Being a major source of investment and employment generation, along with sharing a similar vision of free and open Indo-Pacific based on rules based international order, India can be a reliable economic partner for the UK in its post-Brexit strategy, both globally and in the Indo-Pacific region.
- 2.2** EU is acting as a global player with more focus given to building relations in the Indo-pacific region. In the last few months, there are initiatives in that respect. For instance, Netherlands has joined Germany and France in adopting an Indo-pacific strategy outlining their approach in the region and increased attention is given to improving relationships with ASEAN and further build strategic partnership with the member countries of the region. However, the UK is yet to declare its position on the concept.
- 2.3** Thus, the EU is building the foundation of its future actions and plans. It is defining its own priorities and strategies for developing relationships in designated regions, in particular the Indo-pacific. Along similar lines a new international approach on the part of the United Kingdom to tilt towards the Indo-pacific region in strengthening ties can be promoted.
- 2.4** China still stands opposed to the engagement of other countries in the Indo-Pacific region. It has developed the 'One Belt, One Road' policy and built-up trade connections and road structures to facilitate export of goods through these road connections within countries. Cooperating with China in context of its authoritarian approach will be difficult for both India and the UK.
- 2.5** India and the UK can fruitfully explore and accelerate mutual and multi-country partnerships in areas of financial and supply chain resilience, maritime security,

trade and investment, addressing climate change and building telecommunication infrastructure.

**2.6** On early harvest agreements, such as a Preferential trade agreement between the two countries on certain areas, there is potential for India-UK agreement on the pharmaceutical sector considering the requirements at the moment. As the United Kingdom assumes a new and independent trade policy, the two countries could achieve prosperity and growth in both the UK and India through increased cooperation. India has to grow into its anticipated role as a major international power and the commonwealth is very keen on it. The cooperation between the UK and India on foreign policy issues, especially in the Indo-Pacific region will be based on shared objectives after Britain's exit from the European Union is finalised.

**2.7** Also, a discourse needs to be developed, which can result in concrete steps such as on recently agreed bilateral areas of cooperation viz. people to people contact, trade, defense and security, climate change and health. Furthermore, time has come for a coalition of democracy not just in the Indo-Pacific region, but in the whole world. Thus, as major accomplished democracies, India and the UK can contribute extensively.

**Press Release:** <https://bit.ly/2IfhCJO>

**Media Outreach:** <https://bit.ly/3nEIsJk>

**YouTube Link:** <https://youtu.be/QWe017Z91sY>