'It's also good for IT, finance, healthcare, engineering...'

Union commerce minister argues that UK-India free trade deal, which kicks in today, will benefit not just Indian exporters, but also white-collar service sector professionals across skillsets

Piyush Goyal

Starting today, nearly all of India's exports to UK will enjoy duty-free access, creating huge opportunities for our small businesses, farmers, fishermen, innovators, women, and labour-intensive industries as the transformational Comprehensive Economic and Trade Agreement (CETA) comes into effect.

This is India's most comprehensive Free Trade Agreement (FTA). It'll bring prosperity by creating numerous jobs and business opportunities. It will also gradually expose Indian manufacturers to healthy competition that will benefit every citizen with competitively priced high-quality goods. This will significantly accelerate PM's *Viksit Bharat* 2047 mission.

Businesses are excited. They have elaborate plans to flag off cargo to UK. Gems and jewellery exporters expect shipments to UK to grow 230% to $2.5bn in three years, if not earlier, while exporters of engineering goods expect sales to UK to almost double to $7.5bn in next 4-5 years.

The win-win agreement, signed last year in presence of Modi and British PM Keir Starmer immediately eliminates duties on about 99% of tariff lines, covering almost 100% of trade value, creating enormous opportunities for Indian exports, already growing handsomely despite global turbulence.

Young minds, global finds | The people-centric FTA comes into force today, July 15, which is also World Youth Skills Day. In 2015, PM Modi launched the Skill India Mission on this day, empowering youth to compete, contribute and lead, in India and globally.

For Indian youth's benefit, UK has provided one of its most comprehensive services commitments ever, covering all major services sectors and 137 subsectors of export interest to India. Enhanced market access and regulatory certainty will support Indian service providers in IT and IT-enabled services, financial and professional services, healthcare, education, engineering, telecom and consultancy services.

Job creation | Youth will get more job opportunities as labour-intensive sectors such as gems and jewellery, textiles, leather and footwear, organic chemicals, plastics, auto parts, artisanal products and food processing, expand operations with greater market access.

By fostering access to global value chains and enhancing competitiveness, CETA will empower Indian youth with essential skills and opportunities needed to participate meaningfully in international markets, and drive growth.

A significant aspect of CETA is the Double Contribution Convention. This landmark arrangement, entering into force alongside CETA, exempts Indian workers and employers from making dual social security contributions in UK during temporary assignments.

More than 75,000 Indian professionals and over 900 companies are expected to benefit from continued social security coverage for employees on temporary overseas assignments.

Grow local, sell global | Indian farmers will gain from easier access to the $37.5bn UK market. This will boost exports of Indian dairy products, tea, coffee, spices, fruits, vegetables, fruit juices, meat and processed agriculture products. About 95% of UK's farm imports will be open to India duty-free. Exports to this vast market have the potential to grow 50% in three years. This will boost farm incomes and create numerous jobs across the agricultural value chain.

Importantly, the agreement safeguards sensitive farm products such as dairy, vegetables, apples, edible oils, oats, millets, cooking oils and others, by placing them in the sensitive list. No duty concessions have been granted to UK on these items. These exclusions reflect Modi govt's strategy of prioritising food security, domestic price stability and vulnerable farming communities.

SMEs, local hustle, global muscle | Modi has always given high priority to India's small and medium enterprises (SMEs). CETA has a dedicated chapter to help the SME sector, which accounted for 45.8% of India's total exports in 2024-25. CETA will help SMEs with key provisions that include faster customs processing, agreements to recognise and facilitate digital systems and paperless trade.

Apart from preferential market access, SMEs will benefit from enhanced cooperation on best practices related to trade, education and finance, digital skills, business infra and other important areas.

Big catch for fishermen | CETA is poised to benefit India's fishery and aquaculture sector that supports livelihoods of approximately 28mn individuals.

Enhanced market access and higher exports will benefit fishermen in Andhra, Gujarat, Karnataka, Odisha, and Maharashtra. It'll strengthen India's fisheries exports as well as contribute to fishermen's welfare and livelihoods, and promote coastal economic development.

Image: AI

A win for women | The landmark agreement goes far beyond traditional FTAs, recognises women's contribution in driving sustained and inclusive economic growth. It aims to promote women-centric opportunities and benefits.

Both countries have committed to undertake various activities to enhance women's access to markets and emerging sectors, promoting financial inclusion and literacy and equal opportunities for women at the workplace, as well as developing their capacity and skills.

CETA is a statement of confidence in India's capabilities and aspirations. It reflects a new India that's not merely participating in global commerce, but helping shape it. By empowering farmers, fishermen, workers, women entrepreneurs, MSMEs, professionals and youth, it will create opportunities that touch Indians in every corner of the country.