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During Prime Minister Narendra Modi's visit to the UK, India and the United Kingdom signed a Comprehensive Economic Trade Agreement (CETA) and adopted a new strategic framework, India–UK Vision 2035, replacing the earlier Roadmap 2030.

India, U.K. ink trade pact, expand cooperation

The deal will benefit farmers, MSMEs, Indian footwear, and jewellery exports, says Modi

PM Modi indicates that British medical devices and aerospace parts will face less tariffs in India

U.K. Minister calls the deal U.K.'s 'biggest' since Brexit and best deal India has ever offered anyone

Sriram Lakshman
LONDON

India and the United Kingdom signed a Comprehensive Economic Trade Agreement on Thursday during Prime Minister Narendra Modi's visit to the U.K. The deal was signed by Commerce Minister Piyush Goyal and his British counterpart Jonathan Reynolds. The two sides also released a reworked and extended cooperation framework, replacing 'Roadmap 2030' with the 'India-U.K. Vision 2035' framework.

"Today marks a historic day in our bilateral relations," said Mr. Modi while delivering a press statement beside U.K. Prime Minister Keir Starmer at Chequers, the latter's official country residence.

Mr. Modi said the deal would benefit Indian farmers, the MSME sector, Indian footwear and jewellery exports, as well as seafood and engineering goods sectors. He indicated that British medical devices and aerospace parts would be more easily sold in India (i.e., they would face lower Indian tariffs). Both sides were keen to emphasise the benefits of the deal to their respective political constituents.

"There may be a swing and a miss at times, but we always play with a straight bat. We are committed to building a high-scoring, solid partnership," Mr. Modi told Mr. Starmer, using a cricket metaphor as India and England battled it out in the fourth Test match in Manchester.

Stronger bond: PM Narendra Modi with his British counterpart Keir Starmer at Chequers Estate in the U.K. X/@NARENDRAMODI

"It is good for British workers in cutting edge manufacturing, whisky distillers across Scotland and the service sector in London, in Manchester, and in Leeds," Mr. Starmer said, listing some of the benefits of the trade deal for Britons. Indian clothes, food, and shoes would be less costly in the U.K., he said. The deal was Britain's "biggest" trade deal since Brexit (Britain's 2016 departure from the EU), U.K. Trade Minister Mr. Reynolds told the *BBC*. "... And it's the best deal that India has ever offered anyone," Mr. Reynolds said.

The deal was announced in May, more than three years after negotiations were relaunched.

India and the U.K. also agreed to negotiate a reciprocal Double Contributions Convention (DCC). This agreement would ensure that employers and employees working across borders, for a period of up to three years, would pay social contributions only in one country at a given time. The current exemption period is for one year.

Vision 2035

The Vision 2035 statement comprises several pillars: growth and jobs; technology (building on the Technology Security Initiative launched exactly a year ago); climate; defence and security.

The two sides agreed to regular interaction between the two Prime Ministers and an annual review of how Vision 2035 was being implemented, conducted at the Foreign Minister level. The sides also discussed global and regional issues during Thursday's talks.

They committed to strengthening and reforming multilateralism, specifically at the United Nations and its Security Council, the Commonwealth, the World Trade Organization, World Health Organization, International Monetary Fund, and World Bank to "reflect contemporary global realities".

The U.K. is a permanent member of the UN Security Council and supports India's permanent membership to the body.

During a press briefing on Thursday, Foreign Secretary Vikram Misri emphasised the significance of such a deal being struck in a challenging environment for trade, globally. He was responding to a question from *The Hindu* on whether the United States's retrenchment from the world and trade discussions of both the countries with the U.S. were brought up during Mr. Modi's and Mr. Starmer's bilateral talks.

Prime Minister Modi thanked Mr. Starmer for his support following the Pahalgam terror attack of April 22. "We are united in the belief that there is no place for double standards in the fight against terrorism," Mr. Modi said.

The two countries would also enhance cooperation on the extradition of economic offenders, Mr. Modi said.

Several industry bodies welcomed the trade agreement.

EDITORIAL
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Key Highlights of the Trade Deal:

1. **Tariff Reductions:**
    - **India:** Lower tariffs on British medical devices, aerospace components.
    - **UK:** Tariff concessions for Indian agricultural products, footwear, jewellery, clothing, seafood, and engineering goods.
    - Cheaper Indian food, footwear, and textiles in the UK market.
2. **Benefits to Sectors:**
    - Indian MSMEs and farmers to benefit via increased exports.
    - UK gains in whisky, cutting-edge manufacturing, and services sector.
3. **Employment and Cross-border Work Facilitation:**
    - **Signing of Double Contributions Convention (DCC):** Ensures social security contributions are paid only in one country for up to 3 years.

4. **Timeline:**
    - Announced after over 3 years of negotiations post-Brexit.

Strategic Vision 2035:

A broader and deeper engagement across five pillars:

1. Growth and Jobs
2. Technology Cooperation
    - Builds on the Technology Security Initiative launched in 2024.
3. Climate Collaboration
4. Defence and Security
5. Multilateral Engagement
    - Joint call for reform of global institutions – UNSC, WTO, IMF, World Bank.
    - UK reaffirmed support for India's permanent UNSC membership.

Geopolitical and Diplomatic Significance:

- Reflects deepening of post-Brexit UK's strategic pivot towards Indo-Pacific powers.
- Strengthens India's position in global trade, especially in contrast to slowing WTO negotiations.
- Enhances India's bargaining power vis-à-vis Western nations and reinforces its Atmanirbhar Bharat goals by opening export avenues.

Security and Counterterrorism Cooperation:

- Shared stand against terrorism and "double standards" in its fight.
- Discussion on extradition of economic offenders (e.g., Nirav Modi, Vijay Mallya cases).

Critical Analysis:

Positives:

- Diversification of trade partners for both nations, especially important amid rising global protectionism.
- Opens new employment and market opportunities for small businesses and traditional sectors in India.
- A balanced deal considering benefits to both sides across strategic, economic, and diplomatic areas.

Challenges:

- Concerns over access to Indian markets for foreign medical and defense components may impact domestic industry.
- Implementation of Vision 2035 requires political continuity and institutional follow-through on both sides.
- India–UK relations occasionally strain due to diaspora politics and domestic UK parliamentary debates (e.g., on Kashmir).

UPSC Mains Practice Question

Ques: India–UK Comprehensive Economic Trade Agreement represents a new model of economic diplomacy. Critically evaluate its implications for India's economic and strategic interests. **(150 Words)**

Page 03: GS 3 : Environment

A 24-year-long coral reef monitoring program in the Lakshadweep archipelago has revealed a significant decline in coral cover by nearly 50%, from 1998 to 2022, primarily due to repeated marine heatwaves driven by climate change and El Niño events.

24-year survey reveals that coral cover in Lakshadweep saw a 50% reduction

The Hindu Bureau
BENGALURU

Concerning revelations have emerged from one of the longest-running coral reef monitoring programmes in the Indian Ocean. The 24-year-long study shows that corals in the Lakshadweep archipelago have declined to half of what they were in 1998 as a result of repeated marine heatwaves, exacerbated by climate change.

However, local conditions, such as wave exposure and depth, play essential roles in shaping how reefs respond to and recover from these events.

The study, 'Local Environmental Filtering and Frequency of Marine Heatwaves Influence Decadal Trends in Coral Composition', published in the journal *Diversity and Distributions*, uses long-term data sets to propose a predictive framework, which could help identify vulnerable reefs, and reefs that may still have the potential to recover.

The researchers have been tracking reef condition at three atolls across the Lakshadweep archipelago to understand how reefs respond to climate change. REPRESENTATIONAL IMAGE

Since 1998, researchers from the Nature Conservation Foundation have been tracking reef condition at three atolls across the Lakshadweep archipelago – Agatti, Kadmat and Kavaratti – to understand how reefs respond to climate change. This programme has monitored reefs as they declined and recovered from three major El Niño Southern Oscillation (ENSO) events – in 1998, 2010 and 2016.

Reduced recovery rate

"Over 24 years, coral cover declined from 37.24% to 19.6%, reflecting a roughly 50% reduction from the1998 baseline. This decline was explained by reduced recovery rates after each bleaching event, despite coral mortality decreasing with successive events. Recovery rates dramatically increased after six years, suggesting a critical period of bleaching-free years needed for reefs to recover.

Key Findings of the Study:

1. **Extent of Decline:**
   - Coral cover reduced from 37.24% (1998) to 19.6% (2022).
   - Indicates ~50% decline over 24 years.

2. **Cause:**
    - Marine heatwaves, particularly during major El Niño Southern Oscillation (ENSO) years: 1998, 2010, and 2016.
    - Resulted in widespread coral bleaching and mortality.
3. **Local Environmental Factors:**
    - Wave exposure and depth influenced the resilience and recovery capacity of coral reefs.
    - Some reef zones showed potential for natural recovery, if provided with bleaching-free intervals.
4. **Recovery Patterns:**
    - Although mortality reduced over successive bleaching events, recovery rates weakened.
    - Study found a six-year gap without bleaching is essential for significant coral recovery.
5. **Predictive Framework:**
    - Published in Diversity and Distributions journal.
    - Provides a tool for identifying vulnerable and resilient reef areas, helping in conservation planning.

Environmental Significance:

- Coral reefs are crucial marine biodiversity hotspots and serve as natural barriers against coastal erosion.
- Their decline threatens:
    - Fisheries and food security for local communities.
    - Tourism economies.
    - Marine ecosystem balance and carbon sequestration capacity.

Challenges Highlighted:

- Climate-induced marine heatwaves becoming more frequent and intense.
- Decreasing window for recovery between bleaching events.
- Limited local mitigation options as warming is global in nature.
- Inadequate policy attention to small island ecosystems like Lakshadweep.

Critical Analysis:

Positives:

- One of the longest and most detailed coral reef monitoring efforts in the Indian Ocean.
- Provides data-driven insights for targeted conservation.
- Framework can be applied to other Indian reef systems (e.g., Andaman & Nicobar, Gulf of Mannar).

Concerns:

- Indicates failure to adapt coral conservation strategies to changing climate trends.
- Points to a need for climate-resilient reef management policies.
- Highlights the vulnerability of Indian coastal ecosystems.

Way Forward:

1. **Climate Mitigation:**
    - Urgent need to curb greenhouse gas emissions at the national and global level.
    - Participation in international climate action platforms (e.g., COP, G20).
2. **Local Interventions:**
    - Establish Marine Protected Areas (MPAs) and no-fishing zones around vulnerable reefs.
    - Promote coral gardening and restoration using resilient species.
3. **Research and Policy Integration:**
    - Incorporate such long-term ecological data into policy frameworks (e.g., Coastal Regulation Zone (CRZ) norms).
    - Strengthen community-based reef monitoring and stewardship.
4. **Disaster Risk Reduction:**
    - Recognize coral reef loss as a climate disaster risk to Lakshadweep's population and infrastructure.

UPSC Mains Practice Question

Ques: Examine the role of long-term ecological monitoring in informing environmental policymaking in India. **(150 Words)**

Page : 04:GS 2 : International Relations

At the United Nations Security Council (UNSC) open debate on the Middle East situation (July 2025), India called for an immediate ceasefire in Gaza, stronger than its earlier positions. India also reaffirmed its support for the Palestinian cause and advocated a two-state solution as the only path to lasting peace.

At UNSC, India says Gaza ceasefire a 'must', reaffirms support to Palestine

Suhasini Haidar
NEW DELHI

A ceasefire must be put in place. All hostages must be released. Dialogue and diplomacy remain only viable paths...

PARVATHANENI HARISH
India's Permanent Representative to the United Nations

Raising concerns over the ongoing "humanitarian crisis" in Gaza at the United Nations Security Council, India said that a ceasefire is a "must", as is the release of all hostages. India's support to the Palestinian cause is "unwavering", said Parvathaneni Harish, India's Permanent Representative to the United Nations.

Mr. Harish's statement was delivered during the UNSC's quarterly open debate on the 'Situation in the Middle East, including the Palestinian question' on Wednesday. It comes just a month after India abstained on a resolution at the UN General Assembly that called on Israel to implement an immediate ceasefire. The debate was convened by Pakistan, which holds the Security Council Presidency for July, and was chaired by Pakistan's Foreign Minister Ishaq Dar.

"Intermittent pauses in hostilities are not enough to address the scale of humanitarian challenges confronting the people, who grapple daily with acute shortages of food and fuel, inadequate medical services and lack of access to education," Mr. Harish said during his intervention, citing UN and WHO estimates that 95% of all hospitals in Gaza are damaged or destroyed, and that more than 6,50,000 children have had no schooling for over 20 months.

Changing position

"A ceasefire must be put in place. All hostages must be released. Dialogue and diplomacy remain the only viable paths to achieving these objectives. There are no other fixes or solutions," he added.

The MEA did not respond to a request for comment on why India's position appears to have shifted over the past month, with a stronger statement on the need for a ceasefire than before. In the UNGA vote on June 12, India was one of only 19 abstentions, while 12 countries voted against a resolution pressing Israel for an immediate ceasefire. In all, 149 countries voted for the resolution, while the Indian representative said only that releasing hostages and a ceasefire were "important to ameliorate the humanitarian situation in Gaza".

At the UNSC debate, where India was a special invitee, Mr. Harish also reiterated India's position that a "two-State" solution was the only "pathway to enduring peace" between Israel and Palestine.

"India shares historic and strong ties with our Palestinian brothers and sisters. We have always stood by them and our commitment towards the Palestinian cause is unwavering," he said.

Key Highlights:

1. **Ceasefire as a 'Must':**
    - India emphasized that a ceasefire is essential to address the humanitarian crisis in Gaza.
    - Also called for the release of all hostages.
2. **Humanitarian Crisis:**
    - India cited alarming figures from the UN and WHO:
        - 95% of Gaza's hospitals are destroyed/damaged.
        - Over 6.5 lakh children without schooling for 20+ months.
        - Widespread shortages of food, fuel, and medicine.
3. **Diplomacy and Dialogue:**
    - India reiterated that only dialogue and diplomacy can resolve the crisis, rejecting military or unilateral fixes.
4. **Two-State Solution:**
    - India reaffirmed its support for a sovereign, independent State of Palestine, coexisting peacefully with Israel.
5. **India's Position Shift:**
    - Contrasts with India's June 2025 abstention on a UNGA resolution demanding a ceasefire.
    - Now shows a more assertive humanitarian and political stance at the UNSC.
6. **Diplomatic Context:**
    - Meeting was chaired by Pakistan's Foreign Minister, as Pakistan held the UNSC presidency for July.
    - India was a special invitee, not a member of the UNSC.

India's Balancing Act:

India has long walked a tightrope in West Asia:

- Supports Palestinian statehood (historic ties, moral and diplomatic support).
- Deepening strategic and economic ties with Israel (defense, agriculture, tech, trade).
- Faces pressure to balance humanitarian concerns with geopolitical interests.

Critical Analysis:

Significance of the Shift:

- Reflects growing global concern about the scale of suffering in Gaza.
- Signals India's independent foreign policy voice, even while abstaining at UNGA.
- May enhance India's image among Arab and non-aligned countries.

Challenges:

- Risk of straining ties with Israel, India's key defense and technology partner.
- Internal political pressures and diaspora sensitivities.
- India is not a permanent UNSC member, limiting its influence.

Way Forward:

1. **Continue Diplomatic Engagement:**
    - Maintain balanced, principled position advocating peace, human rights, and sovereignty.
2. **Strengthen Humanitarian Diplomacy:**
    - Provide aid to conflict zones like Gaza via UN agencies.
    - Promote conflict mediation and post-conflict reconstruction.
3. **Advocate for Reform of Multilateral Institutions:**
    - Strengthen calls for UNSC reforms, ensuring greater Global South representation.

UPSC Mains Practice Question

Ques: India has consistently supported the Palestinian cause while deepening its ties with Israel. Discuss the challenges and opportunities this balancing act presents for India's foreign policy.

Page 06 : GS 2 : International Relations

Prime Minister Narendra Modi's participation in the 60th Independence Day celebrations of the Maldives (July 2025) marks a significant shift in India-Maldives relations, which had seen strains under President Mohamed Muizzu's "India Out" campaign but have recently improved.

PM's Maldives trip signals improved ties

Narendra Modi to attend the island nation's 60th Independence Day celebration in Male tomorrow; several agreements likely to be signed; there has been improvement in ties between the countries since September 2023, when Mohamed Muizzu used the 'India out' plank during his poll campaign

Meera Srinivasan
COLOMBO

When Prime Minister Narendra Modi attends the Maldives's 60th Independence Day celebration in capital Male on Thursday, his presence will mark a major turnaround in ties between the neighbours – something that neither side might have foreseen 18 months ago.

Although Mohamed Muizzu used the 'India out' plank – taking off on a campaign by former President Abdulla Yameen – for his successful presidential bid in September 2023, there was a notable thaw in the Maldives's India ties within months, seen in the meeting of the leaders of both countries on the sidelines of the UN COP-28 climate summit in Dubai in December 2023, where they agreed to bolster economic partnership and people-to-people ties.

Ups and downs

However, early 2024 saw a rapid decline in the relationship again, with junior Maldivian Ministers making derogatory remarks against Mr. Modi in connection with his Lakshadweep visit, and a shrill, apparently well-coordinated "Boycott Maldives" campaign that dominated Indian social media soon after, threatening the country's tourism-reliant economy.

Returning from a five-day visit to China in January 2024, President Muizzu told local media that the Maldives might be a small island nation, but that did not allow others to "bully" the country and that the Maldives "is not in anyone's backyard". In March 2024, Mr. Muizzu said no Indian military personnel, not even those in civilian clothing, would be present in his country after May 10, 2024. By early May last year, India fully pulled out its troops from the Maldives, meeting the deadline set by President Muizzu, with a compromise of replacing them with technical personnel.

Subsequently, ties saw an improvement, paving the way for President Muizzu's state visit to India in October 2024, even as the island nation was struggling with its debt burden and widening fiscal deficit that some feared might push it towards default.

After the two leaders met in New Delhi, India signed a crucial currency swap agreement – available until 2027 – with the Maldives for $750 million, to help the island nation tide over its current foreign currency crunch. The two countries also agreed on a "vision statement" for a "comprehensive economic and maritime security partnership" going forward. In May 2025, India rolled over a $50-million Treasury bill to support the country to bolster its reserves and stabilise its economy.

Today, Indian flags have been put up across Male, sources based in the capital city told *The Hindu* on Thursday, to welcome India's Prime Minister, who is scheduled to arrive on Friday morning from the United Kingdom. This is amid considerable social media criticism of the Maldivian government from detractors. Mr. Modi is the first head of state to visit the Maldives since President Muizzu assumed office in November 2023.

'Hard work'

"It's a question of working hard at a relationship," Foreign Secretary Vikram Misri said, in a special media briefing on Tuesday, referring to the positive shift in India-Maldives ties. Observing that "there will always be events that will impact or try to intrude on the relationship", he pointed to the "kind of attention" that has been paid to the relationship, including at the highest levels.

"We have continued to work at it ...we have also been in very close discussions with our partners in the Maldives to provide clarity and assurances about what it is that we want to do bilaterally, and I think the result is there for all to see," he told reporters in New Delhi.

Describing the joint vision for an "India-Maldives comprehensive economic and maritime security partnership" as the "guiding framework" for bilateral ties, Mr. Misri said New Delhi has seen nearly half-a-dozen Ministerial-level visits from the Maldives in the first six months of this year. During Mr. Modi's visit a set of agreements across sectors is expected. The two sides are likely to agree on the terms of reference for the Free Trade Agreement under negotiation. Agreements in new areas of cooperation, including renewable energy, fisheries, digital infrastructure are to be firmed up.

Prior to Mr. Modi, former Sri Lankan President Maithripala Sirisena and former Prime Minister of Pakistan Nawaz Sharif participated as Guests of Honour in the Maldives's Independence Day events in 2015 and 2017 respectively.

Diplomatic meeting: Narendra Modi and Mohamed Muizzu during the COP28 climate summit in the UAE on December 1, 2023. PTI

Timeline of Events:

September 2023 – Strained Relations Begin:

- President Muizzu wins election on an "India Out" platform, calling for the removal of Indian military presence.

December 2023 – Diplomatic Opening:

- Modi and Muizzu meet at COP-28 in Dubai, discuss improving economic and people-to-people ties.

January–May 2024 – Crisis Escalates and Resolution:

- Tensions flare over social media criticism and derogatory comments against PM Modi.
- Maldives insists on full Indian troop withdrawal by May 10, 2024 — India complies by replacing them with technical personnel.

October 2024 – Positive Turnaround:

- Muizzu visits New Delhi, signs a $750 million currency swap agreement with India to manage its foreign exchange crisis.
- Both countries agree on a “vision statement” for a comprehensive economic and maritime security partnership.

May 2025 – Financial Support:

- India rolls over a $50 million Treasury Bill, helping Maldives stabilize reserves.

Current Visit Significance (July 2025):

- PM Modi’s visit is symbolic and strategic — first visit by a head of state since Muizzu took office.
- Indian flags across Male signal a warm official welcome despite domestic criticism in Maldives.
- Multiple agreements expected, including:
  - Progress on a Free Trade Agreement (FTA).
  - MoUs on renewable energy, fisheries, digital infrastructure, etc.

Strategic and Diplomatic Importance:

1. **Geopolitical Balancing in the Indian Ocean:**
   - Maldives has strategic importance in the Indian Ocean Region (IOR).
   - India counters China’s growing footprint, as Muizzu had also visited China in Jan 2024.
2. **Maritime Security & SAGAR Vision:**
   - Reaffirmation of India’s Security and Growth for All in the Region (SAGAR) policy.
   - Emphasis on joint maritime security framework.
3. **Economic Diplomacy:**
   - India’s financial aid helps Maldives avoid debt default, giving India soft power leverage.
   - Infrastructure and trade ties deepen economic integration.
4. **Neighbourhood First Policy:**
   - Reinforces India’s commitment to regional engagement, despite temporary tensions.

India-Maldives Relations: A Balancing Act

Positives	Challenges
Shared cultural and historical ties	Political volatility in Maldivian domestic politics
Economic and infrastructure support	Rising anti-India rhetoric in sections of society
Strategic maritime cooperation	Influence of China's BRI and debt-trap diplomacy

Critical Analysis:

Successes:

- Demonstrates diplomatic maturity — India chose quiet engagement over confrontation.
- Use of economic diplomacy and vision-based partnership to rebuild trust.
- Quick troop pull-out prevented deeper crisis.

Concerns:

- Fragility of trust; political rhetoric in Maldives may shift again.
- China remains a strong competitor in Maldives.
- Domestic populist sentiments in small nations can disrupt regional ties.

Way Forward:

1. **Sustained High-Level Engagement:**
   - Regular bilateral summits and ministerial exchanges.
2. **People-Centric Partnerships:**
   - Scholarships, healthcare, tourism links to build goodwill.
3. **Balanced Strategic Presence:**
   - Avoid overt militarization; promote capacity building and joint initiatives.
4. **Support Institutional Strengthening:**
   - Help Maldives build institutions that withstand political cycles.

UPSC Mains Practice Question

Ques: Discuss the significance of India's engagement with the Maldives in ensuring maritime security in the Indian Ocean Region. **(250 Words)**

Page 12 :GS 2 & 3 : IR and Economy

India and the United Kingdom have signed the Comprehensive Economic and Trade Agreement (CETA), which is expected to increase Indian agricultural exports by over 20% over the next three years. The deal marks a significant step in deepening bilateral trade relations and boosting India's export sectors, including agriculture, textiles, engineering goods, and processed foods.

Key Features of the Deal:

1. **Tariff Reductions:**
   - U.K. will benefit from an average tariff cut of 12 percentage points, from 15% to 3% on exports to India.
   - Tariff elimination/reduction on 90% of tariff lines, covering 92% of U.K. exports to India.
   - India will gain duty-free access for agriculture, processed food, leather, chemicals, and textiles in the U.K.
2. **Agri-Trade Potential:**
   - India's global agri exports: $36.63 billion.
   - U.K.'s agri imports: $37.52 billion, but only $811 million from India.
   - Room for growth in high-value agri-products like fresh grapes, processed foods, spices, tea, etc.
3. **Sensitive Sector Protection:**
   - No market access given to the U.K. in India's sensitive agricultural sectors, such as:
     - Dairy products
     - Apples
     - Oats
     - Edible oils
   - This reflects India's cautious and calibrated trade policy, prioritizing:
     - Food security
     - Domestic price stability
     - Protection of vulnerable farmers

India U.K. trade deal likely to boost farm export growth by 20%

The India-United Kingdom CETA 'sharpens' India's competitive edge on a number of agricultural and food-related items, according to an official

T.C.A. Sharad Raghavan
NEW DELHI

The government expects the India-U.K. Comprehensive Economic and Trade Agreement (CETA) signed by the two countries on Thursday to lead to substantial benefits for a variety of Indian export-oriented sectors such as agriculture, textiles, leather, chemicals, and engineering goods, according to officials who are aware of the calculations.

Win-win deal: PM Narendra Modi, U.K. PM Keir Starmer, Piyush Goyal and Jonathan Reynolds at Chequers, England. AP

Under the deal, the U.K. will benefit from a 12 percentage point average tariff reduction – from the current average of 15% to a new average of 3% – for exports to India. It will see a removal or reduction of tariffs on 90% of the tariff lines, covering 92% of the items currently exported from the U.K .to India.

Among the items that will find cheaper access to the India market from the U.K. are whiskey, items related to aerospace, automobiles and electrical machinery.

The economic and trade deal was signed in the UK by Union Commerce and Industry Minister Piyush Goyal and the U.K'.s Secretary of State for Business and Trade Jonathan Reynolds, in the presence of the Prime Ministers of both the countries.

"In agriculture, India exports $36.63 billion globally, while the U.K. imports $37.52 billion, but imports just $811 million from India, showing room for growth in high-value agri products," a government official said. "Duty-free access is expected to raise agriculture exports by over 20% in next three years."

No sensitive sectors

India has not provided the U.K access to its most sensitive sectors such as dairy products, apples, oats, and edible oils.

"These exclusions reflect India's calibrated trade strategy – one that prioritises food security, domestic price stability, and vulnerable farming communities," according to the official.

Competitive edge

Apart from this, the deal "sharpens" India's competitive edge on a number of agricultural and food-related items, the official explained. For example, in the export of fresh grapes to U.K., the deal provides India an advantage over Brazil and brings it on par with top exporters such as Egypt and South Africa.

In processed food preparations, the deal helps India gain ground on the U.S., China, and Thailand.

"Notably, in the processed food sector, tariffs on 99.7% of lines have been slashed from as high as 70% to zero, offering a major boost for Indian exporters," the official said.

4. **Competitive Gains:**
   - In fresh grapes, India now gains parity with Egypt and South Africa in the U.K. market.
   - In processed foods, tariffs on 99.7% lines cut from up to 70% to zero — enhancing competitiveness against China, the U.S., and Thailand.

Significance for India:

Positive Outcomes	Concerns/Challenges
Boost in agri exports by 20% projected	Ensuring quality standards for high-end markets
Improved market access for processed foods	Compliance with U.K.'s SPS (Sanitary and Phytosanitary) standards
Balances export growth with domestic protection	Need for logistics, cold chain, and branding improvement
Diversifies India's agri export destinations	Possible rise in competition for Indian manufacturers

Strategic and Economic Implications:

- Strengthens bilateral economic ties and aligns with India's export diversification strategy.
- Encourages value-added exports, supporting employment in rural and semi-urban sectors.
- Reflects India's "Atmanirbhar Bharat" approach with global engagement.
- Helps MSMEs enter new global markets, especially in processed and packaged foods.

Critical Analysis:

Strengths of the Deal:

- Balanced trade opening: Access to new markets without exposing vulnerable domestic sectors.
- Empowers Indian exporters in competitive global segments like processed food.
- Sends a signal of confidence in multilateralism and post-Brexit partnerships.

Challenges Ahead:

- Need for stringent quality assurance systems to meet U.K. and EU standards.
- Risk of non-tariff barriers like labeling, certification, and environmental concerns.
- Agricultural exporters must upgrade packaging, branding, and logistics.

Way Forward:

1. **Capacity Building:**
   - Assist farmers and exporters with training, certification, and awareness of U.K. norms.
2. **Infrastructure Investment:**
   - Improve cold storage, supply chains, and port logistics for agri exports.
3. **Export Promotion:**
   - Leverage trade fairs, branding campaigns, and GI tagging to boost recognition.
4. **Monitor Impact:**
   - Ensure that sensitive sectors remain protected and policy remains flexible.

UPSC Mains Practice Question

Ques: India's trade strategy seeks to balance export promotion with domestic protection. Discuss in light of the India–U.K. Comprehensive Economic and Trade Agreement. **(150 Words)**

Page : 08 Editorial Analysis

The India-U.K. FTA spells a poor deal for public health

India and the United Kingdom have signed their Free Trade Agreement (FTA), with the Union Commerce and Industry Minister, Piyush Goyal, and the British Business and Trade Secretary, Jonathan Reynolds, signing the deal on July 24, 2025, during the visit of Prime Minister Narendra Modi to the U.K. On July 22, 2025, the Union Cabinet, Government of India had approved the FTA. Officially called the Comprehensive Economic and Trade Agreement, this FTA was first announced on the conclusion of negotiations on May 6, 2025.

The India-U.K. FTA is good news from the economic perspectives of both countries. However, the FTA could pose a public health challenge for India. It will allow tariff-free entry – and thus lower prices – for U.K.-made food products such as biscuits, chocolates and soft drinks in India, many of which would fit into the categorisation of High Fat, Sugar and Salt (HFSS), posing grave long-term health risks. Cheaper prices supplemented by the expected aggressive marketing and advertising campaigns could prove harmful from the point of view of the health of citizens.

The case of Mexico

Concerns about the FTA and its adverse public health impact are not hypothetical. In 1992, when the North American Free Trade Agreement (NAFTA) was signed between Mexico, the United States and Canada, Mexico made the mistake of not implementing robust public health safeguards. In the years that followed, Mexico experienced the following: a dramatic rise in imports of cheap, sugary drinks, snacks and processed foods; a surge in the consumption of HFSS food products, and a steep rise in diet-related diseases, obesity and diabetes. Mexico could halt the rise in the sale of HFSS products and manage lifestyle diseases only when it introduced stringent public health regulatory mechanisms such as a 'Soda Tax' and warning labels upfront in 2014.

From a public health viewpoint, the India-U.K. FTA is a concern for India. While the sale of unhealthy food products in the U.K. is relatively better regulated, the regulatory framework is sub-optimal in India. For example, the U.K. has implemented a ban on the advertising of HFSS products on television and online. The ban on such TV advertisements before 9 p.m., and a complete ban on paid online advertisements for HFSS products will come into effect on October 1, 2025. Similarly, the U.K.'s traffic light Front-of-Pack Nutrition Labelling (FOPNL) system uses a colour-coded system to help consumers quickly understand the nutritional content of packaged foods and drinks. For example, green indicates low levels of fat, saturated fat, sugar, and salt, amber indicates medium, while red indicates high. This system helps consumers make healthier choices.

India lacks binding restrictions on junk food advertisements targeting children; the existing regulations are not effectively enforced and routinely flouted. India relies on self-regulation through the Advertising Standards Council of India, which is an industry body. There is ample evidence that in the food sector 'industry self-regulation' is rarely and partially effective. There are a few regulations that prohibit misleading advertisements, i.e., the Advertising Code of the Ministry of Information and Broadcasting; however, regulatory bodies are often unable to identify misleading advertisements or, if done so, no penalty is assigned. The cartoon mascots on food products targeted at children on the one hand and celebrity endorsements on the other normalise unhealthy choices. The use of celebrities and sportspersons are key to these tactics. Many of these celebrities have privately acknowledged that they do not use the products which they publicly promote and advertise. Yet, such deceitful behaviour has never resulted in social or public outrage.

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The entry of cheaper junk food as a result of a free trade agreement can prove to be expensive in terms of public health

The problem with India's 'star rating'

In India, the issue of a mandatory FOPNL is pending for want of a decision on the right type of labels and amendments under the Food Safety and Standards (Labelling and Display) Regulations, 2020. While evidence from various studies is that all types of warning labels help in reducing the consumption of HFSS, the most effective are the use of warning labels. Yet, Indian authorities are more interested in the use of "star rating", which could be misleading and less effective. Therefore, the process of introducing a warning system on packaged food is slow. For example, in September 2022, there were proposed amendments to introduce mandatory warning labels. Yet, three years later, the amendments remain on paper. After a Public Interest Litigation in April 2025, the Supreme Court of India has directed the authorities to make a decision on warning labels in a time-bound manner. Many independent subject experts believe that a part of the reason for the delay in the adoption of the Food Safety and Standards Authority of India (FSSAI)'s 2022 draft regulations for FOPNL is because of industry lobbying – this has diluted the proposals, opting for "star ratings" that are confusing instead of clear warnings such as Chile's black octagonal labels (when 'food products exceed certain thresholds of sugar, sodium, saturated fat, and/or calories').

India and many parts of the world are already facing a challenge of rising lifestyle diseases. In March 2025, *The Lancet* published two studies which indicated that obesity is on the rise across large parts of the world. Ultra Processed Food (UPF) and HFSS food items have witnessed a CAGR of 13.3%, in India, from 2011-21. Not surprisingly, the burden of lifestyle diseases such as obesity, diabetes and hypertension is rising at an alarming rate, in all age groups – more so in children and adolescents. A position statement on FOPNL in India, released in June 2025 and signed by 29 organisations, provided comprehensive evidence on the harmful effects of HFSS and UPF; it also advocated having warning labels being a mandatory part of HFSS and UPF packages.

Commercial activities, i.e., trade and treaties have been integral part of human life and the economic ambitions of nations. The FTAs have economic benefits and multiple rationales. However, getting cheaper junk food as a result of an FTA can be costly in public health terms. These apprehensions are founded in sound global evidence. In fact, in the last decade, global health agencies have begun talking about the Commercial Determinants of Health – the conditions, actions and omissions by commercial actors that affect health.

There is news that India may sign another deal, the India-European Free Trade Agreement Trade and Economic Partnership Agreement (TEPA), involving Iceland, Liechtenstein, Norway, and Switzerland, in October 2025. Trade deals and FTAs are likely to be signed with some more countries. They could be good for the economy, but from the point of view of public health they could prove to be the Trojan horses of non-communicable diseases, unless sufficient safe-guards are implemented. There is a need to balance the economic benefits of FTAs with the need to protect public health and ensure restrictions on the marketing and labelling of food products.

It is still not late

Now that the India-U.K. FTA has been signed, the legal text will be drafted in the weeks ahead, and this is the opportunity for India to make the right move, it needs to act immediately to mitigate the FTA's public health impact. It is time for strong measures to regulate the advertising of HFSS, as also suggested in the Economic Survey 2024-25 and in line with the recent 'Dietary Guidelines for Indians', published by the National Institute of Nutrition in May 2024. The mandatory FOPNL in the form of warning labels should be implemented at the earliest. The proposed 'sugar boards' and 'Oil Boards' in schools are a good entry point to having 'health promoting schools. However, 'a more holistic approach of 'HFSS boards' needs to be considered. School meals and school college canteens should stop the sale of packaged and unhealthy food items. Protective measures must be implemented with urgency to counter the potential effects of current and future FTAs. Public health practitioners and health policymakers need to be more engaged on issues that are related to trade deals, and when it comes to ultra-processed food and high fat, salt and sugar food. It is an issue of public health, which affects nearly every Indian in every age group, and a subject that must be treated with urgency.

GS 02 & 03 IR and Economy

UPSC Mains Practice Question: Free Trade Agreements can be double-edged swords, especially for public health. Discuss in light of the India–U.K. FTA. (150 words)

Context :

While the recently signed India-U.K. Free Trade Agreement (FTA)—formally called the Comprehensive Economic and Trade Agreement (CETA)—has been celebrated for its economic benefits, public health experts have raised alarms over its negative implications for India's health landscape, particularly regarding HFSS (High Fat, Sugar, and Salt) foods.

Core Issue:

- The tariff-free entry of processed U.K. food items like chocolates, biscuits, and sugary drinks into India could lead to:
  - Increased consumption of junk food
  - A rise in non-communicable diseases (NCDs) such as obesity, diabetes, and hypertension, especially among children.

Why It Matters:

Global Precedent: The Case of Mexico under NAFTA

- After NAFTA (1992), Mexico saw:
  - A surge in imports and consumption of unhealthy food.
  - A corresponding spike in lifestyle diseases.
  - It had to reverse the trend by introducing:
    - Soda Tax
    - Warning labels on food packaging

India's Weak Public Health Regulatory Framework:

UK Public Health Framework	India's Public Health Gaps
Ban on HFSS food advertising (TV and online) from Oct 2025	No binding restrictions on junk food ads targeting children
Traffic-light labeling (FOPNL) with green/amber/red	India's "star rating" system is unclear and misleading
Strict regulation of celebrity endorsements	Celebrities promote junk food freely with no accountability
Effective public nutrition communication	Weak enforcement of Food Safety & Standards regulations

Star Rating vs. Warning Labels:

- India's current FOPNL star system is seen as ineffective and subject to industry lobbying.
- Studies and global health experts recommend Chile-style warning labels—black octagons for high sugar, fat, sodium, etc.
- India's 2022 draft FOPNL regulations are pending.
- The Supreme Court, through a PIL (April 2025), has directed authorities to act in a time-bound manner.

Rising Public Health Crisis:

- Lancet (March 2025) reported a global obesity surge.
- **In India:**
    - CAGR of 13.3% in ultra-processed foods (UPF) from 2011–2021.
    - Sharp increase in child and adolescent obesity.
    - NCDs now affect all age groups, undermining productivity and public finances.

Commercial Determinants of Health (CDH):

- Growing global awareness about how trade and corporate activities affect health.
- FTA without health safeguards becomes a "Trojan Horse" for NCDs.

Recommendations & Way Forward:

1. **Amend FTA Implementation:**
    - Insert safeguards in the legal drafting phase.
    - Introduce product-specific exclusions or conditions.
2. **Enforce Mandatory Warning Labels (FOPNL):**
    - Adopt clear, colour-coded or graphic warning labels.
    - Avoid ambiguous star ratings.
3. **Ban Junk Food Advertising:**
    - Especially for children and adolescents.
    - Regulate celebrity endorsements strictly.
4. **Healthy School Campaigns:**
    - Replace sugar/oil boards with HFSS awareness boards.
    - Ban sale of junk food in school and college canteens.
5. **Public Health-Trade Policy Convergence:**
    - Health professionals must actively participate in trade negotiations.
    - Align with Economic Survey 2024–25 and National Institute of Nutrition guidelines.

Critical Analysis:

Balance Needed:

- While FTAs are vital for trade growth, unchecked import of unhealthy products harms long-term productivity and health.

Weak Institutional Response:

- Delay in regulatory reforms (e.g. FOPNL) shows state capacity lagging behind corporate interests.

Opportunity for Reform:

- India can become a global model by balancing economic growth with public health safeguards, using Chile, Mexico, and the U.K. as benchmarks.