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Dear Dominic,

Thank you for your letter of 29 April, following the Government's response of 31 March 2026 to the International Agreements Committee's report on the UK–India Comprehensive Economic and Trade Agreement (CETA).

I am grateful for the Committee's continued engagement on this agreement, and for the constructive and collaborative approach taken both during negotiations and throughout the scrutiny process. The Government strongly values the role of the Committee in ensuring thorough Parliamentary scrutiny of trade agreements, particularly those with significant and long-term implications for the United Kingdom.

I note the Committee's concerns regarding areas where the Government's response was perceived to lack sufficient detail or substantive analysis. We take these concerns seriously and are committed to supporting effective scrutiny by providing clear and comprehensive information wherever possible.

In that spirit, I set out below further information in response to the specific areas raised in your letter.

<u>Cumulative assessment of successive trade agreements on the UK agricultural sector</u>

The Government has always been clear that any deals it signs will include protections for our most sensitive sectors and will not lower food standards. We are seeking deals that work for our farmers and producers.

The Department for Business and Trade (DBT) is carefully considering the effect of the agreements that are being negotiated, including enhanced export opportunities for UK agricultural producers. The Department is working closely across government, to ensure that our trade policy does not undermine UK farmers and producers of agricultural goods.

The Government assesses the cumulative impacts of trade agreements on domestic agricultural sectors to inform policy development and ensure that future agreements take account of these sensitivities. This work is undertaken as part of ongoing internal policy processes, and we would be happy to discuss what information would be most helpful in addressing your question.

Assessment of trade displacement impacts, including on textiles and third countries

DBT's published Global Trade Outlook still shows we continue to expect growth for countries across the region in the long term.

Our analytical models indicate that the reduction in trade barriers between the UK and India could change the relative cost of trade for other trading partners, particularly those geographically close to India. Our published analysis highlights our overarching assessment on the impact of this and where some increased competition may start to occur, as barriers are reduced between the UK and India.

One important mitigating step we have taken is via the Developing Countries Trading Scheme, which is already one of the most generous unilateral trading preference schemes of its kind - offering 65 countries, including across South Asia and South-East Asia, access to the UK market. Bangladesh, Nepal and Cambodia, for instance, currently benefit from zeroed tariffs across all their exports to the UK, on everything but arms and ammunition. On top of this, we have recently announced some further improvements to the Scheme. Liberalised Rules of Origin for garment exports from low and lower-middle income countries will enable DCTS countries to source more of their garment's inputs from neighbouring countries, while retaining access to reduced tariffs. This will also help countries maintain duty-free access as they graduate from Lower Developed Country status and continue to move up the value chain. We will consistently monitor utilisation of the scheme through data analysis as well as impact of the scheme to understand where we can make improvements.

Ongoing monitoring of the FTA's impact, as set out in the Trade and Development Cooperation Chapter, will allow us to ensure developing country impacts are flagged and addressed as they arise.

Government support for the services sector

In addition to the framework commitments already set out in Annex 8A, the Government is taking further steps to support the UK services sector post-entry into force, including engaging with the Government of India and professional bodies to identify priority sectors for mutual recognition of professional qualifications; tracking the implementation of India's Digital Personal Data Protection legislation to address UK interests on data protection, localisation and privacy; ongoing engagement with the legal sector; and advancing education services cooperation by encouraging UK university campuses in India and progressing recognition of UK online and distance learning courses in line with the India-UK Vision 2035.

We support all businesses, including services exporters, with practical advice and support, such as market and sector guides. In India, we have a substantial overseas team who work directly with businesses to help them to enter and grow in the market, including sector experts focused on areas like financial services, professional and business services, technology, and the creative industries.

Clarification on fly-in, fly-out rules and arbitration fees for legal services

The limited information provided reflects the fact that the regulatory position in India remains unsettled. Although the Bar Council of India (BCI) amended its rules on foreign lawyers in

2025, their practical operation, including provisions on fly-in, fly-out (FIFO) and associated fees (which impact arbitration work) is unclear. The Government is working closely with the UK legal sector, including the Law Society of England and Wales and Bar Council of England and Wales, to seek clarity from the BCI and the Indian Ministry of Law and Justice on FIFO and arbitration matters.

Fiscal implications and impact assessment relating to the Double Contributions Convention

The Double Contributions Convention is a tax policy change that was agreed by the Treasury as part of the India trade deal. In line with its approach to policy costing, the Office for Budget Responsibility will certify the fiscal impact of the DCC in the usual way once it has been finalised and ratified.

As the DCC is a deregulatory measure preventing the double payment of social security contributions it is not expected to impose any costs on UK business, charities or the voluntary sector and a separate impact assessment has not been produced.

The Government remains committed to transparency in its trade policy and to ensuring Parliament and the public are appropriately informed of the impacts and implementation of our agreements. We will continue to monitor the operation of the UK–India agreement closely, including its sectoral and wider economic effects.

I welcome the Committee's offer to continue working closely with the Department to improve communication and information sharing, and I look forward to maintaining a productive relationship as the agreement is implemented.

Yours sincerely,

Chris Bryant

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