

## **India-UK Relations**

India and UK are bound by strong ties of history. India's multi-faceted bilateral relationship with the UK intensified with its upgradation to a Strategic Partnership in 2004. The groundwork for this was laid when Prime Minister Manmohan Singh met former UK Prime Minister Tony Blair in September 2004 and they adopted a joint declaration titled 'India-UK: towards a new and dynamic partnership' which envisages annual Summits and regular meetings between Foreign Ministers. It also outlines areas for future cooperation in civil nuclear energy, space, defence, combating terrorism, economic ties, science & technology, education and culture. The visit of UK Prime Minister David Cameron to India in July 2010 saw the relations elevated to 'Enhanced Partnership for the Future'. The UK supports India's proposal for permanent membership of the UNSC and is also an important interlocutor for India in the EU, G8, G20 and global contexts.

2. The new coalition government led by Prime Minister David Cameron which came to power in May 2010 has called for a new 'Special Relationship' with India. UK's keen interest in India can be gauged by their request for increasing their diplomatic presence in India.

### **Visit of UK PM David Cameron to India in July 2010**

3. There have been regular exchanges of visits at the Prime Ministerial level since the Strategic Partnership in 2004. Prime Minister David Cameron, accompanied by a large delegation, paid a State Visit to India in July 2010 soon after coming to power. Summit level talks were held between the two Prime Ministers. The two leaders agreed *inter alia* to establish India-UK CEOs Forum and an India-UK Infrastructure Group to enhance trade and investment. Several understandings were reached to enhance all round cooperation including in S&T, Defence and to promote greater people to people contacts. An MOU on India-UK Cultural Cooperation was also signed. Since PM Cameron's visit in July 2010, it is the turn of our PM to visit and UK has shown keen interest to have the visit.

### **Visit of President of India**

4. . President Pratibha Patil, paid a State Visit to the UK from 26-29 October 2009 which was the third State visit by an Indian President to the UK and took place after a long period of 20 years.

### **Recent visits**

5. There have been many ministerial bilateral visits in the past one year. Some of the important ones are visit of External Affairs Minister S.M Krishna, Finance Minister Pranab Mukherjee, Minister for Heavy Industries Praful Patel, Minister for Urban Development Kamal Nath, and Minister of State for Communications and Information Technology Sachin Pilot, .

6. From UK side, the recent important visits include visit of Minister of State in UK Foreign and Commonwealth Office Jeremy Browne, former UK Secretary of State for Defence Liam Fox, Minister of State in UK Foreign Office Lord Howell, Secretary of State for Justice Kenneth Clarke, Secretary of State for DEFRA, Caroline Spelman,

Lord Mayor of London, Alderman Michael Bear, UK Minister of State for Energy and Climate Change Gregory Barker, , MoS for Universities & Science David Willets, and Secretary of State for International Development Andrew Mitchell,.

### **Foreign Office Consultations**

7. There is an established mechanism of Foreign Office Consultations (FOC) between India and the UK. The last round of FOC was held in London on 28 June 2011.

### **Parliamentary Exchanges**

8. The Parliaments of India and the UK enjoy traditionally close relations. Speaker of Lok Sabha Meira Kumar visited the UK from 17-19 January 2011, which ended a long draught of 14 years in Parliamentary Speakers' visits between the two countries. Speaker of UK House of Commons John Bercow, returned the visit the same year in August 2011.

9. There are Friends of India Groups in all the three major political parties, namely Conservative, Labour and Liberal Democrat and they have visited India from time to time to keep in touch with the latest developments. The last visit was in September 2011 when a delegation of Conservative Friends of India Group visited India. Parliamentary exchanges have also taken place under the banner of the Commonwealth Parliamentary Association. An All-Party Parliamentary Group on India holds periodic meetings. An All Party Parliamentary Group on Trade and Industry linkages with India was set up in 2009.

### **Economic and Commercial Relations**

10. Trade and investment is one of the most important plank of our bilateral relations. The India-UK economic relations received a vibrant upward direction after the establishment of Joint Economic and Trade Committee (JETCO) in 2005 to tackle trade and investment barriers on both sides and promote business links. The 7<sup>th</sup> JETCO meeting was held in New Delhi on 19 January 2011.

11. Total bilateral trade in 2010-11 (upto December 2010) was USD 8,508.45mn, out of which exports from India was USD 4,880.28mn and imports was USD 3,628.17. However, although trade has increased in absolute terms, there has been a gradual decrease in UK's share in India's global bilateral trade, both in exports and imports during the last five years.

12. India's main exports to the UK are cotton, ready-made garments and textiles, transport equipments, spices, ores and minerals, manufactures of metals, machinery and instruments, drugs & pharmaceuticals and marine products. The main imports from the UK to India are metalifers, ores and metal scraps, pearls & semi precious stones, professional instruments other than electronics, non-ferrous metals, chemicals and machinery. The UK is the largest market in Europe for Indian IT services.

13. The UK is now the 4<sup>th</sup> largest inward investor into India, after Mauritius, Singapore and the USA. The FDI inflow during FY 2010-11 was USD 755 million. Top sectors attracting FDI from UK are petroleum, ports, services, roads and

highways, computer software. India became the third largest inward investor in UK in 2010 after USA and China. There are around 700 Indian companies in the UK. The Tatas are the biggest private sector employer in the UK.

### **Education**

14. India is the second largest source of students studying in UK and the number of Indian students in UK is approximately 34,000. During PM Blair's visit to India in 2005, the UK-India Education and Research Initiative (UKIERI) was launched with focus on higher education and research, schools and professional and technical skills. Bilateral cooperation in education got a platform with the setting up of India-UK Education Forum in 2008. The 2<sup>nd</sup> phase of UKIERI was launched on 9 June 2011. The fourth meeting of the Forum was held in India in November 2011.

### **Defence**

15. India has multifaceted cooperation in the defence sector with UK. Former UK Secretary of State for Defence Liam Fox, visited India in November 2010 and again in July 2011. We have institutionalised defence dialogue at Defence Secretary level. The 13<sup>th</sup> round was held in London in January, 2011. We have regular exchanges between the services including in training of officers. We also conduct joint exercises. We also procure defence equipment from UK. UK DSTL and our DRDO have agreed to identify specific areas for R&D collaboration through a Letter of Arrangement.

### **India-UK Civil Nuclear Cooperation**

16. India and UK signed a Civil Nuclear Cooperation Agreement on 11 February 2010 which will help promotion and facilitation of cooperation in the nuclear field including nuclear trade and also between the scientific institutions of the two countries.

### **Science & Technology**

17. India-UK Science and Technology Cooperation started with the signing of the Science and Technology Agreement in January 1996. In 2006, a new orientation was given to S & T Cooperation with setting up of the 'Science and Innovation Council' which is the main framework within which India-UK Science & Technology cooperation operates. A number of initiatives have been taken up during 2006-10 which include 29 joint projects in Nano Science, Biotechnology including stem cell research, telecom, solar energy use and weather forecasting.

### **India – UK Round Table**

18. The India-UK Round Table was set up as a non-government channel for long range and 'out of box' thinking on the future of our bilateral relationship. The 13<sup>th</sup> round of Indo-UK Round Table was held on 18-20 Feb 2011 in Surajkund, India. Lord Chris Patten from UK side and Mr. Nitin Desai from Indian side co-chaired the Round Table.

### **Immigration**

19. The new coalition government which came to office in May 2010, announced that they would set a numerical limit on non-EU migrants to the UK in their new migration policy in November 2010. The cap on work visas came into effect from April 2011. Student visa policy has also been revised and will come into effect from April 2012.

### **Tourism**

20. The UK ranks number two in the world in terms of tourists visiting India, but most of the tourists are British nationals of Indian origin. Around 500,000 Indians visit UK every year. An India Tourism Office headed by a Director from Ministry of Tourism, is based in London. In all, 108 weekly flights between India and the UK are operated by Air India, Jet Airways, Kingfisher Airlines, British Airways and Virgin Atlantic.

### **Culture**

21. The Nehru Centre, established in 1992 in London, is the cultural outreach of the High Commission of India in UK. The Centre organises a wide range of cultural functions at its premises. The commemoration of the 150<sup>th</sup> birth anniversary of Poet Rabindranath Tagore is being commemorated with several functions being organised by The Nehru Centre, some in collaboration with local authorities.

### **Indian community**

22. Of Britain's population of 61.8 million, the population of Indian origin is estimated to be around 1.5- 2 million, accounting for the single largest segment of ethnic population. Over the years Indians have performed extremely well in various fields. Majority of the second generation have opted for higher education and are in white collar professions such as doctors, engineers, solicitors and chartered accountants. The present Parliament has 7 Indian origin MPs and 25 Indian-origin Lords. In addition, there are over 180 Indian origin Councillors elected to Councils across UK.

### **February 2012**