

1. Extract of Ministerial - Briefing – IMG (Trade) – (29/11/2023)

(Extracts of ministerial briefing for Interministerial Group (Trade) meeting – 28 Nov 2023)

Top facts/ figures	India It is vital that Devolved Governments continue to be fully and regularly engaged as these negotiations appear to approach their concluding stages.
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- I am aware that negotiations with India are approaching a critical stage and have seen reports that a deal may be reached imminently. **As negotiations progress at an increased pace, it is even more important that you engage regularly with Devolved Governments.**
- [REDACTED - Section 32(1)(a)(i) – Relations between UK and any other state]
- [REDACTED - Section 33(2)(a) – UK economic interests]
- We are aware of the importance of the agriculture sector in India however **we have made clear to the UK Government that any market access deal must be in line with the commitments made by the Prime Minister in his open letter to farmers in May.**
- [REDACTED - Section 33(2)(a) – UK economic interests]
- [REDACTED - Section 32(1)(a)(i) – Relations between UK and any other state]
- [REDACTED - Section 33(2)(a) – UK economic interests]
- [REDACTED - Section 32(1)(a)(i) – Relations between UK and any other state]
- **It is vital that appropriate protections for Geographical Indications, including Scotch Whisky, are secured through the agreement.** This is a key principle in our *Vision for Trade*, as is the need to ensure these provisions are backed by effective enforcement mechanisms.
- [REDACTED - Section 32(1)(a)(iv) – Promotion or protection of UK interests abroad]
- [REDACTED - Section 32(1)(a)(i) – Relations between UK and any other state]

ANNEX C

[REDACTED - Section 32(1)(a)(iv) – Promotion or protection of UK interests abroad]

2. Extract of BRIEFING – MEETING WITH SWA – (28/02/2024)

(Extract from Ministerial briefing for meeting with the Scotch Whisky Association)

- **I am aware of the particular interests of the SWA in the UK-India FTA negotiations.** Whisky is Scotland's main export to India and this FTA presents an opportunity to deliver a significant reduction in tariffs on Scotch Whisky.

- [REDACTED - Section 30(b)(i) – free and frank provision of advice]
- [REDACTED- Section 30(b)(i) – free and frank provision of advice]

ANNEX C

[REDACTED - Section 32(1)(a)(iv) – Promotion or protection of UK interests abroad]

3. Extract of note of Ministerial meeting with SWA – 01/03/2024

(Extract from Note of Ministerial meeting with SWA. Meeting took place 28 February 2024, note shared 01/03/2024)

- On India – [REDACTED - Section 30(b)(ii) – free and frank exchange of views] this was the key priority, and a massive potential market.

4. Extract of Submission – Vision for Trade Year 3 Annual Report (21/03/2024)

(Part of Ministerial Submission providing an outline of the Year 3 Vision for Trade Annual Report.)

Minister for Small Business, Innovation, Tourism and Trade

Deliverable 1: Advocated priorities for Scottish people and businesses in all FTA (and MoU) negotiations

Advocated for Scotland's priorities in all FTAs and MoUs under negotiation including India, Canada, Switzerland, the Gulf Cooperation Council, Israel, Türkiye and US state MoUs, including:

- Intellectual Property in relation to medicine prices in India FTA.

5. EY & SG – Extract from note of Meeting (16/10/2023)

(Part of note of meeting between Scottish Government officials and contact at EY. Meeting took place 11/10/2023, note shared 16/10/2023)

Attendees

[REDACTED - Section 38(1)(b) – Personal data relating to a third party]

India FTA

DBT share parts of India FTA text with key stakeholders, including E&Y, and [REDACTED - Section 38(1)(b) – Personal data relating to a third party] was of the view the FTA would be signed shortly. Their impression is that the FTA [REDACTED - Section 30(b)(ii) – free and frank exchange of views]

6. EFTA-India FTA SPS provisions (12/03/2024)

(Email between officials sharing the terms of the EFTA-India FTA SPS provisions)

For interest, here is the IEFTA-India FTA:

<https://www.efta.int/sites/default/files/documents/legal-texts/free-trade-relations/india/1.%20Main%20Agreement.pdf>. Interesting to see how this compares to any signed UK-India Agreement. [REDACTED - Section 32(1)(a)(i) – Relations between UK and any other state]

7. India - FMQ - (11/12/2023)

(Draft First Ministers Questions style briefing on the UK-India FTA)

India

[REDACTED - Section .32(1)(a)(i) – Relations between UK and any other state, Section .32(1)(a)(iv) – Promotion or protection of UK interests abroad, Section .33(2)(a) – UK economic interests]

- 1) Whisky is by far the commodity most impacted by any future FTA with India from Scotland's perspective
- 2) A key interest for the Scottish Government is reduction in the very high level (equivalent to 150%) of tariffs and duties that are levied by India on UK whisky exports. SWA has said that tariff reduction could increase Scotch whisky exports to India by £1 billion over 5 years.
- 3) Scottish exports to India were valued at £365 million in 2019, representing 1% of all international exports. India is number 20 on the list of priority export markets. Scotland's main exports include beverages (predominantly whisky), power generating and general industrial machinery.
- 4) India is Scotch Whisky's second largest export market by volume, with the equivalent of more than 136 million bottles exported there in 2021. The volume of Scotch Whisky exports to India have grown by more than 200% in the past decade alone, and whisky is hugely popular in India. India is the largest whisky market in the world. Scotch Whisky has just a 2% share of the Indian whisky market. There is huge potential for that to grow.
- 5) There are also opportunities for services exports as India is currently more restrictive than the UK. India's GATS schedules also contain specific limits on market entry for foreign investment.
- 6) Whisky is a key part of this picture. It is a world renowned Scottish product with huge export value and makes a significant contribution to the Scottish economy and employment. The industry is worth £5.5 billion to the Scottish economy and accounts for 75 per cent of food and drink exports (by value).

[REDACTED - Section .32(1)(a)(i) – Relations between UK and any other state, Section .32(1)(a)(iv) – Promotion or protection of UK interests abroad, Section .33(2)(a) – UK economic interests]

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Why is an FTA with India important for the UK economy?

India is one of the world's largest and fastest growing economies, set to become the world's third biggest economy by 2050. With a population of 1.38bn and a growing middle class, a trade deal would allow UK businesses access to a huge consumer base and has the potential to almost double UK exports to India. This would boost the UK's total trade by as much as £28 billion a year by 2035 and increase wages across the UK by £3 billion.

How can the deal benefit UK businesses?

Businesses could see key barriers slashed, an ambition of the UK government. Removing duties alone would increase exports to India by up to £6.8 billion, supporting tens of thousands of jobs across the UK. Important UK exports like Scotch whisky and cars currently face significant duties of 150% and 125% respectively. [REDACTED].

8. Extract of briefing - Cabinet Secretary RALRI meeting with the Scotch Whisky Association (24/01/2024)

(Extract for briefing for Cabinet Secretary for Rural Affairs, Land Reform and Islands for meeting with Scotch Whisky Association – meeting was subsequently cancelled.)

INDIA FTA

- There is currently no trade agreement between the UK and India.
- India is the largest export destination, by volume, for Scotch Whisky, 219m equivalent 70cl bottles were exported in 2022. This was worth £282m and India ranks 5th by export value.
- In UK-India FTA negotiations we are aware that 150% tariffs on Scotch Whisky are a particular issue. We know the industry is keen to see action on this.
- Whisky is Scotland's main export to India and this FTA presents an opportunity to deliver a significant reduction of tariffs on Scotch Whisky. However, the impact of any reduction in tariffs would be limited if a number of non-tariff barriers are not also addressed, such as, state laws and ensuring appropriate value thresholds are agreed.
- Given where the UK and India are in their respective political cycles, we hope that the UKG will not set itself artificial deadlines to secure a deal. Then find itself under a pressure to make concessions in areas that could have had a detrimental impact on Scotland.

9. Urgent - India Trade Deal (15/11/2023)

(Urgent briefing to the Cabinet Secretary for Rural Affairs, Land Reform and Islands on the UK-India FTA.)

- We are aware of the importance of the agriculture sector in India however have made clear that any market access deal must be line line with the PM commitments in his open letter to farmers in May.
- We would be keen to hear from any stakeholder who is concerned over the negotiations and will feed these to Defra and DB at the highest level.

[REDACTED - Section .32(1)(a)(i) – Relations between UK and any other state, Section .32(1)(a)(iv) – Promotion or protection of UK interests abroad, Section .33(2)(a) – UK economic interests]

10. Extracts from Briefing - UK India (20/12/2023)

(Draft briefing extracts on Whisky interests in the UK-India FTA)

Issue – UK –India FTA

[REDACTED - Section 32(1)(a)(i) – Relations between UK and any other state, Section 32(1)(a)(iv) – Promotion or protection of UK interests abroad, Section 33(2)(a) – UK economic interests]

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- 6) [REDACTED - Section 32(1)(a)(i) – Relations between UK and any other state, Section 32(1)(a)(iv) – Promotion or protection of UK interests abroad, Section 33(2)(a) – UK economic interests]

11. Extract of Readout of Prosper IBC Meeting (10/11/2023)

(Readout of Prosper International Business Committee meeting – 10 November 2023.)

- [REDACTED - Section 30(b)(ii) – free and frank exchange of views] FTAs are v important (inc but not only India) for both tariffs/barriers and also IP protection. [REDACTED- Section .32(1)(a)(i) between UK and any other state, Section .32(1)(a)(iv) – Promotion or protection of UK interests abroad]