FICCI 100
100 YEARS OF BUILDING TOMORROW

INDIA–UK CETA

Catalyst for Services Export Growth

July 2026



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Abbreviations & Acronyms

Abbreviation	Full Form
ACCA	Association of Chartered Certified Accountants
AI	Artificial Intelligence
ARB	Architects Registration Board (UK)
ASA	Advertising Standards Authority (UK)
BPO	Business Process Outsourcing
BV	Business Visitor
CAA	Civil Aviation Authority (UK)
CAGR	Compound Annual Growth Rate
CETA	Comprehensive Economic and Trade Agreement
CITB	Construction Industry Training Board (UK)
CMIE	Centre for Monitoring Indian Economy
CPC	Central Product Classification
CSS	Contractual Service Suppliers
CSIR	Council of Scientific and Industrial Research
DCC	Double Contribution Convention
EPC	Engineering, Procurement and Construction
ENT	Economic Needs Test
FCA	Financial Conduct Authority (UK)
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
FinTech	Financial Technology
FRC	Financial Reporting Council (UK)
FRN	Firm Reference Number
FTA	Free Trade Agreement
GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
GVA	Gross Value Added
HE	Higher Education
ICT	Intra-Corporate Transferee
IFoA	Institute and Faculty of Actuaries (UK)
IP	Independent Professional
ICAEW	Institute of Chartered Accountants in England and Wales
IT	Information Technology
IT-ITeS	Information Technology and IT-enabled Services
ITeS	IT-enabled Services
KPO	Knowledge Process Outsourcing
LLP	Limited Liability Partnership
M&A	Mergers and Acquisitions
MFN	Most Favoured Nation
MRA	Mutual Recognition Agreement
MRO	Maintenance, Repair and Overhaul
MSME	Micro, Small and Medium Enterprise
NHS	National Health Service (UK)
OBS	Other Business Services
OTT	Over-the-Top (media platform)
PRA	Prudential Regulation Authority (UK)
R&D	Research and Development
RBI	Reserve Bank of India
RegTech	Regulatory Technology
SaaS	Software as a Service
SEZ	Special Economic Zone
SME	Small and Medium Enterprise
TCI	Telecommunications, Computer and Information Services
TIC	Testing, Inspection and Certification
TMNP	Temporary Movement of Natural Persons
WTO	World Trade Organization

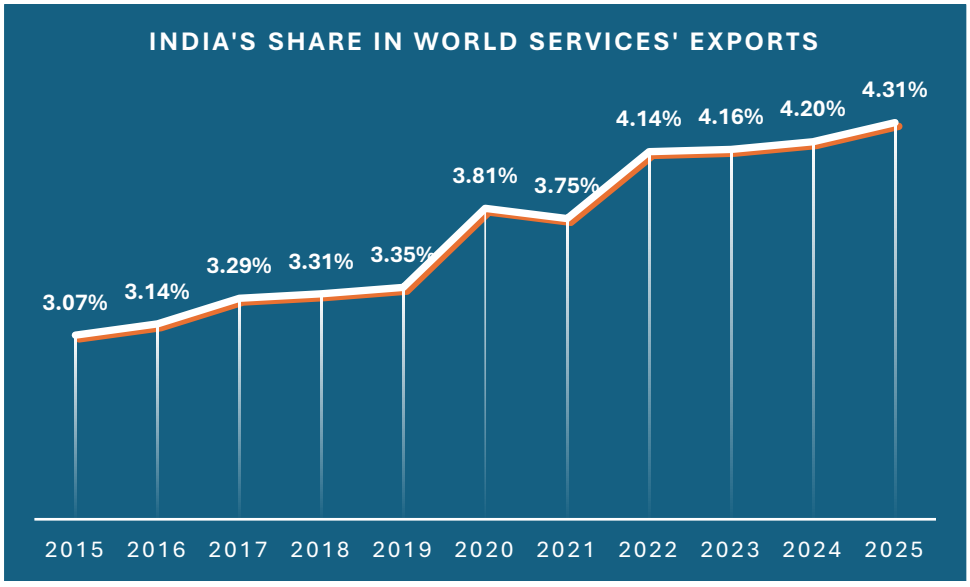
Overview: Services Exports of India

CHAPTER 1

Globally, the services sector has become the predominant contributor to output, employment, and productivity in most countries. The sector has the potential to deliver immense growth momentum, especially for developing countries. Services such as IT and digital services have enabled emerging countries to integrate into global supply chains and access international markets. An expanding consumer base, technological adoption and accelerating urbanisation have supported the growth of the services sector and exports in developing countries. As a result, the share of developing countries in total global services export has surpassed 30% of global services trade.[1]

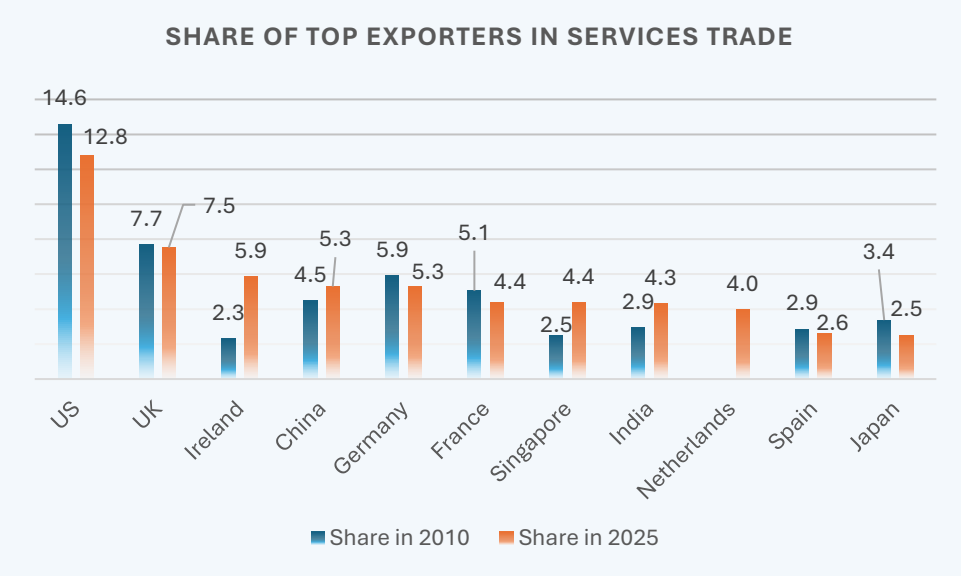
For India, the services sector has emerged as a key driver of India's economic growth, playing a central role in contributing significantly towards output, employment generation and foreign exchange. The sector has witnessed steady growth and its contribution to India's Gross Value Added (GVA) has increased to 55% in FY 2025 from around 51% in FY 2014.[2] It also accounts for almost 30% of total employment and remains the top recipient of India's cumulative Foreign Direct Investment (FDI). In addition, MSMEs play a key role in services trade and account for a substantial share of total cross-border services exports, making the growth in services exports more equitable.

Globally, India has emerged as one of the most dynamic countries with its share in global services exports increasing from 3% in 2015 to 4.3% in 2025, driven by IT exports, professional and business services, placing India among the top 10 exporters globally. Notably, the increase in share of services exports has outpaced that of manufacturing exports. India's share in global manufacturing exports grew from 0.9% in 2005 to 1.74% in 2025, while its share in global services exports doubled in the same time period.



Source: ITC Trademap

[1] https://www.wto.org/english/res_e/booksp_e/trade_in_serv_devpt_chp1_e.pdf
[2] https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2098048&reg=48&lang=2



Source: WTO

The services sector has also been the leading recipient of FDI in India. Top recipient sectors include other business services, computer software and hardware, trading, telecommunications and construction, with the computer services alone attracting 15% of cumulative FDI since April 2000.

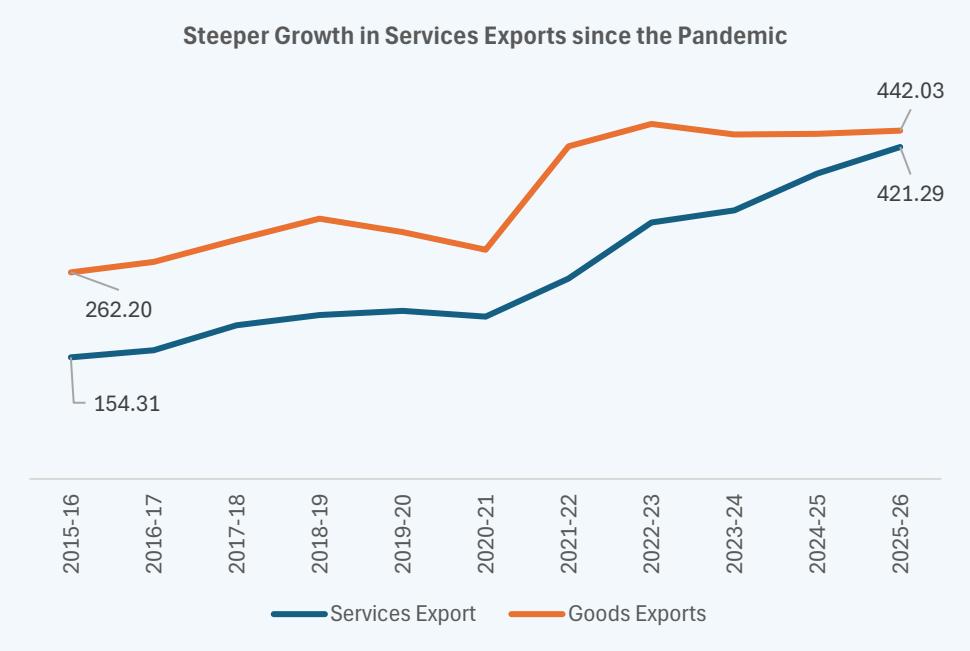
Recent Trends

In recent years, India's services exports in the external sector have grown, with services exports reaching almost half, at 48.3%, of total trade, with a value of US$ 416 billion in 2025.[3] The government has set a target of enhancing services exports to US$ 1 trillion by 2030,[4] which is feasible with consistent high growth in the exports of the services sector.

A key distinguishing feature of services trade has been its relative resilience to global shocks. Owing to the largely contactless and digitally deliverable nature of many services, India's services sector has demonstrated greater stability during periods of economic disruption. Although both merchandise and services exports contracted in 2020-21 due to the COVID-19 pandemic, services exports proved more resilient and recovered more rapidly than merchandise exports. India's top exports, namely, Telecommunications, Computer and Information (TCI) services, and Other Business Services (OBS), which together accounted for 78% of India's total services' exports in 2025, maintained growth momentum during and after the pandemic, growing at CAGR 13.2% and 20.5%, respectively, between 2021-2025. This resilience underscores the increasing importance of knowledge-intensive services in India's export basket and highlights the sector's ability to withstand external shocks.

Services exports have emerged as a more stable and reliable driver of export growth, less susceptible to global supply chain disruptions, commodity price volatility and geopolitical shocks that typically affect goods trade.

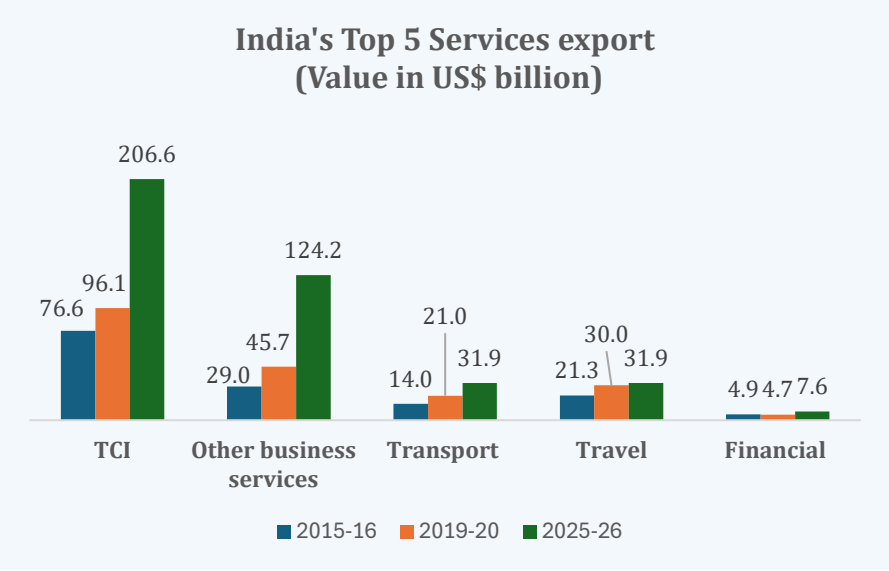
[3] *WTO data*
[4] *https://www.winvesta.in/blog/businesses/indias-410b-services-export-boom-your-business-is-the-engine*



Source: CMIE data/RBI data

Composition of India's Services Exports

Within the services' export sub-sectors, the most dominant component of services exports is telecommunications, computer, and information services (TCI). This segment alone accounts for close to 50% of total services exports and is a key driver of global demand for India's services exports. TCI and other business services (OBS) exports together account for more than 70% of India's services exports since 2020. The other sub-sectors within the top 5 include travel, transport and financial services exports, though their shares remain significantly lower.



Source: CMIE data/ RBI

As illustrated in the above graph, among the major services export sub-sectors, **Telecommunications, Computer and Information (TCI)** services have remained the dominant contributor over the last decade. Exports increased from US$ 76.6 billion in 2015-16 to US$ 206.6

billion in 2025-26, registering a CAGR of 10.4%. The sector's strong performance reflects India's sustained competitiveness in information technology, software development, digital services, and business process management, supported by rising global demand for remote service delivery and technology-enabled solutions.

Other Business Services (OBS) emerged as the fastest-growing among the top five service export categories. Exports expanded from US$ 29.0 billion in 2015-16 to US$ 124.2 billion in 2025-26, corresponding to a CAGR of 15.7 per cent. This rapid growth highlights the increasing importance of professional, consulting, engineering, research and development, and other knowledge-intensive services in India's export basket.[5]

Transport services exports grew steadily from US$ 14 billion in 2015-16 to US$ 31.9 billion in 2025-26, recording a CAGR of 8.6 per cent. The growth reflects increasing international trade flows, improvements in logistics capabilities, and greater participation of Indian service providers in global transportation and supply chain networks.

Travel services exports rose from US$ 21.3 billion in 2015-16 to US$ 31.9 billion in 2025-26, registering a CAGR of 4.1%. Although the sector expanded over the decade, its growth was relatively modest compared to other service categories, reflecting the significant impact of pandemic-related disruptions on global tourism and travel.

Financial services exports increased from US$ 4.9 billion in 2015-16 to US$ 7.6 billion in 2025-26, corresponding to a CAGR of 4.5 per cent. Given India's growing fintech ecosystem including digital payments and financial technology solutions and rising global recognition of same, the sector holds significant potential for enhancing exports.

Personal, cultural, and recreational services exports stood at US$ 5.1 billion in 2025. Although smaller in size, it recorded one of the highest CAGR of 14.5% in the period 2015-2025. Within the sector, the audio-visual and related services, including OTT platforms, digital media, gaming and content creation, have been major contributors to growth both in the domestic and the external sector.

Overall, India's services export growth has been largely driven by knowledge-intensive sectors. Other Business Services and TCI services recorded the highest growth rates, underscoring India's strengthening comparative advantage in technology-driven and professional services.

The composition of India's services exports reflects a **dual structure**: strong global competitiveness in IT and business services alongside relatively underutilised potential in traditional and emerging segments. While the dominance of digital services provides resilience and sustained growth, diversification into high-potential sectors such as fintech, creative industries and specialised professional services will be important to ensure balanced and sustainable export growth in the long term.

[5] *https://www.pib.gov.in/PressReleasePage.aspx?PRID=2097911&reg=3&lang=2*

Services exports by Destination and Modes

India's services exports are directed towards a diverse range of partner countries, with the US, the UK, and Japan among the leading export destinations.[6] The geographical distribution of India's software and IT-enabled services (IT-ITeS) exports, in particular, is concentrated in advanced economies. The US remains the largest market, accounting for approximately 55% of India's total IT-ITeS exports, followed by the UK and Europe, which account for around 17% and 14% share respectively. Other important markets include Canada, Asia, Australia, and New Zealand.

From a global perspective, the dominant mode of service delivery remains through commercial presence in host countries -i.e. Mode 3, emphasising the critical role of investment facilitation and market access commitments in trade agreements. However, in the case of India, services trade is dominated by Mode 1, accounting for nearly 74%, while Mode 3 represents 14% (second highest share), Mode 2 at 7.8% and Mode 4 at 4.6%.[7] The concentration in Mode 1 and lower shares in other modes indicate substantial scope for growth in the other modes as well as opportunities for investment expansion.

Against this backdrop, this paper seeks to analyse the opportunities for the Indian services sector arising from the recently signed trade agreement with the UK, which will come into force effective July 15, 2026.

[6] *https://www.ibef.org/exports/services-industry-india*
[7] *As per WTO data (2022)*

Analysis: UK Services Imports and Opportunities for India

CHAPTER 2

The UK is among the world's largest markets for services, accounting for nearly 5 per cent of global services imports and ranking as the fifth-largest importer. The size and sophistication of the UK's services market reflect its role as a global hub for finance, business services, technology and international business.

In 2024, the UK's total services imports amounted to approximately US$ 401 billion. This represents a substantial expansion over recent years, with imports rising from around US$ 244 billion in 2021, growing at a CAGR of nearly 18%, indicating a sustained upward trend in the value of services sourced from abroad.

UK Services Imports from Major Economies, 2021–2024

Values in US$ billion; figures in parentheses show % share in total UK services imports

Partner Economy	2021	2022	2023	2024	CAGR (%)
Total Imports of UK	**244.4**	**310.0**	**363.1**	**401.5**	**17.9**
European Union	104.0 (43)	139.4 (45)	163.8 (45)	180.0 (45)	20.0
United States of America	56.3 (23)	63.7 (21)	70.0 (19)	78.2 (19)	11.5
Spain	12.2 (5)	23.0 (7)	26.1 (7)	29.9 (7)	34.8
France	13.3 (5)	20.3 (7)	23.3 (6)	26.4 (7)	25.6
India	**8.8 (4)**	**12.1 (4)**	**15.8 (4)**	**18.8 (5)**	28.7
Germany	14.0 (6)	14.8 (5)	17.2 (5)	17.3 (4)	7.3

Source: WTO Stats, FICCI Research

The growth in the UK's services imports during the post-pandemic period has been accompanied by changes in the composition of suppliers. The EU remained the largest source of the UK's services imports, accounting for 45 per cent of total imports in 2024 and registering a CAGR of 20.0 per cent between 2021 and 2024. The United States remained the UK's largest individual country supplier of services, however the growth in imports from the US has grown at a relatively lower pace, leading to a decline in its share in the UK's services imports from 23% in 2021 to 19% in 2024.

Among the major suppliers, Spain and France recorded particularly strong growth, with services exports to the UK's increasing at CAGRs of 34.8 per cent and 25.6 per cent, respectively. As a result, both countries increased their share in UK services imports to around 7 per cent by 2024. In contrast, Germany's services exports grew at a comparatively slower CAGR of 7.3 per cent, resulting in a decline in its market share from 6 per cent to 4 per cent over the period.

India's services exports to the UK's increased significantly from US$ 8.8 billion in 2021 to US$ 18.8 billion in 2024, registering a CAGR of 28.7 per cent. Consequently, India's share in UK services imports has increased from approximately 4 per cent to nearly 5 per cent.

Sectoral Composition of UK Services Imports and India's Participation

To understand India's position within the UK services market, the sectoral composition of UK services imports and India's participation across different categories has been examined.

Sector	UK's Global Imports	UK's Imports from India	Sector's Share in UK's Total Services Imports	India's Share in UK's Services Imports	Sector's Share in India's Overall Service Supply to UK
	Values in US$ billion (2024)		*%*		
Commercial services	398.7	18.8	**99.3**	**4.7**	**99.7**
Manufacturing services on physical inputs owned by others	1.9	0.001	0.47	0.05	0.005
Maintenance and repair services	2.1	0.0	0.5	0.0	0.0
Transport	36.4	0.3	9.1	0.9	1.7
Travel	119.2	3.3	29.7	2.7	17.2
Construction	4.4	0.0	1.1	0.0	0.0
Insurance and pension services	15.9	0.2	4.0	1.4	1.1
Financial services	23.9	0.4	5.9	1.9	2.4
Charges for the use of intellectual property n.i.e.	20.9	0.2	5.2	0.7	0.8
Telecommunications, computer, and information services	20.3	2.5	5.1	12.5	13.5
Other business services	141.5	11.7	35.2	8.3	62.2
Personal, cultural, and recreational services	12.4	0.0	3.1	0.0	0.0
Memo item: Government goods and services	**2.9**	**0.04**	**0.7**	**1.4**	**0.2**
Memo item: Total services	**401.5**	**18.84**	**100.0**	**4.7**	**100.0**
Source: WTO Stats, FICCI Research					

The sectoral distribution of imports indicates that India's services exports to the UK are concentrated primarily in other business services, telecommunications, computer and information services, and travel. Together, these categories account for more than 90 per cent of India's services exports to the UK. Other business services alone account for more than three-fifths of India's exports to the market, highlighting the importance of professional, technical and business support services in bilateral services trade.

Other Business Services

Other business services constitute the largest component of the UK's services imports, accounting for approximately 35% share (valued at US$ 141 billion in 2024), reflecting the importance of business, professional and technical services within the country's services economy. India supplied approximately US$ 11.7 billion of services in this category, corresponding to market share of nearly 8.3 per cent.

The category comprises a broad range of activities, including research and development services, professional and management consulting services, and technical, trade-related and other business services.

Sector	UK's Global Imports	UK's Imports from India	Sector's Share in India's Overall Service Supply to UK	Major Supplying Countries (Market Shares)
	Values in US$ billion (2024)		%	%
Other business services	141.4	11.7	62%	
Research and development services	17.9	0.18	1%	EU(44%), USA(40%), Sweden(22%), Germany(3%), Ireland(3%)
Professional and management consulting services	44.4	4.7	25%	EU(46%), USA(17%), Switzerland (11%), India(11%), Ireland(10%)
Technical, trade-related, and other business services	79.01	6.7	36%	EU(31%), USA(31%), India(9%), France(7%), Germany(5%)
Source: WTO Stats, FICCI Research				

A disaggregated analysis of the category reveals notable differences in India's participation across sub-sectors.

- Technical, trade-related and other business services constituted the largest sub-segment within other business services, with UK imports amounting to approximately US$ 79 billion. India accounted for around 9% share in this category, reflecting its participation across a broad range of technical and business support activities.
- Professional and management consulting services accounted for approximately US$ 44 billion of UK imports in 2024. India accounted for around 11% of UK imports in this segment. The segment also represents an important component of India's exports of business services to the UK.
- UK's imports of Research and development services are valued at around US$ 18 billion, and India has very limited participation in this segment.

The supplier structure across these sub-sectors is characterised by the dominant presence of the EU countries and the US. Within EU – France, Germany and Sweden are the key suppliers of other business services to the UK.

Telecommunications, computer and information services

Telecommunications, computer and information services also represent one of the important categories of India's services exports to the UK. Although the sector accounts for just over 5 per cent of the UK's total services imports (valued at over US$ 20 billion in 2024), India commands a market share of 12.3 per cent. The segment also accounts for

13.5 per cent of India's overall service supply to the UK, highlighting its importance in bilateral services trade.

A disaggregated analysis of the category provides further insight into the distribution of imports across sub-sectors and the structure of suppliers serving the UK market.

Sector	UK's Global Imports	UK's Imports from India	Sector's Share in India's Overall Service Supply to UK	Major Suppliers (Market Shares)
	Values in US$ billion (2024)		%	
Telecommunications, computer, and information services	20.3	2.5	13.5%	
Telecommunications services	5.6	0.28	2%	EU(55%), USA(21%), Luxembourg(17%), Sweden(12%), India(5%)
Computer services	12.5	2.1	11%	EU(41%), USA(23%), India(17%), Ireland(9%), Germany(6%)
Information services	2.09	0.19	1%	USA(43%), EU(24%), India(9%), Ireland(7%), France(4%)
Source: WTO Stats, FICCI Research				

- Computer services account for the largest share of UK ICT imports, valued at US$ 12.5 billion. India holds a 17% market share in this segment, making it the third-largest supplier after the EU (41%) and the US (23%).
- India's presence in telecommunications services remains relatively modest, with a 5% market share compared to the EU's dominant share of 55% and the US's share of 21%.
- In information services, India accounts for 9 per cent share of UK imports, behind the US (43%) and the EU (24%), indicating considerable room for further market penetration.

Travel

Travel services constitute the second largest component of the UK's services imports, accounting for approximately 30 per cent of total services imports in 2024 (valued at US$ 119 billion. The UK's imports from India under this category stood at around US$ 3.3 billion in 2024, accounting for a market share of around 2.7 per cent.

While travel services represent a notable component of India's total supply of services to the UK, India's market share in the UK's travel imports remains relatively limited.

Sector	UK's Global Imports	UK's Imports from India	Sector's Share in India's Overall Service Supply to UK	Major Suppliers (Market Shares)
	Values in US$ billion (2024)		%	
Travel	119.1	3.3	17.2	
Business	9.4	0.4	2.1	EU(46%), USA(19%), France(7%), Germany(6%), Ireland(5%) *India share 4.2%*
Personal	109.7	2.9	15.1	EU (58%), Spain (18%), France (9%), USA (7%), Greece (6%) *India share 2.6%*
Source: WTO Stats, FICCI Research				

Travel services comprise two broad categories: business travel and personal travel. A disaggregated analysis of travel services indicates that personal travel services (outbound tourism of the UK) account for the majority of UK travel imports, amounting to nearly US$ 110 billion in 2024, while business travel imports stood at nearly US$ 9 billion.

The supplier structure of UK travel imports is dominated by European economies, particularly in personal travel services, reflecting geographical proximity and strong tourism linkages. The EU accounts for a substantial share of both business and personal travel imports, while the US maintains a notable presence in business travel services.

India's share in this segment remains modest, accounting for 2.6% in personal travel imports of the UK and 4.2% in business travel imports of the UK, indicating a substantial room for expansion, particularly post the implementation of India-UK CETA.

India–UK CETA: Key Provisions and Opportunities for Indian Service Suppliers

CHAPTER 3

The India–UK CETA represents a significant advancement in India's engagement with a mature, high-income services market. The agreement establishes legally binding, WTO-plus commitments across a broad range of services sectors, enhances predictability for Indian service suppliers, and consolidates existing market access under enforceable bilateral disciplines. Importantly, the CETA reflects India's expanding services export profile beyond traditional IT and IT-enabled services, encompassing professional, financial, educational, cultural, wellness, and creative services.

The agreement builds upon the General Agreement on Trade in Services (GATS) architecture while deepening commitments through sectoral coverage, horizontal disciplines, and specialised annexes. In addition to a dedicated Trade in Services chapter, the CETA includes a chapter on the Temporary Movement of Natural Persons, sector specific Chapters on telecommunications and financial services and an Annex on Professional Services, both areas of central importance to India's services-led growth strategy. By combining commitments across all four modes of supply with enhanced transparency, digital trade disciplines, and structured regulatory cooperation, the CETA provides a stable and credible framework for Indian firms seeking long-term engagement in the UK market.

Scope, Coverage, and MFN Commitments

A defining feature of the India–UK CETA is the breadth and depth of the UK's services commitments. The UK has scheduled commitments in 137 sub-sectors—well beyond its GATS coverage, covering areas of core interest to India, such as IT/ITeS, professional, business, financial, veterinary services, educational services, chef de cuisine services, yoga instructors, and classical musicians' services. India, in turn, has undertaken commitments in 108 sub-sectors, including accounting, telecommunications, financial services, environmental services, and auxiliary air transport, supporting reciprocal services trade and investment.

Crucially, these commitments are commercially meaningful. The UK has extended MFN treatment to India in 114 sub-sectors, including privately funded health, education, professional, and business services, reducing the risk of preference erosion and ensuring automatic access to any future liberalisation. While many commitments reflect existing UK regulatory openness, their bilateral binding under CETA enhances legal certainty, reduces policy risk, and strengthens enforceability, an outcome particularly important for Indian firms making long-term establishment and investment decisions.

How the India–UK CETA Builds on GATS Commitments

The India–UK CETA builds on the GATS framework but goes further in scope, coverage, and legal effect. In regulated sectors such as legal services, auditing, core financial services, public telecom, health, education, and personal services, the agreement largely locks in existing GATS-level access, preserving domestic regulatory authority while enhancing predictability for Indian suppliers. Beyond GATS, the CETA provides stronger commitments in digitally deliverable services (full Mode 1–3 access and firm-based Mode 4), business services (management consulting, advisory, technical testing), professional services (e.g. architects and engineer and other professional services that may be identified for mutual recognition), financial advisory and auxiliary services (transparent, cooperative frameworks in FinTech and payments), and emerging services such as wellness, cultural performance, tourism, and culinary services through project-linked Mode 4). It also introduces structured regulatory cooperation and legally binding disciplines, collectively creating commercially actionable opportunities across IT, business, professional, financial, wellness, cultural, tourism, and technical services.

Mode of Supply – Reference Key

Mode	Short Label	Definition
Mode 1 (M1)	**Cross-border**	Service supplied from India into the UK territory (e.g. IT services delivered remotely, BPO, KPO)
Mode 2 (M2)	**Consumption abroad**	UK consumer travels to India to consume the service (e.g. medical tourism, education abroad)
Mode 3 (M3)	**Commercial presence**	Indian company establishes presence in the UK (e.g. subsidiary, branch, office)
Mode 4 (M4)	**Natural persons**	Indian professionals travel temporarily to the UK to supply a service

UK's Services Commitments under the India–UK FTA (Qualitative Analysis)[8]

The UK's commitments under the Trade in Services Sector have opened the key sectors of interest for India. With respect to modes of supply, the UK has made a full commitment for Mode 3 in all sectors, a full commitment for Mode 1 & 2 in most of the sectors except technical & testing analysis services, legal services, auditing services, R&D services, insurance services and banking services. For Mode 4, the UK has made a commitment for all sectors to allow temporary entry of senior managers, specialists, and key personnel from Indian parent companies to temporarily relocate to UK affiliates or subsidiaries for a duration of 3 years without being subject to economic needs tests (ENTs).

For Contractual Service Suppliers (CSS) and Independent Professionals (IP), the UK's Schedule for Temporary Movement of Natural Persons (TMNP Schedule) has listed

[8] **Legend**
✓ = Committed
◐ = Partial / conditional / segment-specific
◯ = Unbound under FTA; no specific commitment made. This does not imply the sector is closed domestically; foreign participation may still be allowed under national laws and regulations.
M1 = Cross-border | M2 = Consumption abroad | M3 = Commercial presence | M4 = Natural persons

limitations for some of the sectors mentioned in the entries for CSS and IP regarding duration, education and experience requirements.

i. Computer, Digital, and Business Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[9]	Nature of Commitment
IT & Computer Services	Software implementation, systems integration, IT consulting (CPC 842)	✓	✓	✓	◐	M4: contractual service suppliers (CSS) and independent professionals (IP); 12-month stay cap; degree + 3 yrs experience for CSS; 6 yrs for IPs	Clean M1/M2/M3 commitment. Binds an already-open regime; backed by UK's data-driven digital economy; major opportunity for Indian software exporters
	Data processing, hosting, database services (CPC 843, 844)	✓	✓	✓	◐	Subject to UK GDPR and data protection law; M4 via CSS/IP routes only	Binding of existing access conditions; UK's cloud-first policy creates demand for Indian managed services and data processing
	Hardware installation consultancy (CPC 841)	✓	✓	✓	◐	M4: CSS/IP only; degree required; qualification recognition may apply	Full M1-M3 commitment; leverages India's hardware/infrastructure support capabilities
	Maintenance & repair of office machines/computers (CPC 845)	✓	✓	✓	◐	M4: CSS route; commercial presence may be required for some sub-activities	Binds open access; enables Indian firms providing IT maintenance to UK clients directly or via subsidiaries
	Other computer services (CPC 849)	✓	✓	✓	◐	M4: CSS/IP; standard conditions apply	Broad catch-all category; covers AI services, analytics platforms, SaaS, and digital transformation consulting

Computer, digital, and business services form the most commercially significant pillar of India's gains under the CETA. In IT and computer services, including software development, systems integration, and IT consulting—the UK has committed fully across cross-border supply (Mode 1), consumption abroad (Mode 2), and commercial presence (Mode 3), while temporary movement of personnel (Mode 4) is facilitated through firm-based categories such as intra-corporate transferees and select contractual service suppliers, with standard visa, salary, and duration requirements. These commitments, reinforced by the Digital Trade chapter, enhance predictability and regulatory certainty while maintaining policy space for data protection and cross-border transfers, creating a

[9] *Commitments include Intra Corporate Transferees for all sub-sectors with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

clear pathway for Indian firms to scale operations, deliver high-value projects, and deepen their presence in a mature, high-income services market.

Recommendations:

- **Moving up the value chain:** Indian firms should be encouraged to move up the value chain from traditional IT services to high-end products such as AI-driven analytics, cybersecurity services, cloud architecture and digital public infrastructure solutions. The enhanced market access and regulatory certainty under the agreement provide a strong foundation for firms to expand into these advanced segments.

- **Competition from Emerging Economies:** Countries such as Vietnam, Philippines, and Eastern European nations are emerging as competitive IT outsourcing destinations, offering lower labour costs and attractive investment incentives. To maintain its leadership, India must focus on value-added services, deep-tech innovation, and niche expertise. Investing in R&D, fostering a culture of innovation, and enhancing service quality will be key to staying ahead.

ii. Management Consulting and Related Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[10]	Nature of Commitment
Management Consulting	CPC 865	✓	✓	✓	◐	M4: CSS/IP/ ICTs; degree + experience conditions; remuneration must come from Indian entity	Full M1-M3; UK's large consulting market is directly accessible; Indian firms can operate as cross-border suppliers or via UK subsidiaries
Services Related to Management Consulting	CPC 866	✓	✓	✓	◐	M4: CSS/IP/ICTs	Full commitment; covers process consulting, organisational advisory, business analysis
Advertising	CPC 871	✓	✓	✓	◐	M4: CSS only; UK ASA compliance required	Full commitment; India's creative and digital advertising industry can supply UK clients remotely
Market Research & Opinion Polling	CPC 864	✓	✓	✓	◐	M4: CSS/IP; MRS (UK Market Research Society) standards may apply operationally	Full M1-M3; Indian market research and analytics firms (e.g. IMRB, Nielsen India) can serve UK clients directly
Technical Testing & Analysis	CPC 8676	◐	✓	✓	◐	M1: unbound for statutory ship certification (CPC 86764); commercial presence required for ship	Partial limitation only for maritime certification; all other technical testing fully open — significant

[10] *Commitments include Intra Corporate Transferees for all sub-sectors with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[10]	Nature of Commitment
						survey authorisation. M4: commercial presence may be required for ship surveys.	opportunity for Indian testing, inspection and certification (TIC) sector
Scientific & Technical Consulting	CPC 8675	✓	✓	✓	◐	M4: CSS/IP only	Full M1-M3; covers environmental consulting, geological surveys, and specialist scientific advisory
Executive Search	CPC 87201	✓	✓	✓	◐	M4: CSS only	Full commitment; Indian HR and talent acquisition firms can serve UK clients directly
Translation & Interpretation	CPC 87905	✓	✓	✓	◐	M4: CSS/IP; official/certified activities excluded from M4	Full M1-M3; India's multilingual talent pool creates competitive advantage for translation services to UK market

The management consulting and related services cluster presents near-frictionless market access for Indian firms under Modes 1–3. UK has a sizeable consulting market, which combined with large-scale digital transformation and public sector outsourcing, creates substantial demand that Indian firms are already partly meeting. The CETA binding locks in current open conditions and provides legal certainty for future to Indian service suppliers. For Mode 4, the contractual service supplier route (12-month stay, employed by an Indian entity, bona fide contract with UK client) is the most relevant channel for deploying Indian professionals on UK consulting engagements.

iii. Professional Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations	Nature of Commitment
Legal Services	Home country & foreign law advisory (part CPC 861)	✓	✓	✓	◐	M4: CSS and IP routes; 12 months max; UK qualification recognition may be required for advice on UK law. Commercial presence may be required for some reserved activities.	Significant opening: Indian law firms can advise UK clients on Indian law, international commercial arbitration, and public international law cross-border. UK's London arbitration hub creates demand.
	Domestic UK law (part CPC 861)	◐	✓	✓	◐	M1: commercial presence may be required for reserved legal activities; residency for immigration law. M3: non-discriminatory legal form requirements apply.	Partial but important: Indian firms can establish UK LLPs or companies to practise UK law; immigration law services require residency/presence. Opportunity for Indian

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations	Nature of Commitment
							firms with dual-qualified solicitors.
Accounting & Bookkeeping	CPC 86212, 86213, 86219, 86220	✓	✓	✓	◐	M4: CSS only; degree + 3 yrs experience; ICAEW/ACCA qualification likely required by UK regulatory body	Full M1-M3 commitment; enables remote bookkeeping and accounting services to UK SMEs — a high-growth opportunity for Indian KPO firms
Auditing Services	CPC 86211, 86212	○	✓	✓	◐	M1 unbound; requires commercial presence or consumption abroad for cross-border audit; FRC/ICAEW recognition required	M3 fully committed; Indian audit firms can establish UK presence; direct M1 audit is restricted
Taxation Advisory	CPC 863	✓	✓	✓	◐	M4: CSS/IP only; legal representation on tax excluded (falls under legal services); UK tax qualification recognition	Full M1-M3; major opportunity — Indian tax advisory firms can remotely advise UK-based Indian diaspora, businesses with India operations, and UK firms with India exposure
Architecture & Urban Planning	CPC 8671, 8674	✓	✓	✓	◐	M4: CSS/IP routes; ARB (UK Architects Registration Board) recognition likely required for practice title use	Full commitment; India's architecture and urban planning sector has global recognition; opportunity for cross-border project work and UK office establishment
Engineering & Integrated Engineering	CPC 8672, 8673	✓	✓	✓	◐	M4: CSS/IP/ ICTs[11]; Engineering Council UK recognition or equivalent qualification required	Strong commitment; Indian engineering consulting firms active in infrastructure, energy, and digital sectors can operate freely in UK via all modes

Professional services commitments under the India–UK CETA provide commercially meaningful opportunities for Indian firms while preserving the UK's regulatory autonomy over licensing, registration, and qualification requirements. Accounting, architectural, and engineering services benefit from commitments that support commercial presence and cross-border engagement, although practical market access remains influenced by recognition requirements imposed by UK professional bodies.

[11] *Commitments include Intra Corporate Transferees with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

A key advancement is the Annex on Professional Services, which establishes a structured framework for mutual recognition agreements (MRAs), including the identification of priority sectors within 12 months and a target of concluding negotiations within 36 months. By creating a formal mechanism to address qualification and licensing barriers, strengthen regulatory cooperation, and facilitate MRAs in areas such as accountancy, architecture, and engineering, the Annex has the potential to significantly enhance the agreement's commercial value for Indian professional service providers.

iv. Research & Development Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[12]	Nature of Commitment
R&D Services	Natural sciences & engineering (CPC 851)	◐	✓	✓	◐	M1/M2/M3: None except publicly funded R&D restricted to UK entities; M4 commitments for CSS (12 months)/ and ICTs	Strategic partial commitment; private-sector R&D fully open; India's pharma, biotech, and engineering R&D firms can partner with UK industry
R&D Services	Social sciences & humanities (CPC 852)	✓	✓	✓	◐	M4: CSS only; UK GDPR constraints on cross-border data sharing	Full commitment for modes 1-3; opportunity for Indian think-tanks, consultancies, and development sector firms
R&D Services	Interdisciplinary R&D (CPC 853)	◐	✓	✓	◐	Same as CPC 851: publicly funded R&D reserved for UK entities	Partial but meaningful; India's CSIR, IITs, and private research firms can engage in privately contracted R&D for UK clients

The UK's R&D commitments provide meaningful opportunities for Indian firms in pharmaceuticals, biotechnology, engineering design, and technology research. While publicly funded R&D remains largely reserved for UK entities, private-sector research activities benefit from broad market access through cross-border supply and commercial presence. Mode 4 access for contractual service suppliers supports the short-term deployment of specialised researchers, making these commitments particularly valuable for India's growing innovation- and knowledge-intensive sectors.

[12] *Commitments include Intra Corporate Transferees for all sub-sectors with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

iv. Financial Services

Insurance Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[13]	Nature of Commitment
Direct Insurance	Life insurance (Cross-border)	○	✓	✓	◐	M1 unbound; M3: full; FCA authorisation required for UK establishment	M3 fully committed; Indian insurers can establish UK subsidiaries/branches. M1 restriction means no remote life insurance sales to UK consumers.
Direct Insurance	Non-life insurance (CPC excl. life)	◐	✓	✓	◐	M1: committed only for marine, aviation, space/ freight risks and goods in international transit; FCA authorisation required	Partial M1 for international commercial risks — directly relevant to India's marine and aviation insurance exporters
Reinsurance & Retrocession	All reinsurance	✓	✓	✓	◐	M4: Annex 10A conditions; Lloyd's-equivalent prudential norms may apply operationally	Full commitment across M1-M3; major opportunity for Indian reinsurers to access UK's market directly
Insurance Intermediation	Brokerage & agency	◐	✓	✓	◐	M1: unbound for direct insurance brokerage except international marine/aviation/space; unbound for M1 reinsurance brokerage	M3 fully open; Indian insurance brokers can establish UK offices and operate freely. Cross-border brokerage limited to international risks.
Auxiliary Insurance Services	Actuarial, risk assessment, claims settlement	✓	✓	✓	◐	M4: CSS/IP; Institute and Faculty of Actuaries (IFoA) qualification recognition may be required	Full commitment; India's large actuarial and analytics talent pool creates strong M1 export opportunities — remote actuarial services, claims processing, and risk modelling for UK insurers

[13] *Commitments include Intra Corporate Transferees for all sub-sectors with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

Banking and Other Financial Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[14]	Nature of Commitment
Banking	Deposit-taking, lending, payment services (CPC b(i)-(x))	○	✓	✓	◐	M1 unbound for core banking; M3 fully committed (FCA/PRA authorisation required); fund depositories must be UK-incorporated; specialised management companies for common funds must be UK-incorporated	M3 is the primary route; Indian banks can operate UK subsidiaries/branches freely; M1 restriction is standard global prudential norm
Financial Leasing	CPC (iii)	○	✓	✓	◐	M1 unbound; M3 fully open; FCA authorisation required	Leasing companies can establish UK presence; cross-border financial leasing restricted
Financial Info & Data Processing	Provision and transfer of financial information, fintech data (CPC b(xi))	✓	✓	✓	◐	Subject to UK GDPR; FCA RegTech/data rules apply; M4 via Annex 10A only	Full M1-M3 commitment; significant opportunity for Indian fintech, data analytics, and RegTech firms supplying services to UK financial institutions
Advisory & Auxiliary Financial Services	Credit analysis, investment research, M&A advisory, portfolio advice (CPC b(xii))	◐	✓	✓	◐	M1: unbound for intermediation services; none for advisory; FCA rules apply to regulated activities	Strong opportunity — Indian investment research, KPO, and financial analytics firms can supply advisory and research services to UK financial institutions remotely under M1
Securities Issuance & Trading	Underwriting, placement, trading (CPC b(vi)-(vii))	○	✓	✓	◐	M1 unbound; M3 committed; FCA FRN authorisation required for UK-regulated activities	M3 route enables Indian securities firms to establish UK operations; direct cross-border securities services require UK establishment

The UK's financial services commitments create meaningful opportunities for Indian firms in reinsurance, financial advisory, investment research, actuarial services, risk management, and financial analytics, while preserving prudential safeguards for core banking, securities, and retail insurance activities. Although cross-border supply remains restricted in sensitive segments, commercially important activities such as reinsurance, advisory, and auxiliary financial services benefit from greater market access, while Mode 3 commitments provide a secure framework for Indian banks, insurers, securities firms, and fintech companies to establish and expand UK operations. Overall, the CETA enhances legal certainty and market access for India's financial services sector while respecting the UK's regulatory and prudential framework.

[14] *Commitments include Intra Corporate Transferees for all sub-sectors with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

v. Telecommunications, Distributions and Transport services

Telecom Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[15]	Nature of Commitment
Telecom Services	All electromagnetic transmission and reception services (all CPC 2.C)	✓	✓	✓	◐	M4: advisory/ consulting CSS/IP only; UK Ofcom licensing required for network operation; spectrum allocation under UK law	Full market access commitment; binds an open regime under robust Chapter 11 regulatory obligations, including interconnection, access to essential facilities, and competitive safeguards
Telecom Equipment	Equipment rental (CPC 7541), sales (CPC 7542), connection (CPC 7543)	✓	✓	✓	◐	M4 advisory/ consulting CSS only; UK product standards apply	Full commitment enables Indian telecom equipment firms to supply and lease equipment in UK
Telecom Consulting	Telecommunications consulting services (CPC 7544)	✓	✓	✓	◐	M4: CSS/IP (advisory & consulting only); 12 months	Full M1-M3 with M4 CSS/IP for consulting; India's telecom consulting sector can serve UK operators across network design, spectrum management, 5G rollout
Comms Equipment Maintenance	CPC 7545	✓	✓	✓	◐	M4: CSS only; commercial presence may be required for some maintenance activities	Full commitment enables Indian telecom infrastructure maintenance firms to operate in the UK
Other Telecom Services	CPC 7549	✓	✓	✓	◐	M4: Annex 10A conditions apply	Broad coverage, including managed services, cloud communications, OTT services

[15] *Commitments include Intra Corporate Transferees for all sub-sectors with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

Distribution and Retail Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[16]	Nature of Commitment
Distribution	Commission agents, wholesale trade, retailing, franchising (CPC 621, 622, 631, 632, 8929)	✓	✓	✓	◐	Public utility exception for regulated products (pharma, tobacco, alcohol); M4: Annex 10A conditions	Full commitment; Indian franchisors and retail brands can establish UK presence; Indian wholesale distributors for food, textiles, and lifestyle products can operate freely

Transport Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations[17]	Nature of Commitment
Air Transport — Auxiliary	Aircraft maintenance and repair (part CPC 8868)	✓	✓	✓	◐	Traffic rights excluded from FTA; CAA airworthiness approval required for MRO; M4: commercial presence may be required	Full commitment for MRO services; India's Air Engineering Services can supply UK airlines; the growing UK MRO outsourcing trend favours Indian providers
Maritime — Auxiliary	Supporting services, cargo handling, storage, freight agency (CPC 741-749)	✓	✓	✓	◐	Vessel registration and flag restrictions for M3; M4: advisory CSS/IP only for maritime consulting	M1-M3 for port logistics, freight forwarding, cargo handling; Indian shipping and logistics firms can operate in UK
Postal & Courier	Courier and postal services (CPC 7511, 7512)	◐	✓	✓	◐	M1/M3: letter box siting, postage stamps, registered mail for judicial use may be restricted; postal operators subject to universal service obligations	Full commitment for commercial courier and express delivery; Indian logistics firms can establish UK operations

The Telecommunications chapter establishes comprehensive disciplines on access to and use of public networks, essential facilities, and co-location, representing a significant legal upgrade over GATS. While licensing and security requirements remain intact, the commitments enhance predictability for Indian telecom and digital infrastructure firms, enabling them to plan investments, expand service delivery, and engage reliably in the UK market.

In distribution services, including wholesale and retail trade, the UK schedules full commitments across Modes 1 to 3, subject only to general business regulations. These bindings reduce the risk of future discriminatory restrictions, offering Indian firms medium-level benefits through secure cross-border operations and establishment opportunities, while supporting market entry and network expansion.

[16] *Commitments include Intra Corporate Transferees for all sub-sectors with three years stay for manager and specialists and one year for graduate trainees. In addition, there are also commitments for partner and dependent children accompanying the Intercorporate transferee.*

[17] *-ibid-*

A similar approach applies to auxiliary transport services and freight forwarding, where full commitments for cross-border supply and commercial presence are complemented by operational, safety, and licensing requirements. For Indian logistics and transport providers, these provisions create a stable, predictable environment to expand operations, strengthen firm-based networks, and participate in UK markets, generating practical opportunities to grow market share even without labour mobility enhancements.

Recommendations

- **Mutual Recognition Agreements (MRAs)** for professional and technical qualifications in telecom services (e.g. network engineers, cybersecurity specialists, telecom architects) would facilitate entry of skilled professionals. While the agreement provides access to telecom networks, MRAs would further streamline market entry and improve regulatory certainty for Indian service providers.

vi. Other Key Services

Construction and Engineering Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations	Nature of Commitment
Construction	All construction and civil engineering (CPC 511-518)	✓	✓	✓	◐	M4: Annex 10A general conditions; UK Construction Industry Training Board (CITB) levies and Building Regulations apply to M3	Full M1-M3 commitment; India's large EPC contractors can tender for UK infrastructure and housing projects

Education Services[18]

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations	Nature of Commitment
Education	Primary, secondary, higher, adult education (CPC 921-924) — privately funded only	✓	✓	✓	◐	Public education systems excluded; M3: concession allocation for private operators on non-discriminatory basis; M4: Annex 10A general conditions	Major opportunity for Indian private education institutions and ed-tech firms; UK's internationally reputed but expensive HE sector creates demand for blended/online Indian alternatives; consumption abroad (UK students studying in India) also committed
Other Education & Training	Management training, computer training, instructional camps (CPC 92919)	✓	✓	✓	◐	No qualification award permitted; M4 conditions apply	Strong opportunity for Indian corporate training, upskilling, and ed-tech to supply UK enterprises

[18] *Education commitments apply only to privately funded services and are subject to concession, accreditation, and other public policy measures*

Tourism and Travel-Related Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations	Nature of Commitment
Tourism	Travel agencies, tour operators, tourist guide services (CPC 7471, 7472)	✓	✓	✓	◐	M4: CSS, tour managers for groups of min. 10 business persons; tourist guides via CSS; 12 months	India's large travel and tourism sector can supply UK clients directly; Indian tour operators can send CSS personnel to accompany groups; Indian-origin tourist guides can operate in UK under CSS route
Hotels & Restaurants	CPC 641, 642, 643	✓	✓	✓	◐	M4: not explicitly covered under CSS for hospitality (except chef de cuisine); UK food safety and licensing apply	Full M1-M3; Indian restaurant chains and hospitality groups can establish UK presence freely; MFN in Annex 8C covers this sector

Environmental Services

Sector	Sub-sector	M1	M2	M3	M4	Key UK Limitations	Nature of Commitment
Environmental Services	Wastewater, refuse disposal, sanitation, exhaust gases, noise abatement, nature protection (CPC 9401-9406, 9409)	✓	✓	✓	◐	M4: CSS only; UK Environment Agency authorisation required for certain activities; public utility exceptions apply	Full M1-M3 commitment; India's growing environmental engineering sector can tap UK's substantial environmental services market driven by net-zero and circular economy mandates

The UK's commitments in construction, education, tourism, hospitality, and environmental services create broad commercial opportunities for Indian service providers through full market access across Modes 1–3, with Mode 4 subject to general temporary-entry conditions under Annex 10A.

Indian EPC and engineering firms can participate in UK infrastructure and construction projects, while private education institutions, ed-tech companies, and training providers can expand their presence in a market with growing demand for digital and professional learning solutions.

Tourism and hospitality commitments facilitate the provision of travel, tour operation, hotel, and restaurant services, supporting Indian firms seeking to serve UK clients or establish commercial operations.

Similarly, full commitments in environmental services provide opportunities for Indian environmental engineering and sustainability firms to participate in the UK's expanding net-zero, waste management, and circular economy sectors, subject to relevant domestic regulatory requirements.

For Indian service providers, these commitments open structured pathways to expand in high-value UK markets. Tourism and travel firms can establish a predictable presence, delivering services across hotels, restaurants, and travel agencies, while cultural performers, yoga instructors, and culinary professionals gain project-linked Mode 4 access to showcase expertise, build international networks, and enhance brand visibility.

By combining commercial presence with firm-based temporary mobility and adherence to licensing and regulatory requirements, Indian firms can grow incrementally, establish credibility, and convert selective access into sustained, strategic engagement, turning regulatory predictability into tangible business opportunity.

Recommendations

- **UK-related collaboration**: Given UK's strengths in nursing education, allied health training, pharmaceutical R&D and clinical governance frameworks, India should institutionalise structured collaboration between Indian universities and the UK's National Health Service (NHS), leading UK universities and research hospitals.

- **Student and faculty mobility and exchange**: Establishing bilateral implementation committees such as an India–UK Bilateral Mobility Implementation Committee, to operationalise mobility provisions, standardise visa timelines, and enable short-term academic visas for temporary academic deployments.

- **Enhanced research and innovation collaboration:** Consider creating India-UK CETA linked joint research funds and innovation corridors, prioritising applied research in healthcare, green technologies, AI, data science, and sustainability.

Temporary Movement of Natural Persons and the DCC

The temporary movement of natural persons (Mode 4) represents one of the most commercially significant elements of the India–UK CETA for Indian service providers. For Indian firms seeking to scale operations in the UK, Mode 4 is not just a mobility provision, it is a strategic enabler that allows key personnel to deliver services, manage projects, and establish client relationships within the UK market, in sectors ranging from IT and business services to wellness, cultural, and culinary services.

The CETA establishes a tiered framework for Mode 4, tailored to different types of service providers:

Intra-Corporate Transferees (ICTs) – Horizontal access is granted for all scheduled sectors (excluding sensitive areas such as certain public utilities). This category enables senior managers, specialists, and key personnel from Indian parent companies to temporarily relocate to UK affiliates or subsidiaries without being subject to economic needs tests (ENTs). ICTs thus provide Indian IT and business service firms with predictable, scalable access to the UK market for operations, project management, and client delivery.

Contractual Service Suppliers (CSS) – Sector-specific access applies to 33 sub-sectors, including computer services, IT-enabled business services, yoga instruction, culinary services, and cultural performance (classical musicians, artists). Under this category,

temporary entry is project-linked**,** with an annual ceiling of 1,800 entrants applying specifically to Indian traditional chefs, classical musicians, and yoga instructors (not to all CSS sub-sectors), offering Indian firms a structured but substantial pathway to supply services temporarily. For example:

- **IT & Business Services:** Firms can send consultants or project managers to the UK to deliver client-specific projects, ensuring continuity and quality of service.
- **Wellness & Cultural Services:** Yoga instructors and performing artists can enter the UK for events, workshops, or short-term contracts, enhancing international brand recognition.
- **Culinary Services:** Chefs and food professionals gain access to restaurants, catering, and culinary events, facilitating cross-border expertise sharing.

Additionally, the CSS are also not subject to the Economic Needs Test (unless specifically mentioned.

Independent Professionals (IPs) – Mode 4 access for independent professionals is limited to 16 sub-sectors, primarily IT, research and development, and other high-skilled knowledge-intensive roles. Entry is project-linked, reinforcing the focus on delivering expertise rather than broad labour mobility. This is particularly relevant for Indian firms in niche consulting, R&D collaborations, and specialized professional services seeking temporary UK deployment of experts.

A key commercial enhancer of Mode 4 is the **Double Contribution Convention (DCC),** which was negotiated alongside the CETA and will enter into force same time as India UK CETA. The DCC allows Indian detached workers and their employers to exempt themselves from host-country social security contributions for up to three years, substantially lowering the cost of temporary deployment. Approximately 75,000 Indian workers are expected to benefit, covering critical sectors where firms need skilled personnel on the ground to service clients or manage local operations.

Snapshot of Mode 4 Opportunities under India–UK CETA

Category	Sectors / Sub-sectors	Duration / Conditions	Limitations / Notes	Key India Opportunity
Business Visitors (BV)	All services under Chapters 8 & 9	≤90 days in any 6 months	Cannot supply services; no UK remuneration	Meetings, negotiations, business development
ICTs	All scheduled services	Managers & specialists ≤3 yrs; graduate trainees ≤1 yr	Must be employed by Indian parent; firm transfer	Multi-year deployment for project delivery, operational management
Investors	All scheduled services	Up to 1 yr	Linked to establishment; Indian entity active ≥3 yrs	Branch/subsidiary establishment and expansion
CSS	Legal, accounting (non-audit), taxation, architecture, engineering, computer & related, R&D, advertising, market research, chefs, yoga, musicians	≤12 months per contract; annual cap 1,800 for select sub-sectors	Must be contracted by Indian firm; project-linked	Project execution and service delivery for defined sub-sectors

Highlight: UK Market Access for Indian Professionals via Mode 4 under the India–UK CETA[19]

Sector	Level of Mode 4 Opportunity for India	Key Features
IT & Computer Services	High	ICTs horizontal, CSS project-linked; strong project execution and client engagement; above GATS
Business Services	High	Consulting, advisory, technical testing; firm-based mobility via ICTs/CSS; predictable access
Professional Services	Medium	Accounting, architectural, engineering; firm-based ICTs/CSS; MRAs under negotiation; conditional access
Financial Advisory & Auxiliary Services	Medium	Advisory/back-office; no Mode 4 for banking/insurance; improved regulatory clarity
Adult, Professional & Corporate Training	Medium	ICTs only; partial Mode 4; commercial presence commitments; niche firm-based mobility
Wellness Services (Yoga)	Emerging	CSS project-linked; capped entries; firm-based only
Cultural Services (Classical musicians)	Emerging	CSS project-linked; event-based entry; sponsorship required
Culinary Services (Chefs)	Emerging	CSS project-linked; capped at 1,800; contract-based mobility
Tourism & Travel (Hotels, Restaurants, Travel Agencies)	Medium	ICTs and CSS; limited duration; firm-based mobility; GATS-equivalent plus binding
Technical / R&D Services	Medium	CSS / ICTs; specialist project mobility; experience/degree requirements

In practice, Mode 4 under the India–UK CETA transforms existing UK openness into concrete, commercially usable opportunities for Indian service providers. For sectors such as IT, business services, and consulting, it enables firms to deploy skilled personnel strategically, supporting seamless project execution, client engagement, and operational oversight. In emerging and niche sectors, including wellness, cultural performance, and culinary services, Mode 4 provides Indian professionals with pathways to gain international experience, establish high-value networks, and enhance global brand recognition, turning short-term assignments into long-term commercial advantage.

By facilitating predictable, legally backed temporary entry, the India-UK CETA allows Indian firms to integrate personnel mobility with broader business strategy. Mode 4 thus enables Indian firms to expand operations, strengthen relationships, and fully leverage the UK's sophisticated and high-value service economy. For multinational and project-driven firms, this creates a scalable, flexible, and strategically aligned channel to translate regulatory access into tangible business growth.

[19] **Legend:**

- High → Broad, commercially usable access, including horizontal ICTs; predictable and above GATS.
- Medium → Partial or firm/project-based access; some restrictions; more binding than GATS.
- Emerging → Niche sectors, capped or project-linked, modest but strategic opportunities.

Outlook and Key Recommendations

CHAPTER 4

Outlook: Expanding India's Services Footprint in the UK

India's services sector continues to demonstrate robust growth and global competitiveness. The UK, as one of the world's largest services importers, presents a strategically important market, accounting for nearly 5 percent of global services imports and showing sustained growth across IT, professional, business, financial, education, cultural, and wellness services.

India has already established a meaningful presence in the UK, particularly in IT & IT-enabled services, and Other business services, with growing footprints in high-value professional services, education and training, tourism, and wellness sectors such as yoga and culinary services.

The India–UK CETA builds on this foundation by converting existing openness into legally binding, commercially actionable opportunities. The agreement ensures comprehensive commitments across Modes 1–3, firm-based and project-linked Mode 4 access, and structured frameworks for mutual recognition, digital trade, and regulatory cooperation. This combination enhances predictability and reduces regulatory uncertainty for Indian firms operating in IT, business consulting, professional services, financial advisory, technical R&D, education and corporate training, tourism, wellness, and cultural sectors.

IT and business services firms, in particular, benefit from full cross-border and commercial presence access, while professional services gain time-bound pathways for mutual recognition of qualifications. Similarly, temporary deployment of personnel via intra-corporate transferees and contractual service suppliers enables Indian firms to execute projects, manage client engagements, and expand operational footprints without the unpredictability of discretionary licensing or economic needs tests.

Combined with ongoing digital trade enhancements, structured regulatory cooperation, and institutionalised pathways for mutual recognition, the CETA provides a roadmap for India to consolidate its leadership in services exports, scale its presence in the UK, and capture a larger share of one of the world's most sophisticated and lucrative services markets. Overall, the agreement underscores that certainty, enforceability, and strategic deployment of personnel are key drivers for India's services-led growth abroad.

Key Recommendations

For Government

- **Targeted export promotion measures:** Adopting sector-specific export promotion strategies tailored to high-potential service segments such as IT, financial services, healthcare, education, legal services, wellness, tourism and creative industries. The export promotion can be supported through a combination of incentive-based support, improving access to export credit, strengthening branding initiatives, introducing dedicated market intelligence programs and supporting participation in UK trade fairs and industry events.

- **Developing Services-Exclusive Special Economic Zones (SEZs)**: Creating dedicated SEZs exclusively for services industries targeting the UK market, with high-quality digital infrastructure and data security frameworks, tax incentives tailored to service exporters, plug-and-play facilities to support startups and MSMEs in the services ecosystem, and dedicated centres for innovation, skills development, and cross-border service delivery.

- **Services exports database**: Developing a database of services exports providing details on all service exports, country-wise, sector-wise and mode-wise. A robust database will improve policy making, monitoring and targeted support mechanisms.

- **Inbound Tourism**: Inbound tourism remains a high-potential services export sector and requires a focused strategy with increased funds for promotional activities & marketing in the UK, streamlined visa procedures, and a comprehensive strategy for digital media campaigns, including user-friendly digital platforms for promotions & operations. Targeted campaigns highlighting India's cultural, wellness, medical, and culinary tourism offerings should be prioritised.

- **Facilitating professional mobility and mutual recognition**: Working closely with UK regulators and professional bodies to operationalise mutual recognition arrangements and facilitate smoother mobility pathways for Indian professionals in sectors covered under the CETA.

- **Strengthening skills and certification frameworks:** Aligning domestic training, certification, and accreditation systems with international standards to enhance the global competitiveness and mobility of Indian service professionals.

For Businesses

- **Diversify Services Exports**: Expand beyond traditional IT and business services into high-value and niche sectors such as professional services, education and training, wellness, cultural services, financial advisory, and technical R&D to broaden India's services export portfolio.

- **Expand Firm-Based Operations:** Strengthen the presence of Indian firms in the UK through expanded commercial operations, partnerships, representative offices and long-term market engagement.

- **Strengthen Engagement in Emerging Sectors:** Increase participation in sectors such as wellness, cultural performance, culinary services, and technical R&D, where Mode 4 access and project-linked opportunities are available under the CETA.

- **Build Strategic Partnerships**: Develop long-term partnerships with UK firms, industry associations, educational institutions, and innovation ecosystems to enhance market access and business opportunities.

ABOUT FICCI

Established in 1927, Federation of Indian Chambers of Commerce and Industry (FICCI) is the largest and oldest apex business organisation in India. Mahatma Gandhi addressed FICCI's 4th AGM in 1931. Our 98th AGM was held in November 2025. With our rich legacy, FICCI would play an even greater role as India emergence as the 3rd largest economy.

FICCI works with its key stakeholders to foster active engagement and dialogue with decision makers, to support steps that are good for commerce and industry.

As a member-led and member-driven organisation, FICCI represents over 2,50,000 companies across all segments of economy including public, private and multinationals. The diverse membership base of FICCI across all Indian states includes both direct and indirect members through its 300 affiliated regional and state level industry associations. FICCI has a large international presence via partner agreements with 250 national business associations in over 100 countries.

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