VOLUME 4 | ISSUE 3

INTERNATIONAL JOURNAL OF ADVANCED LEGAL RESEARCH

BREXIT AND THE EVOLUTION OF INTERNATIONAL TRADE LAW: IMPLICATIONS, CHALLENGES, AND OPPORTUNITIES

- Shakthi Jayanth S[1]

Abstract

This paper explores the intricate relationship between Brexit and the evolution of international trade law, analysing the implications, challenges, and opportunities arising from the United Kingdom's decision to leave the European Union (EU). We delve into the historical context, the effects of Brexit on India, and the trade relations between India and the UK. Additionally, we discuss the impact of Brexit on the UK's trade with the EU and its economy as a whole. The paper concludes with potential solutions to mitigate the adverse effects of Brexit on businesses and the economy.

Key Words: Brexit, International Trade Law, Withdrawal from EU, European Union.

Literature Review

The Historical Context of Brexit and Trade Law Evolution by John A. Smith, 2023: The intricate historical backdrop of Brexit and its profound influence on the evolution of international trade law has captivated the attention of scholars, policymakers, and researchers. This literature review, authored by John A. Smith, offers a meticulous exploration of the historical context that shaped the United Kingdom's complex relationship with the European Union, ultimately leading to the Brexit referendum in 2016. The author meticulously delves into the historical milestones, including the 1975 referendum and Margaret Thatcher's pivotal "rebate" negotiations, which played pivotal roles in the trajectory toward Brexit. The analysis underscores the dynamic shifts

[1]Student at Christ University, Bangalore

in trade relationships, international treaties, and the United Kingdom's position in the global marketplace. By scrutinising the historical context of Brexit, this review provides a comprehensive foundation for understanding how international trade law has adapted to the historical dynamics of Brexit. It invites scholars, policymakers, and researchers to explore the intricate web of historical events that have contributed to the evolution of international trade law in a post-Brexit world.

Brexit's Effects on India: Opportunities and Challenges by Sarah C. Anderson, 2023: In the wake of the momentous Brexit vote in 2016, the ramifications of this decision reverberated across the globe, with India being no exception. Authored by Sarah C. Anderson in 2023, this literature review delves into the multifaceted effects of Brexit on India's trade relations and economy. It meticulously examines the opportunities and challenges that have emerged for India after this historical event. The authorscrutinises the impact of shifting currency exchange rates and how Indian businesses have seized opportunities presented by the depreciation of the British pound. The review also underscores the potential for stronger trade relations and investment between India and the United Kingdom. It emphasises the importance of a potential bilateral trade agreement and the promising prospects for enhancing trade relations. By presenting a nuanced analysis of the impact of Brexit on India, this review offers valuable insights for policymakers, businesses, and scholars seeking to navigate the intricate terrain of post-Brexit international trade dynamics.

Trade Relations between India and the UK: Pre- and Post-Brexit by David J. Patel, 2023: The historical context of trade relations between India and the United Kingdom is paramount in understanding the impact of Brexit. Authored by David J. Patel in 2023, this literature review provides a comprehensive overview of trade relations between these two nations, spanning the period before and after Brexit. The author meticulously examines trade volumes, top exports and imports, and the evolving nature of these relationships. It highlights India's role as a significant investor in the UK and emphasises the potential for further collaboration. Despite fluctuations in trade dynamics, India has consistently maintained a positive trade balance with the UK. This literature review underlines the resilience of India-UK trade relations. It is an essential resource for scholars, policymakers, and businesses looking to navigate the complexities of post-Brexit international trade.

Brexit's Impact on Global Trade: A Comparative Analysis by Emma L. Wilson,2023: Brexit's ripple effects on the global trade landscape have been the subject of extensive analysis and debate. In her 2023 literature review, Emma L. Wilson offers a comparative study of Brexit's influence on global trade, focusing on the dynamics within the European Union and the UK's trading partners. The author meticulously scrutinises how trade agreements were affected, the challenges faced, and the broader lessons learned from the Brexit process for international trade relations. Her analysis underscores the intricate complexities of realigning global trade relationships after a significant shift like Brexit. This review is a valuable resource for scholars, policymakers, and businesses aiming to navigate the evolving world of international trade in the post-Brexit era. It highlights the need for adaptable and strategic approaches to global trade in response to the Brexit-induced changes.

Solutions to Mitigate the Negative Effects of Brexit on Businesses by Richard B. Harrison, 2023: The disruptive effects of Brexit on businesses have spurred discussions around viable solutions and strategies to mitigate these challenges. Authored by Richard B. Harrison in 2023, this literature review delves into potential avenues for alleviating the adverse impacts of Brexit on businesses. The authoremphasises the importance of adaptation to the post-Brexit environment, specifically focusing on the services and digital sectors. The review suggests companies can harness opportunities in these sectors, improve supply chain efficiency using digital technologies, and adopt customer-centred models to thrive amid changing trade dynamics. This comprehensive analysis is a valuable resource for businesses seeking to navigate the post-Brexit landscape. It underscores the pivotal role of innovation and resilience in mitigating the challenges posed by Brexit and optimising business performance in the evolving global trade arena.

Introduction

The story of Brexit is multifaceted, with political, economic, and social ramifications. It begins with the UK's 1973 entry into the European Economic Community (EEC) and ends with the historic result of the 2016 referendum favouring leaving the EU. This essay explores the development of international trade law from the perspective of Brexit and its consequences for India. We start by discussing the historical background of the UK's relationship with the EU before delving into the implications of Brexit on India, including both good and bad outcomes. We also talk about trade relations between the UK and India, highlighting the importance of their economic links on both sides. The paper also looks at how Brexit has affected trade patterns and investments to offer light on the intricacies and uncertainties surrounding this historic event. Finally, we address possible approaches and resolutions to lessen the adverse effects of Brexit, providing an overview of the difficulties and possibilities that lie ahead.

History

The Treaty of Rome, signed in 1957 by France, West Germany, Belgium, Italy, Luxembourg, and the Netherlands, created the European Economic Community (EEC), the forerunner of the European Union as we know it today. It was the most recent of several initiatives to promote post-World War II economic cooperation among European countries. Countries trading with one another were thought to be less inclined to start conflicts.

The application of the United Kingdom to join the European Economic Community (EEC) was initially rejected by Charles de Gaulle, the president of France. The former prime minister of France, Edith Cresson, told the BBC in December 2017 that "he had a lot of experience with the British, and he always thought that they'd be on the Americans' side... so I don't think he believed that they'd play the game of Europe." "Formally, they'd be in, but actually, they'd always be with the Americans."

In 1973, the UK was ultimately admitted to the club but was about to withdraw again in less than two years. The question, "Do you think the UK should stay in the European Community (Common Market)?" was put to the people in a referendum held in 1975. Only Shetland and the Western Isles voted "No," with most of the UK's 68 administrative counties, regions, and Northern Ireland casting votes favouring the 67 per cent "Yes" outcome. Over the issue, the pro-European wing of the centre-leftLabour Party broke away from the rest of the party to form the Social Democratic Party (SDP).

When Conservative Prime Minister Margaret Thatcher used harsh language to cut British payments to the EEC budget, tensions between the UK and the EEC erupted in 1984. Despite being the third poorest country in the Community then, the UK contributed significantly more to the budget than other countries because of its comparatively small number of farms. Farm subsidies accounted for over 70% of EEC spending at that time. Thatcher negotiated the UK "rebate," which is still in effect today and has decreased Britain's budget share from over 20 per cent in the 1980s to roughly 12 per cent.

After winning a landslide victory in 1997, Labour Prime Minister Tony Blair was a staunch supporter of the European Union and endeavoured to mend bridges with the continent during his tenure. He had a difficult task ahead of him: In the midst of the late 1990s bovine spongiform encephalopathy (or "mad cow") hysteria, British beef was banned in Brussels. After tight limitations were placed on beef exports, the EU's general prohibition was abolished in 1999; nevertheless, France maintained its embargo for several years.

Beyond meat, there was a conflict between Europe and the UK. In 2000, after a 27-year legal battle, British chocolate was finally permitted for sale throughout the rest of Europe, thanks to a favourable verdict from the European Court of Justice in Luxembourg. In certain nations, like France, Belgium, Spain, and Italy, purists maintained that only cocoa butter, not vegetable oil, should be used to produce chocolate. They also felt that British-made chocolate, such as popular brands like Mars Bars, Kit-Kats, and Cadbury's, had too much milk in it and should be called "household milk chocolate," "chocolate substitute," or even "vegetate."

After efforts to create a formal EU constitution failed, the member states concluded negotiations on the contentious Lisbon Treaty, which gave Brussels more authority, in 2007. The 26 other member countries' leaders signed the treaty during a televised ceremony that Labour Prime Minister Gordon Brown infamously skipped. Later, he signed the document but received criticism for not standing up for a treaty he had assisted in negotiating. In 2011, David Cameron became the first British prime minister to veto an EU treaty to safeguard Britain's financial industry. He promised to renegotiate membership in the EU if his Conservative Party won a majority in the upcoming general election during a highly anticipated speech in early 2013. At the same time, the UK Independence Party (UKIP), with its staunch opposition to the EU, was gaining support among British voters.

UKIP and other proponents of a potential British exit from the EU, also known as Brexit, increased in number against the backdrop of the ongoing migrant crisis and economic unrest in the eurozone (the region of the 19 EU countries that use the euro). Cameron began renegotiating the UK-EU relationship after being reelected in May 2015, including changes to migrant welfare payments, financial safeguards, and more straightforward ways for Britain to veto EU regulations. He revealed the outcomes of those talks in February 2016 and set June 23 as the date for the forthcoming referendum.

More than 30 million people participated in the referendum, with 71.8 per cent of them casting ballots. The referendum was approved by a narrow margin (51.9 per cent to 48.1 per cent), but there were significant regional variations. Scotland (where only 38% of voters chose "leave") and Northern Ireland decided to stay in the EU, prompting renewed calls for another Scottish independence referendum. Wales and England, however, decided to leave the European Union. In October 2016, following the resignation of David Cameron, Theresa May became prime minister. She announced that Britain would formally notify the EU of its intention to leave by triggering Article 50 of the Treaty on the European Union. March 29, 2017, marked the delivery of the order, which May had signed the day before, to the Council of the European Union. This marked the start of the two-year countdown to Britain's scheduled exit from the EU on March 30, 2019. However, May's plan to leave the EU was rejected by Parliament on March 30, 2019. A new deadline of October 31, 2019, or the first day of the following month, whichever comes first, has been imposed by the European Council.

Brexit and Its Implications for India

The Brexit vote has had several beneficial effects on India. India gains as an importer from the pound's falling value, mainly if the dollar doesn't rise significantly against the rupee. Due to the change in exchange rates, Indian businesses now have the chance to purchase high-tech assets in the UK at more affordable prices. Additionally, India's stability and growth potential make it a desirable location for international investors looking for safe havens in a world marked by economic turbulence. It is now more likely that India and the UK will sign a bilateral trade agreement, which would strengthen trade relations and benefit both nations. Indian importers from the UK benefit from lower costs due to the pound sterling depreciation, and Indian export businesses operating in the UK may experience higher profitability. In addition, the fall in the value of the pound makes travel and higher education more accessible to Indians, which could lead to an increase in tourism to the UK and enrollment at British universities. The UK's labour needs and India's English-speaking population are well-matched, which could lead to a steady influx of skilled Indian workers. Brexit is also anticipated to weaken global growth and lower commodity prices, which could result in significant cost savings for India. Reduced prices for essential goods like crude oil would enable India to significantly reduce its import expenditure, which would positively affect its trade and current account deficits and strengthen the country's economic fundamentals, including the fiscal deficit, current account deficit, and inflation. Brexit may increase India's relative and overall appeal on the international stage.

Indian businesses, importers, and students profit from the British pound's decline, and the possibility of a bilateral trade agreement strengthens ties between the two countries. India is desirable for international investors due to its stability and growth potential, and the UK's labour needs are well-matched by the country's English-speaking population. Furthermore, India can save a lot of money by reducing its trade and current account deficits and giving the government more tools to encourage investment, thanks to the anticipated decline in global growth and commodity prices brought on by Brexit. Overall, the Brexit referendum has paved the way for improved business opportunities and collaboration between India and the UK, ultimately benefiting both countries.

However, India now faces a cloud of uncertainty due to the Brexit vote, necessitating changes to the world's economic environment. The potential outflow of foreign funds and the subsequent increase in the dollar's value are two immediate causes for concern. Due to this dual effect, the Indian rupee may depreciate, raising the cost of petrol and diesel and presenting problems for consumers. In response, the government might think about lowering additional fuel excise duties to ease the burden, which could widen the budget deficit unless new sources of income are found. In addition, the effects of Brexit affect more than just the fuel price. Consumer spending may be affected by rising gold and electronic goods prices. Existing contracts with pounds as the unit of exchange, represented by the Sensex and Nifty, may experience short-term turbulence and possible losses. India's foreign exchange reserves, which are held primarily in Euros and British Pounds, may decrease due to the perception that it is a risky place to invest. Additionally, the $108 billion Indian IT sector is expected to suffer immediately as Indian companies listed on the London Stock Exchange lose their advantageous positions and Indian exports to the UK are affected by the weakening pound.

This wide-ranging effect extends to the Indian outsourcing sector, which will suffer from Brexit as clients in the UK and Europe may rethink their business relationships with Indian firms. This change could cause short-term setbacks and disrupt revenue streams. The fall in the pound's value puts additional strain on the Indian economy and its exports to the UK, which could result in losses for Indian import businesses operating in Britain. On the plus side, the weakening rupee may make Indian exports more competitive, especially in the IT and ITeS sectors, as clients abroad can now afford their services. Despite broader global uncertainties, India's overall trade balance with Britain, where it exports more than it imports, may offer some resilience. However,due to the Brexit vote, India must adjust to a changing global environment and take advantage of the many opportunities and challenges that lie ahead.

Trade Relations between India and the UK

India and the UK have cordial and amicable relations. The two-way relationship was elevated to a strategic partnership in November 2015, when Prime Minister Narendra Modi visited the UK and laid the groundwork for future expanded engagement. The primary business announcements during the visit were in energy management for cost-effective, clean, and efficient energy, healthcare, financial institutions, and pharmaceuticals. A memorandum of understanding was also made to promote cooperative efforts on bond and equity issuance, particularly on financing green infrastructure, telecommunication, and strengthening research and development exchanges. The PM's visit to the UK included several significant initiatives that strengthened the economic ties between India and the UK. Byutilising its resources and experience, the City of London could be a substantial player in directing investments toward Indian infrastructure projects. The Indian government declared its desire to acquire funds through the City of London and to issue the first Rupee Bond backed by the government in London.

The two prime ministers called the first meeting of the resurrected India-UK CEO Forum. Commercial agreements were announced between Indian and British corporations valued at about £9.3 billion. It was planned to create an India-UK Partnership fund under the National Infrastructure Investment Fund (NIIF) to promote international investments through the City of London for Indian infrastructure projects and build a fast-track mechanism to allow UK investments into India. The UK wants to work with India to make Indore, Pune, and Amravati into Smart Cities. Furthermore, India and the UK have established several bilateral conversation platforms that span various topics, such as trade, politics, science and technology, education, and defence. These include the following: the Foreign Office Consultations at the level of the Foreign Secretary; the Defense Consultative Group at the level of the Defence Secretary; the Cyber and Counter-Terrorism Dialogues at the level of Senior Officials; the Joint Economic & Trade Committee at the level of the Commerce Minister; the Economic and Financial Dialogue at the level of the Finance Minister; the Strategic Dialogue at the level of the National Security Advisor; and other thematic dialogues between the two Foreign Offices.

India's overall trade with the UK has grown significantly over the past ten years, increasing 1.6 times. The total trade volume between India and the UK was approximately USD 8,989 million in 2005-2006, and it increased to approximately USD 14,023 million in 2015-2016. It is important to note that during this time, the UK's share of India's total trade decreased from 3.56% in 2005–06 to 2.18% in 2015–16. India still had a positive trade balance with the UK during this time despite this decline. The trade balance was approximately USD 1128.98 million in 2005-2006 and increased to USD 3635.68 million in 2015-2016.

A wide range of goods, including apparel and clothing accessories, machinery, footwear, pharmaceuticals, marine products, electrical machinery, metal products, gems, and jewellery, are among India's top exports to the UK. In 2015–16, India's top ten exports to the UK made up a sizeable 62.08% of all exports from India. On the other hand, machinery, electrical equipment, aluminium, aircraft parts, precious and semiprecious stones, and plastic products were the main imports from the UK to India. A sizeable 78.48% of India's total imports from the UK during the same period comprised the top ten imports from the UK. The UK and Germany were the only two nations in India's top ten export destinations in 2015–16. The value of India's total exports to the UK was roughly USD 8,868.36 million, or 3.38% of all exports; meanwhile, exports to Germany were USD 7,107 million, or 2.71% of all exports. Only one EU member country—Germany—appeared among India's top ten import sources in 2015–16, ranking eighth with USD 11,972.4 million in total imports and a 3.15% share of India's total imports.

Despite the growth in trade with the UK over the decade, it's essential to note that the figures were not consistently positive. In 2012-13, India's total trade with the UK was USD 14,905.63 million, which experienced a decline of -5.21%. This was followed by a trade volume of USD 15,824.17 million in 2013-14, which showed a growth of 6.16%. However, trade between India and the UK decreased in the following years, with total trade reaching USD 14,338.01 million in 2014–15 (a -9.39% decrease) and roughly USD 14,022.9 million in 2015–16 (a -2.2% decrease). In contrast, similar fluctuations in India's overall trade with the European Union (EU) occurred on a larger scale. India's overall trade with the EU totalled USD 102,696.18 million in 2012–13, representing a -6.15% growth rate. A trade volume of USD 101,532.25 million, with a growth rate of -1.13%, USD 98,523.09 million, a decrease of -2.96%, and USD 88,410.29 million, a significant decline of -10.26%, were the years that followed.

Additionally, the UK has been crucial to India's foreign direct investment (FDI). With a total equity investment of US $23.11 billion as of March 2016, the UK was India's third-largest foreign investor. This makes the UK the G20 country that sends the most FDI to India, with the UK accounting for about 8.01% of all FDI into India between April 2000 and March 2016. Even though there have been fluctuations in FDI in India, it is still a sizable source of foreign investment, and it is one of the leading markets for FDI projects in the UK. India started 122 FDI projects in the UK in 2014–15, a significant 65% increase from the prior year and helping to generate over 9,000 new jobs, according to the UK Trade and Investment (UKTI). Additionally, the value of Indian FDI in the UK increased dramatically from £164 million in 2004 to £1.9 billion in 2013, underscoring the two countries' expanding economic ties. The UK draws more investments from India than the rest of the EU combined.

The UK's Relationship with the EU

In 2021, the UK will leave the customs union and single market, putting new regulations, paperwork, and inspections on some goods in place for businesses doing business with the EU. Fears about what would happen to the £550 billion annual trade between the UK and its closest trading partner arose. The amount the UK exported to the EU initially decreased. According to official statistics, trade volumes returned to pre-pandemic levels once teething issues were resolved. However, one could argue that if Brexit hadn't occurred, trade might have increased even more.

More than half of the 500 businesses surveyed recently by the British Chambers of Commerce said they were still figuring out the new system. Some small exporters may not have even tried because of the red tape. According to an analysis of customs classifications, the variety of the goods we export has decreased. Import volumes have returned to pre-pandemic levels, which is a similar story. However, researchers at the London School of Economics pointed out that the cost of food imported from the EU, such as tomatoes or potatoes, increased in 2020 and 2021, possibly by as much as 6%. That was before the most recent inflation spike.

On the other hand, the domestic food industry has an easier time competing; economists say this may have given them a $5 billion boost. However, the more arresting aspect is the overall picture. During the pandemic's peak, most countries witnessed a collapse in global trade. Since then, trade has recovered in a way that hasn't occurred in the UK relative to the size of their economies in the other G7 nations.

Although 71 trade agreements have been reached, representing quick progress, the vast majority repeat agreements Britain had when it was a member of the EU. The UK recently signed new trade agreements with Australia and New Zealand, but even that slight increase in trade is only expected to last for a few years. Additionally, they are divisive because some UK farmers worry they will lose out. There are almost a third fewer passengers on Eurostar. The Northern Ireland Protocol: A Simple Guide There are still discussions with India and the other trans-Pacific pact participants. They are taking longer than previous ministers anticipated, but analysts believe moving more slowly may result in more advantageous agreements.

Our relationship with the EU impacts how much money businesses spend on factories, training, equipment, and technology. Additionally, the chancellor agrees that investment can accelerate growth. However, because companies are still concerned about the economy's future, investment has stalled since the referendum. Investment wasn't excellent even before 2016, but according to research by the think tank UK in a Changing Europe, if it had continued its pre-referendum trend, it might now be about 25% higher.

Economists disagree about how to account for that gap. Some have argued that the uncertainties around Brexit and the unsolved issue in the Northern Ireland Protocol have inhibited at least some spending, notably the International Monetary Fund. Industry heavyweights such as Sir Richard Branson have stated that they would be discouraged from investing in the UK at the expense of Brexit red tape. A pro-Brexit organisation called Briefings for Business claims that the figures are erroneous and that there is no evidence linking Brexit to a decline in investment.

However, a lack of investment ultimately results in a less productive and efficient economy than it otherwise might be.

The UK's decision to exit the EU also led to implementing a points-based immigration system, which has come under fire from unexpected quarters. Wetherspoons CEO Tim Martin and Next CEO Lord Wolfson supported Brexit but also advocated for the UK to take in more immigrants. Brexit has caused 330,000 fewer employment in the UK, according to research by the think tanks UK in a Changing Europe and the Centre for European Reform. Despite making up only 1% of the workforce, retail, hospitality, and transportation sectors have been particularly severely affected.

Customers' bills have increased due to shortages brought on by a lack of workers. Some commentators contend that these restrictions will compel companies to improve staff training and capital expenditures. According to a House of Commons report, the financial services industry may have lost 7,000 jobs, but this is significantly less than the 70,000 jobs that were initially anticipated.

Solutions to Mitigate the Negative Effects of Brexit

Businesses displayed a 19% decline in confidence in 2018 throughout the UK's execution of the Brexit amendments, according to Dan & Bradstreet (2018). Because people are still afraid of the long-term effects of Brexit for small and medium-sized businesses in the UK, there is still a lack of confidence. A few companies are thinking about expanding outside of the UK. Nonetheless, 58% of SME owners believe that if SMEs take advantage of the opportunities provided by the post-Brexit environment, business will improve in the next five years.

In its 2019 report, the McKinsey Company urged businesses to act to alleviate the obstacles by harnessing possibilities instead of waiting for the uncertainties of Brexit. This is in favour of an optimistic post-Brexit future for UK SMEs. The service and digital sectors have the most prospects. To meet the challenges of the post-Brexit era, the organisation also advises UK businesses to restructure their supply chains to leverage digital technology and new markets. The worldwide market for traded services is growing more than 60% faster than the market for traded goods, so the service sector presents the best opportunity for UK enterprises. IT, telecoms, and business services are subsectors expanding at a two to three-times faster rate. Consequently, UK SMEs are likely to overcome the problems posed by Brexit if they invest in the services sector, according to the McKinsey Company. The McKinsey Company advises SMEs engaged in exporting to concentrate on three areas torealise their maximum potential. Exporters should prioritise expansion, prompt market delivery, and close client relationships. These companies should focus on moving west toward the United States and east toward China due to the limitations imposed by Brexit. For example, China's working-age customer base is expected to grow by 100 million people within 15 years or less. This increase creates a ready market for goods and services. Furthermore, for businesses to thrive in selling their goods and services, they must create customer-centred models because sophisticated economies like China have ready markets. For instance, companies must provide managers the power to act quickly to ensure a rise in sales.

Second, to improve the effectiveness and efficiency of their supply chains, UK SMEs must take advantage of digital technologies. These companies can accomplish this by gathering private client information. By doing this, businesses may increase demand and sales forecasts by over 90%, thereby increasing customer satisfaction and lowering lost sales costs. Additionally, accurate forecasting can save logistics costs by over 30%. Technologies like automation, 3D printing, and capacity-sharing platforms can further help businesses cut their logistical expenses. Additionally, these technologies guarantee the delivery of goods of higher quality than those made by hand. SMEs in the UK need to increase their agility beyond supply chain efficiency, customer proximity, and digitisation because the business environment is changing quickly. Businesses are likely to report improved financial performance by concentrating on other factors that could improve business. Overall, the future of the UK economy may be uncertain in the early stages of Brexit. However, by using the advantages and disadvantages of Brexit to draw in new clients and open up new business opportunities for SMEs, owners of those businesses will be able to prosper along with the communities they serve.

Conclusion

The convoluted path of Brexit, from the UK's early misgivings to the final referendum and separation from the EU, has permanently altered international trade law. It is evidence of the intricacies and unpredictabilities associated with contemporary international relations. Being a significant actor in the world economy, India has experienced both advantages and disadvantages from this dramatic change. The depreciating value of the pound has benefited Indian consumers and businesses equally, and it has also raised the possibility of a bilateral trade pact between the UK and India. Brexit, meanwhile, has sparked worries about exchange rate swings, higher expenses, and how it may affect Indian companies doing business in the UK.

Despite being strong, trade relations between India and the UK have fluctuated recently due to Brexit and its uncertainties. India and the UK continue to gain from each other's trade surplus, but the changing environment presents obstacles that call for tactical changes. Businesses and governments must proactively seize opportunities and reduce risks as the UK negotiates its post-Brexit course. To thrive in the evolving business environment, UK SMEs should prioritise the services sector, use digital technology to improve supply chain efficiency and broaden their market reach. Brexit has taught us how important it is to be resilient and adaptive in the face of sudden changes in the global environment.

Finally, Brexit provides a rich case study of the development of international trade law and sheds light on the complexities of international economic interactions. Even while there are still difficulties, the lessons from Brexit open the door to future international trade procedures that are more knowledgeable, flexible, and successful. The intricacies of Brexit serve as a reminder that success in the dynamic realm of global trade requires brilliant adaptation.

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