



India's Free Trade Agreements (2025–26)

Comprehensive Analytical Report with Sectoral Insights

1. Overview of Agreements

India's Free Trade Agreements (FTAs) in 2025–26 mark a transformative phase in the country's global trade strategy. Agreements with the USA, EU, UK, New Zealand, and Oman aim to expand export markets, strengthen services trade, and attract investment while safeguarding sensitive domestic sectors.

Key highlights include near-zero tariff access for exports, enhanced mobility for professionals, and increased opportunities for MSMEs, agriculture, and digital trade sectors. These FTAs position India as a competitive global manufacturing and services hub.

Sl. No.	Name of the Agreement	Date of Signing of the Agreement	Date of Implementation of the Agreement
1	India – United States of America (USA) framework for an interim Agreement	Announced on Feb 2, 2026	
2	India – The European Union (EU) FTA	Announced on Jan 27, 2026	
3	India–New Zealand FTA	Announced on Dec 22, 2025	
4	India – Oman Comprehensive Economic Partnership Agreement (CEPA)	18th December 2025	To be implemented after completion of ratification process by India and the Oman.
5	India - UK Comprehensive Economic and Trade Agreement (CETA)	24th July 2025	To be implemented after completion of ratification process by India and the UK.

2. Key Insights

- Near 100% duty-free access in major markets
- Strong push for services and digital trade
- Protection of agriculture and sensitive sectors
- Increased global mobility for Indian professionals
- Investment inflows and supply chain integration

India – United States of America (USA) Framework for an Interim Agreement

Category	Coverage	Key Provisions	Impact
Goods	Selective 0% tariffs	Generic Pharmaceuticals, gems, & diamonds, air-craft parts, certain machinery	Export boost
Agriculture	Partial access	Rice, spices, marine	Agri exports growth
Sensitive products	Protected	Rice, Wheat, Poultry, Dairy, Soyameal, Maize, Millets, Groundnuts, Honey, Tobacco etc	Farmer protection
Digital	High focus	ICT trade	Future growth

Other Commitments

- India and the United States have agreed that in the event of any adjustment to the agreed tariffs by either country, the other country may modify its commitments to preserve reciprocity and mutual benefit.
- India is one of the fastest growing economies with rising demand for cost competitive, reliable and diversified sources for energy products, high technology items to propel its domestic manufacturing, exports, innovation and integration with global supply chain. Accordingly, India intends to purchase energy products, aircraft and aircraft parts, Information and Communication technology (ICT) products, coking coal and other products worth \$500 billion from the U.S. over the next 5 years.

India and the U.S. are the leaders in digital trade with significant complementarities and growth potential. Through the BTA, both countries have committed to build a robust, ambitious and mutually beneficial digital trade relationship.

- With a view to encourage development of ecosystem for high-quality products, India will engage with the U.S. For the purposes of enhancing ease of compliance with applicable technical regulations, both countries intend to discuss their respective standards and conformity assessment procedures for mutually agreed sectors.



India-EU FTA

Category	Coverage	Key Provisions	Impact
Goods	96.8%	Duty-free access	Export expansion
Services	144 sectors	Comprehensive and deep market Access IT, education etc.	Services growth
Agriculture products	87%	Tea, Coffee, Spices etc.	Agri boost

Other Commitments

- Annex on CBAM aims towards MFN treatment, dialogue to strengthen cooperation and support to reduce greenhouse gas emissions
- Non-Violation Clause and Rapid Reaction Mechanism to safeguard market access
- Product Specific Rules aligned with existing Supply Chains, focussed on EoDB and MSME friendly.

India-UK CETA

Category	Coverage	Key Provisions	Impact
Goods	99%	Zero duty	Competitiveness
Services	137 sectors	Comprehensive and deep market Access IT, education etc.	Talent export
Agriculture	Near full	Duty-Free all Indian Agri exports except pork, chicken, eggs, rice, and sugar	Diversification

A big win for Indian agriculture: The UK market opens up duty-free for nearly all Indian agri-exports, with just a few limited exceptions like pork, chicken, eggs, rice, and sugar.

Protection of sensitive sectors:- India has safeguarded its sensitive sectors—dairy, cereals and millets, pulses, and vegetables to high-value items like gold, jewellery, lab-grown diamonds, and certain essential oils. Strategic exclusions also cover critical energy fuels, marine vessels, worn clothing, and critical polymers and their monofilaments, smart phones, optical fibres.

India-New Zealand Free Trade Agreement

Category	Coverage	Key Provisions	Impact
Goods	100%	Zero duty	Full access
Services	118+	with Most-Favoured Nation (MFN) treatment in 139 sectors / sub-sectors	Expansion
Mobility	Visa access	Students	Work pathways

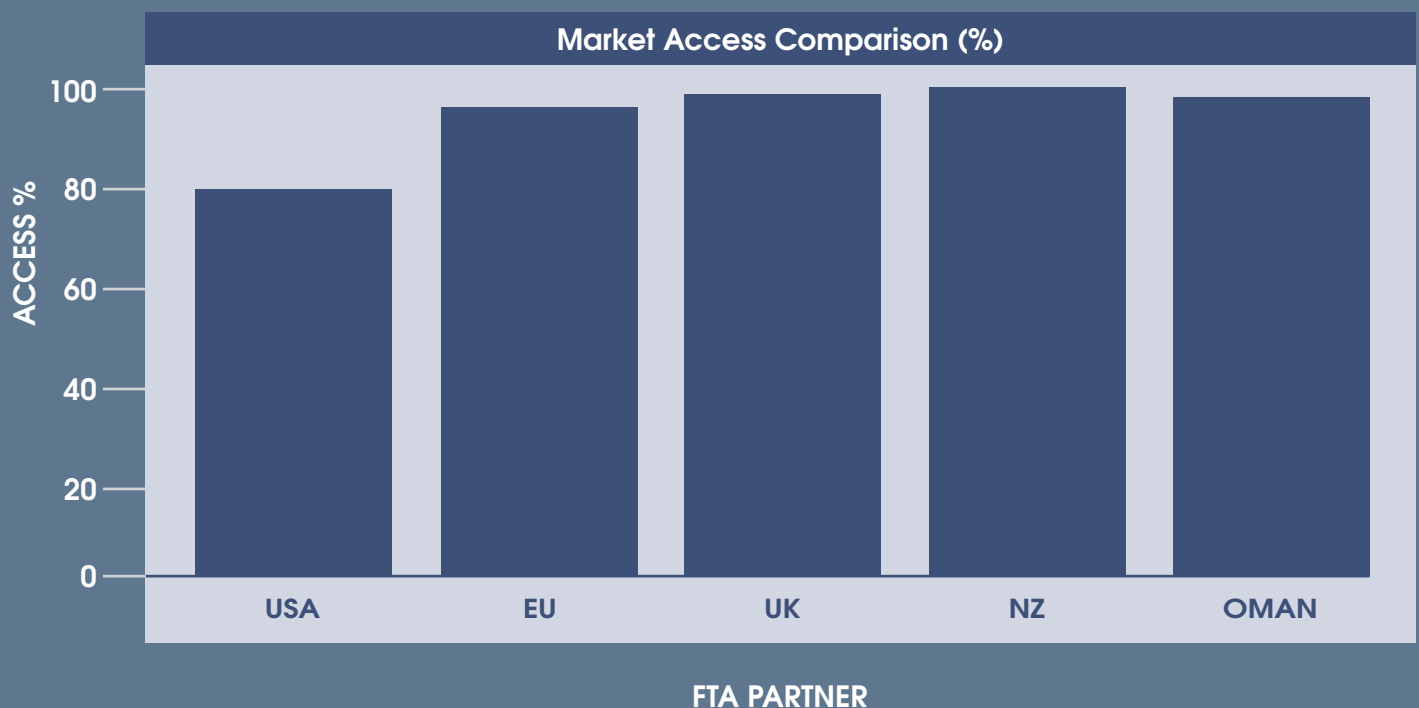
India-Oman CEPA

Category	Coverage	Key Provisions	Impact
Goods	98%	Zero duty	Market expansion
Services	127 sectors	ICT, health	Growth
Mobility in manufacturing and Other non-services sectors	Enhanced	50% quota	Employment

Sector-wise Export Projection

Sector	FTAs Driving Growth	Current Strength	Projected Growth
Textiles	EU, UK, USA	High	High
Pharma	USA, UK	Very High	High
Agriculture	EU, NZ	Medium	Moderate
IT Services	EU, USA	Very High	Very High

Impact Analysis Chart



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