



## India and New Zealand Announce Conclusion of Landmark Free Trade Agreement Negotiations

A new generation trade agreement built on Tariffs, agricultural productivity, Investment and Talent: A People-Centric, Jobs-Driven Strategic Partnership for Viksit Bharat 2047

Zero Duty market access on 100% of India's exports. India has offered tariff liberalisation in 70% lines covering 95% of New Zealand India Bilateral trade

Launched on March 16th 2025, the fastest with a Developed Country FTA concludes the year on a high note for all Indian exports including textiles, pharmaceuticals, leather, Engineering Goods, Agricultural products

Best-ever market access and services offer by New Zealand to India, covering 118 services sectors including computer Related Services, Professional Services, Audio Visual Services, Telecommunication Services, Construction Services, Tourism and Travel related Service. Most-Favoured Nation Commitment in about 139 sub-sectors

Boosts Student mobility through post-study work visas and professional pathways in New Zealand, with no numerical caps

Students can convert global learning to global experience with post-study work rights of up to 3 years for STEM Bachelor's and Master's graduates and up to 4 years for Doctoral scholars

Dedicated quota of Temporary Employment Entry visa for

5,000 professionals and 1,000 Work and Holiday Visas

Commitment of Investment of USD 20 Billion over a period of 15 years

Establishes Agricultural Productivity Partnerships through Centres of Excellence for Apples, Kiwifruit, and Honey to boost productivity, farmer incomes

Productivity cooperation is paired with restricted market access for apples, kiwifruit and honey linked to quotas and minimum import prices, aligning knowledge transfer with safeguards for domestic producers.

To ensure protection to farmers and the domestic industry, Market access excludes dairy, coffee, milk, cream, cheese, yoghurts, whey, caseins, onions, sugar, spices, edible oils, rubber

Duty free inputs for India's Manufacturing Sector: Wooden logs, coking coal, waste and scraps of metals

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India and New Zealand have concluded a comprehensive, balanced and forward-looking Free Trade Agreement (FTA) under the visionary leadership of Hon'ble Prime Minister Shri Narendra Modi, marking a major economic and strategic milestone in India's engagement with the Indo-Pacific region.

The Agreement stands out as one of India's fastest-concluded FTAs aligned with the national vision of Viksit Bharat 2047. The negotiations were formally launched on 16 March 2025 during the meeting between Hon'ble Minister of Commerce and Industry Shri Piyush Goyal and Hon'ble Minister for Trade and Investment of New Zealand Mr. Todd McClay. The agreement was concluded by holding continuous and intense discussions spread over 5 formal negotiation rounds, several in-person and virtual intersessions. The FTA establishes a high-quality economic partnership that promotes employment, facilitates skill mobility, drives trade and investment-led growth, fosters innovation for agricultural productivity, and enhances MSME participation to strengthen long-term economic resilience.

Speaking on the conclusion, Minister for Commerce and Industry Shri Piyush Goyal said, "Today this Free Trade Agreement is about building trade around people and launching opportunities – for our farmers, for our entrepreneurs, for our students, for our Women and for our innovators. Boosting

yields and farmer incomes, the agreement drives modern agricultural productivity. It opens doors for Indian businesses in the region through well-integrated directional exports and gives our youth choices to learn, work and grow on a global stage”

Elimination of tariffs on 100% of its tariff lines, provides duty-free access for all Indian exports. This market access enhances the competitiveness of India’s labour-intensive sectors including textiles, apparel, leather, footwear, marine products, gems and jewellery, handicrafts, engineering goods and automobiles, directly supporting Indian workers, artisans, women, youth and MSMEs and integrating them deeper into global value chains.

The FTA delivers New Zealand’s best and most ambitious services offer in any of its FTAs to date. India has secured commitments across a wide range of high-value sectors including IT and IT-enabled services, professional services, education, financial services, tourism, construction and other business services, opening substantial new opportunities for Indian service suppliers and high-skill employment.

Rajesh Agrawal, Commerce Secretary, called it “A new generation trade agreement built on tariffs, agricultural productivity, Investment and Talent with complementarity at the core. India’s strengths expand exports, support labour-intensive growth and power services. New Zealand gains deeper, more predictable access to India’s large and growing economy. The movement of people-students, professionals, and skilled workers converges these strengths.”

A future-ready and facilitative mobility framework positions India as a key supplier of skilled and semi-skilled talent. The FTA provides improved entry and stay provisions for Indian professionals, students and youth, including work opportunities during studies, post-study work pathways, dedicated visa arrangements and a Working Holiday visa framework, strengthening people-to-people ties and expanding global exposure for Indian youth.

The FTA Opens Skilled Employment Pathways through a new Temporary Employment Entry Visa pathway for Indian professionals in skilled occupations, with a quota of 5,000 visas at any given time and a stay of up to three years. This pathway covers Indian professions such as AYUSH practitioners, yoga instructors, Indian chefs, and music teachers, as well as high-demand sectors including IT, engineering, healthcare, education, and construction, strengthening workforce mobility and services trade.

Establishment of dedicated Agri-Technology Action Plans on kiwifruit, apples and honey, focus on productivity enhancement, technology, research collaboration, quality improvement and value-chain development, to strengthen domestic capabilities and supporting income growth for Indian farmers. The cooperation includes the establishment of Centres of Excellence, improved planting material, capacity building for growers and technical support for orchard management, post-harvest practices, supply chain performance, and food safety. Projects for apple cultivators and sustainable beekeeping practices will enhance production and quality standards.

The Agreement significantly strengthens the investment partnership between the two countries. New Zealand has committed to facilitate investments of USD 20 billion into India over the next fifteen years, thereby supporting manufacturing, infrastructure, services, innovation and employment under India’s Make in India vision. Indian enterprises are also expected to benefit from their presence in New Zealand and access the wider Pacific Island markets.

Boost to Pharma and Medical Devices through faster regulatory Access by enabling acceptance of GMP and GCP inspection reports from comparable regulators, including approvals by the US FDA, EMA, UK MHRA, and other comparable regulators. This will reduce duplicative inspections, lower compliance costs, and expedite product approvals, thereby facilitating the growth of India's pharmaceutical and medical devices exports to New Zealand.

Commitment has been extended on Geographical Indications, including amendment of its law to facilitate the registration of India's wines, spirits and 'other goods', a benefit that was accorded to the EU by New Zealand- to be completed under defined timelines.

Cooperation has been agreed in AYUSH, culture, fisheries, audio visual tourism, forestry, horticulture and traditional knowledge systems. The FTA promotes India's AYUSH systems internationally, encourages medical value travel, and positions India as a global wellness hub.

Apart from tariff liberalisation, the FTA includes provisions to address non-tariff barriers through enhanced regulatory cooperation, transparency, and streamlined customs, Sanitary and Phyto-sanitary (SPS) measures and Technical Barriers to Trade disciplines. All systemic facilitations and fast-track mechanisms for imports that serve as inputs for our manufactured exports ensure that tariff concessions translate into effective and meaningful market access.

India–New Zealand economic engagement has shown steady momentum. Bilateral merchandise trade reached USD 1.3 billion in 2024–25, while total trade in goods and services stood at approximately USD 2.4 billion in 2024, with services trade alone reaching USD 1.24 billion, led by travel, IT and business services. The FTA provides a stable and predictable framework to unlock the full potential of this relationship.

The 3<sup>rd</sup> FTA concluded this year under the visionary leadership of Hon'ble Prime Minister Shri Narendra Modi, the India–New Zealand Free Trade Agreement represents a new generation trade partnership. It stands as a significant step in India's journey towards becoming a globally competitive, inclusive and resilient economy under the vision of Viksit Bharat 2047.

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**Abhishek Dayal/Garima Singh/Anushka Pandey**

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