Confederation of Indian Industry

INDIA'S FTA LANDSCAPE

A Business Guide to Market Access & New Opportunities



October

2026

INDIA LAW OFFICES LLP

India's FTA Landscape

9 Agreements | Global Markets | Business Opportunities

A Business Guide to Market Access & New Opportunities

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FOREWORD



India’s growing engagement with the global economy presents significant opportunities for its industry. As the country strengthens its manufacturing capabilities, attracts investment and deepens its participation in global value chains, Free Trade Agreements (FTAs) have an important role to play. However, the benefits of these agreements will depend on how effectively Indian businesses are able to use the market access and opportunities they provide.

FTAs can help Indian enterprises expand into new markets, become part of global supply chains and build stronger trade and investment partnerships. As India expands its network of trade agreements, it is important that businesses, particularly MSMEs, have a clear understanding of the opportunities available, the applicable provisions and the requirements for accessing these benefits.

This Compendium is a useful initiative in that direction. By bringing together key provisions of India's FTAs in a practical and accessible format, it seeks to help businesses better understand these agreements and make informed decisions about entering and expanding in international markets.

I hope this Compendium will serve as a valuable reference for Indian industry and encourage greater utilisation of India's trade agreements. CII will continue to work with industry and government to help enterprises make the most of these opportunities and strengthen India's position in global trade.

Mr Chandrajit Banerjee

Director General
Confederation of Indian Industry (CII)

FOREWORD



In today's dynamic global geo-political and trading environment, export competitiveness is shaped not only by market access but also by an enterprise's ability to select the right markets, develop product fit, deliver consistent quality at international standards, be reliable on deliveries for each order, respond to changing buyer requirements and build robust supply chains. For Indian Industry to take advantage of the recently finalized FTA's, expand and diversify its export base, strengthening these capabilities across the entire value chain, particularly MSME's, will be essential.

MSMEs often face practical barriers in accessing international markets, including limited market intelligence, difficulty identifying buyers and distribution channels, and the complexity of meeting country-specific requirements. Strengthening market facilitation, institutional linkages and access to relevant trade information can help address these gaps, enabling small and medium enterprises to build export preparedness, diversify market presence and integrate more effectively into global supply chains.

In this context, the CII FTA Compendium is a useful resource for helping enterprises take advantage of the expanded trade opportunities available to them. Complementing broader efforts to strengthen export competitiveness, it can support MSMEs in making more informed market choices and pursuing international opportunities with greater clarity and confidence.

I commend the effort of the CII MSME and MFS teams and the India Law Offices LLP in bringing out this compendium.

Mr Narayan Sethuramon

Chairman, CII Task Force on Building Export Competitiveness and Supply Chain Resilience & Vice Chairman, Sanmar Matrix Metals Ltd

FOREWORD



I am pleased to present the work of simplifying the new FTA regime our Indian government has embarked upon. This compendium of 9 FTAs put together for the Confederation of Indian Industries (CII) by India Law Offices (ILO) has been an exercise to bring international markets closer to all of us in India.

In a largely fragmented world where we see walls coming up regularly, India has been a shining example of building bridges and retaining the old charm of global and local together. India has been largely neutral, keepings it ability to do business with any part of the globe open and vibrant. The 9 successful FTAs and many more coming up are testimony to the fact that India will continue to remain in the center of International trade for times to come.

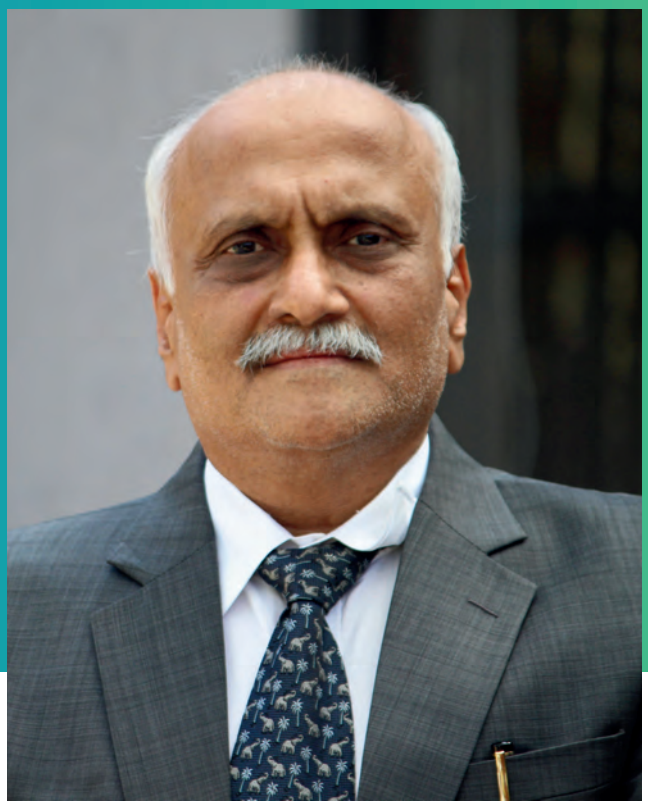
This compendium has been compiled with the sole objective is making international (export as well as import) business easy for our MSME. A successful FTA is not a one that has been negotiated well and brings an advantage to our country, rather it is an FTA that has been used extensively on both sides and brings huge business and gains for the businesses as well as countries that are parties.

I hope this compendium will go a long way in opening the doors of international markets for our MSME.

Mr. Gautam Khurana

Convenor, CII Delhi, Sub Committee on MSMEs
Managing Partner, India Law Offices LLP
Director, ONEtoONE ILO Consulting

FOREWORD



For India's MSMEs, globalization presents both a significant opportunity and an important imperative. Free Trade Agreements can open doors to new markets and customers, create opportunities for diversification and help enterprises become part of international value chains. Yet, for many MSMEs, the challenge is not only knowing that an FTA exists but understanding how it can actually be leveraged for their business.

The practical aspects of FTAs from identifying relevant markets and sectors to understanding Rules of Origin, tariff preferences and applicable requirements can often determine whether an enterprise is able to convert market access into a real business opportunity. Making this information more accessible and actionable is therefore an important step towards enabling more MSMEs to explore and expand their international presence.

The CII FTA Compendium has been developed with this objective in mind. By bringing together key agreements along with market opportunities, focus sectors, Rules of Origin, practical examples and relevant points of contact, it seeks to serve as a practical handbook for MSMEs looking to navigate and leverage India's FTAs. I hope this resource will encourage more enterprises to look beyond traditional markets, explore new opportunities and take confident steps towards becoming globally competitive businesses.

Mr. Sunil Chordia

Chairman, CII National MSME Council
Chairman & Managing Director, Rajratan Global Wire Limited

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Chapter I: Using India's Free Trade Agreements

An introduction to the nine agreements in this volume — what they are, why there are suddenly so many of them, and why so much of what they offer still goes unclaimed.



9

agreements in this volume, spanning the Gulf, Europe, Asia and the Pacific

4

of the nine take effect between October 2025 and October 2026

20-30%

of available preference Indian exporters claim; partners claim 60–70% here

What a free trade agreement is — and what it is not

A free trade agreement is a treaty in which two countries agree to charge each other less at the border than they charge everyone else. The modern ones go well beyond duty: they open services, recognise each other's standards and qualifications, set deadlines for customs clearance, and create routes for professionals to work in the other market. Every agreement in this volume does more than just cut tariffs.

Three features matter more to a business than the definition itself.

- **Line by line, not sector by sector.** Preference attaches to a tariff item, not to an industry. Two products from the same factory can be treated differently, and the eight-digit code on your shipping bill decides which.

- **Claimed, not given.** Nothing arrives at the lower rate automatically. The goods must qualify as originating, and the claim must be made on each consignment, with proof, inside a time limit.

- **Bound, not granted**. A treaty rate is an obligation; a unilateral preference is a favour that can be withdrawn. When the United Kingdom removed India's preferences on nineteen product chapters in January 2026, only a treaty could put them back.

What an agreement is not is a guarantee of business. It does not create demand, reduce freight or finance costs, or relieve you of the standards, labelling and certification rules of the importing country. It changes one line in your buyer's landed-cost calculation — but that line is often the one on which the order turns.

Why major trade moves through bilateral agreements

Global trade liberalisation through the World Trade Organization has slowed significantly since the Doha Round stalled, while the WTO's dispute settlement system has also faced prolonged challenges. As progress at the multilateral level has become more difficult, countries have increasingly turned to bilateral and regional trade agreements to secure market access. India is part of this broader shift, although it entered the process later than many other major economies.

Three forces have accelerated this transition. First, companies are restructuring their supply chains to reduce dependence on any single country, making access to new markets and reliable trading partners increasingly important. A trade agreement can signal that a country is committed to providing more predictable market access. Second, tariffs have once again become an important policy instrument. This makes a bound tariff rate valuable because it gives businesses greater certainty about the duties they will face in a market. Third, many issues that are increasingly important to modern commerce — including services, digital trade, professional mobility, standards and sustainability — have developed beyond the scope of traditional multilateral trade rules.

For an Indian business, the practical implication is that market access now comes as a package. A single trade agreement can reduce the duty on a product, simplify customs procedures, enable professionals to travel for business or installation work, and improve recognition of standards or certifications. Looking only at tariff reductions therefore gives an incomplete picture of the benefits of an agreement. This is why each chapter in this volume looks beyond tariff rates to explain the procedures, commitments and practical opportunities that matter to businesses.

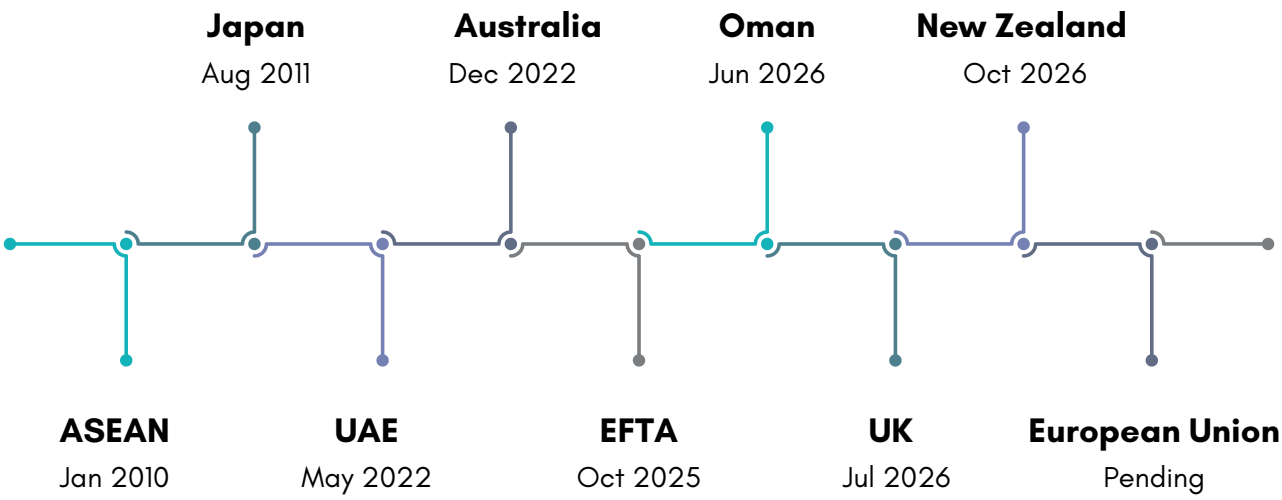
India's two phases

The nine agreements in this volume belong to two very different moments in Indian trade policy.

The first phase began in 2010 and 2011, when India entered into trade agreements covering goods with **ASEAN** and **Japan**. Both were later criticised for contributing to a widening trade deficit, although the outcome was not simply a question of the terms: exporters from partner countries made greater use of the preferences available, while Indian exporters made relatively limited use of them. A more cautious approach followed. India withdrew from the RCEP negotiations in 2019 and did not conclude another major trade agreement for several years.

The second phase began in 2022 and has gathered pace since. Seven of the nine agreements covered here belong to this phase, with four taking effect within a relatively short period — **EFTA** in October 2025, **Oman** in June 2026, the **United Kingdom** in July 2026 and **New Zealand** on 20 October 2026. The agreement with the European Union, concluded in January 2026, is the largest of these and is still progressing through the ratification process.

THE NINE AGREEMENTS, BY THE DATE THEY TOOK EFFECT



What is different about the new agreements

The newer agreements reflect lessons from India's earlier trade experience. India now protects sensitive sectors more explicitly: dairy and much of agriculture are excluded from the UK, EFTA, Australian and New Zealand agreements. Tariff cuts are phased over five, seven or ten years rather than granted immediately; sensitive farm products may face quotas, minimum import prices and seasonal restrictions; and rules of origin are stricter, often requiring a change in tariff heading and a minimum share of value added. On the import side, CAROTAR 2020 places the responsibility for establishing origin on the Indian importer claiming the preferential rate.

India is also seeking broader commitments in return. EFTA includes an undertaking to promote US$100 bn of investment and one million jobs over fifteen years; New Zealand, US$20 bn, with provisions allowing India to reconsider tariff concessions if the target is not met. The UK and New Zealand agreements include visa quotas and mobility arrangements. Several also provide regulatory recognition — such as acceptance of foreign inspection reports for medicines and protection for Indian geographical indications — which can be more valuable to an exporter than the tariff reduction itself.

None of this makes the newer agreements simple to use. Tighter origin rules mean more documentation; phased tariff cuts mean the applicable rate can change over time; and quota-based concessions require exporters to check volume, eligibility and pricing conditions before shipment. The newer agreements provide more structured market access, but businesses must understand and comply with the conditions to actually benefit from them.

Why this matters more to an MSME

Tariff peaks often sit in sectors where India's MSMEs are concentrated: garments and home textiles, carpets, leather and footwear, handicrafts, processed food, light engineering and auto components. A large exporter can absorb a duty through scale and margins; for a small unit, the same duty can materially affect profitability. And the gain is often not a new market but the removal of a disadvantage — Indian goods paying duty while Chinese, Vietnamese or Bangladeshi competitors enter at lower or zero rates. The second benefit is less visible but equally important: agreements can also make inputs cheaper — wool, timber, scrap, components and ingredients — lowering the cost of production across the business.

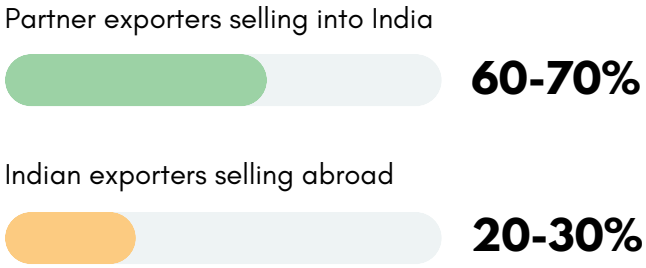
Timing also matters. A preference is often most valuable in the early years, before competitors adjust and before the partner country signs similar agreements with other suppliers. Buyers may re-tender supply when an agreement takes effect — creating an opportunity for a small Indian supplier that already has its documentation in place. The businesses that benefit are those prepared to use the agreement from day one, not those that start studying the tariff schedule a year later.

Why so much of the benefit goes unclaimed

The gap this volume exists to close.

Indian exporters claim only 20–30% of the preferences available to them under India's trade agreements, compared with 60–70% claimed by exporters from partner countries when selling into India. This gap has persisted across agreements with ASEAN, Japan, Korea, UAE and Australia, making it one of the most important practical issues for Indian businesses seeking to use these agreements.

WHO USES THEIR PREFERENCES



Share of eligible trade on which preference is actually claimed. Source: GTRI, June 2026.

The reasons are largely practical: products classified under the wrong tariff item; origin requirements identified only when a claim is questioned; certificates obtained after the goods have shipped; cost records and supplier declarations not maintained for the five-year period over which verification can reach back; and non-tariff requirements — standards, registrations and biosecurity — that can prevent a shipment even when the tariff preference is available.

The cost that moved from the border to the rules

As tariffs fall, the cost of exporting increasingly shifts from customs duties to compliance. The European Union's carbon border levy is already in its definitive phase, while the United Kingdom's begins on 1 January 2027, covering metals, cement and fertilisers that trade agreements have made easier to access. New Zealand and Australia apply strict biosecurity checks to consignments, and a rejected container can cost more than the tariff saved. Gulf markets often depend on conformity marks and product certification. This is why each chapter in this volume also covers what the agreement does not remove: duty-free does not necessarily mean cost-free.

How to go FTA shopping

Start with your commercial objective, not the agreement. Identify whether you want to enter a new export market, improve price competitiveness, reduce input costs or access services and investment opportunities. Use the sector guide to shortlist the most relevant agreements, considering market size, duty reductions, India's existing foothold and the compliance requirements that remain. Then verify the exact tariff applicable to your product, the Rules of Origin, the timeline for concessions and any quota restrictions before deciding whether the opportunity is commercially viable.

Where to look next: The sector guide and agreement-by-agreement comparisons on pages 07–69 help identify the most relevant FTAs. The conclusion on pages 70–79 explains where the gains accrue, provides a practical utilisation checklist and readiness ladder, and highlights upcoming changes businesses should prepare for.

A SHORT GLOSSARY

Term	Meaning
Tariff line	The eight-digit product code on which duty is charged.
MFN rate	The ordinary duty charged to countries with no agreement.
Staging	The schedule over which a duty falls to its final rate.
Tariff-rate quota	A lower duty up to a fixed volume; above it, the MFN rate applies.
Minimum import price	A price floor below which the lower duty does not apply.
Rules of origin	The tests that determine whether goods qualify as originating in a party.
Qualifying value content	The share of a product's value that must be added locally.
Cumulation	Treating a partner's materials as if they were your own.
De minimis	A small share of non-qualifying input that the rules tolerate.
Proof of origin	The certificate or declaration on which preferential treatment is claimed.

Chapter II: The Nine FTA Agreements

Nine agreements, nine different offers: what each is best for, where it is strongest, and what a business should look at before relying on it.



No two agreements are alike

It is tempting to treat the nine agreements as one set of rules with nine different partners. They are not. Australia and New Zealand remove duty on every line, while the EU makes the steepest cuts in the largest markets, on leather, apparel and marine products. The UK opens processed food and apparel, the UAE is the largest buyer of Indian jewellery and electronics, and Oman has nearly all its tariff lines nil from day one.

Beyond tariffs, the offers differ just as much. In Japan, quality and SPS standards matter more than duty. EFTA brings an investment commitment, Oman and New Zealand add professional mobility and skilled-work visas, and the EU agreement carries carbon-levy and deforestation conditions.

A business trading in several markets will find that the same product can have a strong case under one agreement and a weak one under another. The pages that follow take each agreement on its own terms.



India–UK Comprehensive Economic & Trade Agreement (CETA)

A utilisation guide to the Comprehensive Economic and Trade Agreement (CETA) — what it covers, where the opportunity sits, and how an Indian business claims the benefit.

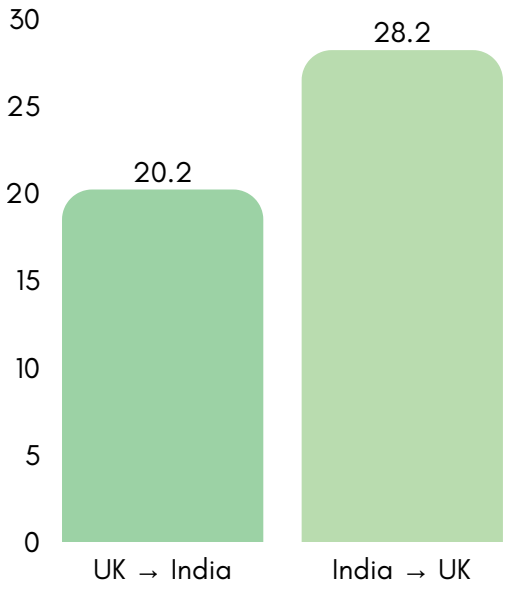
Overview

CETA is India's most comprehensive trade agreement with a G-7 economy. Negotiations closed in May 2025 after fourteen rounds; the agreement was signed in London on 24 July 2025 and entered into force on 15 July 2026, alongside the Double Contribution Convention on social security.

India enters that agreement from a position of surplus. In the four quarters to March 2026 the UK imported £28.2 bn of goods and services from India and exported £20.2 bn in return — a surplus of roughly £8 bn on total trade of £48.4 bn. The UK is India's sixth largest export market, and that balance rests on labour-intensive goods where India already competes.

The agreement is projected to add £25.5 bn a year to bilateral trade, and both governments have adopted a target of doubling trade by 2030. For an Indian business the practical question is narrower: which of your tariff lines moved, whether your goods qualify as originating, and what you must now file to claim the lower rate.

INDIA–UK TRADE, FY2025–26, £ BN



What the agreement covers

CETA runs to thirty chapters. On goods, the UK removes duty on 99% of India's tariff lines, covering close to the whole of the bilateral trade basket — from the 70% wall that stood on processed food down to nil. Preference is not automatic: each tariff line carries its own rule of origin, and exporters now certify compliance themselves through a digital declaration rather than obtaining a certificate from an issuing authority.

On services the UK has bound commitments across all twelve major sectors and **137 sub-sectors**, covering more than 99% of India's services export interests. Mobility is treated generously: contractual suppliers may stay **twelve months in any twenty-four** across 33 sub-sectors, with **no needs test and no caps**. The Double Contribution Convention ends dual social security contributions on postings of up to **sixty months**, benefiting over 75,000 professionals and some 900 companies.

Three further chapters change how the two economies do business rather than what they charge at the border.

- **Government procurement** — in an Indian trade agreement for the first time, opening a **£90 bn** UK central-government market against roughly USD114 bn opened in return.
- **Customs** — a **48-hour release target**, with Authorised Economic Operators fast-tracked and perishables prioritised.
- **MSMEs and innovation** — standalone chapters, alongside digital trade, telecoms and financial services.

Do your goods count as Indian-made?

Every tariff line carries its own rule of origin. That rule says which of three tests your product must meet — and only goods that pass get the CETA rate.

- **Wholly obtained** — grown, mined, caught or made entirely in India. Nothing to calculate.
- **Only originating materials** — every input is already Indian or British.
- **Substantially transformed** — if you use imported inputs, the product must change its tariff heading in manufacture, or enough value must be added here: **35% build-up, 40% ex-works or 45% FOB**.

Three things can rescue a borderline claim. British inputs count as Indian, so a UK-sourced component helps you qualify rather than hurting you. A small share of non-originating material is tolerated — 7.5% or 12.5% of value, depending on the chapter. And where a line offers both a tariff-change test and a value test, use whichever your cost sheet supports.

And three things never work. Repacking, relabelling and simple assembly confer no origin, however much they cost. Goods bought in and re-exported unchanged do not qualify. Nor does paperwork from the old DCTS scheme — CETA has its own declaration format.

Where the opportunity sits

A) EXPORTING TO THE UK

Peak UK duty removed, and how much of that market India holds today.

Sector	Peak UK Duty Removed to Nil	India's Share
Processed food	70%	0.61%
Marine products	21.50%	2.25%
Engineering & auto parts	18%	2.21%
Leather & footwear	16%	5.60%
Textiles & apparel	12%	6.70%
Chemicals & pharma	8%	2.40%
Gems & jewellery	4%	26%

WHAT INDIA KEPT OFF THE TABLE

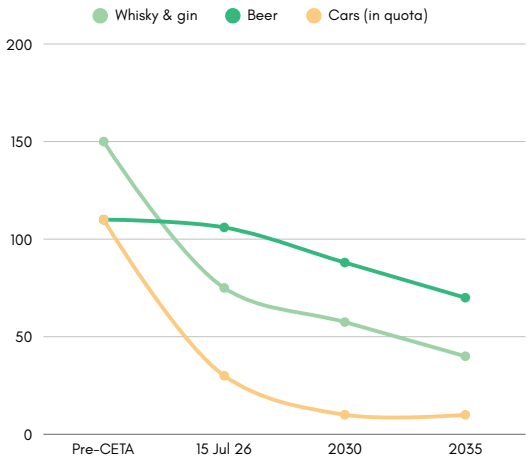
India's concessions are extensive but not universal, and the exclusions are deliberate rather than residual. Roughly one tariff line in ten was withheld altogether. Dairy, cereals and millets, pulses, edible oils and oats remain outside the agreement, as do apples and several vegetables — protecting farm incomes and smallholder livelihoods. Gold and jewellery, smartphones and optical fibres are held back on strategic and revenue grounds. Zero-emission two-wheelers, buses and trucks receive no concession at all. Sectors backed by Make in India and the PLI schemes open gradually over five, seven or ten years rather than at once.

B) SOURCING FROM THE UK

Indian duty before CETA, and the rate from 15 July 2026.

Sector	Before	Now
Spirits & beer	150%	75%
Vehicles (in quota)	110%	10%
Machinery & equipment	22%	0%
Medical devices	13.75%	0%
Aerospace components	11%	0%
Cosmetics & personal care	10–20%	cut

IMPORTS TO INDIA – HOW INDIAN DUTIES ON UK GOODS STEP DOWN



Why it matters

The commercial consequence on each side of the trade.

IF YOU SELL TO THE UK

- **Preference restored:** The UK withdrew India's tariff preferences on 19 chapters from 1 January 2026. CETA returns those lines to zero.
- **Bound, not granted:** Those preferences were unilateral and could be suspended. CETA rates are treaty obligations.
- **Unused capacity:** India holds just 2.25% of the UK's USD5.4 bn marine import market.

IF YOU BUY FROM THE UK

- **Spirits and beverages:** Whisky and gin fall from 150% to 75% at entry into force, reaching 40% by year ten.
- **Equipment and inputs:** Machinery duties of up to 22%, medical devices at 13.75% and aircraft parts at 11% are removed.
- **Quota-bound lines:** Vehicles reach 10% only within a quota rising to 37,000 units. Outside it, MFN applies.

Beyond tariffs: the carbon levy

A cost that arrives after the tariff saving, and can cancel it out.

UK CARBON BORDER LEVY · FROM 1 JANUARY 2027

WHAT IT COVERS
Aluminium, cement, fertiliser, hydrogen, and iron and steel entering the UK. Glass and ceramics sit outside the 2027 scope.

WHO PAYS
Your UK buyer pays the charge — but the emissions figure has to come from you. The buyer registers once past £50,000 of covered imports.

WHAT TO DO NOW
Start measuring emissions per tonne. Without real data your buyer is charged a default rate, which is higher — so an exporter who can prove emissions becomes the cheaper supplier.

Why it bites. The levy lands eighteen months after the tariff saving begins, and it falls on the same goods CETA just made cheaper — iron and steel and fertiliser both appear in the export table opposite. A duty saving of 8% can be swallowed by a carbon charge if your buyer has to use default emissions. The EU runs a parallel scheme with different methods, formats and deadlines, so an exporter shipping to both markets faces two sets of paperwork, not one.

A worked example

Take an exporter shipping cotton knitwear on a standing UK order worth ₹1 crore ex-works. Two questions decide whether CETA is worth anything, and they come in order.

First, does it qualify? The ex-works basis requires **40% Indian content**. Imported fabric, trims and packaging account for ₹58 lakh, leaving ₹42 lakh added in India — **42%**. The claim holds, but by two points.

Second, what is it worth? The UK charged **12%** before CETA, so the buyer paid roughly **₹12 lakh** in duty on that consignment. Under CETA it is nil.

That ₹12 lakh does not simply become margin — the duty was the importer's cost, so the saving is **negotiated**. At 42% the headroom is thin: a cheaper fabric or a currency movement could drop content below 40% and void the claim.

STEP ONE - DOES IT QUALIFY?

Ex-works price	**₹ 1,00,00,000**
Imported fabric and trims	**₹ 58,00,000**
Value added in India	**₹ 42,00,000**
Qualifying value content	**42%**

STEP TWO - WHAT IS IT WORTH?

UK duty before CETA	**12%**
Duty the buyer paid	**₹ 12,00,000**
Duty under CETA	**Nil**

The ex-works test requires 40%. Meeting it by two points is a pass, not a comfort.

Three sectors in focus

Where India already sells to the UK, how much room is left, and what it means on the ground.

A) ELECTRICAL MACHINERY AND EQUIPMENT (HS 85)

This is already India's single biggest export to the UK, and the one growing fastest. It covers the everyday hardware of a modern economy: smartphones, optical fibre cables, inverters, transformers, converters, switchgear, wiring and telecom equipment. All of it now enters the UK at zero duty.

For a small engineering firm the point is simple. You are no longer bidding against a tariff. The government expects engineering exports to the UK to pass **USD7.5 bn by 2029-30**, with the fastest-moving lines growing 12-20% a year, and sees the opening mainly in renewable-energy equipment, automotive electronics and industrial automation — components, not finished machines. That is work Indian MSMEs already do for other markets.

USD78 bn

what the UK buys from the world

USD2.13 bn

of it from India — its largest export here

2.7%

India's share — plenty of room left

B) TEXTILES AND APPAREL (HS 61-63)

Here CETA does not open a new market so much as end an unfair race. Indian garments paid UK duty of up to 12% while the same shirt from Bangladesh, Pakistan or Cambodia arrived free. Buyers chose accordingly. From 15 July that duty is gone on 1,143 tariff lines — about 11.7% of all the lines India ships to the UK.

The categories expected to move first are ready-made garments, home textiles, carpets and handicrafts. These are the most labour-intensive goods India makes, produced largely by MSMEs, artisans and women-led units, so a shift in orders shows up quickly as work on the floor. India sells USD36.7 bn of textiles worldwide but only USD1.94 bn of that reaches the UK — the gap, not the duty, is the real opportunity.

USD28.8 bn

what the UK buys from the world

USD 1.94 bn

India's sales into it today

6.7%

India's share of that market

C) GEMS, GOLD AND JEWELLERY (HS 71)

Be clear about what changed. Plain gold always entered the UK duty-free, so nothing moves there. What CETA removes is the 2.5-4% duty on finished jewellery — gold, diamond, coloured-stone, platinum and silver pieces, pearls and lab-grown diamond jewellery. That is the part where Indian hands add the value.

The trade runs both ways and that is its strength: India buys **USD2.21 bn** of rough stones and pearls from the UK, cuts, polishes and sets them, and sends finished pieces back. The industry council expects exports to the UK to **double to USD2.5 bn within three years and add over 140,000 jobs**, concentrated in the Surat, Mumbai, Jaipur, Kolkata, Chennai, Hyderabad, Ahmedabad and Thrissur clusters.

USD 4 bn

what the UK buys from the world

USD 1.03 bn

India's sales into it today

26%

India's share — the strongest here

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted **line by line, not by sector**, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.

→ **trade.gov.in (Tariff Explorer) ·indiantradeportal.in**

2) Check the duty on that code: Selling to the UK, use gov.uk/trade-tariff and find the India preferential entry; buying from the UK, use indiantradeportal.in. Record three things: the rate you pay today, the CETA rate, and the date it applies from. Not every line falls to zero on day one — some stage down over five, seven or ten years, some are quota-bound, some excluded.

3) Check that the goods qualify: Zero duty is never automatic. Each tariff line carries its own rule of origin, and that rule decides the test — a change of tariff heading, a minimum share of value added in India, or a specified process. Where a value test applies the thresholds are 35% build-up, 40% ex-works or 45% FOB. Find your line's rule as the first step

TRACK A · IF YOU EXPORT TO THE UK

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a digital signature linked to it — start this first. → **trade.gov.in**

5) Get the Certificate of Origin: Open Get Certificate of Origin, apply, select India-UK CETA. Self-declare, or use an authorised agency — DGFT and EIC for all products, Textile Committee, APEDA, MPEDA and others by sector. → **https://indiantradeportal.in/**

6) Send the papers to your buyer: Your UK buyer makes the claim, not you. Send the proof of origin plus the invoice and packing list. They may use "importer's knowledge" instead — then the evidence burden is theirs.

7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IF YOU IMPORT FROM THE UK

4) Supplier registers with HMRC: Without the declaration cannot be authenticated and you cannot claim. Send them the official template — a DCTS document is not a substitute.
→ gov.uk → uk-india-ceta-origin-declaration

5) Update your ICEGATE email: Your supplier sends the declaration to CBIC and to your ICEGATE-registered address at once. If it is out of date, the claim cannot be completed.
→ icegate.gov.in

6) The system issues a URN: Authenticated against UK exporter data, a Unique Reference Number is emailed to your supplier, copied to you. Quote it in your Bill of Entry. Valid 12 months, one shipment.

7) Ask for the working: The declaration says the goods qualify, not why. If questioned, you must substantiate it. Keep the origin calculation four years; put the obligation in your PO.

Who to Contact

INDIA

Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy: cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

UNITED KINGDOM (UK)

Commodity code advice: classification.enquiries@hmrc.gov.uk

Department for Business and Trade (DBT): dbtindia@fcdo.gov.uk · +91 (11) 2419 2100



India–New Zealand Free Trade Agreement

A utilisation guide for Indian MSMEs — where the agreement levels the field against duty-free rivals, what it makes cheaper to buy, and what to have ready before it enters into force on 20 October 2026.

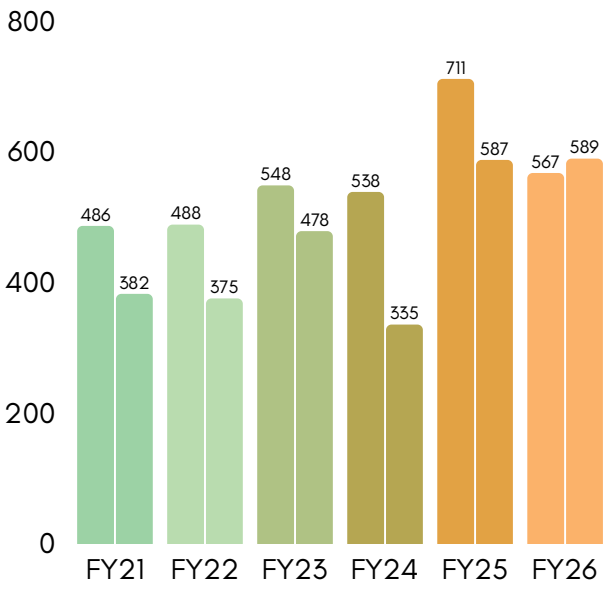
Overview

This is one of the fastest trade agreements India has concluded. Talks resumed in March 2025, concluded in December after nine months, and the agreement was signed on 27 April 2026. Both sides have ratified, and the agreement is expected to enter into force on 20 October 2026.

New Zealand is a small but open market, importing around USD48 bn of goods annually, led by machinery, fuel and vehicles. India's goods trade with New Zealand was USD1.16 bn in 2025-26, with exports of USD567 mn and imports of USD589 mn. Both countries aim to double bilateral trade within five years.

New Zealand provides duty-free access for Indian goods from day one, while India opens around 70% of its tariff lines to New Zealand goods, with many reductions phased over time. Most dairy products remain protected. The agreement also provides for investment, skilled-worker mobility and regulatory cooperation.

INDIA-NZ GOODS TRADE, USD MN



What the agreement covers

The agreement has twenty chapters. On goods, New Zealand eliminates duty on all 8,284 tariff lines for Indian goods from entry into force. This removes tariffs of up to 10% that applied to some Indian products, while products from countries such as China, Bangladesh and Vietnam already entered duty-free. India liberalises 70.03% of its tariff lines — 30% immediately, 35.6% over three to ten years and 4.37% through partial tariff cuts, with a small number covered by quotas. The remaining 29.97% are excluded from tariff concessions.

On services, New Zealand provides market access across 118 sectors and MFN treatment across 139 sectors. MFN treatment means that, in specified services, India can benefit if New Zealand later offers more favourable terms to another FTA partner. The agreement does not include a government procurement chapter or an investor-state dispute settlement mechanism.

Four features set this agreement apart from India's other recent deals:

- **Regulatory reliance for medicines** — New Zealand will normally accept GMP certification from regulators such as the US FDA, EMA and TGA without re-inspecting the plant.
- **Investment-linked concessions** — a USD20 bn investment objective reviewed at years 5, 10 and 15; if it is missed, India may rebalance its tariff concessions.
- **An agriculture partnership** — centres of excellence in India for kiwifruit, apples and honey, tied to the quota access New Zealand received.
- **Protection for Indian names** — New Zealand will extend EU-level geographical-indication protection to Indian goods, Basmati included.

Where the opportunity sits

New Zealand's duties were low; the disadvantage against rivals who paid none was not.

A) SELLING TO NEW ZEALAND

Most New Zealand tariffs were already low or zero, so the benefit for Indian exporters is concentrated in specific sectors. Indian apparel, footwear, carpets, ceramics and engineering goods faced duties of up to 10%, while pharmaceuticals, chemicals, food and marine products faced duties of up to 5%. China, Vietnam and Bangladesh already enjoyed duty-free access through their respective trade preferences. The FTA therefore removes a tariff disadvantage that Indian exporters faced against these competing suppliers.

NZ DUTY ON A SHIRT, BY WHERE IT IS MADE



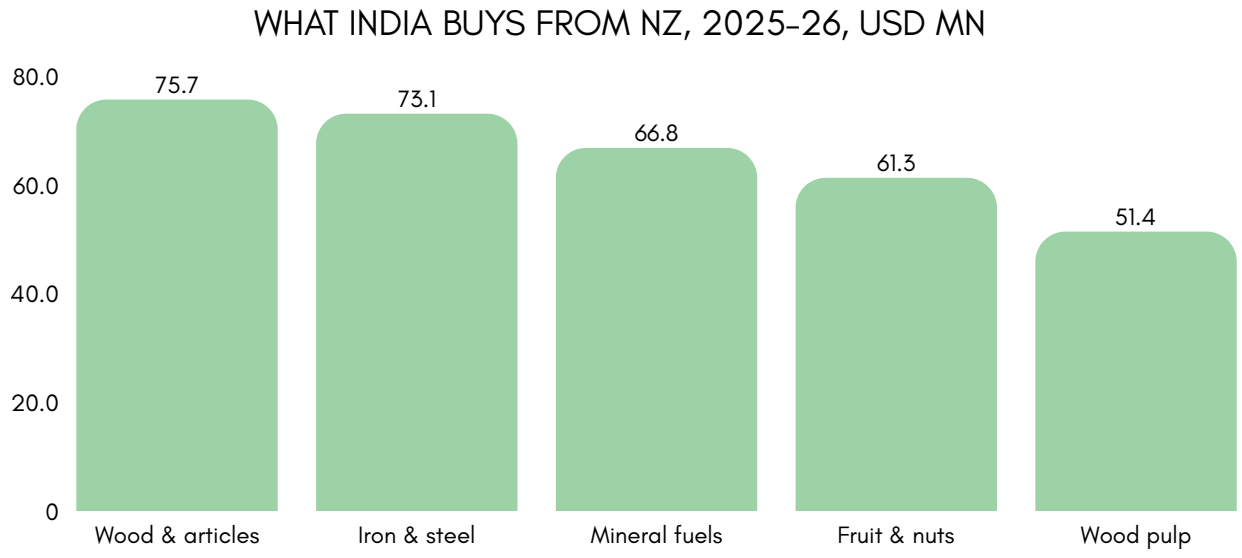
New Zealand's peak apparel tariff was 10% for India — NZ$2 on a NZ$20 shirt — while equivalent shirts from China or Bangladesh entered duty-free.

INDIA'S EXPORTS TO NZ, 2024–25

Sector	US$ mn	Before → now
Engineering goods	**136.3**	**up to 10% → 0**
Agriculture & food	**108.2**	**up to 5% → 0**
Textiles & apparel	**103.1**	**up to 10% → 0**
Chemicals	**95.8**	**up to 5% → 0**
Electronics	**68.3**	**up to 10% → 0**
Pharmaceuticals	**57.5**	**up to 5% → 0**
Gems & jewellery	**16.9**	**up to 5% → 0**
Marine products	**15.9**	**up to 5% → 0**

B) SOURCING FROM NEW ZEALAND

Indian duty before the agreement, and the rate from 20 October.



Four of India's five largest purchases are industrial inputs — timber, steel, coal and pulp — not consumer goods.

Product	Before	Under the FTA
Pine logs	5.50%	Nil, day one
Steel scrap	Nil	No change
Coking coal	2.75%	Nil, day one
Wood pulp	5.50%	Nil, day one
Raw wool	2.75%	Nil, day one
Sheep meat	33%	Nil, day one
Milk albumin (quota)	22%	11%
Kiwifruit (quota)	33%	Nil
Apples (quota)	50%	25%
Mānuka honey (quota)	66%	16.5% by year 5
Wine, CIF ⩾ US$15	150%	75% → 25% in 10 yrs

For manufacturers, the main benefit is cheaper inputs. Around 70% of the New Zealand wool which India buys is processed in Bikaner before being used in carpets in Bhadohi; it now enters duty-free instead of at 2.75%. Wood, wool and leather also become duty-free from day one, benefiting plywood, furniture, paper and leather units. A separate fast-track for export manufacturing (Annex 2C) allows Indian firms to import eligible New Zealand inputs duty-free when the finished goods are exported, including dairy ingredients for export-oriented food processing.

WHAT INDIA KEPT OUT

India **excluded 29.97% of its tariff lines** from concessions. Most dairy products — including milk, cream, whey, yoghurt, cheese and butter — remain excluded, with India only required to consult if it later considers opening dairy to a comparable economy. Onions, chickpeas, peas, corn, almonds, sugar, artificial honey, edible oils, most animal products other than sheep meat, arms, and several copper and aluminium products are also excluded. For agricultural products that did open — such as apples, kiwifruit and Mānuka honey — quotas, minimum import prices and seasonal restrictions provide safeguards for Indian growers.

Do your goods count as Indian-made?

Zero duty applies only to originating goods — and this agreement often asks for two tests at once.

A good qualifies if it is **wholly obtained** in India or New Zealand, or if its imported inputs meet the **product-specific rule** for its tariff line under Annex 3A. Unlike the UK agreement, where exporters can often choose between a tariff-change test and a value test, many lines under this agreement require both tests to be met: the inputs must undergo the required tariff-heading change and the qualifying value content (QVC) must meet the specified threshold, calculated on the **FOB value.**

Your product	Rule in Annex 3A	What it means on the shop floor
Apparel (HS 61–62)	**CTH + QVC 40%**	Heading change and 40% originating value — both
Carpets (HS 57)	**CTH + QVC 40%**	Same double test; NZ wool counts as originating
Footwear (HS 64)	**CTH**	Heading change; parts (6406) need a chapter change
Leather (42), ceramics (69)	**CC**	Inputs must come from another chapter
Pharmaceuticals (HS 30)	**CTSH + QVC 45%**	A few headings allow CTSH or QVC 40% instead
Machinery (HS 84)	**QVC 40%**	Value test alone on most lines
Electrical goods (HS 85)	**CTH + 40% / CTSH + 45%**	Varies by heading — check your line
Vehicles and parts (HS 87)	**CTSH + QVC 45%**	The highest common threshold in the agreement
Iron & steel articles (72–73)	**Melt and pour**	Steel must be melted and poured in India or NZ

WHAT HELPS

- **New Zealand inputs count as Indian.** Bilateral cumulation treats originating NZ materials as your own.
- A **10% tolerance**. Inputs failing the tariff-change test are ignored up to 10% of FOB value (textiles: 10% of weight or value).
- **Two formulas.** QVC can be built down from the FOB price or built up from originating inputs.

WHAT NEVER WORKS

- **Minimal processing.** Packing, sorting, simple assembly, painting, dilution or mixing confer no origin.
- **Work done in transit.** Via a third country, goods may only be unloaded, stored or relabelled under customs control.
- **Traded goods.** Buying finished goods and re-exporting them unchanged does not qualify.

THE PAPERWORK

- **Certificate of Origin** from an authorised Indian agency — the default route for most MSMEs.
- **Self-declaration** only for status holders (One Star Export House and above).
- **Valid 12 months;** keep costings and supplier records for five years.

A worked example: where the wool comes from

A Ludhiana knitwear unit takes a ₹1 crore FOB order for woollen sweaters from a New Zealand retailer. It is for the southern winter, so it ships in April–May, after India's own season has closed.

Does it qualify? Knitting yarn into sweaters changes heading, so the first test passes whatever the wool. The 40% value test is decided by one purchase. Spun from New Zealand wool, the wool counts as originating and QVC is 76%. Spun from Australian wool, the same sweater carries ₹62 lakh of non-originating inputs and QVC falls to 38%.

What is it worth? New Zealand charged 10% on knitwear, so the buyer saves ₹10 lakh — but only on the version that qualifies. Keep the wool supplier's New Zealand origin papers on file: they are your evidence if New Zealand Customs asks.

SAME SWEATER, TWO WOOL SOURCES

₹ lakh	NZ wool	Aus wool
FOB price	100	100
Wool, spun in India	38	38
non-originating	0	38
Other imported inputs	24	24
Non-originating total	24	62
QVC (build-down)	76%	38%
Heading change	Yes	Yes
Qualifies?	Yes	No
NZ duty on order	Nil	₹10 lakh

QVC = (FOB - non-originating inputs) ÷ FOB. The rule needs 40%.

Three sectors in focus

What New Zealand buys from the world, how much of it India supplies, and what decides the order.

A) TEXTILES AND APPAREL (HS 61-63)

India was the only major supplier still facing tariffs. China accounts for 44% of New Zealand's T-shirt imports and Bangladesh 28%, with both enjoying duty-free access, compared with India's 7.6%. From 20 October, this tariff disadvantage is removed. India is already strong in home textiles — bed linen, towels and curtains — with about 17% of a USD283 mn market, while its apparel share is only 4% of the USD1.19 bn market. This is where the tariff change could create the biggest opportunity. Mills using imported fabric should check the heading-plus-40% origin test before quoting.

For MSMEs. New Zealand orders are smaller than those from the UK or US, which can suit clusters such as Tiruppur, Ludhiana, Panipat and Karur. Its winter season also falls opposite to India's, creating an opportunity to serve an additional seasonal market.

USD1.47 bn

what New Zealand imports a year

USD97 mn

of it from India

6.6%

India's share — 17% in home textiles

B) PHARMACEUTICALS (HS 30)

The 5% duty was never the main barrier; approvals and public procurement remain the key challenges. Medsafe regulates medicines and Pharmac, the public medicines buyer, funds prescriptions through national tenders, often selecting a single supplier. Annex 7B allows New Zealand to accept GMP certification from specified regulators — including the US FDA, EMA, TGA, Health Canada, Singapore's HSA and Swissmedic — without inspecting the plant. India's CDSCO is not on this list, so the benefit is greater for plants that already hold one of these approvals, usually working through a New Zealand sponsor.

For MSMEs. Practical routes include contract manufacturing for FDA-, EMA- or TGA-approved plants, or supplying APIs and intermediates to them. Pharmac tenders are price-sensitive, so the 5% tariff saving can improve competitiveness.

USD1.46 bn

what New Zealand imports a year

USD84 mn

of it from India

5.8%

India's share of the market

C) ENGINEERING AND AUTOMOTIVE (HS 84, 85, 87)

Machinery, electrical equipment and vehicles make up about a third of New Zealand's imports, while India supplies less than 1%. Tariffs of up to 10% will be removed. New Zealand also drives on the left, so Indian right-hand-drive vehicles and parts generally do not require major modifications. Two rules matter: vehicles and parts require a sub-heading change plus 45% QVC, while steel articles must use steel melted and poured in India or New Zealand. Installers and service providers may enter for up to 90 days a year where after-sales service is part of the sale.

For MSMEs. The main opportunities are in components rather than finished machines — pumps, valves, castings, fasteners, cables, switchgear and parts for farm, food-processing and construction equipment.

USD16.7 bn

what New Zealand imports a year

USD 158 mn

of it from India

0.9%

India's share — the widest gap of the three

Services and people

New Zealand provides market access in 118 services sectors — including IT and IT-enabled services, professional and business services, education, construction, environmental, financial and tourism services — with MFN treatment in 139 sectors.

A dedicated annex covers traditional medicine, including Ayurveda, Siddha, Unani and Sowa-Rigpa. The two countries aim to agree on recognition of professional qualifications within 12 months. Business visitors may stay for up to 90 days in a year, while intra-company transferees may stay for up to three years.

Route	What the agreement gives
Skilled employment	5,000 visas at any time, 3 years
Health · IT · engineering	1,200 · 1,000 · 1,000
Construction · education	700 · 500
Chefs · AYUSH · yoga · music	250 · 200 · 100 · 50
Students	No cap · 20 hours' work a week
Post-study work	Up to 3 years; 4 for doctorates
Working holiday	1,000 a year, 12 months each

Beyond tariffs: New Zealand biosecurity

The check that decides whether a zero-duty consignment is cleared at all.

NEW ZEALAND BIOSECURITY ·EVERY CONSIGNMENT, FROM DAY ONE

WHAT GETS CHECKED

Every container, pallet and package. Wood packaging must be ISPM 15-treated, stamped and bark-free; containers and machinery free of soil and insects. Timber, cane, bamboo, spices, rice and seeds must meet an MPI import health standard.

WHO BEARS THE COST

The New Zealand importer pays for inspection, treatment, re-shipment or destruction — and prices that risk into the next order. Food also needs an MPI-registered importer and labels to the joint Australia-New Zealand Food Standards Code.

WHAT TO DO NOW

Ask your buyer which import health standard covers your product before you quote. Use heat-treated, stamped pallets, have containers cleaned, and send fumigation and phytosanitary certificates with the shipping papers.

Why it bites. The tariff saving is at most 10%; a failed inspection can cost the whole consignment. The SPS chapter promises technical consultations within 30 days, but SPS matters cannot go to dispute settlement — the remedy is dialogue, not a ruling.

How to claim the benefit

Three checks come first, whichever way you trade. Then the routes divide.

1) Find the exact code: Preference is line by line. Take the eight-digit code from your shipping bill, and confirm your buyer classifies the goods the same way in New Zealand.
→ indiantradeportal.in

2) Check the rate and stage: New Zealand is nil on every line from 20 October. India's cuts on NZ goods step down, with later instalments on 1 January each year.
→ customs.govt.nz · Working Tariff

3) Check the rule: Find your line in Annex 3A, run the test on FOB values, and file the working before you ship.
→ mfat.govt.nz · FTA text, Annex 3A

TRACK A · SELLING TO NEW ZEALAND

4) Apply for the certificate: On DGFT's eCoO platform, choose the India-NZ FTA and an issuing agency. Status holders may self-declare on the invoice instead.
→ coo.dgft.gov.in

5) Ship it with the goods: Your NZ importer claims at entry. Proof is valid 12 months; a missed claim can be made up to 12 months after import.

6) Keep the file five years: Cost sheet, supplier declarations and input bills of entry. If NZ Customs asks, you have 60 days to answer.

TRACK B · BUYING FROM NEW ZEALAND

4) Get proof from your supplier: A certificate from an NZ issuing body, or a declaration by an NZ approved exporter, in the agreement's format.

5) Claim on the Bill of Entry: Under CAROTAR 2020 you must hold the origin information behind your claim. Watch for CBIC's rate notification.
→ icegate.gov.in

6) Check quota and price terms: Apples, kiwifruit, albumins and Mānuka honey get the lower rate only in quota, above a minimum CIF price.

Who to Contact



INDIA

Certificate of Origin — eCoO, registration, DSC: coo-dgft@gov.in · 011-23061495 / 23061499

Customs duty and FTA claims (CBIC Mitra)
cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550



NEW ZEALAND

Biosecurity and import health standards (MPI): plantimports@mpi.govt.nz · mpi.govt.nz/import

High Commission of India, Wellington
hciwellington.gov.in · trade and investment enquiries



India–Australia Economic Cooperation and Trade Agreement

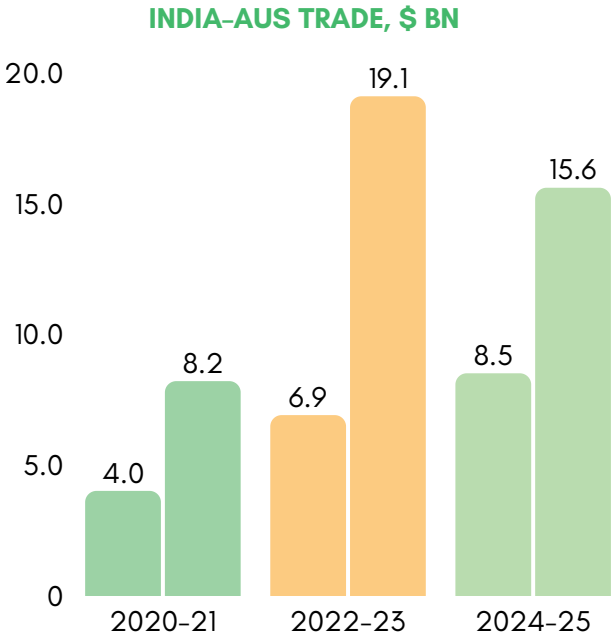
A utilisation guide to the Economic Cooperation & Trade Agreement (ECTA) — what it covers, where the opportunity sits, and how an Indian business trades with the Indo - Pacific.

Overview

The India - Australia ECTA, in force since December 2022, represented India's first trade agreement with a G-20 and developed country in over a decade. Positioned in conjunction with the Indo - Pacific Supply Chain Resilience Initiative, it seeks to transform bilateral relations by pairing Australia's abundance of raw materials with India's manufacturing & tech capabilities.

With total bilateral trade now pushing roughly $24.1 bn a year, Indian exports have nearly doubled from 2020-21 to $8.5 bn 2024-2025. Exporters in the short span of time the ECTA has been active have achieved a 79% utilization rate.

The agreement has achieved a remarkable growth and is well positioned to act as the stepping - stone for the broader Comprehensive Economic Cooperation Agreement (CECA), targeting $100 bn in bilateral trade by 2030.



What the agreement covers

With 15 core chapters, the ECTA comprises Product Specific Rules (PSR), SPS, TBT & Custom Facilitation Measures, Keeping in mind Australia's sensitive ecology, the ECTA also provides for rules designed to protect it. The ECTA began with Australia liberalizing 98.3% of its tariff lines on Day 1, a figure that has grown to 100% as of 1st January 2026.

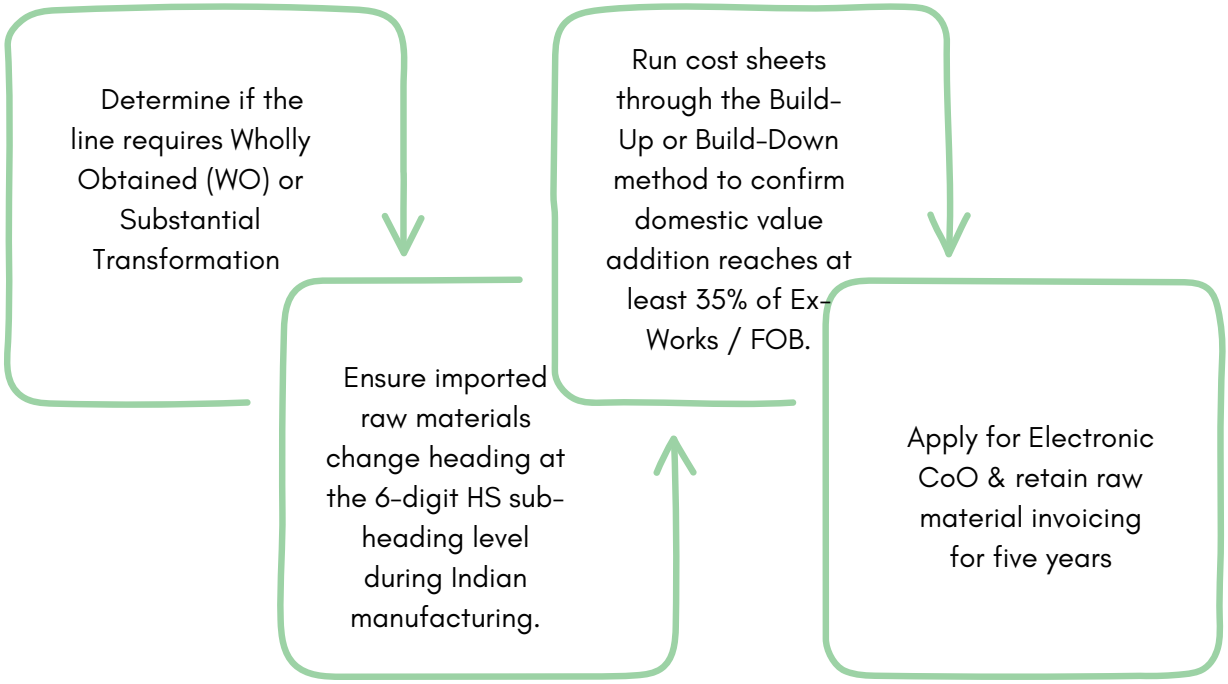
On services, Australia opened up a 135 sub-sectors and massively eased mobility rules between the two partners. Crucial highlights include **2-4 year**post study work visa's for STEM & tech graduates, **1000** annual holiday and work visas along with an explicit DTAA tax amendment eliminating source taxation by Australian authorities on services delivered offshore by Indian IT firms.

Further improvements to trade between the two countries take various forms, with a few crucial highlights:

- **Pharma**— Fast-track regulatory assessment by Australia's Therapeutic Goods Administration (TGA) for Indian generic pharmaceuticals cleared by USFDA or EMA.
- **Mutual Recognition** — Organic Products MRA, signed on 24 September, 2025 enabled seamless trade in organic trade
- **Financial Services** — 49% foreign equity limit for Australian commercial and banking services, higher than what India has offered South Korea or Japan in previous agreements.

Qualifying Value & Product Specific Rules

There are certain requirements that take advantage of Minimum Qualifying Value & Product Specific Rules to ensure only goods that meet them are eligible for tariff reductions under the ECTA :



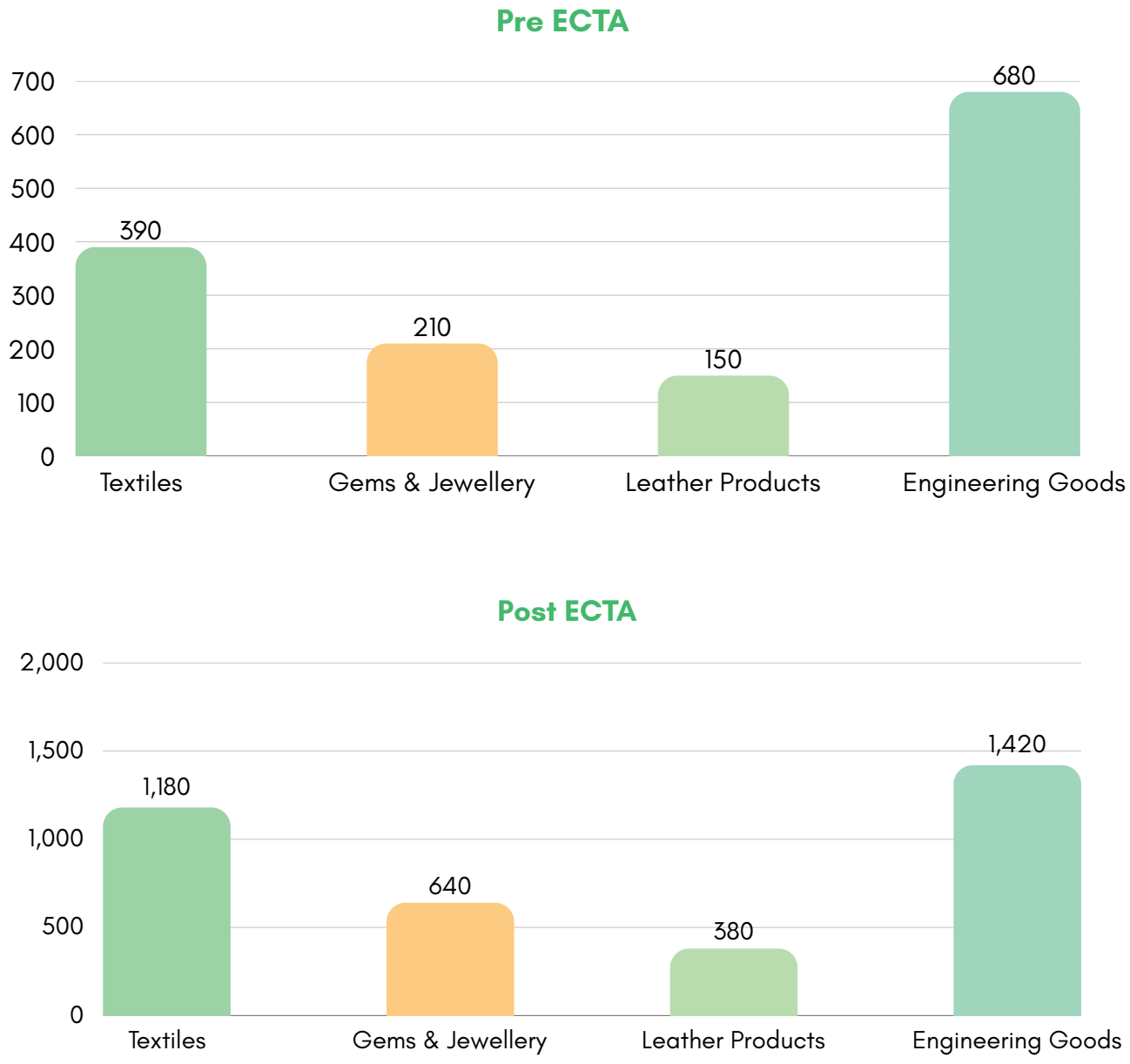
WHAT INDIA KEPT OFF THE TABLE

India's concessions are extensive but not universal, and the exclusions are deliberate rather than residual. Roughly 29.7% of India's market was kept protected

Dairy, cereals and millets, pulses, edible oils and oats remain outside the agreement, as do apples and several vegetables – protecting farm incomes and smallholder livelihoods with Australia being a major agricultural power. Gold and jewellery are held back on strategic and revenue grounds. Sensitive MSME lines such as footwear, sports goods and select plastics were also protected to safeguard employment.

One point often missed. These are concessions India withheld on goods arriving from Australia. Indian exports of the same goods are fully liberalized as the ECTA now reaches maturity.

SECTORS THAT SHONE (In $ million)



Why it matters

IF YOU SELL TO AUSTRALIA

- **Tariff Parity:** Grants Indian exporters equal tariff standing with ASEAN, China, Chile, and Japan in the Australian market.
- **Bound Obligations:** Preferential zero duties are binding international treaty obligations, immune to unilateral withdrawal.
- **Tax Rationalisation:** Double Taxation Avoidance Agreement amendment removes the 15% tax on offshore IT/ITeS services rendered from India.

IF YOU BUY FROM AUSTRALIA

- **Input Advantage**: Zero duty on coking coal, raw wool, and critical battery minerals (lithium, cobalt) lowers raw material costs for Indian steel, textile & EVs
- **Customs Automation:** Digitized Origin Certificates enable rapid, automated clearance at Indian ports via ICEGATE.
- **Stepping Stone:** Raw material sourced from Australia with value addition in India can now further take advantage of other FTAs and secure preferential entry

Beyond tariffs: Partnerships

KABIL Equity Partnership: Khanij Bidesh India Ltd. (KABIL) and Australia's Critical Minerals Facilitation Office (CMFO) established the **Critical Minerals Investment Partnership (CMIP)**. This allows Indian public and private firms to acquire direct equity stakes and long-term off-take rights in Australian lithium and cobalt mining assets.

Scaling Up

TECHNICAL TEXTILES

Australia imports nearly $3.2 bn of textiles annually, with basic Indian apparel having zero duty access to the market. However, technical textiles remains untapped – consisting of high – quality flame retardant and UPF clothing for its construction & mining sectors.

Australia enforces strict protection & UV shield standards, with clothing in the category being imported to the country required to be of the highest possible quality. MSME Clusters in Panipat, Ludhiana & Tiruppur, while excelling in standard garments have not yet tapped into the protective and technical market. Transitioning to flame-retardant, high-visibility, and high-UPF protective clothing required by Australia's $200B+ mining and construction sectors with required compliances and certification could present a lucrative opportunity if exploited.

ORGANIC & VALUE ADDED PROCESSED FOODS

Strict Australian Department of Agriculture, Fisheries and Forestry (DAFF) biosecurity import conditions (BICON) cause high consignment rejection rates for unorganized food processors. Utilizing MRA certification to export organic millet snacks, ready-to-eat vegetarian meals, and high-value herbal extracts directly into Australian retail chains.

USD 12 bn

Size of Australia's packaged food market

September 2025

Date of signing of organic foods Mutual Recognition Agreement.

Elimination

of dual certification costs

A worked example

A precision manufacturer with a standing Australian order. Illustrative figures.

Take an exporter shipping precision ball bearings on a standing Australian order worth **₹1 crore** ex-works. Two questions decide whether ECTA is worth anything, and they come in order.

First, does it qualify? The ex-works basis requires **40% Indian content**. Imported steel alloy and rollers account for ₹60 lakh, leaving ₹40 lakh added in India — **40%**. The claim holds, but by five percentage points.

Second, what is it worth? Australia charged **5%** before ECTA, so the buyer paid roughly **₹5 lakh** in duty on that consignment. Under ECTA it is nil.

That ₹5 lakh does not simply become margin — the duty was the importer's cost, so the saving is **negotiated**. At 40% the headroom is thin: a cheaper fabric or a currency movement could drop content below 35% and void the claim.

STEP ONE - DOES IT QUALIFY?

Ex-works price	**₹ 1,00,00,000**
Imported steel alloy & rollers	**₹ 60,00,000**
Value added in India	**₹ 40,00,000**
Qualifying value content	**40%**

STEP TWO - WHAT IS IT WORTH?

Australia duty before ECTA	**5%**
Duty the buyer paid	**₹ 5,00,000**
Duty under ECTA	**Nil**

The ex-works test requires 35%. Meeting it by five points is a pass, not a comfort.

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted line by line, not by sector, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.
→ trade.gov.in (Tariff Explorer) · indiantradeportal.in

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TRACK A · EXPORT TO AUSTRALIA

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a valid digital signature linked to it — start this first.
→ trade.gov.in

5) Get the Certificate of Origin: Open Get Certificate of Origin, apply, select India-Australia ECTA. Self-declare, or use an authorised agency — DGFT and EIC for all products, Textile Committee, APEDA, MPEDA and others by sector.
→ https://indiantradeportal.in/

6) Send the papers to your buyer: Your Australian buyer makes the claim, not you. Send the proof of origin plus the invoice and packing list. They may use "importer's knowledge" instead — then the evidence burden is theirs.

7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IMPORT FROM AUSTRALIA

4) Supplier registers with Taxation & Customs: Without it the declaration cannot be authenticated and you cannot claim.
→ abf.gov.au

5) Update your ICEGATE email: Your supplier sends the declaration to CBIC and to your ICEGATE-registered address at once. If it is out of date, the claim cannot be completed.
→ icegate.gov.in

6) The system issues a URN: Authenticated against Australian exporter data, a Unique Reference Number is emailed to your supplier, copied to you. Quote it in your Bill of Entry. Valid 12 months, one shipment.

7) Ask for the working: The declaration says the goods qualify, not why. If questioned, you must substantiate it. Keep the origin calculation four years; put the obligation in your PO.

Who to Contact

INDIA

Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy
cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

AUSTRALIA

Trade Advise & Facilitation
Department of Foreign Affairs & Trade

Australian Border Force (Customs)
origin@abf.gov.au



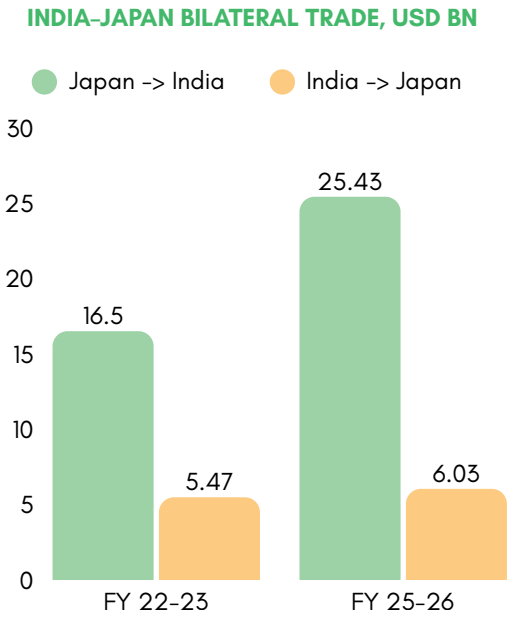
India-Japan Comprehensive Economic Partnership Agreement (CEPA)

A utilisation guide to CEPA, fifteen years on — what has been claimed, what hasn't, and why India and Japan just agreed to reopen it.

Overview

CEPA was India's third comprehensive economic partnership — after Singapore and South Korea — and its first with a developed economy. Negotiations closed after nearly four years; the agreement was signed in Tokyo on 16 February 2011 and entered into force on 1 August 2011. Unlike India's ASEAN or UK deals, it was comprehensive from day one: goods, services, investment, intellectual property, movement of natural persons, government procurement and competition policy were all in scope from the start, not bolted on years later.

Fifteen years on India's trade deficit with Japan has widened from USD3.5 billion in 2011-12 to over USD15.4 billion by FY 2025-26 under the Comprehensive Economic Partnership Agreement (CEPA). The stagnancy in movement of exports from India to Japan is precisely why the agreement has been now called into review with a view of doubling bilateral trade. For an Indian business, the practical question is no longer whether CEPA delivered — it largely didn't, on the export side — but whether the coming review will fix the parts that held it back.



What the agreement covers

CEPA runs across chapters covering goods, services, investment, IP, competition, government procurement and customs. On goods, India offered immediate zero-duty on 17.4% of tariff lines at signing, with the rest phased down over ten years a schedule that completed around 2021 and has been fully in effect for several years now. India's own exclusion list runs to 1,538 tariff lines (13.62% at the 8-digit level), concentrated in agriculture and sensitive manufacturing — including, notably, finished automobiles.

Japan's exclusion list, by contrast, covers just 2.93% of trade volume — rice, wheat, dairy, sugar and leather — reflecting Japan's own long-standing agricultural protectionism.

Two things make this agreement look patently more archaic than it is -

- **Certificate of Origin, not self-certification** — CEPA still runs on a third-party-issued Certificate of Origin (via the Japan Chamber of Commerce and Industry on the Japanese side, and DGFT-authorised agencies on the Indian side), the same vintage-2011 model as most of India's early FTAs, not the digital self-declaration India's newer agreements use
- **A social security agreement** - India and Japan signed a comprehensive Social Security Agreement in Tokyo in November 2012, in force since 1 October 2016 negotiated separately from CEPA as a follow-on commitment written into the original text.

Where the opportunity sits

EXPORTING TO JAPAN

India's top exports to Japan. Values in USD mn

Sector	Value
Vehicles & Auto Parts	899.7
Organic Chemicals	573.7
Machinery & Boilers	506.4
Electrical/Electronic Components	488.6
Miscellaneous Chemical Products	449.1
Fish, Crustaceans, Seafood	357.9

IMPORTING FROM JAPAN

Japan's top exports to India. Values in USD mn

Sector	Value
Machinery & Boilers	2820
Electrical/Electronic Equipment	1900
Iron & Steel	1810
Copper	1780
Inorganic Chemicals	1190
Misc. Chemicals	1180

WHAT INDIA KEPT OFF THE TABLE

India's concessions are extensive but not universal, and the exclusions are deliberate rather than residual. Matter of fact, Japan & India both kept agriculture nearly full out of liberalization, underscoring the importance of the sector for both economies. Japan's exclusions cover just 2.93% of trade volume, concentrated in rice, wheat, dairy, sugar and leather — a short list, tightly protected. India's exclusions are proportionally larger, at 13.62% of tariff lines, spanning finished automobiles, agriculture and other import-sensitive manufacturing. One point worth flagging directly: this asymmetry — India offering more than it received back — is now one of the stated reasons for the review, not a settled fact of the agreement.

THE RULES OF ORIGIN TEST -FLEXIBILITY?

Japan's EPA network, CEPA included, typically uses an either/or origin test rather than the dual "both at once" requirement found in India's ASEAN agreement: a good qualifies either through a change in tariff classification, or through a Qualifying Value Content test (commonly around 40%, calculated on a build-up or build-down basis depending on the product). While it is similar to other FTA's, in practice, the real barrier sits elsewhere - Japan's technical standards, food-safety regulations (JIS, JAS, and pharmaceutical approval via Japan's PMDA) and a persistent lack of market information, hindering exports.

Why it matters

IF YOU SELL TO JAPAN

- **Rarely used concessions:** Preferential-margin usage on the Indian side has remained low — Japanese exporters use the deal far more effectively than Indian ones do.
- **Tariffs are not the barrier:** Organic chemicals, vehicles, aluminium and seafood all face low Japanese duties but tight process and conformity-assessment.
- **Auto Parts - proving the exception**: Where Japan actually cut tariffs meaningfully on components, Indian exports rose 197% between 2011 and 2016, and 273% against 2007 levels.

IF YOU BUY FROM JAPAN

- **Machinery, Electronics dominate:** Japan's top four categories into India — machinery, electronics, steel, copper, totalling over $8 bn, more than India's entire export basket to Japan.
- **Narrow exclusion list:** At under 3% of trade volume, almost everything Japan makes already enters India at a concessional rate
- **Standards, not duties, gate entry**: JIS and JAS conformity marks matter more to a Japanese supplier's Indian import than the CEPA tariff line does.

Beyond tariffs: Labour

Labour Mobility: Japan's severe labour shortage creates a vital opportunity that sits entirely outside CEPA. Mobility operates through separate bilateral pacts, culminating in the August 2025 HR Exchange Partnership targeting 50,000 skilled Indian professionals across IT, engineering, and healthcare. Advising businesses on this corridor requires tracking these parallel labor mechanisms as closely as the tariff schedule.

Two sectors in focus

AUTO COMPONENTS

Japan's MFN tariff on finished vehicles was already zero, so CEPA's concession had nothing to offer there. The gain came entirely from concessional tariffs on auto "components", precisely the category no other sector matched. It is the strongest evidence in the whole relationship that when a tariff line genuinely moves, Indian exporters respond fast. It is also, on current data, the exception rather than the pattern.

197%

India's export growth in the sector from 2011 – 2016

273%

Growth compared to 2007 levels

0%

Japan's MFN tariff in the sector even before the CEPA

PHARMACEUTICALS

CEPA's text includes a specific Japanese commitment: National Treatment for Indian generic medicines in the approvals process, with procedures to be completed "within a reasonable period of time." Fifteen years on, India's pharmaceutical exports to Japan remain a fraction of what its global generics capability could support. The barrier is PMDA's approval and registration timeline, not the tariff line, which is largely already favourable. This is the sector where the CEPA review's stated interest in standards and conformity-assessment cooperation could matter more than any further tariff conversation.

A worked example

An auto components exporter with a standing Japan order. Illustrative figures.

Take an exporter shipping precision-machined components on a standing Japan order worth **₹1 crore** ex-works. Japan's origin test offers a choice.

CEPA's product-specific rule for most engineering goods allows the exporter to satisfy *either* a change in tariff classification for every non-originating input, *or* a Qualifying Value Content test typically set around 40%. Here the value test clears comfortably at 44%, four points of headroom, wider than a comparable ASEAN or even UK claim, precisely because Japan's rule doesn't force both tests at once the way ASEAN does. The real risk isn't the value-content math, but whether your sub-component paper trail can survive a post-clearance audit.

STEP ONE - DOES IT QUALIFY?

Ex-works price	₹ 1,00,00,000
Imported sub components	₹ 56,00,000
Value added in India	₹ 44,00,000
Qualifying value content	44%

STEP TWO - WHAT IS IT WORTH?

Japan duty before CEPA	4.40%
Duty the buyer paid	₹ 4,40,000
Duty under CEPA	Nil

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted line by line, not by sector, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.

2) Check the duty on that code: Selling to Japan, check Japan Customs' own EPA tariff schedule; buying from Japan, use India's Tariff Explorer or the Indian Trade Portal. Confirm the line is not one of Japan's narrow exclusions (rice, wheat, dairy, sugar, leather) or India's broader ones (autos, agriculture, sensitive manufacturing).

3) Check that the goods qualify: Confirm whether your product's rule is CTC, QVC, or either — Japan's EPA structure usually offers a choice, so check both before assuming you've failed one.

TRACK A · IF YOU EXPORT TO JAPAN

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a valid digital signature linked to it — start this first.

5) Get the Certificate of Origin: Open Get Certificate of Origin, apply, select India-Japan CEPA. Self-declare, or use an authorised agency — DGFT and EIC for all products, Textile Committee, APEDA, MPEDA and others by sector.

6) Send Original Certificate to Buyer: Japan's system does not yet accept "importer's knowledge" self-declaration in place of the certificate.

7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IF YOU IMPORT FROM JAPAN

4) Ask Supplier for JCCI CoO: Japan's Chamber of Commerce and Industry is the standard issuing body for EPA preference claims.

5) Update your ICEGATE email: Your supplier sends the declaration to CBIC and to your ICEGATE-registered address at once. If it is out of date, the claim cannot be completed.
→ icegate.gov.in

6) The system issues a URN: Authenticated against Japanese exporter data, a Unique Reference Number is emailed to your supplier, copied to you. Quote it in your Bill of Entry. Valid 12 months, one shipment.

7) Ask for the working: If Indian customs queries the claim, the importer carries the evidence burden under Indian law.

Who to Contact

INDIA

Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

JAPAN

Ministry of Economy, Trade & Industry invest-japan@meti.go.jp

Japan Chamber of Commerce & Industry: +81 011 4358 6321



India–Oman Comprehensive Economic Partnership Agreement (CEPA)

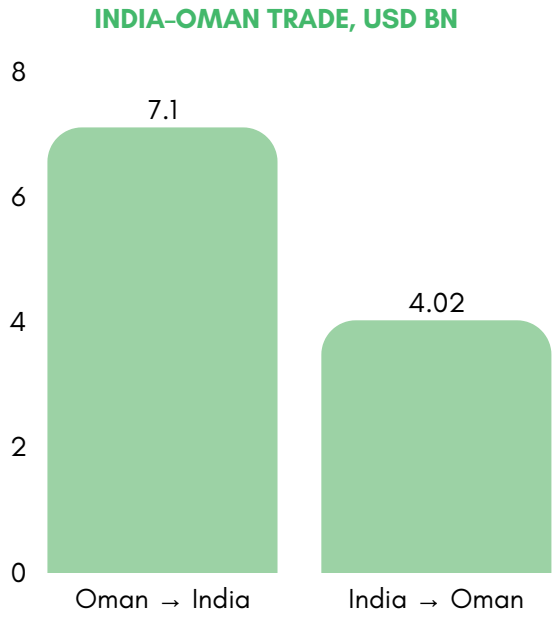
A utilisation guide to the Comprehensive Economic Partnership Agreement (CEPA) — what it covers, what sectors open up and what it means for an Indian business looking to the Gulf Cooperation Council.

Overview

The India - Oman CEPA is a strategically important Trade Agreement that is positioned to project India as a crucial trading partner for the GCC and for Oman it represents the first Trade Agreement since 2006, underscoring the importance attached to the CEPA.

India gains access across 99.38% of its export value to Oman with a projected increase to USD 18-20 bn a year by the time the Agreement matures, up from the current USD 11.18 bn. The sectors benefiting the most represent a diverse array of merchandise exports, services and social security.

The agreement is expected to add as a bridge for Indian exports to the wider GCC and beyond, with trade expected to be conducted through Oman's SEZ's in Salalah & Duqm, making the CEPA an agreement that will profoundly shape how India interacts with the wider Middle East and providing a vital alternative to the Strait of Hormuz, enhancing supply chain predictability and reducing uncertainty.



What the agreement covers

CEPA runs into 17 chapters alongside specialized annexures that cover Product Specific Rules (PSR), regulatory cooperation and compliance along with procedures relating to sanitary and phytosanitary measures and technical barriers to trade. Social Security & 100% FDI are amongst the highlights of the agreement. The previous duty of 5% Most Favored Nation (MFN) previously faced by India have now been reduced to 0%.

On Services, Oman has committed to the opening up of 127 sub sectors, marking its most extensive service liberalization for a trading partner till date. Similarly, liberalization of Mode 4 Mobility rules has also been enacted which enhance Intra Corporate Transferees to 4 years and Contractual Service Supplier stays from 90 days to 2 years. Up to 6000 India - Oman JV companies are also expected to benefit from the newly upgraded 50% cap on hiring from India, up from the previous 20%.

Further chapters change how the two economies approach trade and plan on expanding cooperation in:

- **SMEs & Startups** – Facilitating tech transfers, institutional financing through Omani VC's & cross border incubation.
- **SEZ JV's** - Indian manufacturers can establish Joint Ventures within Oman's SEZ's, qualifying for the made in Oman tag and being able to export duty free into the wider USA market duty free after a minimum 35% value addition in Oman. CEPA further benefits Indian manufacturers by duty free import of inputs to Oman, minimizing cost.
- **MSMEs and innovation** – Setting up of free public web portals for MSME's and a committee.

Where the opportunity sits

EXPORTING TO OMAN

Oman previously applied a blanket 5% MFN duty on Indian tariff lines. The CEPA takes away the blanket tariffs and liberalizes 99.38% of import value from India.

Crucial newer benefits include the liberalization of pharma exports in traditional medicine & AYUSH along with the setting up of a mechanism to facilitate payments by UPI in the Sultanate. India's Halal & National Programme for Organic Production accepted, allowing industries in the segment to scale exports rapidly.

SOURCING FROM OMAN

Indian duty before CEPA, and the rate from 1 June 2026.

Sector	Before	Now
Mineral Fuels & Oil	2.5 - 5%	0%
Organic Chemicals (Phased)	7.5-10%	0%
Plastic & Plastic Goods (Quota)	10-15%	0-6.75%
Iron & Steel	13.75%	0%
Omani Dates	30%	0%
Marble & Mining (Quota)	40%	0%

WHAT INDIA KEPT OFF THE TABLE

India's concessions are extensive but not universal, and the exclusions are deliberate rather than residual. Roughly two tariff lines in ten were withheld altogether.

Dairy, cereals and millets, pulses, edible oils and oats remain outside the agreement, as do apples and several vegetables — protecting farm incomes and smallholder livelihoods. Gold and jewellery are held back on strategic and revenue grounds to protect Indian industry. Zero concessions have also been afforded to labour intensive sectors in sports & footwear, protecting livelihoods of millions of MSMEs.

One point often missed. These are concessions India withheld on goods arriving from Oman. Even if Oman was not the primary production ground of these goods, concessions were withheld to prevent round - tripping.

HOW INDIAN DUTIES ON OMANI EXPORTS STEP DOWN



Processed Stone and Mined Goods duty reduction is under a tariff rate quota system. It provides duty relief under a specific quantum of imported goods. Petrochemical duties might vary based on specific HS Classifications.

Why it matters

IF YOU SELL TO OMAN

- **Preference over rivals:** Reduction of the MFN duty to 0 grants Indian exporters immediate advantage over neighbouring competitors to supply to the wider GCC.
- **Bound, not granted:** Those preferences were unilateral and flat under previous MFN and could be suspended. CEPA rates are treaty obligations.
- **Subsidiary bypass:** Oman allows 100% FDI in subsidiaries operating under the CEPA. This allows better mobility and for goods and services produced under the subsidiary to qualify for Made in Oman exemptions.

IF YOU BUY FROM OMAN

- **Industrial inputs:** Bound duty rates on industrial minerals, fertilisers, metals and organic chemicals provide direct margin cost arbitrage benefits over competing markets.
- **Demurrage reduction:** As a trader under the CEPA, the preferential Certificate of Origin is valid for both the Indian & Omani systems, allowing immediate automated clearance at ports.
- **Quota-bound lines:** Marble inputs reach phased down reductions only within a quota of 1L MT with minimum value of $150 per MT. Outside it, MFN applies.

Beyond tariffs: the split – shipping trap

Direct Shipping under the CEPA: Under the CEPA, there exists an administrative clause under the Rules of Origin that stipulates preferential duty will be granted only on goods being shipped on the direct route between India & Oman. What this means for any business is that if a consignment shipped from Oman to India or the other way halts at a port in UAE, Saudi Arabia or Sri Lanka to consolidate, repack or is split due to normal logistical movements, it would not qualify for preferential CEPA rates and will have to go processing under standard MFN rates.

Two sectors in focus

ENGINEERED GOODS

Here CEPA provides an advantage where Indian exporters and firms looking to scale up already have immense capability and quality to scale up. While the previous 5% MFN duty would not seem wholly exorbitant, keeping in mind Oman's strategic vision for the year 2040 and the infrastructure boom expected to bubble, engineered goods from India under 2123 distinct tariff lines could present a significant opportunity to scale exports and grab a larger share of the market.

2,123

tariff lines now entering Oman at zero duty

USD 8.5 bn

Oman's annual engineered goods market

10.3%

India's share of it

AGRICULTURE & PROCESSED FOODS

This is a volume play. Oman grows little of the food it consumes due to the location of the country and has to depend vastly on imports. India currently supplies 10.2% of the market and with reduction in duties it is poised to vastly scale up its involvement in Oman's food security. The alignment of India's Halal & Organic Production programmes also provides easier regulatory and compliance burden on any importer before they start shipping.

820

Distinct tariff lines brought to 0 duty

USD 5.97 bn

Size of Oman's food market

10.2%

India's market share in Oman's food market

A worked example

An automotive bearings exporter with a standing Omani order. Illustrative figures.

Take an exporter shipping automobile bearings with HS 8482 on a standing Omani order worth **₹1 crore** ex-works. Two questions decide whether CEPA is worth anything, and they come in order.

First, does it qualify? The ex-works basis requires **35% Indian content**. Imported steel, precision rollers, account for ₹60 lakh, leaving ₹40 lakh added in India — **40%**. The claim holds, but by five percentage points.

Second, what is it worth? Oman charged **5% MFN** before CETA, so the buyer paid roughly **₹5 lakh** in duty on that consignment not accounting for shipping. Under CEPA it is nil.

That ₹5 lakh does not simply become margin — the duty was the importer's cost, so the saving is **negotiated**. At 40% the headroom is thin: a higher volume of cheap steel or a currency movement could drop content below 35% and void the claim.

STEP ONE - DOES IT QUALIFY?

Ex-works price	₹ 1,00,00,000
Imported components	₹ 60,00,000
Value added in India	₹ 40,00,000
Qualifying value content	40%

STEP TWO - WHAT IS IT WORTH?

Oman duty before CEPA	5%
Duty the buyer paid	₹ 5,25,000
Duty under CEPA	Nil

The ex-works test requires 35%. Meeting it by five points is a pass, not a comfort.

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted line by line, not by sector, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.
→ trade.gov.in (Tariff Explorer) · indiantradeportal.in

2) Check the duty on that code: Selling to Oman, use customs.gov.om and find the India preferential entry; buying from Oman, use indiantradeportal.in. Record three things: the rate you pay today, the CEPA rate, and the date it applies from. Not every line falls to zero on day one — some stage down over five, seven or ten years, some are quota-bound, some excluded.

3) Check that the goods qualify: Zero duty is never automatic. Each tariff line carries its own rule of origin, and that rule decides the test — a change of tariff heading, a minimum share of value added in India, or a specified process. Where a value test applies the thresholds are 35% build-up, 40% ex-works or 45% FOB. Find your line's rule as the first step

TRACK A · IF YOU EXPORT TO OMAN

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a valid digital signature linked to it — start this first. → trade.gov.in

5) Get the Certificate of Origin: Open Get Certificate of Origin, apply, select India-Oman CEPA. Self-declare, or use an authorised agency — DGFT and EIC for all products, Textile Committee, APEDA, MPEDA and others by sector. → https://indiantradeportal.in/

6) Send the papers to your buyer: Your Omani buyer makes the claim, not you. Send the proof of origin plus the invoice and packing list. They may use "importer's knowledge" instead — then the evidence burden is theirs.

7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IF YOU IMPORT FROM OMAN

4) Supplier registers with DGoC: Register with the Omani Ministry of Commerce and obtain a Commercial Registration with "Import - Export" checked. Activate Public Key Infrastructure ID.
→ customs.gov.om

5) Update your ICEGATE email: Your supplier sends the declaration to CBIC and to your ICEGATE-registered address at once. If it is out of date, the claim cannot be completed. → icegate.gov.in

6) The system issues a URN: Authenticated against Omani exporter data, a Unique Reference Number is emailed to your supplier, copied to you. Quote it in your Bill of Entry. Valid 12 months, one shipment.

7) Ask for the working: The declaration says the goods qualify, not why. If questioned, you must substantiate it. Keep the origin calculation four years; put the obligation in your PO.

Who to Contact

INDIA

Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

OMAN

Ministry of Commerce, Industry & Investment Promotion: info@moci.gov.om

Directorate General of Customs
info@customs.gov.om · +968 22848232



India–UAE Comprehensive Economic Partnership Agreement (CEPA)

A utilisation guide to the Comprehensive Economic Partnership Agreement — what changed through the tariff advantage, and where the opportunity sits still.

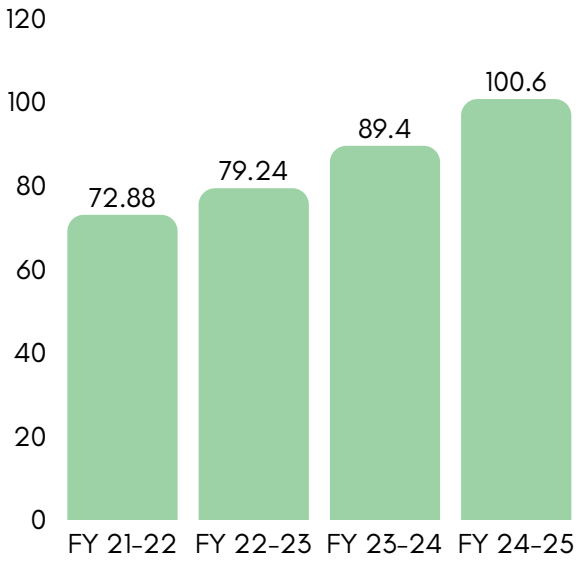
Overview

Indian - UAE CEPA is one of India's most consequential trade agreements, having been closed in a record 88 days and at the time of its signing, marked India's first Free Trade Agreement in over a decade.

Four years on from it coming into force, the agreement is different from other trade deals by virtue of it being India's first FTA in over a decade as well as the first with a GCC country. CEPA transformed trade between the two nations in terms of scale, volume and non - tariff access, with trade growing from USD 72.88 bn in FY22 to USD 100.6 bn in FY25. Non - oil trade is at USD 69.53 bn, nearing 70% of the total trade between the partners.

With the agreement being in force for over 4 years and the UAE pre - CEPA imposing low tariff regime, the question for an Indian business is no longer whether a tariff line moved, but whether they have engaged with the slower parts of the agreement. Services, Mobility, Joint Investments, Gold & Silver quotas are only now mature enough to be fully utilized.

INDIA-UAE BILATERAL TRADE, USD BN



What the agreement covers

CEPA runs across 18 chapters and 11 annexes — more compact than a deal like UK CETA's thirty chapters, but broader in first-time coverage for India: a standalone annexure on pharmaceuticals, and India's first chapters on digital trade and government procurement. On goods, India committed to eliminate or reduce duty on 10,751 products — 90% of its roughly 11,908 tariff lines — staged across four tiers. The UAE committed on about 7,581 products (97% of its tariff lines, 99% of India's export value by value), of which roughly 80% were already at zero duty on day one, 1 May 2022, with the balance phasing down over 5 to 10 years.

On services, both sides have opened access across all 11 broad GATS categories — business, communication, construction, distribution, education, environment, financial, health, tourism, recreation and transport — with India offering 100 of a possible 160 sub-sectors and the UAE offering 111.

Three further chapters change how the two economies do business rather than what they charge at the border.

- **Pharmaceuticals**— Generic medicines approved in UK, US, Japan get automatic registration and marketing authorization within 90 days. Emirates Drug Establishment is nodal authority for regulatory concerns formed post agreement.
- **Procurement** — UAE firms get 10% price preference in Indian tenders in return for access to UAE tenders.
- **MSMEs and innovation** — Joint SME Committee and a permanent Indian MSME warehousing hub at Jebel Ali.

Where the opportunity sits

Gems and jewellery remains the anchor category — up 57% to USD 7.76bn — but the more useful lens for "where is there still room" is the fastest-growing column: categories where India barely had a UAE footprint in FY22. Aircraft and spacecraft parts is the standout, growing off a near-zero base to USD 1.70bn on the back of India's expanding MRO and component-manufacturing capacity. Machinery, iron and steel articles, and optical and medical instruments point to a genuine shift from commodity trade toward capital goods — segments where an Indian exporter is no longer chasing a tariff line so much as competing on capability.

Category (HS chapter)	FY22 (USD mn)	FY25 (USD mn)	Growth
Aircraft, spacecraft & parts (88)*	11	1,699	14966%
Tobacco & manufactured substitutes (24)	135	427	218%
Dyes, pigments, paints & inks (32)	114	292	156%
Silk (50)	~32	77	142%
Meat & edible meat offal (02)	164	367	124%
Articles of iron or steel (73)	417	864	107%
Vehicles & parts, excl. railway (87)	505	1,006	99%
Cereal & flour preparations (19)	~38	76	99%
Nuclear reactors, boilers & machinery (84)	903	1,790	98%
Optical, medical & surgical instruments (90)	120	237	97%

WHAT INDIA KEPT OFF THE TABLE

India's exclusions are narrower than the UAE's and concentrated in three places: agriculture (dairy, cereals, pulses and other farm staples typically stay outside Indian FTAs to protect smallholder incomes), sensitive commodities (gold and silver bullion outside the TRQ mechanism, to stop the quota being bypassed), and a short list of import-sensitive manufactured lines. As with any Indian FTA, exports of the same goods in the other direction are unaffected — Indian gold jewellery still enters the UAE duty-free even though bullion imports into India are quota-controlled.

Interestingly, unlike other FTA's where India kept bullion completely off the table, under the CEPA, gold is treated here as a TRQ bounded ramp up. The duty concession offered is 1 point below the MFN duty and the quota rises 20 tonnes a year with a final cap of 200 tonnes.

Why it matters

IF YOU SELL TO THE UAE

- **Tariff was not the constraint:** The UAE imposed only a 5% MFN tariff before the CEPA. Real gains are certainty, services, mobility and non tariff access to certain sectors.
- **Certificate of Origin, not automatic:** CoO's issued were 122,036 in FY25 with USD 19.87 bn in preferential exports since FY22 against USD 69.53 bn. A large share of trade is not filing for benefits yet.
- **Aircraft & Machinery:** Fastest growing sector is the capital goods sector, underexploited if businesses still look at CEPA as fostering labour intensive exports.

IF YOU BUY FROM THE UAE

- **Gold & Silver TRQ:** A 200-tonne gold TRQ (1 point off MFN) and an unlimited, ~7-8% silver concession are the two lines still worth tracking closely
- **Issuing Bodies:** UAE has a single issuing body and India, depending on product has 18. Routing through correct approvals is needed before the first shipment.
- **Transshipment:** Indian anti - dumping - duty does not apply when goods are genuinely transshipped under the CEPA and are classified as UAE origin and not UAE made.

Beyond tariffs: The Green Corridor

Investments: The two governments signed a climate MoU in May 2022 covering renewable energy, green hydrogen, carbon markets, agricultural efficiency and sustainable finance; the UAE has since pledged $75bn toward clean-energy and infrastructure investment in India, alongside cooperation on solar-equipment manufacturing, a proposed undersea power interconnector, and a planned customs "green corridor" for faster, paperless clearance.

Sectors in focus

TEXTILES AND APPAREL

This is the sector where CEPA's arithmetic and CEPA's results have diverged furthest. Indian apparel exports to the UAE fell by more than a third in the agreement's first full year — from roughly USD 1.8bn toward USD 1.1-1.2bn — before industry bodies began projecting a return to 10-15% annual growth. Government estimates still point to a USD 2bn addition to textile exports over five years from CEPA, including a dedicated concession for man-made fibre worth an estimated USD 650mn a year duty-free.

43%

India's share of the UAE's total apparel market

USD 1.1 bn

India's current apparel exports to the UAE

10-15%

Projected growth after a volatile few years

ENGINEERING, MACHINERY & AEROSPACE

Machinery, iron and steel articles, vehicles and aircraft parts have all roughly doubled or more since FY22, and aircraft parts in particular moved from a rounding error to a USD 1.7bn line — evidence of India's expanding MRO and component-manufacturing base meeting the UAE's position as a global aviation and logistics hub. It reflects capacity and supply-chain integration rather than through any further tariff negotiation.

USD 1.79 bn

Worth of nuclear boilers & machinery exports to the UAE

USD 1.70 bn

Of spacecraft, aircraft & aerospace exports to the UAE

27%

Estimated current share of engineering exports from India to the UAE

A worked example

An auto components exporter with a standing UAE order. Illustrative figures.

CEPA's default test for most manufactured goods is a Regional Value Content of at least 40% on an FOB basis, alongside a change in tariff classification for any non-originating input. Imported components account for ₹46 lakh, leaving ₹34 lakh added in India which is 42.5%. The claim holds, with headroom of two-and-a-half points: comfortably wider than a stricter ex-works test, but still not something to take for granted on a thinner-margin order.

While the UAE had a standard 5% MFN duty before the FTA which while a hindrance is comparatively modest to higher duties, the real benefit is visible when the savings are multiplied over multiple consignments.

STEP ONE - DOES IT QUALIFY?

Ex-works price	₹ 80,00,000
Imported components	₹ 46,00,000
Value added in India	₹ 34,00,000
Qualifying value content	42.5%

STEP TWO - WHAT IS IT WORTH?

UAE duty before CEPA	5%
Duty the buyer paid	₹ 4,00,000
Duty under CEPA	Nil

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted line by line, not by sector, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.
→ trade.gov.in (Tariff Explorer) · indiantradeportal.in

2) Check the duty on that code: Selling to the UAE, use CEPA Market Access Dashboard and find the India preferential entry; buying from the UAE, use indiantradeportal.in.

3) Check that the goods qualify: Apply the Wholly Obtained / RVC / CTC test set out above. Where a tariff-rate quota applies — gold, silver, some plastics (Chapter 39) and copper (Chapter 74) lines — confirm the year's quota hasn't already been allocated before you commit to a price.

TRACK A · EXPORT TO THE UAE

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a valid digital signature linked to it — start this first. → trade.gov.in

5) Get the Certificate of Origin: Apply for the Certificate/Proof of Origin through the correct one of 18 issuing agencies — DGFT for most goods; Textile Committee, APEDA, MPEDA, EIC and others by sector. → https://indiantradeportal.in/ → coo.dgft.gov.in

6) Send the papers to your buyer: Your Emirati buyer makes the claim, not you. Send the proof of origin plus the invoice and packing list. They may use "importer's knowledge" instead — then the evidence burden is theirs.

7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IF YOU IMPORT FROM OMAN

4) Supplier Registration: Confirm your UAE supplier is registered on the Ministry of Economy's factory-registration system before requesting a Certificate of Origin, fees scale with invoice value.
→ moet.gov.ae

5) Update your ICEGATE email: Your supplier sends the declaration to CBIC and to your ICEGATE-registered address at once. If it is out of date, the claim cannot be completed.
→ icegate.gov.in

6) The system issues a URN: Authenticated against UAE exporter data, a Unique Reference Number is emailed to your supplier, copied to you. Quote it in your Bill of Entry. Valid 12 months, one shipment.

7) Ask for the working: The declaration says the goods qualify, not why. If questioned, you must substantiate it. Keep the origin calculation four years; put the obligation in your PO.

Who to Contact

INDIA

Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

UAE

Commodity code advice: Ministry of Economy Portal

Ministry of Economy & Trade (CEPA Portal): moet.gov.ae



ASEAN–India Free Trade Area (AIFTA)

A utilisation and review guide to the ASEAN - India Trade in Goods Agreement, understanding the mature export basket, navigating origin and identifying areas for further cooperation

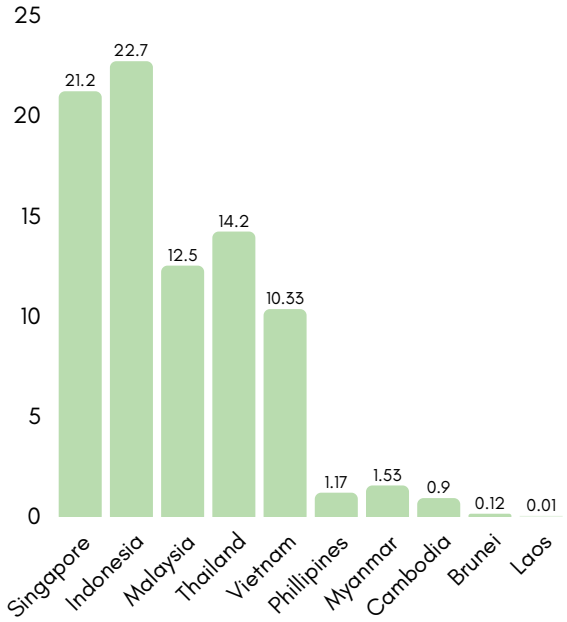
Overview

Unlike other recently agreed agreements, the AITIGA is a mature framework. Signed in 2009 and active since 2010. ASEAN is India's fourth-largest trading partner, holding massive strategic value under the Act East Policy.

However, India operates within this agreement from a position of a significant deficit. While the FTA drove trade volumes up dramatically, imports ran much faster than exports. Between the agreement's early years and today, India's trade deficit with ASEAN widened from roughly USD7.5 bn to over USD44 bn. In FY25, Indian exports to ASEAN hovered around USD39 bn, while imports reached over USD84 bn.

Years after reaching maturity, imports from ASEAN have grown faster than exports. For an Indian business today, the practical challenge involves navigating inverted duty structures, strict Rules of Origin, and leveraging the ongoing Joint Committee review meant to rectify these trade asymmetries.

BILATERAL TRADE WITH ASEAN COUNTRIES USD BN (24 -25)



What the agreement covers

AITIGA primarily covers trade in goods. India eliminated import duties on approximately 74% of tariff lines and reduced duties on an additional 14%. In return, ASEAN members offered varying degrees of tariff elimination (from 100% by Singapore down to roughly 50% by Indonesia).

Crucially, the agreement's utilization remains below 50% for Indian exporters due to stringent Rules of Origin and Non-Tariff Barriers (NTBs). Because services and investments were negotiated much later (implemented in 2015) and operate outside the primary goods framework, cross-border integration lacks the seamless mobility and digital harmonisation seen in newer trade pacts.

Three vital areas currently under re-negotiation rather than active utilization -

- **Rules of Origin** - Moving away from rigid and archaic formulas to modern Product Specific Rules.
- **Customs and Trade Facilitation** - resolving inconsistent guidance, procedural delays, and aggressive scrutiny under India's Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020.
- **Non Tarriff Barriers** – addressing Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT) measures that currently block Indian agriculture and pharmaceutical exports.

Where the opportunity sits

EXPORTING TO ASEAN

India's exports to the ASEAN region in USD bn

Years into the agreement, India's export basket relies heavily on traditional sectors. The most exploited avenues include engineering goods, petroleum products, organic chemicals, and pharmaceuticals. However, Indian exporters still struggle to penetrate the automotive and heavy machinery supply chains within ASEAN.

SOURCING FROM ASEAN

ASEAN imports in India, trade value

Country	Value (USDBn)	Sector
Indonesia	21.2-22.8	Palm Oil, Coal, Rubber
Thailand	14.2-16.5	Plastics, Machinery
Singapore	8.3	Organics, Advanced Electronics
Malaysia	12.4	Palm Oil, Mineral Fuel, Electricals
Vietnam	10.3-12.3	Smartphones, Circuits

WHAT INDIA KEPT OFF THE TABLE

India's concessions are extensive but not universal, and the exclusions are deliberate rather than residual. India's exclusion and sensitive lists were designed to protect farm incomes and vulnerable domestic industries. Dairy, tea, coffee, pepper, and several agricultural staples were heavily restricted. Moving forward in the review, India seeks to protect sectors backed by recent Production-Linked Incentive (PLI) schemes (like electronics and electric vehicles) from a flood of cheaper ASEAN imports.

HOW TARIFFS CREATED ASYMMETRY AND WHY IT MATTERS

Because India entered the FTA with a much higher average Most-Favoured-Nation (MFN) tariff (around 12.6%) compared to ASEAN nations (many near zero or below 4%), dropping tariffs to zero gave ASEAN exporters a massive price advantage in India, while giving Indian exporters only a marginal price advantage abroad. Maturity of the agreement has now illustrated that India lost out on services, with a later agreement causing hindrance and with massive underutilisation due to the tariff disparity – most of India's exports to ASEAN happen outside the trade framework.

What is holding India back?

The handicaps Indian businesses face while utilizing the Agreement.



IF YOU BUY FROM THE ASEAN

- **Inverted Duty Structures:** Indian manufacturers face a disadvantage where raw materials or intermediate inputs (like ferroalloys, copper tubes, and certain chemicals) sometimes face different tariff pressures than finished goods.
- **Strict Compliance (CAROTAR):** Importers must maintain aggressive origin documentation to satisfy Indian customs, proving ASEAN suppliers aren't simply routing Chinese goods.



IF YOU SELL TO THE ASEAN

- **Missing Services Linkage:** Without cohesive digital and service integration, Indian tech and fintech firms lose out on providing seamless support to ASEAN manufacturing hubs.
- **Under Utilised capacity:** Over half of India's exports to ASEAN still happen outside the FTA framework, with exporters opting to pay regular MFN duties to avoid complex certification.

Beyond tariffs: Rules of Origin

Modernising Archaic Rules: The current AIFTA operates on an archaic, one-size-fits-all Rule of Origin: Change in Tarriff Subheading + 35% Regional Value Content. This means a product must undergo a Change in Tariff Sub-Heading (a 6-digit HS code shift) and hold a minimum Regional Value Content of 35%. This rigid structure is incompatible with modern, fragmented global value chains. The current review aims to replace this with simple, flexible Product-Specific Rules (PSRs) and relaxed tolerance rules, which will drastically lower the compliance burden for Indian MSMEs.

Two sectors in focus

PHARMACEUTICALS & HEALTHCARE

Under AITIGA, major ASEAN economies phased down tariffs on basic generics, formulations, and active pharmaceutical ingredients (APIs) to 0% to 5%. Given India's global reputation as the "pharmacy of the world," this should have triggered an export boom. However, the sector remains majorly untapped due to Non - Tariff Barriers which have not been removed. ASEAN countries instead of a unified compliance and regulatory framework to certify exports in the sector from India have remained highly fragmented and complex, with requirements ranging from localised clinical trials, drug registration delays and domestic sourcing mandates. The upcoming trade review would need to understand the hindrances inhibiting exports in the sector and provide a comprehensive solution to allow domestic pharma players and expand their reach.

SPECIALITY & ORGANIC CHEMICALS

India is a highly competitive player in the global chemicals, agrochemicals and colorants market, ranking as one of the foremost suppliers. However, the AITIGA, has not been able to facilitate an expansion for Indian exporters due to labourious Rules - of - Origin documentation and paperwork required to prove no third party alteration was done. The 5% MFN tariff removal therefore had a counter - intuitive effect wherein domestic producers prefer the standard MFN route rather than the bureaucratic gridlock on processing of goods under the sector.

A worked example

An engineering exporter dealing with archaic origin rules. Illustrative figures.

Take an Indian exporter shipping an assembled machine to Vietnam worth ₹1 crore (ex-works).
First, does it qualify? Under the FTA, the exporter must prove two things: a 35% Regional Value Content (RVC) and a Change in Tariff Sub-Heading (CTSH). Imported non-originating steel and motors cost ₹60 lakh. The value added in India is ₹40 lakh (40%). The RVC test passes. However, if just one imported motor shares the exact same 6-digit HS code as the finished machine, the CTSH test fails.

Second, what is the consequence? Even with 40% local value addition, failing the CTSH requirement voids the certificate. The exporter must ship the goods under the standard MFN tariff, entirely bypassing the FTA benefit.

DOES IT QUALIFY?

Ex-works price	₹ 1,00,00,000
Non Originating Material	₹ 60,00,000
Value added in India	₹ 40,00,000
Qualifying value content	40%
CTSH Test	Failed (Sub Assembly shares 6 digit code

Even after 40% VA in India, the test is failed due to the sharing of a single HS Code with an imported part, causing hindrances and berefting exporters from India of utilizing the FTA to its full extent.

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted line by line, not by sector, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.
→ trade.gov.in (Tariff Explorer) · indiantradeportal.in

2) Check the duty on that code: Under the AIFTA Operational Certification Procedures, you must apply for "Form AI" through an authorized issuing agency (like the Export Inspection Council or DGFT). Record three things: the rate you pay today, the AITIGA rate, and the date it applies from.

3) Check that the goods qualify: Zero duty is never automatic. Each tariff line carries its own rule of origin, and that rule decides the test — a change of tariff heading, a minimum share of value added in India, or a specified process. Where a value test applies the thresholds are 35% build-up, 40% ex-works or CTSH. Find your line's rule as the first step

TRACK A · EXPORT TO ASEAN

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a valid digital signature linked to it — start this first.
→ trade.gov.in

5) Get the Certificate of Origin: Self-declare or use an authorised agency — DGFT and EIC for all products, Textile Committee, APEDA, MPEDA and others by sector.
→ https://indiantradeportal.in/

6) Understand the Double Test: Ensure your cost sheet clearly demonstrates both the 35% RVC and the CTSH shift. Maintain supplier declarations for all domestically procured inputs.

7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IMPORT FROM ASEAN

4) CAROTAR 2020 Compliance: You cannot simply rely on the Form AI sent by your ASEAN supplier. Under CAROTAR 2020, the Indian importer holds the burden of proof.

5) Possess Origin details: You must possess basic information regarding the production process and the origin of inputs used by your supplier in ASEAN.

6) Bill of entry Declarations: You must declare the exact originating criteria (e.g., CTSH + 35%) in your Bill of Entry. If Customs questions the claim, you have limited time to provide the backend cost breakdown.

7) Ask for the working: The declaration says the goods qualify, not why. If questioned, you must substantiate it. Keep the origin calculation four years; put the obligation in your PO.

Who to Contact

INDIA

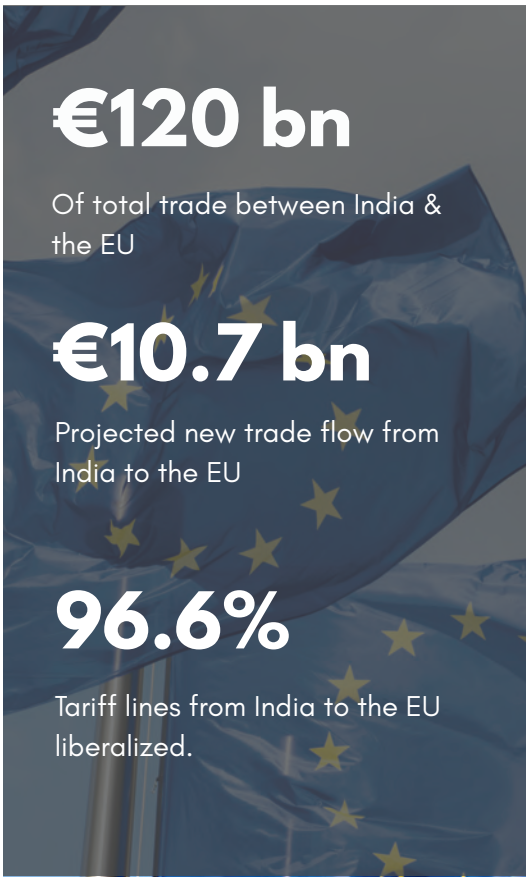
Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

ASEAN

ASEAN Secretariat: Trade & Market Access Division

Specific RoO per ASEAN Member State indiantradeportal.in



India–EU Free Trade Agreement

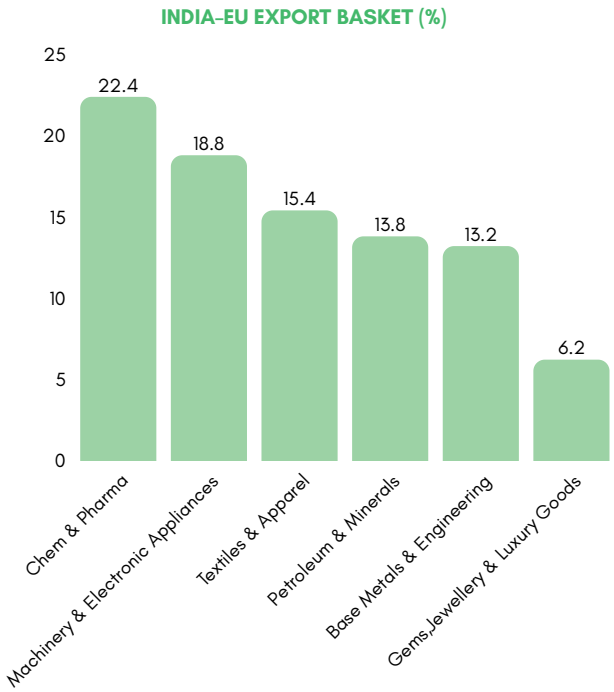
A landmark Free Trade Agreement for the two trading partners, changing how they trade, what benefits it brings and who benefits the most.

Overview

The India - EU FTA stands out as the most consequential Free Trade Agreement the country has signed. With bilateral trade volumes exceeding €120 bn a year and the potential value to be added cumulatively exceeding €100 bn, the FTA is well positioned to position itself as a key economic driver for both entities.

It liberalises 90% of EU tariff lines and 91% in value with additional liberalisation pushing the coverage to 96.6% for Indian exporters. Preferential access for trade in goods is across 99% of Indian exports while over a 100 services sub-sectors have been liberalised.

The agreement has been structured to provide access to high value sectors as well as provide predictability to firms and sectors engaging in merchandise or service exports. With simpler compliances and fast track regulation windows across the EU, the FTA brings about broader economic stability amongst the two partners and ensures adherence to the goals enshrined in the treaty.



What the agreement covers

Dubbed by negotiators as the "mother of all trade deals" the FTA will directly impact over two billion consumers with a combined USD 24 trillion in GDP. The architecture of the agreement is spread across 20 chapters and specialized annexures spanning mandates across traditional market access to advanced clauses on rules of origin, digital trade, facilitation of mobility and frameworks designed to increase the participation of MSME's under the FTA.

On merchandise & goods, liberalization is designed to eliminate or reduce most duties from day 1. Labour intensive sectors such as apparel, leather, engineered goods are projected to witness explosive growth. Under the services sector, the EU has granted comprehensive 144 sub-sectors market access, creating binding pathways for professionals to move across borders and provide services.

Beyond just simple tariff reductions, a further look on what changes between the two partners -

- **Digital Trade** – Mutual recognition of electronic signatures, banning of duty on electronic transmissions including software downloads and legalization of paperless trade.
- **Services** - Mutual Recognition Agreements prevent restrictions on mobility, validate degrees for students across jurisdictions and extend automated entry and work rights for spouses of intra-corporate transferees.
- **MSMEs and innovation** – dedicated chapter, standalone facilitation portals, self certification on Statement of Origin.

Where the opportunity sits

EXPORTING TO THE EU

Major sectors liberalised.

Sector	Before	Now
Textiles & Apparel (Peak)	12%	0%
Generic Pharmaceuticals	11%	0%
Marine & Seafood	26%	0%
Leather & Footwear (Peak)	12%	0%
Finished Jewellery (Peak)	4%	0%
Toys & Sports Goods (Peak)	10.50%	0%

SOURCING FROM THE EU

Indian duty before the FTA, and the rates on Day 1.

Sector	Before	Now
Automobiles (ICE Only)	70-110%	40%
Heavy Machinery	44%	Cut
Industrial Chemicals & Materials	22%	0%
Medical Devices & Pharma	11%	0%
Premium Wine & Spirits	150%	20%
Avionics & Opticals	7.5-15%	Cut

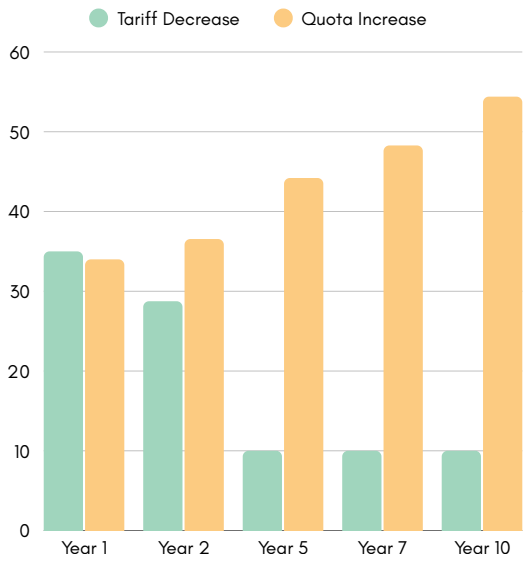
WHAT INDIA KEPT OFF THE TABLE

India's negative or exclusion list under the FTA follows a similar pattern to the other Trade Agreement's the country is a party to.

Dairy, staple cereals including wheat, rice and millets, raw and refined cane sugar, bulk imports of chicken and other meat have been excluded. Sectors backed by Make in India and the PLI schemes which includes PCB's, EV's and advanced batteries have also been excluded along with core internet & 5G equipment to build self reliance on domestic industry. Bulk bullion is also excluded but a often missed exclusion is the exclusion of bulk imports of worn clothing & rags.

Keep in mind, exclusion listing does not guarantee protection. Enforcement and checking of RoO and preventing backdoor entry of goods is as important as ensuring they remain blacklisted under the FTA.

EXAMPLE OF HOW TARRIFF RATE QUOTA WILL WORK (AUTOMOBILES)



Figures above are for mid range cars with a CIF value between €15000 - €35000. Quota increase numbers are in the thousands and the mid range segment accounts for a fixed percentage quota within the larger TRQ afforded to automobiles.

Why it matters

IF YOU SELL TO THE EU

- **GSP Restoration:** Indian textiles & leather become competitive again due to the FTA having lost their edge after the EU removed GSP preferential status.
- **CBAM Cushion:** While no mutual recognition exists, sustainability is viewed through cooperation and an understanding to grant 3rd party CBAM flexibilities to India as well rather than punitive action.
- **RoO Stringency:** Strict value addition and Rules of Origins enforcement to tackle Chinese materials in shipments for cheap.

IF YOU BUY FROM THE EU

- **First Mover Advantage:** TRQ products such as automobiles & premium liquor are based on allocation, making first mover advantage a necessity to avail benefits.
- **Local Assembly:** Phased tariff elimination on local sub-assembly is designed to incentivize local manufacturing.
- **Automotive Segregation:** TRQ Quotas apply only over a €15000 value of automobiles, protecting the mass market segment in India.

Sustainability in Focus

EU CBAM: The implementation of the EU CBAM risks negating the benefits of the FTA. Keeping in mind the concessions offered by the UK on their CBAM and no such benefits forthcoming from the EU, Indian exporters will have to be cognizant of the increase in price of carbon sensitive exports. A silver lining here is the presence of MFN Safeguards which would allow exemptions to third party countries to be applicable to India, a €500 million fund to allow Indian industries to adapt and technical dialogue annexure to negotiate directly with the EU on the calculation of embedded emissions, accreditation of Indian buyers and calculation of default values.

Two sectors in focus

MARINE PRODUCTS & SEAFOOD

The FTA provides a gilded opportunity in the marine products and seafood sector for Indian exporters. While India is one of the largest existing suppliers to the EU, the removal of tariffs as high as 26% on some lines provides a massive cost arbitrage opportunity to exploit. Combined with existing know-how on food and certification standards and stronger supply chains, it is a sector that is well set for an increase in market share for Indian exporters across products and lines.

250

tariff lines now entering the EU at zero duty

€ 29.9 bn

The EU's annual import market for marine products & seafood

Ecuador

India's biggest competitor, especially in premium shrimp

BASIC & SPECIALITY CHEMICALS

With over 1100 lines of organic, inorganic and agro chemicals dropping to 0% duty, the sector presents an interesting and scalable opportunity for Indian exporters, particularly MSME's. With current de-risking of supply chains and an increased scrutiny on dumping from China, the EU is actively looking for other markets to fill the space. With India's market share hovering anywhere between 2-4% of the total market, liberalization of tariffs presents a very lucrative opportunity to capture market share.

1100

Tariff lines dropping to 0

€180 bn

Approximate worth of imports in the sector by the EU

China

The current biggest exporter to the EU sitting at 18% share

Regulatory Bottlenecks : Overview for MSME's

The EU imposes some of the most stringent conditions on products entering its borders as import. These measures have evolved individually to rising concerns of sustainability, climate change and concerns with the ethics of the process required to manufacture a product. The overview here is a look at regulations with respect to sustainability & compliance measures that Indian exporters, particularly MSME's would have to cross in order to gain the full benefits of the FTA.

Sector	Policies
Apparel & Ready-Made's	Digital Product Passport, Eco-Design for Sustainable Products, PFAS Rules
Leather Goods & Footwear	EU – Deforestation Regulation
Basic & Speciality Chemicals	EU – REACH & CBAM
Marine & Seafood Products	SPS & IUU Fishing

- **Apparel & Ready Made** – Digital Product Passport consists of mapping of entire textile lifecycle from raw yarn to factory carbon footprint and uploading on a central EU database. PFAS & Eco-Design regulations involve ban on import of garments treated with water or stain resistant PFAS rules.
- **Leather Goods & Footwear** – Exporters need to prove under EU – Deforestation that the livestock used to produce the leather did not graze on deforested land. While leather as a category is proposed to be excluded, there is as yet no clarity on the timeline before the regulations come into force before the end of the current year.
- **Basic & Speciality Chemicals** – EU Reach & CBAM mandate exact composition, toxicology reports and safety sheets if imported quantity exceeds 1MT a year. Single REACH dossier can cost anywhere between USD5000 – USD50,000 per substance creating upfront capital barriers.
- **Marine Products & Seafood** – SPS Measures dictate zero tolerance for any pathogen found in frozen shrimp or fish shipments. Illegal, Unreported & Unregulated (IUU) measures mandate disclosure of where the catch occurred, type of vessel etc.

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted line by line, not by sector, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.
→ trade.gov.in (Tariff Explorer) · indiantradeportal.in

2) Check the duty on that code: Selling to the EU, use ec.europa.eu/taxation_customs and find the exact duty on your HS; buying from the EU, use indiantradeportal.in. Record three things: the rate you pay today, the FTA rate, and the date it applies from. Not every line falls to zero on day one — some stage down over five, seven or ten years, some are quota-bound, some excluded.

3) Check that the goods qualify: Zero duty is never automatic. Each tariff line carries its own rule of origin, and that rule decides the test — a change of tariff heading, a minimum share of value added in India, or a specified process. Where a value test applies the thresholds are 35% build-up, 40% ex-works or 45% FOB. Find your line's rule as the first step

TRACK A · IF YOU EXPORT TO THE EU

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a valid digital signature linked to it — start this first.
→ trade.gov.in

5) Get the Certificate of Origin: Open Get Certificate of Origin, apply, select India-EU FTA. Self-declare, or use an authorised agency — DGFT and EIC for all products, Textile Committee, APEDA, MPEDA and others by sector.
→ https://indiantradeportal.in/

6) Send the papers to your buyer: Your EU buyer makes the claim, not you. Send the proof of origin plus the invoice and packing list. They may use "importer's knowledge" instead — then the evidence burden is theirs.

7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IF YOU IMPORT FROM THE EU

4) Supplier registers with REX: Through DGFT facilitation, register with the REX Database of the European Union, obtain unique number and use it for printing on official invoices.
→ https://customs.ec.europa.eu/rex-pa-ui/#/create-preapplication

5) Update your ICEGATE email: Your supplier sends the declaration to CBIC and to your ICEGATE-registered address at once. If it is out of date, the claim cannot be completed.
→ icegate.gov.in

6) The system issues a URN: Authenticated against EU exporter data, a Unique Reference Number is emailed to your supplier, copied to you. Quote it in your Bill of Entry. Valid 12 months, one shipment.

7) Ask for the working: The declaration says the goods qualify, not why. If questioned, you must substantiate it. Keep the origin calculation four years; put the obligation in your PO.

Who to Contact

INDIA

Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

EUROPEAN UNION

Commodity code advice: National Customs Authority of Member States

European Commission DG Trade: DG Trade Contact Form EU · +32 (0)2 295 53 53



India–EFTA Trade and Economic Partnership Agreement (TEPA)

A utilisation guide to the Trade and Economic Partnership Agreement (TEPA) between India & Iceland, Liechtenstein, Norway & Switzerland , what it covers, who it benefits and how to utilize those benefits.

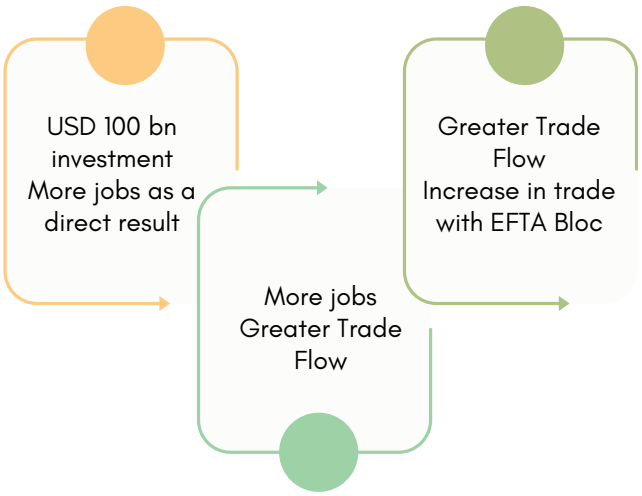
Overview

The India – EFTA TEPA is a landmark free trade agreement signed in March 2024, having been under negotiation since 2008. The TEPA officially came into force on the 1st of October 2025 and became India's first modern trade agreement with a Western bloc.

TEPA has introduced a pathway to a historic USD 100 bn dollar FDI inflow from the signatory countries, fully committed with an expectation to generate over a million jobs in the country.

The agreement is centered around the liberalization of 99.6% of India's exports to the bloc with the expectation of an increase in exports and committed FDI inflows generating employment for hundreds of thousands of workers in India. The agreement does not only enhance bilateral trade channels but also seeks to reshape service mobility and digital trade, integrating India deeper into global supply chains.

TEPA EXPECTED ECONOMIC FLOW



What the agreement covers

The TEPA runs into 14 chapters alongside a comprehensive suite of annexures built to regulate cross border operations and streamline processes. The EFTA bloc eliminates or sharply cuts down custom duties on 92.2% of its tariff lines, effectively covering 99.6% of Indian exports. Conversely, India opened up 82.7% of its tariff lines covering 95.3% of EFTA's exports, providing cost relief to major sectors such as textiles, machinery, pharma and chemicals.

Structural reductions on tariffs will directly benefit high - end European imports into India, providing relief on goods such as watches, chocolates, advanced medical devices and specialized industrial chemicals while simultaneously providing protection to sensitive domestic industries in soya, dairy, coal and primary agricultural goods. While EFTA has historically been a major gold supplier to India, the sector retains the import duties to prevent macroeconomic shocks.

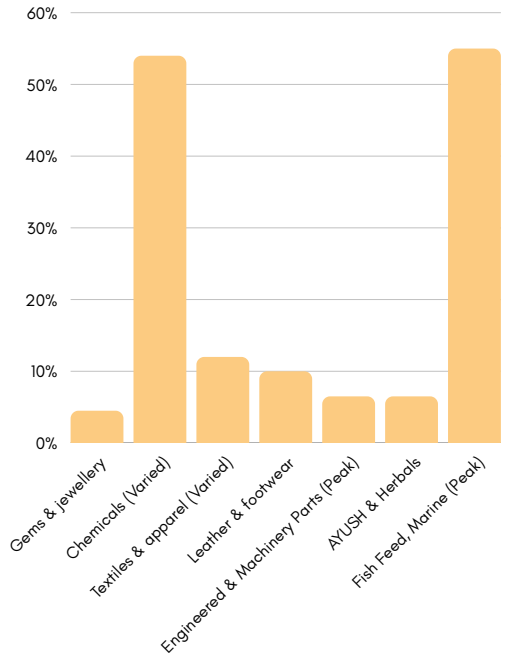
Three further chapters change how the two economies do business rather than what they charge at the border -

- **Customs Facilitation** — Enforcement of accelerated clearing timelines, digitized border procedures and integration of standardized conformity assessments.
- **Intellectual Property Rights** - Alignment with global WTO TRIPS. Enforcement of anti-evergreening patent laws and preservation of domestic manufacturing sovereignty.
- **Service Sub - Sectors** - Opening up of sub sectors ranging from 107 - 128 across the EFTA enhancing service mobility

Where the opportunity sits

EXPORTING TO THE EFTA REGION

Every line below now enters at 0%.



SOURCING FROM THE EFTA REGION

Indian duty before TEPA, and the rate from 1 Oct 2025.

Sector	Before	Now
Clocks & Watches (Phased)	20%	0%
Medical Diagnostics & Imaging*	10%	0%
Precision Machinery (Peak)	10%	0%
Swiss Chocolates & Confectionary*	30%	0%
Pharmaceuticals	10%	0%
Wine & Premium Spirits	150%	Phase Cut

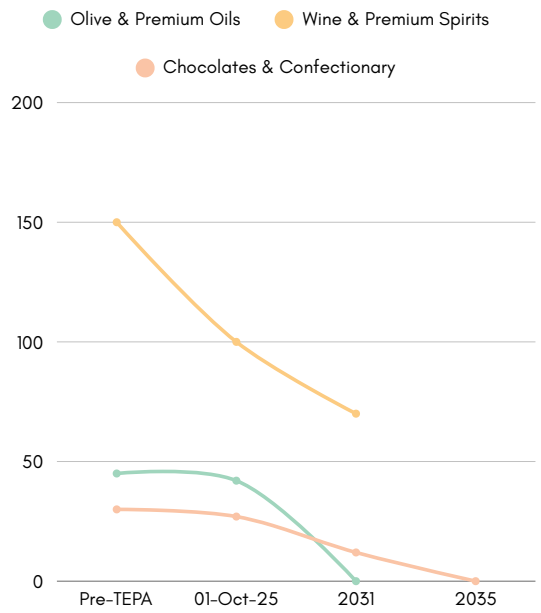
SENSITIVE SECTOR PROTECTION

India's concessions are extensive but not universal, and the exclusions represent sectors and tariff lines that India considers to be of national or strategic importance.

Dairy products, primary agricultural and grains which include millets, pulses have been kept off the table to protect rural livelihoods and the agrarian economy. Crucially, Gold was also excluded even though it accounts for 80% of India's imports from the EFTA bloc. The exclusion was driven primarily by a need to avoid a surge in gold imports and risk destabilising India's current account deficit. Tariff reductions on sectors under PLI were also excluded showcasing strategic pragmatism.

One point often missed - These are concessions India withheld on goods arriving from the EFTA. Indian exports of the same goods, apart from in agriculture, remain unaffected.

HOW INDIAN DUTIES ON EFTA IMPORTS STEP DOWN



Wine & Spirits phase down over a 10year period with distinctions between bottle pricing and commensurate duty rates. Olive Oils & Chocolates reach an intended floor of 0% over a 7Y and 10Y timeline respectively

Why it matters

IF YOU SELL TO THE EFTA

- **Duty Free Industrial Inputs:** Under the EFTA - TEPA, Indian industrial goods, from machinery to precision engineering now enter the bloc tariff free, boosting competitiveness
- **Bound, not granted:** Those preferences were unilateral and could be suspended. TEPA rates are treaty obligations.
- **Turnaround Reduction:** Single window clearance & facilitation systems tailored for the agreement specifically enhance turnaround time of goods, saving on money & time.

IF YOU BUY FROM THE EFTA

- **Spirits and beverages:** Whisky and gin fall from 150% to 100-75% upon entry into force of the agreement with a floor of 25% on Y10
- **Medical tech & inputs:** Advanced medical equipment & diagnostic inputs get reduced to 0% duty over a 10Y timeline
- **Predictability:** Staggered & Phased reduction in duties allows for better planning and predictability of tariff reductions, allowing importers to set purchase timelines.

Beyond tariffs: Trade, Sustainability & CBAM

TSD & CBAM: This FTA marks the first time that India has included a dedicated & legally binding trade & sustainable development chapter under an FTA. What this means in practice is that if an importing bloc decided that Indian exports from a specific sector or cluster are not adhering to environment standards, they can launch formal dispute mechanisms. In conjunction with the same, the soon to be implemented EU wide CBAM poses a massive potential cost to Indian industrial exports.

Two sectors in focus

TEXTILES AND APPAREL

Here TEPA corrects a disadvantage and presents a vast, untapped market for India's exports to scale up. Bangladesh had historically utilized its status as a Least Developing Country to gain preferential tariff treatment, with the FTA now looking to correct it. Within a four country block India exports only USD 130 mn worth of goods, showcasing massive room for rapid expansion and scale up. A level playing field allows Indian textile & apparel manufacturers to compete on scale, quality and turnaround time.

1400+

tariff now entering the EFTA at zero duty

USD 130 mn

the EFTA's annual textile and apparel import from India

Bangladesh

largest competitors to India having utilized Least Developing Country mark

ENGINEERING GOODS & MACHINERY COMPONENTS

The Engineering Goods & Machinery Components sector represents India's most dynamic industrial export category under the FTA. 2200+ export lines have had duties eliminated and the sector showed an 18% YoY growth, indicating momentum. Within the bloc itself, Norway & Switzerland are the most dominant consumers, absorbing over 99% of India's engineering exports. The sector, if not adhering to standard certification such as CE can expose a potential exporter to hefty barriers and levies.

2200+

Tariff lines opened up (excluding agri industrial lines

USD 315.2 mn

of engineering goods and components exported by India to the bloc

Germany, Italy & China

Biggest competitors

A worked example

A industrial goods exporter with a standing HS8413 order to Switzerland. Illustrative figures.

Take an exporter shipping automotive pump casings on a standing Swiss order worth **USD 100,000** ex-works. Two questions decide whether TEPA is worth anything, and they come in order.

First, does it qualify? The ex-works basis requires **50% Indian content**. Imported high tensile steel & blocks account for USD 45000, leaving USD 55000 added in India — **55%**. The claim holds, but by five percentage points.

Second, what is it worth? The EFTA charged **7.5-10%** before TEPA, so the buyer paid roughly **USD 7500-10,000** in duty on that consignment. Under TEPA it is nil or in certain sectors is staggered nil.

That reduced duty does not simply become margin — the duty was the importer's cost, so the saving is **negotiated**. At 55% the headroom is thin: RoO compliance failure or a currency movement could drop content below 50% and void the claim.

STEP ONE - DOES IT QUALIFY?

Ex-works price	USD 100,000
Imported steel & blocks	USD 45,000
Value added in India	USD 55,000
Qualifying value content	55%

STEP TWO - WHAT IS IT WORTH?

Swiss duty before TEPA	7.5-10%
Duty the buyer paid	USD 7,500-10,000
Duty under TEPA	Nil

How to claim the benefit

The first three steps are the same whichever way you trade. After that the routes diverge.

1) Find your product's exact code: Preference is granted line by line, not by sector, so the first task is classification — in India, the eight-digit tariff item. Take it from your shipping bill, bill of entry or broker. An incorrect code invalidates the claim and can bring a retrospective duty demand.
→ trade.gov.in (Tariff Explorer) · indiantradeportal.in
2) Check the duty on that code: Selling to the EFTA, use https://www.efta.int/trade-relations/efta-free-trade-dashboard and find the India preferential entry; buying from the EFTA, use indiantradeportal.in. Record three things: the rate you pay today, the TEPA rate, and the date it applies from. Not every line falls to zero on day one — some stage down over five, seven or ten years, some are quota-bound, some excluded.
3) Check that the goods qualify: Zero duty is never automatic. Each tariff line carries its own rule of origin, and that rule decides the test — a change of tariff heading, a minimum share of value added in India, or a specified process. Find your line's rule as the first step

TRACK A · EXPORT TO THE EFTA

4) Register on Trade Connect: Existing DGFT credentials work. You need your IEC and a valid digital signature linked to it — start this first. → trade.gov.in
5) Get the Certificate of Origin: Open Get Certificate of Origin, apply, select India-EFTA TEPA. Self-declare, or use an authorised agency — DGFT and EIC for all products, Textile Committee, APEDA, MPEDA and others by sector. → https://indiantradeportal.in/
6) Send the papers to your buyer: Your EFTA buyer makes the claim, not you. Send the proof of origin plus the invoice and packing list. They may use "importer's knowledge" instead — then the evidence burden is theirs.
7) Keep the file five years: Cost sheet, supplier declarations, import documents for bought-in inputs, and a copy of the certificate.

TRACK B · IMPORT FROM THE EFTA

4) Supplier registers with country specific portals: Swiss, Norwegian and other Customs authorities are first PoC. Post registration with national authorities, REX number is assigned without which trade can't take place. → efta.int/trade-relations/free-trade-network/india
5) Update your ICEGATE email: Your supplier sends the declaration to CBIC and to your ICEGATE-registered address at once. If it is out of date, the claim cannot be completed. → icegate.gov.in
6) The system issues a URN: Authenticated against EFTA exporter data, a Unique Reference Number is emailed to your supplier, copied to you. Quote it in your Bill of Entry. Valid 12 months, one shipment.
7) Ask for the working: The declaration says the goods qualify, not why. If questioned, you must substantiate it. Keep the origin calculation four years; put the obligation in your PO.

Who to Contact

INDIA

Certificate of Origin — registration, DSC, eCoO: coo-dgft@gov.in · 011-23061495 / 23061499, Mon-Fri

Duty, general customs and DGFT policy
cbicmitra.helpdesk@icegate.gov.in · 1800-572-1550

EFTA

Trade Enquiries: mail.gva@efta.int

EFTA Desk at Invest India
eftadesk@investindia.org.in,
+91-11-23072328

Chapter III: New to Trade

For a business that has never exported or imported: the registrations to complete before the first shipment — and before any agreement in this volume can be used.



Before your first shipment

A free trade agreement lowers the duty on a shipment, but only a business registered to trade can claim it. For a firm new to exporting or importing, the groundwork starts with the business itself: a PAN, a current account with an authorised dealer bank, GST registration and a free Udyam registration. Next comes registration as a trader, which means an Importer-Exporter Code from the DGFT, a digital signature, ICEGATE registration with your bank's AD code, and membership of your export promotion council.

The chapter then covers the first shipment: any sector licences your product needs, agreed terms of sale, and a licensed customs broker to file the shipping bill. It closes with how to use an agreement. You classify your product under its eight-digit code, check the rate, staging and rule of origin for your market, and enrol on the DGFT's certificate-of-origin platform. Finally, you build an origin file of costings and supplier records, kept for five years, which answers the claim in every market where the product has preference.

STAGE 1 · SET UP THE BUSINESS		
PAN and business entity	Proprietorship, partnership, LLP or company. A PAN in the entity's name is the base for every later registration.	incometax.gov.in
Current account with an AD bank	An 'authorised dealer' bank can receive foreign exchange and issues the AD code customs needs.	Your bank
GST registration	Lets you export as a zero-rated supply and claim refunds.	gst.gov.in
Udyam registration	Free MSME registration — the gateway to MSME credit and support schemes.	udyamregistration.gov.in
STAGE 2 · REGISTER AS A TRADER		
Importer-Exporter Code (IEC)	Issued online against your PAN for ₹500. Update it every year between April and June, or it is deactivated.	dgft.gov.in
Digital signature	Class 3 DSC or Aadhaar e-sign, to sign on the DGFT, ICEGATE and certificate-of-origin portals.	Certifying authority
ICEGATE and AD code	Register on ICEGATE and have your bank's AD code registered at each port you ship from. No AD code, no shipping bill.	icegate.gov.in
RCMC	Membership of your sector's export promotion council or commodity board. Valid five financial years; needed for most Foreign Trade Policy benefits.	dgft.gov.in (e-RCMC)
Letter of Undertaking (LUT)	File GST Form RFD-11 each financial year to export without paying IGST upfront.	gst.gov.in
STAGE 3 · CLEAR YOUR PRODUCT, WHERE IT APPLIES		
Sector licences	Food: FSSAI licence; APEDA for scheduled farm products. Marine: MPEDA. Spices: Spices Board. Medicines: manufacturing licence and WHO-GMP. Plants: phytosanitary certificate.	fssai · apeda · mpeda
STAGE 4 · PREPARE THE FIRST SHIPMENT		
Terms of sale	Agree the Incoterm and payment terms; consider ECGC credit insurance on open-account sales.	ecgc.in
Customs broker and forwarder	A licensed customs broker files the shipping bill; the forwarder books freight and issues transport documents.	—
Realise the proceeds	Export proceeds must be realised within 15 months of shipment (rule in force since 13 November 2025).	Your AD bank

STAGE 5 · THEN, TO USE AN AGREEMENT IN THIS VOLUME

Classify

Eight-digit ITC-HS code from your shipping bill.

Check the chapter

Rate, staging and rule of origin for your market.

Register for eCoO

Enrol on DGFT's certificate-of-origin platform.

Build an origin file

Costings and supplier records, kept five years.

Which agreement for which sector

For each of ten export sectors, the agreements in this volume that offer an Indian MSME the strongest case:

Sector	Strongest #1	Strongest #2	Strongest #3	Next best	Also a source of cheaper inputs
Textiles & apparel	Japan	UK	EU	UAE	New Zealand
Engineering & auto components	UAE	UK	EU	Australia	
Gems & jewellery	UAE	UK	Australia	EU	UAE
Pharmaceuticals	ASEAN	New Zealand	EU	Australia	
Leather & footwear	UAE	UK	EU	Australia	
Agriculture & processed food	ASEAN	UK	EU	UAE	
Marine products	Japan	UK	EU	ASEAN	
Chemicals & plastics	ASEAN	UAE	EU	Japan	
Electronics & electrical	UAE	Australia	EU	UK	
Handicrafts, carpets & home décor	Australia	UK	EU	New Zealand	New Zealand

Strongest = the three agreements offering an Indian MSME the strongest case in the sector; Next best = the runner-up. EU is pending (once in force).

The Factors Being Considered

- **Market size:** How much the partner country buys of the sector's products from the world. A larger market leaves more room for Indian suppliers to win orders.
- **Duty removed:** How much the agreement takes off the duty on Indian goods in the sector. This is the price advantage the agreement creates over suppliers who still pay the full rate.
- **India's foothold:** How much the partner already buys from India in the sector. An existing base of buyers, supply links and reputation makes the new access easier to use.
- **Conditions on the ground:** The rules that still apply once the duty is gone: carbon border levies, biosecurity and food-safety checks, and approval requirements for medicines. Where the agreement eases these, as New Zealand does by accepting foreign manufacturing (GMP) certificates, that counts in its favour.

Reading the matrix, sector by sector

Read across the matrix: why each sector's marks fall where they do.

Sector	Strongest	Next best	Why the marks fall where they do
Textiles & apparel	EU · UK · Japan	UAE	The three largest apparel markets in the set, each removing duties of 10–12%. In the EU and UK the cut ends a disadvantage against Bangladesh and Vietnam, which largely enter duty-free. Japan's duties have been nil for India since 2011, yet India holds little over 1% of that market. The UAE already buys US$1 bn of Indian garments. New Zealand wool now enters India duty-free.
Engineering & auto components	UK · EU · UAE	Australia	The UK removes duties of up to 18% on engineering goods and parts. The EU is the largest market and already buys US$10.9 bn from India. Both apply carbon levies to steel and aluminium articles. The UAE buys US$3.5 bn and removes 5%. Japan's industrial tariffs were already near zero, so its agreement adds little here.
Gems & jewellery	UAE · UK · Australia	EU	The UAE is the largest buyer of Indian gems and jewellery among the nine (US$10.9 bn) and removes 5%. It also supplies gold under a concessional quota. The UK removes up to 4% on finished jewellery and Australia 5%. EFTA's imports are mostly gold bullion, where nothing changes.

Pharmaceuticals	ASEAN · EU · New Zealand	Australia	Medicine tariffs are near zero almost everywhere, so approval decides. ASEAN (US$1.3 bn, led by the Philippines and Vietnam) and the EU (US$3.3 bn) are established markets. New Zealand is small but is the only partner where the agreement both removes duty and eases approval, by accepting GMP certificates from comparable regulators.
Leather & footwear	EU · UK · UAE	Australia	The EU (up to 17%) and the UK (up to 16%) remove the steepest leather and footwear duties in the set. The UAE removes 5%. Japan's market is large, but its agreement has done little for Indian leather and footwear.
Agriculture & processed food	UK · ASEAN · EU	UAE	The UK removes processed-food duties of up to 70%. ASEAN is India's largest farm market in the set (US$3.2 bn: rice, buffalo meat, spices), though commitments are uneven. The EU opens selected lines, and its deforestation rules apply to coffee and other products. Japan, Australia and New Zealand impose strict SPS and biosecurity conditions.
Marine products	EU · UK · Japan	ASEAN	The EU removes duties of up to 26% in a US$29 bn market and the UK up to 21.5%. Japan, where shrimp gained under the CEPA, buys US$425 m from India. All three apply strict residue and SPS checks, which is the cost to plan for.
Chemicals & plastics	EU · UAE · ASEAN	Japan	The EU is by far India's largest chemical market (US$14.1 bn), with duties of up to 6.5% removed. The UAE (US$1.1 bn) removes 5%. ASEAN is a US$115 bn market in which India already sells US$3.2 bn of organic chemicals and plastics.
Electronics & electrical	UAE · EU · Australia	UK	India's electronics exports are concentrated in the UAE (US$4.1 bn) and the EU (US$11.5 bn). Most IT products were already duty-free under the WTO's Information Technology Agreement, so the gain is on electrical and consumer goods.
Handicrafts, carpets & home décor	EU · UK · Australia	New Zealand	Furniture, carpets and ceramics sell mainly into the EU and UK, which remove moderate duties. Australia removes 5%. New Zealand removes up to 10%, and its timber now enters India duty-free.

Reading the matrix, agreement by agreement

Read down the matrix: what each agreement is best for — and what it offers beyond the tariff schedule.

Agreement	Strongest sectors	Why	Beyond tariffs
ASEAN 2010	Engineering & auto · Chemicals & plastics · Agriculture & food	Large markets where India already sells between US$3 bn and US$5 bn in each sector; duty gains are uneven across members.	A review of rules of origin, customs and market access is under way.
Japan 2011	Textiles & apparel · Chemicals & plastics · Marine	Apparel duties nil for India since 2011 in a US$24 bn market where India holds about 1%; organic chemicals and shrimp gained.	Quality and SPS standards, not tariffs, are the real gate.
UAE 2022	Gems & jewellery · Electronics · Engineering	The largest buyer of Indian jewellery (US$10.9 bn) and electronics (US$4.1 bn) among the nine; 5% removed.	A concessional gold quota on the import side; a regional re-export hub.
Australia 2022	Engineering · Textiles & apparel · Electronics	Every tariff line nil for India since 1 January 2026; India already sells US$1.2 bn of engineering goods.	An upgrade covering services and investment is under negotiation.
EFTA 2025	Chemicals & plastics · Agriculture & processed food · Textiles	India already sells US$1.1 bn of chemicals; Swiss and Norwegian processed-food duties of up to CHF 272 per 100 kg removed.	A US$100 bn investment commitment over 15 years — joint-venture and technology partners for MSMEs.
Oman 2026	Engineering · Chemicals & plastics · Electronics	98% of Oman's tariff lines nil from day one; India already sells US$382 m of engineering goods.	Professional mobility, staffing for some 6,000 India–Oman joint ventures, and access to regional contracts.
UK 2026	Textiles & apparel · Engineering · Agriculture & processed food	Peak duties of 12–70% removed in sectors where India already sells US$0.6–2 bn.	Social-security relief for staff on posting; carbon levy on metals from 2027.
New Zealand 2026	Engineering · Textiles & apparel · Pharmaceuticals	Every line nil from day one; up to 10% removed on engineering and apparel; foreign GMP certificates accepted.	Duty-free wool and timber inputs; 5,000 skilled-work visas.
EU pending	Textiles & apparel · Leather & footwear · Marine	The steepest cuts in the set — up to 12%, 17% and 26% — in the largest markets.	Carbon levy and deforestation rules apply: prepare origin and emissions data now.

From agreement to advantage

What the nine agreements show when they are read together, where the gain actually lands, and the habits that turn a signed treaty into a lower landed cost.

What nine agreements show side by side

- **The duty is going; the difficulty has moved to the rules.** Across these agreements most partner tariffs on Indian goods fall to zero on day one or within ten years. What now separates a firm that gets the benefit from one that does not is classification, origin documentation and the non-tariff requirements that survive every agreement — none of which is decided in a negotiating room.

- **India now negotiates from a template.** Exclusion lists for dairy and sensitive farm goods, cuts staged over five to ten years, quotas with minimum import prices, origin rules that combine a tariff-change test with a value test, and consideration taken in investment, mobility and regulatory recognition. A reader who knows the template can read the next agreement unaided.

- **The compliance cost is fixed; the benefit repeats.** The rules differ between agreements, but the evidence they ask for does not: a classification, a cost sheet, and a record of where each input came from. Built once for a product, that file answers every market in which the product has preference.

- **Margins are thin, and they erode.** In developed markets the duty removed is typically 2–12%, and it shrinks in value each time a partner signs with your competitors. The firms that gain are those ready in the first years of an agreement, not those that start reading the schedule later.

Where the gain actually lands

Not every rupee of duty removed becomes margin, and not every gain is a duty. It helps to know which is which before a buyer asks.

- **On what you sell:** The duty was your buyer's cost, so the saving is negotiated, and much of it usually stays with the buyer. The gain is in orders won and kept: a supplier who takes 10% off a buyer's landed cost is hard to replace.
- **On what you buy:** Duty saved on an imported input is yours entirely. It lowers the cost of everything made from it, for every market you sell into, and partner inputs can also help the finished good qualify as originating.
- **In time and certainty:** Where the duty margin is small, the value is procedural: 48-hour clearance targets, binding advance rulings, AEO status, electronic certificates, and acceptance of foreign inspections and test reports.

Do the arithmetic before your buyer does. Know what your product pays today, what it will pay under each agreement and from when, and what that saving is worth to the buyer on a typical order. A supplier who arrives with that calculation negotiates from a stronger position than one who is asked for it.

The common checklist

Ten habits that apply whichever agreement you use. Most are done once per product, not once per shipment.

#	Step	What it involves	How often
1	**Classify once, properly**	Fix the eight-digit ITC-HS code for each product; seek an advance ruling where it is doubtful.	Once per product
2	**Map the line across the nine**	Note which agreements give preference on that line, at what rate and from what date.	Once; recheck yearly
3	**Run the origin test on real costs**	Apply each target market's rule to an actual cost sheet, not an estimate.	Per product, per market
4	**Build the origin file**	Cost sheet, bill of materials showing the origin of each input, supplier declarations.	Per product; keep 5 years
5	**Write origin into purchase orders**	Require suppliers to declare the origin of inputs and to keep their own records.	Every purchase order
6	**Register before you need to**	Enrol on DGFT's eCoO platform; seek status-holder or AEO recognition if eligible.	Once
7	**Apply for proof before the goods sail**	A certificate issued after shipment invites questions and delays the buyer's claim.	Every shipment
8	**Price the saving**	Agree with the buyer, in writing, how the duty saved is shared.	Every contract
9	**Prepare the non-tariff file**	Treated packaging, test certificates, labels, and emissions data where carbon levies apply.	Per product, per market
10	**Diarise the dates**	Staged cuts, quota windows, reviews and new levies change the arithmetic on fixed dates.	Every year; every quote

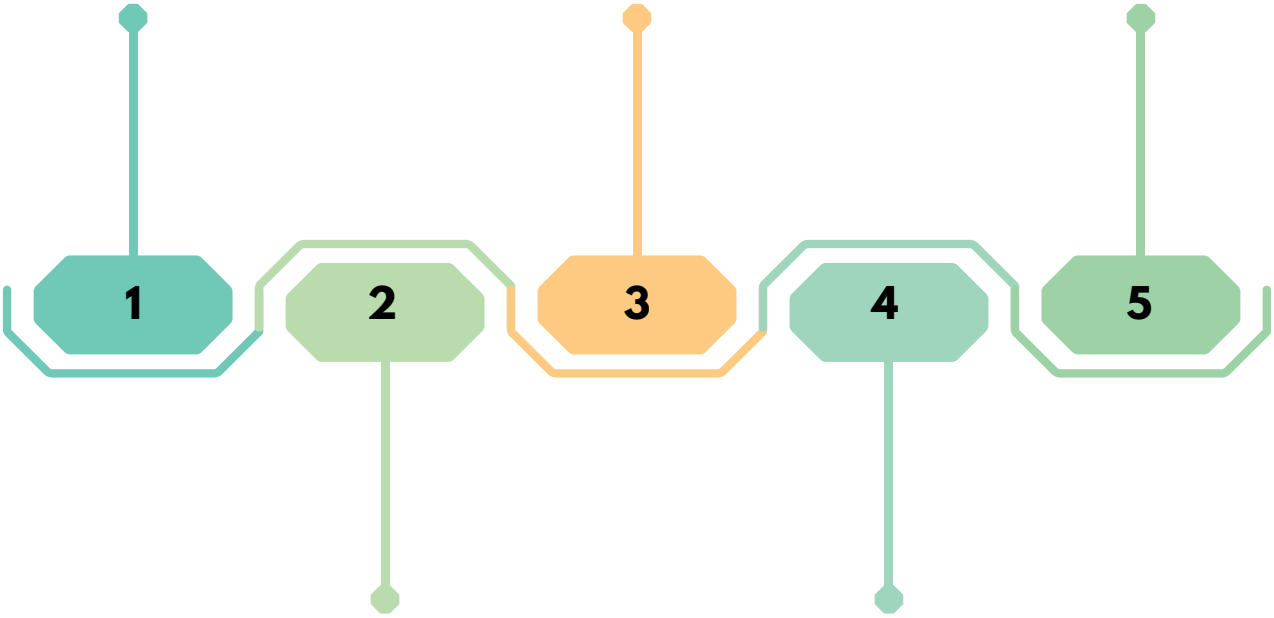
A readiness ladder

Where does your business stand? Each rung builds on the file created at the one below it.

Not claiming
Shipping at full duty; the buyer pays what the agreement would have removed.

Documented
An origin file for each product — classification, cost sheet, supplier declarations — kept five years.

Designing for origin
Sourcing chosen with the rules in mind: partner inputs that count, quota windows, staging built into prices.



Claiming when asked
Certificates sought shipment by shipment, often late; origin worked out afresh each time.

Status holder or AEO:
self-declaration where allowed, faster clearance, fewer checks.

Most MSMEs sit on the first or second rung. Rung three is the one that matters: it costs a few days of work per product, and every rung above it is built on the same file.

What to watch next

The agreements in this volume are not finished documents. These are the changes due in the next two years.

When	What changes	Who should act
Oct 20, 2026	India–New Zealand agreement enters into force; every New Zealand tariff line falls to nil for Indian goods.	Exporters to NZ
Jan 1, 2027	UK carbon border levy begins on aluminium, cement, fertiliser, hydrogen, iron and steel. Staged cuts under several agreements step down on fixed annual dates.	Metals exporters; importers of staged lines
2027 (expected)	India–EU agreement enters into force after ratification — the largest single change in this volume, with the EU's carbon levy already in its definitive phase.	Almost every sector
By Apr 2028	New Zealand to protect Indian geographical indications, Basmati included; organics equivalence and professional-recognition talks due within a year of entry into force.	GI, organic and professional exporters
Under review	ASEAN agreement review, past its December 2025 deadline, covering customs, market access and rules of origin.	Exporters to and importers from ASEAN
In negotiation	United States (first-phase framework announced February 2026); Canada at an advanced stage; Chile, Peru, Mexico, SACU, Mercosur, the Eurasian Economic Union and an upgrade with Australia. Talks with the GCC and Israel paused.	All exporters — the next volume

Where to get help - WHO TO CONTACT IN INDIA

DGFT helpdesk — IEC, RCMC, policy
dgft-helpdesk@gov.in · 1800-111-550

ICEGATE — registration, AD code, filing
icegatehelpdesk@icegate.gov.in · 1800-3010-1000

Certificate of Origin — eCoO platform
coo-dgft@gov.in · 011-23061495 / 23061499

Tariffs and rules of origin by product
indiantradeportal.in · trade.gov.in

Customs and FTA claims — CBIC Mitra
cbicmitra.helpdesk@icegate.gov.in · 1800-1200-232

Your export promotion council: Directory on dgft.gov.in; partner-country contacts are in each chapter

Nine agreements now give Indian goods preferential access to the Gulf, Europe, Asia and the Pacific. Indian exporters claim between a fifth and a third of what is available to them, while exporters from partner countries claim most of theirs in India. That gap — not a missing agreement — is the largest untapped opportunity in Indian trade. This volume exists to help close it, one product line at a time.

CII MARKET FACILITATION SERVICES (MFS)

CII, through its international portfolio of work, makes constant efforts to strengthen engagements with stakeholders across the world, to further the interests of Indian industry in overseas markets and to attract foreign investment into the country. In this direction, a key initiative by CII was the launch of Market Facilitation Services (MFS) in 2019, an endeavour towards building the Global Indian Corporation. The strategic objective of MFS is to leverage CII's deep roots, long-standing alliances and extensive networks with global stakeholders including governments, businesses and associations to offer targeted trade and investment facilitation services.

As a fee-based trade and investment consultancy service, MFS undertakes bespoke company- and product-specific research and advisory projects focusing on, but not limited to:

1. FTA assessments and utilisation,
2. Export/import market assessments,
3. Market and sectoral analyses,
4. Market entry advisory,
5. Potential partner/buyer search, and
6. Operational cost optimisation,

for inbound as well as outbound companies. While the outbound services focus on domestic and global business expansion for Indian companies, the offerings for inbound companies, support foreign companies looking at setting up operations in India or forming partnerships with Indian companies.

Over the years, the MFS desk delivered several key projects, for both outbound and inbound companies, across sectors and geographies, some of which have been highlighted below:

- India Steel sector landscape assessment with product line diversification and PLI opportunity identification
- Operational cost optimisation and go/no-go advisory for an Indian industrial goods manufacturer, alongside a sectoral diversification study on the India Medical Devices market
- Import market assessments across APAC and Africa for the chemicals segment of a diversified Public Sector Enterprise
- Import market assessments across Middle East and Africa for an engineering and capital goods manufacturer
- Saudi Arabia import market analysis for an Indian LPG cylinder manufacturer
- Electrical equipment export shipment analysis including identification of Indian exporters to Africa
- Metals and Auto sector analyses for Indonesia
- Export market assessment and US market and sectoral analyses for a refrigeration equipment manufacturer
- Identification of potential buyers in 16 countries across North America, Europe, Oceania & Middle East for a packaged food products manufacturer
- India market and sectoral analysis across key Healthcare domains for a Japanese enterprise

Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering Industry, Government and civil society through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organisation, with over 10,500 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 365,000 enterprises from 332 national and regional sectoral industry bodies.

For more than 130 years, CII has been engaged in shaping India's development journey and works proactively on transforming Indian Industry's engagement in national development. CII charts change by working closely with the Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness, and business opportunities for industry through a range of specialised services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Through its dedicated Centres of Excellence and Industry competitiveness initiatives, promotion of innovation and technology adoption, and partnerships for sustainability, CII plays a transformative part in shaping the future of the nation. Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes across diverse domains, including affirmative action, livelihoods, diversity management, skill development, empowerment of women, and sustainable development, to name a few.

For 2026-27, CII has identified "Accelerating Competitiveness: Growth, Resilience, Inclusion, Sustainability, Trust" as its theme, prioritising five key pillars. During the year, CII will align its policy advocacy, institutional initiatives, partnerships, and outreach to support Indian industry in strengthening these five interconnected pillars of competitiveness.

With 70 offices, including 12 Centres of Excellence, in India, and 9 overseas offices in Australia, Egypt, Germany, Indonesia, Singapore, UAE, UK, and USA, as well as institutional partnerships with 255 counterpart organisations in 102 countries, CII serves as a reference point for Indian industry and the international business community.

Confederation of Indian Industry
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