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Key Points – India–EFTA TEPA and FTA Opportunities

- India–EFTA Trade and Economic Partnership Agreement (TEPA) completed its first year on 1 October 2026, marking an important milestone and an opportunity to assess progress and chart the way forward.
- India's FTAs with EFTA, the European Union and the United Kingdom collectively provide access to **32 countries**, creating significant opportunities for Indian businesses and exporters.
- More than **99% of the trade value with EFTA countries** has been accorded zero-tariff access, enhancing the competitiveness of Indian products.
- The key advantage of FTAs extends beyond tariff reduction to **greater tariff predictability**, enabling businesses to make long-term investment decisions, develop supply chains and plan future growth with greater certainty.
- FTAs provide Indian businesses with opportunities to establish reliable and diversified supply chains, both for sourcing inputs and exporting finished products to partner markets.
- The 32 partner countries represent developed, high-income economies with substantial consumption capacity and strong demand for quality products, offering Indian exporters opportunities for higher value realisation.
- Meeting the stringent quality standards of developed markets can strengthen Indian businesses' ability to compete successfully in other international markets.
- The combined agricultural import market of the EU and the other partner countries represents a substantial opportunity for India. Preferential tariff access for several products can be leveraged to expand India's agricultural exports.



- The EFTA countries collectively represent an import market of approximately **USD 500 billion**, while India's current exports remain relatively modest at around **USD 2–3 billion**, indicating significant scope for expansion.
- India should aspire to increase its share of the overall import basket of these markets, potentially targeting **2% within the next three to four years**, supported by sector-specific strategies.
- Each Export Promotion Council should develop a **market-specific, five-year action plan** covering export opportunities, non-tariff barriers, quality standards and potential anchor companies.
- The success of FTAs will depend not merely on their negotiation but on their **active utilisation by Indian industry, manufacturers, farmers and exporters**.
- The Department of Commerce has established an **FTA Utilisation Cell** to create awareness among entrepreneurs, facilitate FTA utilisation and work with Export Promotion Councils on market-specific strategies.
- Businesses in FTA partner countries should view India as an extension of their markets, while Indian businesses should similarly view FTA partner markets as an extension of their own markets.
- TEPA provides for an investment commitment of **USD 100 billion over 15 years**, comprising USD 50 billion during the first 10 years and another USD 50 billion over the subsequent five years.
- Deeper business-to-business partnerships between India and EFTA countries can generate investment, strengthen industrial cooperation and contribute to increased trade.
- India's participation in global value chains has increased significantly, but there remains substantial scope for further integration. FTAs with developed economies can provide opportunities to expand India's role in global value chains.

- Indian businesses should identify global value chains where India can participate effectively and increase domestic value addition, thereby supporting economic growth and employment.
- The ultimate success of these FTAs depends on the active participation of industry, Export Promotion Councils and businesses in converting the opportunities created by the agreements into tangible economic outcomes.
- The focus should now be on **effective implementation, stronger business partnerships, increased exports, investment mobilisation, supply-chain integration and greater participation in global value chains** to fully realise the vision of India's FTAs.