India and Gulf Cooperation Council Sign Joint Statement on the India–GCC Free Trade Agreement

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The Joint Statement on the India-GCC Free Trade Agreement (FTA) was signed between Shri Piyush Goyal, Union Minister of Commerce and Industry and His Excellency Jasem Mohamed Albudaiwi, Secretary General of the Gulf Cooperation Council on 24th February 2026 in New Delhi formally launching negotiations for a comprehensive and mutually beneficial agreement. The signing took place in the presence of the distinguished delegations and representatives of both the parties.

During the signing, Shri Piyush Goyal emphasized that the Statement along with the Terms of Reference (ToR) for FTA which were signed on 5thFebruary, 2026, mark a significant milestone in the relationship between India and GCC countries. He underscored that the relationship which is deeply rooted in shared history and cultural linkages, would get further impetus from a broad-based and mutually beneficial FTA. Heunderlined that amidst global uncertainties, it is most opportune that discussions are starting on negotiating a robust trading arrangement which would harness mutual synergies and complementarities.

His Excellency Jasem Mohamed Albudaiwi emphasized that FTA will serve as an important tool to further strengthen trade and investment ties between India and GCC countries by infusing predictability and certainty for businesses.

The FTA holds significant potential to unlock and expand trade with an important region, with which India has longstanding historical ties in trade and commerce. GCC is India's largest trading partner bloc with bilateral trade reachingUSD 178.56 billion (Exports: USD 56.87 billion; Imports: USD 121.68 billion) in FY 2024-25, accounting for 15.42% of India’s global trade. In the last five years, India’s trade with the GCC has expanded steadily, registering an annual average growth rate of 15.3 per cent.

Key exports from India to GCC include engineering goods, rice, textiles, machinery, gems and jewelry. Key sectors of imports from GCC primarily comprise crude oil, LNG, petrochemicals, and precious metals such as gold. Collectively, the GCC countries represent a market of 61.5 million people (2024) and US$ 2.3 trillion in terms of GDP at current prices, ranking 9th globally in this category. The GCC region is also a significant source of FDI for India, with cumulative investments exceeding USD 31.14 billion as on September 2025.

The GCC is also home to nearly ten million members of the Indian community acting as a living bridge between both countries. These strong and enduring people-to-people connections form the foundation of the relationship between India and GCC countries, which is further reinforced by the substantial presence of Indian companies across the region.

The India–GCC FTA is expected to unlock the full potential of trade between India and the GCC upon signing and would be a force multiplier for global good, while facilitating the expansion and diversification of exports and strengthening economic integration between the two sides.

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