GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 2540
ANSWERED ON 04/08/2026

FREE TRADE AGREEMENT

2540. DR. KALANIDHI VEERASWAMY:

Will the Minister of **COMMERCE AND INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) the details of Free Trade Agreements (FTAs) signed, implemented or under negotiation by India during the last five years, along with the key sectors covered under such agreements;
(b) whether the Government has assessed the impact of these FTAs on Indian exporters, including growth in exports, market access, tariff benefits and investment opportunities, and if so, the details thereof;
(c) the details of exporters who have benefited from FTA-related opportunities, sector and State-wise including exporters from Tamil Nadu;
(d) whether the Government has identified any challenges faced by Indian exporters in utilising FTA benefits, including non-tariff barriers, certification requirements and compliance issues, if so, the details thereof; and
(e) the steps taken by the Government to support MSMEs, small exporters and regional industries in effectively accessing markets opened through FTAs and enhancing India's global trade competitiveness?

ANSWER

वाणिज्य और उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) The details of Free Trade Agreements (FTAs) signed, implemented or under negotiation by India during the last five years is at Annexure. FTAs are economic instruments aimed at expanding trade, enhancing competitiveness and deepening economic integration. FTAs provide calibrated market access through tariff elimination at Entry into Force (EIF), phased tariff reductions/elimination, and sensitive/exclusion lists across sectors. The details of sectors covered, tariffs structure and salient features of the implemented FTAs may be sourced at https://www.commerce.gov.in/#/international-trade/trade-agreements

(b) Assessment of the impact of Free Trade Agreements (FTAs) is an ongoing exercise. Before entering into new FTA negotiations, the government ensures that sector-specific stakeholder consultations are held at all stages of the negotiations. FTAs are negotiated with the endeavour to deliver comprehensive, balanced, fair and mutually beneficial outcomes. It also enables a preferential, stable and predictable trade ecosystem for

Indian exporters in the trading partner countries. In addition to this structured approach, post-implementation, the Government is continuously engaged with all stakeholders to ensure effective FTA utilization through trade promotion, trade facilitation and addressing challenges if any. Strategic safeguards for sensitive sectors ensure export growth while protecting domestic priorities.

(c) The operationalization of Free Trade Agreements (FTAs) has strengthened India's trade engagement with key partner countries by providing market access, reducing trade barriers, enhancing supply chain linkages and creating new opportunities for Indian exporters across sectors. Despite persistent global challenges, including geopolitical tensions and supply chain disruptions, India's exports increased from US$ 776.4 billion in FY 2022-23 to US$ 863.1 billion in FY 2025-26. Merchandise exports to major FTA partner countries and trade blocs have been substantial at US$ 179.1 billion in FY 2025-26, accounting for 40.5% of India's total merchandise exports. Merchandise export to recent FTA partners also indicated significant export growth. For example, exports to the UAE increased from US$ 16.7 billion in FY 2021-22 (prior to CEPA implementation) to US$ 37.4 billion in FY 2025-26, while exports to Australia rose from US$ 4.0 billion in FY 2021-22 to US$ 7.3 billion in FY 2025-26 following the implementation of ECTA. Similarly, exports to EFTA countries increased from US$ 1.64 billion in FY 2019-20 to US$ 1.76 billion in FY 2025-26.

State-wise details of products, volumes, values of exports in terms of periodicity may be sourced at https://ftddp.dgciskol.gov.in/dgcis/

(d) Government proactively engages with industry bodies and other stakeholders to address their concerns in respect of various sectors. Consultations with stakeholders are a continuous process and are undertaken before, during and after trade negotiations, including during the implementation phase of FTAs. Such concerns are duly examined in consultation with the concerned Ministries/Departments and stakeholders. Institutional mechanisms such as Joint Committees and Sub-Committees constituted under the FTAs are also utilized to review implementation issues and address concerns of domestic industry. In addition, appropriate Rules of Origin, trade remedy measures, including safeguard mechanisms, are available under the FTAs to address any adverse impact of imports on domestic industry. FTAs are regularly monitored and reviewed to ensure that India’s trade and economic interests continue to be adequately safeguarded and remain aligned with national priorities.

(e) Government has taken several initiatives and measures, from time to time, towards enhancing domestic capacities and boosting exports from the country including for MSMEs, small exporters and regional industries as under:

(i) The Foreign Trade Policy, effective from 1st April, 2023, designed to integrate India more effectively into the global market, improve trade competitiveness, and establish the country as a reliable and trusted trade partner;

(ii) Export Promotion Mission: The Government has approved the Scheme for Export Promotion Mission (EPM) for the period FY 2025–26 to FY 2030–31, aimed at strengthening India’s export competitiveness—particularly for MSMEs. The EPM shall operate through two integrated sub-schemes:

- Niryat Prothsahan, focused on improving access to trade finance through instruments such as interest subvention, export factoring, collateral guarantees for export credit, credit guarantee for e-commerce exporters, and credit enhancement support; and
- Niryat Disha, focused on other trade enablers such as export quality and compliance support, international branding and packaging, market access initiatives, export logistics & warehousing, and trade intelligence.

(iii) Bharat Trade Net (BTN): Bharat Trade Net (BTN), announced in the Union Budget 2025 is a flagship digital public infrastructure initiative to enhances MSME competitiveness by enabling simpler, paperless documentation, reducing compliance burdens, and facilitating faster, secure trade transactions recognized globally.

(iv) The introduction of grassroots programs such as Districts as Export Hubs (DEHs) and E-Commerce Export Hubs enables MSMEs, start-ups, and artisans to access international markets at lower costs and with simplified export processes.

(v) Strengthening infrastructure through the National Logistics Policy and PM Gati Shakti enhances multimodal connectivity and reduces logistics costs, directly benefiting MSME exporters by easing supply chain bottlenecks.

(vi) Launch of a Common Digital Platform for Certificate of Origin, to facilitate trade and increase FTA utilisation by exporters.

(vii) Government is continuously engaged with industry associations and concerned stakeholders, including Indian Missions abroad, Export Promotion Councils, trade associations and concerned Ministries/Departments, to advance trade through trade promotion, trade facilitation and remedial measures related to import and export.

(viii) The Ministry of Micro, Small and Medium Enterprises has established 65 Export Facilitation Centers (EFCs) in its field offices across the country to provide requisite mentoring and hand holding support to MSMEs in exporting their products and services. Further, International Cooperation (IC) Scheme of Ministry of MSME facilitates participation of MSMEs in international exhibitions/fairs/conferences/seminar/buyer-seller meets abroad.

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Annexure referred to in reply to Part (a) of Lok Sabha Unstarred Question No. 2540 for answer on 04.08.2026

FREE TRADE AGREEMENTS (FTAS) SIGNED, IMPLEMENTED OR UNDER NEGOTIATION BY INDIA DURING THE LAST FIVE YEARS

Sl. No.	Name of the Agreement	Date of Signing of the Agreement	Date of Implementation of the Agreement
1	India - Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA)	22nd February, 2021	1st April, 2021
2	India-UAE CEPA	18th February, 2022	1st May 2022
3	India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA)	2nd April, 2022	29th December 2022
4	India-European Free Trade Association (EFTA) Trade and Economic Partnership Agreement (TEPA) (Iceland, Liechtenstein, Norway, and Switzerland)	10th March 2024	01st October 2025
5	India - UK Comprehensive Economic and Trade Agreement (CETA)	24th July 2025	15th July 2026
6	India – Oman CEPA	18th December 2025	01st June 2026
7	India-New Zealand FTA	27th April 2026	Under ratification process

Note: India-European Union FTA negotiations concluded on January 27th, 2026. Also, India and the United States of America have announced on 7th February 2026 that the USA and India have reached a framework for an Interim Agreement regarding reciprocal and mutually beneficial trade. Negotiations are ongoing.

ONGOING FTA NEGOTIATIONS

Ongoing FTA negotiations

1. India – Chile Comprehensive Economic Partnership Agreement (CEPA)
2. India – Canada Comprehensive Economic Partnership Agreement (CEPA)
3. India-Eurasian Economic Union (India-EAEU) FTA
4. India – Israel FTA
5. India – Peru FTA
6. India – USA Bilateral Trade Agreement (BTA)
7. India – Maldives FTA

FTAs under review/ upgradation negotiations

1. India – Korea Comprehensive Economic Partnership Agreement (CEPA) Review
2. ASEAN - India Trade in Goods Agreement (AITIGA) Review
3. India – Australia Comprehensive Economic Cooperation Agreement (CECA)
4. India – Sri Lanka Economic and Technology Co-operation Agreement (ETCA)

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