



The India & New Zealand FTA, a major boost to Textile Sector

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The India New Zealand Free Trade Agreement (FTA) was signed on 27 April, 2026 in New Delhi. The Ministry of Textiles welcomes the landmark trade agreement, reflecting a future ready partnership built on trust, growth and shared prosperity.

The New Zealand market provides an opportunity for India's exports of textiles, apparel and madeups.

New Zealand's global imports in these three sub categories is \$0.33 billion, \$1.27 billion and \$0.33 billion respectively. With a population of 5.3 million, concentrated around large urban centres and around a \$52,000 per capita income, there is immense scope for high value exports.

The apparel sector comprises 65% share of global imports of New Zealand. The key sub sectors of imports under the apparel sector are casual wear (jeans, T-shirts, hoodies, relaxed tops, casual dresses), jackets, formal wear and sports wear. Cotton apparel comprises 45% of these imports followed by MMF at 36%.

Currently, New Zealand has 575 dutiable MFN tariff lines with a 5% duty on some wool, MMF and madeups and a 10% duty on carpets, some MMF and apparel. Hence an FTA would lower the cost of Indian exports.

India's bilateral exports to New Zealand stands at \$0.65 billion with the textiles sector accounting for \$0.1billion. India's exports in the textiles, apparel and made up sector to New Zealand has shown a positive trend over the last decade. Positive growth was shown in all the sub sectors namely apparel, made ups, carpets, fibre, yarn and fabrics. Based on the trends in the sector, some of the potential areas of growth in the sector for Indian exports are apparel (MMF,jute, linen,wool), Madeups (MMF, Jute,linen), Carpets (MMF), fibres (MMF, silk), yarn (MMF, cotton), Fabric (wool,jute,linen), handicraft and handloom.

India's textile sector gets a massive boost under the India–New Zealand FTA.

Zero-duty access for apparel, home textiles and handlooms means higher exports, more jobs for women and youth and stronger global value chain integration. #IndiaNZFTA @PMOIndia @PIB_India pic.twitter.com/no1aHOjfEn

— Ministry of Textiles (@TexMinIndia) April 27, 2026

The FTA also opens up the door to collaborate with textile design houses and fashion technology institutes. There is a need to leverage this FTA by participating in major textile fairs and exhibitions. New Zealand remains an important market and the FTA would enable India to enhance its exports.

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