



## **India and Oman energize a new Trade Gateway through a landmark Comprehensive Economic Partnership Agreement (CEPA)**

**India and Oman Launch Transformational CEPA, Opening a New Era of Strategic Economic Partnership under the Visionary Leadership of Hon'ble Prime Minister Shri Narendra Modi**

**A New Trade Corridor for Viksit Bharat @2047: CEPA offers zero-duty access for 99.38 per cent of India's exports to Oman.**

**India Becomes Only the Second Nation After the United States to Secure a Comprehensive Bilateral Trade Pact with Oman**

**India-Oman CEPA Expected to Significantly Boost Bilateral Trade, Exports, Employment Generation and Strategic Economic Integration**

**Labour-intensive sectors of Agriculture, and Marine Products, Textiles, Gems and Jewellery, Pharmaceuticals, Engineering Goods, Footwear and Automobiles Poised for Strong Export Expansion with full tariff elimination and Competitive Advantage**

**Breakthrough Trade Facilitation Measures Remove Non-Tariff Barriers and Fast-Track Market Access for Indian Products: EIC Certificates to Be Accepted at Omani Ports**

**Strengthens India's Dominance in Fisheries, Meat, Eggs, Marine Products, Processed Foods with Duty Elimination**

**Gateway to GCC and East Africa: Oman's Logistics Hubs at Sohar, Duqm and Salalah to Amplify India's Regional Trade**

**Best-Ever Services Offer by Oman covering 127 Services Sub-Sectors, Unlocking Opportunities for Indian Professionals, Startups and knowledge-led Enterprises**

**Enhanced Professional opportunities: ICT Ceiling Raised from 20% to 50%; Dedicated Professional Commitments for Engineers, Doctors, IT Professionals, Teachers and Consultants**

**To Protect Farmers and Domestic Industry, Sensitive Sectors Excluded from Market Access including Dairy, Cereals, Fruits, Vegetables, Edible Oils, Oilseeds, Rubber, Leather and Spices**

**Fast-Track Market Access for Pharmaceuticals: USFDA, EMA, UK MHRA and TGA-approved Products to Receive Marketing Authorization within 90 Days**

**India–Oman CEPA Expected to Significantly Boost Bilateral Trade, Exports, Employment Generation: Creates a Strategic Economic Corridor Connecting South Asia, the Gulf and East Africa**

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Today, the India–Oman Comprehensive Economic Partnership Agreement (CEPA) entered into force marking a defining milestone in bilateral economic relations and opening a transformative new chapter in strategic trade and investment cooperation between the two countries.

The India-Oman CEPA was signed on 18<sup>th</sup> December, 2025 in Muscat in the presence of Hon'ble Prime Minister Shri Narendra Modi and His Majesty Sultan Haitham bin Tarik Al Said. After completion of internal processes by both sides, the Agreement has entered into force on 1<sup>st</sup> June, 2026.

The Agreement was operationalized in the presence of Union Minister of Commerce and Industry Minister Shri Piyush Goyal and H.E. Issa Saleh Al Shibani, Ambassador of Oman to India. To mark the entry into force the first consignments availing preferential tariff benefits under the Agreement included agriculture and gems and jewellery exports from Mumbai, Kolkata and Chennai were flagged off.

Oman is India's second-largest trading partner in the Gulf region and serves as a strategic gateway to the wider GCC market through its advanced port infrastructure. Bilateral trade between India and Oman reached USD 11.18 billion in FY 2025-26, registering a positive trend from USD 10.61 billion in FY 2024-25. Successfully concluded through a structured negotiation process, the Agreement reinforces India's growing economic and trade footprint and strategic presence across GCC economies, encompassing goods, services, professional mobility, regulatory cooperation, Non-Tariff barrier safeguards, and cooperation chapters, going well beyond tariff reduction to build a long-term economic architecture.

Oman is India's second-largest trading partner in the Gulf region and serves as a strategic gateway to the wider GCC and East African markets through its advanced logistics and port infrastructure. Bilateral trade between India and Oman reached USD 11.18 billion in FY 2025-26, registering continued growth from USD 10.61 billion in FY 2024-25.

The India-Oman CEPA represents another major milestone in India's deepening engagement with the Gulf region and reflects India's broader strategy of building resilient, trusted and diversified trade partnerships that support manufacturing competitiveness, employment generation, services exports and integration into global value chains.

Speaking on the operationalization of the CEPA, Shri Piyush Goyal said:

“The India–Oman CEPA marks a defining milestone in India's engagement with Oman and reflects Hon'ble Prime Minister Shri Narendra Modi's vision of forging trade partnerships that deliver gains for farmers, fishermen, youth, women, entrepreneurs and MSMEs. This Agreement will be a force multiplier in the Gulf region. With 99.38% of India's exports receiving duty-free access, the Agreement unlocks new opportunities for our exporters and professionals gain opportunities. Oman is our trusted partner, a bridge for our people and a gateway to the Gulf and East Africa. Our opportunities will be elevated and CECA will strengthen India's integration into regional and global value chains. By delivering significant benefits to labor-intensive sectors, it will support job creation, drive investment and enable Indian enterprises to compete on an equal footing with suppliers from countries enjoying preferential market access”

Commerce Secretary, Shri Rajesh Agrawal said “At a time when global trade patterns are being reconfigured by supply-chain diversification, shifting production networks and the emergence of new economic corridors, the CEPA positions India and Oman to leverage these structural changes. By fostering closer integration across trade, services, investment, and logistics, the Agreement creates a framework for more resilient value chains, greater economic competitiveness and a stronger strategic partnership with regional and global relevance. The India-Oman CEPA brings new energy to our bilateral economic engagement, anchored in complementary strengths, deeper regulatory cooperation and a shared commitment to growth. The agreement is tariff liberalization PLUS: it enhances market access, facilitates service trade and provides greater predictability for businesses operating across both markets.”

### **Gateway to the Gulf: Amplifying Trade, Services and Prosperity for Viksit Bharat 2047**

#### **Trade in Goods: Transformational 99.38% Duty-Free Access**

- CEPA provides duty-free access for 99.38% of India's exports to Oman by value, covering 98.08% of Oman's tariff lines, making it one of the most comprehensive market access outcomes secured by India in the Gulf region.
- All zero-duty concessions come into effect immediately providing certainty and competitiveness to Indian exporters.
- Earlier, under the MFN regime, only 15.33% of India's exports entered Oman duty-free. With CEPA, Indian exporters gain substantial price competitiveness in Oman's nearly USD 28 billion import market.
- The Agreement is expected to significantly boost MSMEs, manufacturing and employment by enhancing competitiveness in labor-intensive sectors such as gems & jewellery, textiles, leather, footwear, marine products, engineering goods, processed foods and pharmaceuticals.
- Indian exporters now compete on equal or better terms than suppliers from countries without preferential trade arrangements with Oman.
- Oman's strategic logistics hubs at Sohar, Duqm and Salalah provide Indian exporters' enhanced access not only to Oman but also to wider GCC and East African markets.

#### **Calibrated Market Access and Protection of Sensitive Sectors**

- India has offered tariff liberalization on 77.79% of tariff lines covering 94.81% of imports from Oman by value, while maintaining strong safeguards for sensitive sectors.
- Products protected under the exclusion list include dairy products, cereals, fruits, vegetables, edible oils, oilseeds, rubber, leather, spices and key agricultural products.
- Tariff Rate Quotas and Minimum Import Price mechanisms have also been incorporated for selected sensitive industrial and agricultural products to safeguard domestic industry and manufacturing competitiveness.
- The calibrated structure of concessions balances India's export ambitions with food security concerns, farmer welfare and rural livelihood protection.

### **Marine Products: Marine Products: Enhancing India's Presence in Regional Seafood Value Chains**

- All marine products including shrimp, fish and cuttlefish receive immediate duty-free access replacing earlier import duties of up to 5%.
- Oman's marine imports stood at USD 35.3 million in 2025 while India's exports accounted for only USD 10 million, indicating substantial untapped potential.
- The Agreement is expected to significantly expand exports from major coastal states including Andhra Pradesh, Kerala, Tamil Nadu and Gujarat.
- Indian marine exporters gain improved competitiveness, faster clearances and stronger integration into Gulf-region food supply chains.

### **Gems and Jewellery: Enhancing India's Leadership in Global Jewellery Trade**

- Import duties of up to 5% on gems and jewellery have been eliminated from Day One.
- Indian exporters gain a structural price advantage over competitors from Italy, Turkey, Thailand and China.
- Oman's total gems and jewellery import market is USD 1.07 billion annually. India's exports to Oman in this sector stood at USD 25.78 million in 2025, comprising USD 18.48 million in polished natural diamonds and USD 6.67 million in gold jewellery.
- It is projected that exports could reach six fold to USD 150 million within three years. Indian suppliers now have a structural price and competitive advantage over its competitors all of whom continue to face Oman's tariffs.
- Clusters in Surat (diamonds), Jaipur (gemstones), Mumbai, Kolkata and Chennai are positioned to capture this growth, as new opportunities open for gems and jewelry, and employment gains are expected across these clusters.

### **Agriculture and Processed Food: Harnessing India's Agricultural Strength for Global Markets**

- India is Oman's second-largest agricultural supplier with a 17.8% share in Omani imports. While exports have grown at a CAGR of 9.13% to USD 552.85 million in 2025, exports of APEDA-scheduled product grew even faster at 12.36% CAGR to USD 477 million.
- Duty elimination strengthens India's competitiveness in products such as honey, condiments, cashews, basmati rice, butter and sweet biscuits.
- India currently accounts for over 94% of Oman's bovine meat imports and over 98% of fresh egg imports, making Oman one of India's most important agricultural export destinations in the Gulf region.
- Key export items identified include basmati and parboiled rice, cashew kernels, onions, potatoes, soybean meal, sweet biscuits, butter, frozen boneless bovine meat, and fertilised eggs represent a broad and growing portfolio for farmers, food processors and agri-exporters.
- Mango exports including Alphonso, Kesar and Dasher varieties gain enhanced competitiveness in Gulf markets through duty-free access.

- The Agreement is expected to benefit farmers, agri-processors and food exporters across states including Uttar Pradesh, Punjab, Haryana, Maharashtra, Gujarat, Andhra Pradesh and Tamil Nadu.

### **Pharmaceuticals: Advancing Market Access Through Regulatory Breakthrough**

- The Agreement provides binding zero-duty access for medicines, vaccines and pharmaceutical ingredients
- pharmaceutical ingredients including penicillins, streptomycins and tetracyclines
- Oman's pharmaceutical market was valued at USD 302.84 million in 2025 and is projected to reach USD 473.71 million by 2031 (CAGR 6.6%), presenting a significant and growing opportunity for India's pharmaceutical exporters.
- Products approved by USFDA, EMA, UK MHRA and TGA will qualify for marketing authorization within 90 days without prior inspection and with a 270-working-day target where inspections are required,
- Acceptance of GMP and inspection reports significantly reduces compliance burdens and accelerates market entry for Indian pharmaceutical exporters
- Indian pharmaceutical companies gain enhanced predictability, faster approvals and improved competitiveness in the Gulf healthcare market.
- Oman's pharmaceutical market is projected to grow substantially over the coming years, creating major opportunities for Indian exporters.

### **Electronics and Engineering Goods: Full Tariff Certainty to Strengthen India's Manufacturing Export Advantage**

- All engineering products receive zero-duty market access replacing MFN tariffs of up to 5%.
- Key sectors benefiting include machinery, automobiles, electrical equipment, iron and steel and industrial machinery.
- Oman imported approximately USD 1.7 billion worth of electronics products in 2025, presenting significant opportunities for Indian manufacturers. India's electronics exports to Oman stood at USD 146 million, a significant gap that the CEPA's full tariff certainty, covering all electronics categories including boards and cabinets, static converters and TV reception apparatus, is designed to close.
- Indian electronics and engineering exporters, including those operating under the PLI framework, are expected to gain increased market share.
- Oman is an important destination for India's engineering exports, which reached USD 875.83 million in FY 2025-26, covering machinery, electrical equipment, automobiles, iron and steel, and non-ferrous metals. All engineering products receive zero-duty market access, replacing earlier MFN tariffs of 0–5%. Engineering exports to Oman are projected to rise to USD 1.3–1.6 billion by 2030. Key gains are expected in iron and steel for infrastructure projects, electric and industrial machinery, motor vehicles (5% tariff removed), and copper products.

### **Services: Best-Ever Offer by Oman catalyzing new frontiers for Services**

- Bilateral services trade stood at USD 863 million in 2024, with India running a surplus of USD 447 million. Oman's global services imports amounted to USD 12.52 billion, while India accounted for only 5.31% of these imports, indicating significant untapped potential.
- Under the CEPA, Oman has undertaken broad and deep market access commitments across 127 services sub-sectors. These commitments represent GATS/Best FTA-plus commitments, making it the most comprehensive services offer made by any GCC country to India.
- Key sectors include computer and related services, professional services, engineering, healthcare, education, financial services, construction, tourism and telecommunications., Computer and Related Services, Professional Services (legal, accounting, engineering, medical and allied services), Audio-Visual Services , Other Business Services , Research & Development Services, Telecommunication Services , Construction Services , Education Services, Environmental Services , Health Services , Financial Services and Tourism and Travel-related Services

- MFN commitments in key sub-sectors ensure that any more favorable treatment extended by Oman to third countries will automatically be extended to India.
- For the first time in any bilateral FTA, Oman has made binding commitments for defined categories of professionals, including those in Accounting, Engineering, Medicine , IT , Education , Construction
- The enhanced mobility provisions will benefit nearly 6,000 India–Oman joint ventures. Business visitors may stay in Oman for up to 90 days; Independent professionals may stay for up to 180 days; Intra-Corporate Transferees (ICTs) may stay for up to 4 years. These provisions provide clear, legally enforceable mobility pathways for India's professional workforce.
- The agreement provides for future negotiations on a Social Security Agreement (SSA). The SSA will provide reciprocal continuity of social security benefits and help avoid dual contributions for Indian workers and employers in Oman.

### **Smart Regulation and Trade Facilitation**

- Oman will mandatorily accept certificates issued by India's Export Inspection Council (EIC), eliminating duplicative testing and inspections.
- India's NPOP organic certification and halal certification systems are recognized by Oman.
- Dedicated SPS and TBT chapters reduce non-tariff barriers and improve transparency and regulatory cooperation.
- Standard cargo clearance timelines and fast-track mechanisms for perishables improve efficiency and reduce logistics costs for exporters.

### **Investment: Deepening the Economic Architecture**

- CEPA establishes a structured framework for investment facilitation, supporting investments across priority sectors including manufacturing, logistics, energy and services.
- Reduced compliance burdens, improved regulatory certainty and enhanced market access are expected to significantly strengthen India's MSME competitiveness.
- Startups, women, entrepreneurs and service professionals are expected to benefit from improved integration into GCC value chains.

### **Bilateral Trade: Strong Momentum, Reinvigorating Trade**

Bilateral trade between India and Oman reached USD 11.18 billion in FY 2025-26 and continues to show strong growth momentum. With the operationalization of the CEPA, bilateral trade is expected to witness substantial expansion in the coming years through enhanced market access, cooperation, investment flows and deepening economic synergies.

The Agreement establishes a robust economic architecture between India and Oman encompassing trade, investment, services, logistics and regulatory partnership. The India-Oman CEPA represents another major step in India's journey towards becoming a globally integrated, resilient and competitive economy under the vision of Viksit Bharat @2047.

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