

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
STARRED QUESTION NO. 135
ANSWERED ON 29.07.2025

INVESTMENT COMMITMENTS UNDER INDIA-EFTA TRADE AGREEMENT

*135. SHRI BALABHADRA MAJHI:
SHRI GODAM NAGESH:

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

- (a) the details of the amount of investment committed by the European Free Trade Association (EFTA) for technology transfer and manufacturing in India;
- (b) the estimated volume of investments proposed under the agreement, particularly in sectors aligned with Make in India and advanced manufacturing objectives;
- (c) whether the Government has initiated any facilitation mechanism to streamline the inflow of EFTA-linked investments, if so, the details thereof;
- (d) the details of the impact of the India-EFTA on agricultural sector;
- (e) whether the agreement would benefit agriculture linked industries to promote exports to Europe, if so, the details thereof; and
- (f) whether the agreement benefits horticulture sector especially for Chikkaballapur blue grapes, mangoes from Karnataka and others, if so, the details thereof?

ANSWER

वाणिज्य और उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (f): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA
STARRED QUESTION NO. 135 FOR ANSWER ON 29.07.2025 REGARDING
'INVESTMENT COMMITMENTS UNDER INDIA-EFTA TRADE AGREEMENT'**

(a) & (b) The India-European Free Trade Association (EFTA) Trade and Economic Partnership Agreement (TEPA), signed on 10th March, 2024, is a modern and forward-looking agreement. For the first time in history of Free Trade Agreements, binding commitment of \$100 billion investment or ₹ Eight Lakh Sixty Five Thousand crores at current exchange rate and 1 million direct jobs over the next 15 years has been secured from Switzerland, Norway, Liechtenstein and Iceland.

Under Chapter 7 of the TEPA on Investment Promotion and Cooperation, the EFTA States shall aim to increase foreign direct investment (FDI) from their investors into India by USD 50 billion within 10 years from the entry into force of the Agreement, and an additional USD 50 billion in the succeeding 5 years, amounting to a total of USD 100 billion over 15 years. Concurrently, the EFTA States shall aim to facilitate the generation of 1 million direct jobs in India resulting from these investment inflows. This investment commitment explicitly excludes foreign portfolio investment (FPI), focusing on long-term capital for productive capacity building and for job creation.

The TEPA is expected to give a significant impetus to the 'Make in India' and 'Atmanirbhar Bharat' initiatives. The investments are anticipated to flow into key sectors such as infrastructure and connectivity, manufacturing, machinery, pharmaceuticals, chemicals, food processing, transport and logistics, banking and financial services, insurance, and renewable energy, thereby promoting technology collaboration, innovation, Research & Development and access to leading technologies. These will help improve skills of our aspirational youth and raise the quality of life for millions of people.

(c) The Government has established a robust facilitation mechanisms to streamline the inflow of EFTA-linked investments.

A dedicated India-EFTA Desk has been launched in February, 2025 to function as a single-window platform for EFTA businesses looking to invest, expand, or establish operations in India. This Desk provides support, including market insights, regulatory guidance, business matchmaking, and assistance in navigating India's policy landscape, thereby ensuring transparency and ease of doing business.

Furthermore, the TEPA itself establishes a Sub-Committee on Investment Promotion and Cooperation under Chapter 7. This institutional body, comprising government representatives of the Parties, is mandated to oversee, review, and monitor the implementation of the investment promotion chapter, including the progress towards achieving the shared objectives on investment and job creation.

(d) & (e) The Government negotiated the TEPA with utmost regard for the sensitivities of the Indian agricultural sector. A key outcome of the negotiations is that sensitive agricultural products have been kept in India's exclusion list. Sectors such as dairy, soya, and other sensitive agricultural items are not part of the tariff concession offers made by India. This approach ensures that the livelihoods of our farmers are protected from import competition in these areas. The agreement is expected to benefit agriculture-linked industries and promote their exports. Specifically, the EFTA market access offer includes tariff concessions on various Processed Agricultural Products (PAP). This creates new export opportunities for India's food processing sector.

(f) Government has secured duty free access for Indian horticultural products in the EFTA markets. For instance, under the agreement, Switzerland will eliminate customs duties on various basic agricultural products including mangoes, guavas and citrus fruits. The detailed Schedules of Concessions, which are part of the TEPA text, outline the specific tariff lines for which benefits are available publicly, thereby creating a positive framework for the export of a wide variety of Indian horticultural products. Further, the TEPA establishes a robust institutional mechanism to facilitate market access by addressing non-tariff barriers through Chapter 4 on Sanitary and Phytosanitary (SPS) Measures, which aims to facilitate trade while protecting human, animal, and plant life and health. Both sides have reaffirmed the rights and obligations under the WTO SPS Agreement, preserving necessary policy space. There are no technical restrictions preventing the export of Chikkaballapur blue grapes, mangoes from Karnataka and other states to the EFTA countries.
