

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE AND INDUSTRY  
DEPARTMENT OF COMMERCE  
**LOK SABHA**  
**UNSTARRED QUESTION NO.2837**  
**ANSWERED ON 10/03/2026**

INDIA-NEW ZEALAND FTA

2837. SHRI SAGAR ESHWAR KHANDRE:

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

- (a) the key provisions and strategic objectives of the recently concluded India–New Zealand Free Trade Agreement (FTA) and the sectors expected to benefit most;
- (b) whether the FTA provides duty-free market access for Indian exports to New Zealand and the details of tariff-liberalisation commitments made by both countries, if so, the details thereof;
- (c) the expected impact of the FTA on labour-intensive sectors, MSMEs, services exports and employment generation in India;
- (d) the safeguards included to protect sensitive sectors such as agriculture and dairy, and the mechanism to address import surges or trade imbalances; and
- (e) the steps being taken to help Indian exporters, farmers and small enterprises to effectively utilize opportunities under the FTA?

**ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JITIN PRASADA)

(a) to (c) The Government of India successfully concluded negotiations for the India–New Zealand Free Trade Agreement (IN–NZ FTA) on 22 December 2025. The Agreement covers trade in goods, services and investment, along with provisions including on rules of origin, customs procedures, sanitary and phytosanitary measures, technical barriers to trade, intellectual property rights and economic cooperation.

Under the Agreement, New Zealand has provided zero-duty market access on 100% of India's exports upon entry into force, while India has provided tariff liberalisation on about 70% of tariff lines (entry into force and phased). Key sectors expected to benefit include textiles and apparel, leather and footwear, engineering goods, pharmaceuticals and medical devices, chemicals, electronics, agricultural and processed food products, and other labour-intensive and MSME-driven sectors.

In Services, New Zealand has extended market access commitments in about 118 services sectors/sub-sectors and Most-Favoured Nation (MFN) commitments in about 139 sub-sectors, covering key areas of interest to India including Computer Related Services, Professional

Services, Telecommunication Services, Audio-Visual Services, Construction, Education, Tourism and other business services. The Agreement also provides improved skilled mobility through a Temporary Employment Entry Visa pathway for Indian professionals, with a quota of 5,000 visas and stay of up to three years, minimum of 20 hours per week work for Indian students, post study work visa- for upto 3 years for STEM Bachelor's and Masters's graduates, and upto 4 years for Doctoral holders and 1000 Working holiday Visas for young Indians. India has extended market access in 106 services sectors/sub sectors and MFN in 45 services sectors / sub sectors to New Zealand.

Further, New Zealand has committed to facilitate investments of USD 20 billion into India over a period of fifteen years, thereby supporting manufacturing, infrastructure and innovation.

The FTA is expected to significantly benefit labour intensive and MSME sectors such as textiles, leather, footwear, engineering goods, pharmaceuticals, chemicals, marine products, agricultural and food processing products, through improved market access and Zero duty for goods from India to New Zealand. The Agreement is also expected to boost exports, enhance competitiveness, and generate employment, particularly in labour-intensive sectors.

(d) Adequate safeguards have been incorporated in the India–New Zealand FTA through a calibrated and responsible market access approach to protect sensitive sectors. Products such as dairy products (milk, cream, whey, yoghurt, cheese, etc.), animal products (other than sheep meat), selected vegetable products (including onions, chana, peas, maize/corn and almonds), sugar, animal, vegetable or microbial fats and oils, arms and ammunition have been kept in the exclusion list.

Further, market access for selected agricultural products from New Zealand, including apples, kiwifruit, Manuka honey and albumins, will be regulated through Tariff Rate Quotas (TRQs) along with Minimum Import Price and other safeguard measures. The TRQs in apples, Kiwifruit and Manuka Honey are linked to Agriculture Productivity Action Plans and will be monitored through a Joint Agriculture Productivity Council (JAPC), to enhance farm productivity and production of agri products generating higher farmer incomes while safeguarding the interests of domestic farmers and MSMEs.

Additionally, the agreement provided for Bilateral Safeguard Mechanism (BSM) to protect domestic industry from any surge in import due to reduction or elimination of tariff under these FTAs which is causing injury to the domestic industry.

(e) To enable effective utilisation of opportunities under the FTA, the Government undertakes real-time monitoring of trade trends and holds regular consultations with Export Promotion Councils (EPCs), industry stakeholders and Indian Missions abroad to identify sector-specific opportunities and market access constraints. Institutional mechanisms under the Agreement, including Joint Committees and sectoral cooperation platforms, will facilitate resolution of trade-related issues and dissemination of information. Structured cooperation in areas such as MSME linkages, agriculture productivity, customs facilitation and regulatory alignment will support exporters, farmers and small enterprises in leveraging the benefits of the Agreement.

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