

India-New Zealand Free Trade Agreement – A snapshot

Signed on 27 April 2026, India and New Zealand concluded a landmark Free Trade Agreement ('FTA') marking a significant milestone in bilateral economic relations and strengthening strategic engagement in the Indo-Pacific region.

Key highlights of the FTA

- **100% duty-free access:** New Zealand will provide zero-duty access to all Indian exports, benefiting sectors such as textiles, leather, footwear, engineering goods, gems & jewellery, and processed foods. Indian products will now be fully competitive in New Zealand enjoying a level playing field, directly supporting workers, artisans, women entrepreneurs, youth, and MSMEs.
- **Protection for sensitive Indian sectors:** India has excluded dairy and several sensitive agricultural products such as milk products, onions, sugar, edible oils and certain spices to protect domestic farmers and rural industries. The FTA also protects industries such as arms and ammunition, copper, and aluminium (and articles thereof) from tariff concessions.
- **Services, mobility and student pathways**
 - Market access to 118 sectors
 - Most-favoured nation ('MFN') treatment in 139 sectors
 - No cap on student numbers: The FTA guarantees a minimum 20 hours of work per week for students during study
 - **Global careers and skills:** 3 years post-study work visa for STEM and Master's graduates and up to 4 years for doctoral holders
 - **High demand sectors:** IT, Engineering, Healthcare, Education, and Construction are covered under temporary employment entry for professionals
 - **Mobility - 5,000 Visas:** Quota of 5,000 skilled visas at any given time and a stay of upto 3 years covering AYUSH professionals, yoga instructors, Indian chefs, music teachers, etc.
 - **Working holiday:** The FTA enhances youth mobility through multiple-entry Working Holiday Visas for 1,000 young Indians annually, valid for 12 months, promoting global exposure, skills acquisition, and people-to-people linkages.
- **Promoting health, wellness and traditional medicine:** The FTA provides a dedicated 'health and traditional medicine' service access to New Zealand, thereby promoting India's AYUSH (Ayurveda, Yoga & Naturopathy, Unani, Sidha, Homeopathy) systems, supports medical value travel, encourages collaboration in wellness services, and reinforces India's position as a global hub for health.
- **Intellectual Property - GI protection for Indian products:** New Zealand has committed to amend its law within 18 months to enable registration of India's Geographical Indications ('GI') goods - a benefit currently extended only to the EU. Once effective, Indian products like Darjeeling Tea, Basmati Rice, and regional handicrafts can gain formal GI recognition in New Zealand.

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• USD 20 billion investment commitment

- Commitment to facilitating USD 20 billion in investment into India, strengthening long-term economic cooperation and supporting India's growth and development objectives under the 'Make in India' vision.
- Joint strategies to promote investment, research and innovation, technology flows, and skill development, particularly in renewable energy, digital services, and modern infrastructure.
- A rebalancing clause is incorporated into the agreement to provide a framework for addressing any shortfall in investment delivery, thereby ensuring robust and tangible economic outcomes.

Weblink

www.commerce.gov.in/files/2026-04/final_1.pdf

Therefore

The India-New Zealand FTA marks a key milestone in India's engagement with developed economies, aligned with its vision of Viksit Bharat 2047. The FTA strongly supports the MSMEs, the youth, women entrepreneurs, workers and artisans in almost every sector. The FTA is expected to boost bilateral trade significantly in the coming years, create employment opportunities, expand exports, and strengthen a deeper and more resilient economic partnership between the two nations.

India–New Zealand FTA: A Landmark Partnership for Growth & Mobility

Signed 27 April 2026. Delivers immediate zero-duty access for Indian exports, secures USD 20 Billion investment, and balances aggressive market expansion with strict domestic protections.

Economic Gains & Sectoral Growth



**100%
Duty-Free
Access**

Immediate elimination of tariffs on all 8,284 NZ lines.



**USD 20
Billion
Investment**

Landmark commitment to facilitate massive investment in India's manufacturing and infrastructure.

Strategic Protections & Global Mobility

Sensitive Sectors Protected



Indian Dairy
(milk, cheese, butter)
Fully excluded from tariff concessions.



Sugar
Fully excluded from tariff concessions.



Sectoral Gains



Pharma

Zero duties, fast-tracked approvals via US FDA/EMA report acceptance.



Textiles

Zero duties on garments.



Engineering

Zero duties on machinery.

Global Mobility & Process



**5,000
Skilled Visas**

New pathways for Indian professionals.

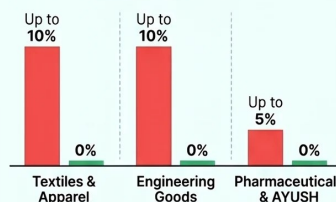


**48-Hour
Cargo Clearance**

Automated customs clearing for express shipments and perishables.

Competitiveness Shift

(Pre vs. Post-FTA Tariffs)



Global Mobility & AYUSH



Dedicated pathways for Post-study work visas.



Global promotion of traditional medicine systems, including AYUSH and Mānuka Honey, and Geographical Indications (GIs).