

India-EFTA Trade Deal Set for October 1 Implementation, Goyal Confirms



The landmark Trade and Economic Partnership Agreement (TEPA) between India and the four-nation European Free Trade Association (EFTA) is set to come into effect on October 1, 2025. This significant announcement was made by India's Commerce and Industry Minister Piyush Goyal on Saturday, July 19, 2025, marking the culmination of nearly 16 years of negotiations for this comprehensive free trade pact. The agreement is poised to unlock substantial investment and job creation opportunities within India.

The EFTA bloc comprises Iceland, Liechtenstein, Norway, and Switzerland. A key aspect of this agreement is EFTA's unprecedented commitment to invest \$100 billion in India over the next 15 years. This investment will be disbursed in two phases: \$50 billion within the first decade and an additional \$50 billion in the subsequent five years. This commitment is unique among India's trade agreements and is expected to generate one million direct jobs across various sectors in the country.

In return for this investment pledge, India will open its markets to a wide array of EFTA exports. India has offered concessions on 82.7% of its tariff lines, covering 95.3% of EFTA's exports to India. Notably, more than 80% of these imports from EFTA are gold. Consumers in India can anticipate more affordable, high-quality Swiss goods, including watches, chocolates, biscuits, and clocks, as customs duties on these items will be phased out over 10 years under the agreement.

The services sector is another crucial component of the TEPA. India has opened up 105 sub-sectors to the EFTA countries, encompassing areas such as accounting, computer services, distribution, health, and various business services. Conversely, India has secured

enhanced market access for its service providers in 128 sub-sectors in Switzerland, 114 in Norway, 107 in Liechtenstein, and 110 in Iceland. This is expected to significantly boost Indian service providers in fields like legal, audio-visual, research and development (R&D), computer services, and auditing.

Minister Goyal, in a post on X (formerly Twitter), affirmed the implementation date, highlighting the strategic importance of this agreement. The pact also presents a valuable opportunity for Indian exporters to deepen their integration with broader European Union (EU) markets, given that over 40% of Switzerland's global services exports are directed towards the EU. This could allow Indian firms to leverage partnerships within EFTA as a springboard into the larger European economic area. The two-way trade between India and EFTA stood at \$24.4 billion in the fiscal year 2024-25. The full implementation of this agreement promises to usher in a new era of economic cooperation and growth for India.