



NEW ZEALAND AND INDIA HAVE CONCLUDED A FREE TRADE AGREEMENT UNLOCKING NEW ACCESS FOR KIWI BUSINESSES TO ONE OF THE FASTEST-GROWING MARKETS IN THE WORLD.

India is a strategic priority for New Zealand because of its growing global influence, economic scale, and regional importance.

- Deepening trade and investment links offers significant potential to diversify New Zealand's export markets and boost growth.
- Partnering more closely with India helps New Zealand support a stable, rules-based trading order and advance shared interests in security and prosperity.
- India's 300,000-strong diaspora in New Zealand forms a vital "living bridge" that strengthens cultural, commercial, educational, and social connections, providing a strong foundation for deeper bilateral engagement.

This is why New Zealand is building a broad, deep, and enduring strategic relationship with India – one that supports economic and trade growth, regional stability, and closer ties between our people.

By 2030, India's GDP is expected to reach around NZ\$12 trillion, making it one of the world's largest economies. India's rapidly growing middle class is projected to soon reach 715 million - those consumers alone will be a larger market for New Zealand than the European Union or ASEAN.

Many businesses will benefit from the reduction or elimination of what are often prohibitive tariffs of between 30% to 60% and up to 150% for wine. The FTA opens up significant new opportunities, as well as providing a more level playing field with competitors from India's FTA partners who already enjoy preferential access.

In services and wine, gains are future proofed with a commitment that any better outcome offered to India's FTA partners is automatically passed on to New Zealand. The FTA also contains a consultation commitment should India offer tariff concessions for dairy to a comparable economy in future. This is alongside a shared commitment to review the agreement one year after entry into force.

This FTA also gives our exporters more options and guaranteed access at a time when global trade conditions are unpredictable.

The impact and value of the NZ-India FTA will grow over time – delivering greater market access through streamlined border processes and phased tariff cuts – with benefits increasing as trade relationships mature and India's economy and middle class continue to grow.

BY THE NUMBERS

- India's rapidly growing middle class, currently estimated at 435 million, projected to grow to 715 million within five years (2030-2031) and more than 1 billion by 2047.
- India is the fastest-growing economy in the G20, projected to become the 3rd largest economy in the coming years.
- India-New Zealand total two-way trade is currently NZ\$3.68 billion, as of the year to June 2025.



- New Zealand exported NZ\$1.79 billion of goods and services to India and imported NZ\$1.88 billion of goods and services from India in the year to June 2025.
- India was New Zealand's 12th-largest export market in the year to June 2025, representing just over 1.5% of all exports. Goods accounted for \$771 million, and services \$1.02 billion.
- New Zealand's top exports to India in the year to June 2025 include:
 - Travel services (NZ\$948 million)
 - Forestry (NZ\$134 million)
 - Horticulture (NZ\$118 million – apples NZ\$79 million and kiwifruit NZ\$36 million)
 - Iron and steel (NZ\$84 million)
 - Wool (NZ\$76 million)

SNAPSHOT OF KEY OUTCOMES

Brief summaries of key outcomes are set out below. For more detail on all outcomes, including chapter summaries, go to www.mfat.govt.nz/nz-india-fta. The full FTA text will be published upon signature of the Agreement.

GOODS

- The FTA opens up significant new opportunities into the Indian market by eliminating and reducing tariffs and also provides a more level playing field with competitors from India's FTA partners who already enjoy preferential access.
- Through the NZ-India, FTA 95% of New Zealand's current exports will be tariff free or benefit from sharply reduced tariffs.
- For over half of our exports, tariffs will be eliminated immediately on the day the Agreement enters into force, and over 80% will enter India tariff-free once the FTA is fully phased in, with the remainder benefiting from sharp tariff reductions.
- Under the FTA, the average tariff applied to our current exports will drop sharply to just 3%.
- On forestry and timber – a major export to India – over 95% of our exports become tariff-free immediately at entry into force. Almost all other exports benefit from tariff elimination over seven years, providing a valuable market option for wood exporters.
- The 33% tariff on sheepmeat will be eliminated immediately on the day the Agreement enters into force.
- Tariffs on wool and coal will also be eliminated immediately on day one.
- The 33% tariffs on key fish and seafood exports will be phased out over seven years.
- Most of our existing trade in industrial products will be tariff free within 10 years.
- Valuable new quota access on apples (50% tariff) and kiwifruit (33% tariff). These volumes are greater than current exports to India. New Zealand is the first country to secure access for apples into India in any FTA and has secured the best access of any significant kiwifruit exporter, with duty-free quota access and a 50% tariff reduction outside the quota. Phased tariff elimination is provided for on a range of other horticultural products including cherries and avocados.



- The 66% tariff on mānuka honey will drop by three quarters to 16.5% over five years for mānuka honey certified by the Ministry for Primary Industries and priced at or above US\$30/kg, and to the same tariff rate for a volume of 200 tonnes for mānuka honey priced between US\$20 to US\$30/kg. This is the first time India has granted preferential access for honey and provides a significant opportunity for growth, with recent average exports just 7 tonnes per annum.
- Steep tariffs (of 150%) on New Zealand wine reduced by 66-83% over 10 years from entry into force (to a 25% or 50% final duty), levelling the playing field with existing FTA partners, with a commitment that any better outcome offered in the future will be automatically extended to New Zealand.
- The 33% tariff on bulk infant formula and other dairy-based food preparations, and the 22% tariff for peptones (a dairy-based product), will be phased out over seven years.
- The FTA creates a new quota of 3,000 tonnes for Albumins (a milk protein product) which is above recent average export volumes. The 22% tariff will be halved (to 11%) within the quota.
- We have secured a commitment from India that should it offer dairy access to comparable countries in the future, India will consult with New Zealand on the prospect of extending similar treatment to us. This is alongside a commitment to review the FTA one year after entering into force.
- As part of the FTA, India and New Zealand agreed to establish a dedicated fast-track arrangement that will allow Indian businesses to import ingredients duty-free from New Zealand for the manufacture of products for export. This is the first time India has made such a commitment in any FTA and recognises the mutual benefit in increasing the export of high-quality New Zealand ingredients to India, in turn supporting Indian exports. With India aiming to become a 'Global Food Hub' for food processing, this arrangement aims to create new opportunities for New Zealand businesses, notably agricultural including dairy exporters, to gain a valuable foothold in the supply chain for India's fast-growing food manufacturing sector.
- Tariffs will be removed on Indian goods imported into New Zealand from the day the Agreement enters into force, which should lower prices for Indian goods purchased by New Zealanders.

CUSTOMS PROCEDURES, TRADE FACILITATION AND RULES OF ORIGIN

The FTA will streamline customs processes at the border, reduce transaction costs, increase transparency, cut red tape, and provide greater certainty for Kiwi goods exporters to the Indian market. India Customs will release all goods within 48 hours, and in the case of perishable goods and express consignments, endeavour to release within 24 hours. The FTA codifies access to, and procedures around, Advance Rulings and a Single Window for customs clearance import procedures, as well as codifying the ability for traders to submit customs import documentation to India electronically. It also embeds Authorised Economic Operators into the FTA. New Zealand exporters will have a choice of the type of proof of origin they can use, either a certificate of origin or self-declaration for approved exporters.

SERVICES

Services exporters, particularly in key sectors like fintech, tertiary and private education, professional and environmental services, will benefit from a level playing field with competitors, advantages that build on existing WTO commitments. Importantly, New Zealand's position in the Indian services market is future-proofed, ensuring New Zealand companies will automatically benefit from any future improvements to services access extended to other Indian FTA partners.



TEMPORARY MOVEMENT OF PEOPLE

The FTA includes simplified entry arrangements for Indian service providers and professionals for short periods of stay. This includes an equivalent of 1,667 temporary employment entry (TEE) visas per year for a number of occupations where New Zealand has a skills shortage such as certain ICT fields, engineering, and specialised health services, as well as certain iconic Indian professions such as Ayush (Indian traditional medicine) practitioners, music teachers, chefs and yoga instructors. These TEE visas are for three years and the total number available under the commitment is capped at no more than 5,000 at any one time over that three-year period. This number is less than 6% of the average number of total skilled visas issued each year by New Zealand.¹

The FTA includes a Working Holiday Scheme, with up to 1,000 places for young Indians (18 to 30 years old) and the FTA codifies the right for Indian students to work for up to 20 hours a week (within current policy of up to 25 hours). In addition, eligible students graduating from a New Zealand institution are eligible for a Post Study Work Visa, ranging from two years for Bachelors, up to four years for PhDs.

INVESTMENT PROMOTION AND COOPERATION

New Zealand and India want to build a broad relationship that benefits both sides, and that includes trade and investment. This Agreement includes a commitment for New Zealand to promote investment into India with the aim of increasing private sector investment by US\$20 billion over 15 years.

To facilitate New Zealand investments, India will establish a bespoke 'New Zealand Investment Desk' to assist New Zealand investors with issues that may arise across the investment lifecycle.

This commitment is part of a balanced and commercially meaningful outcome across the wider agreement. It applies only to private sector investment.

ECONOMIC COOPERATION AND TECHNICAL ASSISTANCE

The FTA also provides opportunities to grow durable, long-term, and mutually beneficial relationships between Indian and New Zealand sectors for forestry, horticulture, apiculture and honey, livestock, fisheries and aquaculture, wine, traditional knowledge, and medicine, tourism, audio-visual production and sports.

CULTURAL TRADE, TRADITIONAL KNOWLEDGE AND ECONOMIC COOPERATION

This chapter provides a framework to facilitate trade and economic opportunities between the Parties, including Māori in the case of New Zealand, to support business-to-business exchanges and to collaborate in areas including traditional knowledge, traditional medicines, rongoā Māori, traditional cultural expressions, science, research and innovation, tourism, cultural exchanges, and trade missions.

TREATY OF WAITANGI EXCEPTION

As in all of New Zealand's free trade agreements concluded since 2001, the NZ-India FTA preserves the unique status of the Treaty of Waitangi/te Tiriti o Waitangi, protecting the New Zealand government's ability to fulfil its obligations to Māori under the Treaty.

¹ This number is less than 6% of the average number of total skilled visas issued each year by New Zealand, not 6% of those issued to Indian nationals, as stated in an earlier version of this document.



GEOGRAPHICAL INDICATIONS

New Zealand agreed to undertake a review of GI protections with a view to matching protections we agreed with the European Union, including to allow for protections of individual GI names. That process will start when the agreement is signed, and we will seek public input.

TRADE AND SUSTAINABILITY

We have agreed a range of environment and labour commitments to promote trade that contributes to sustained and inclusive economic growth, social development, environmental protection, and progress towards long-term strategies for transition. These commitments include that neither party will use their labour or environmental standards to restrict trade or lower these standards for trade advantage.

INVESTOR-STATE DISPUTE SETTLEMENT

There is no Investor-State Dispute Settlement in this agreement.

NEXT STEPS

New Zealand and India have agreed the substantive outcomes. The text of the Agreement will be legally verified and prepared for signature.

