

Goyal: India-EFTA trade pact likely by year-end

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The implementation process of the free trade agreement (FTA) between India and the four-nation European bloc EFTA is progressing fast and is expected to come into force before the end of this year, Commerce and Industry Minister Piyush Goyal said.

The two sides signed the Trade and Economic Partnership Agreement (TEPA) on March 10, 2024. Under the pact, India has received an investment commitment of \$100 billion over 15 years from the grouping while allowing several products, such as Swiss watches, chocolates, and cut and polished diamonds, at lower or zero duties. The European Free Trade Association (EFTA) members are Iceland, Liechtenstein, Norway, and Switzerland.

“Yes, EFTA is progressing very fast,” Goyal told *PTI* when asked if the agreement would come into effect this year.

The minister said the Swiss Council of States has approved the agreement, and it will now go to their National Council for approval.

“So this overwhelming support in political circles in Switzerland for the TEPA with EFTA is truly a sign of the times to come... and in their statement also, it shows that it has cleared an important hurdle, and they are hoping to bring it into force by autumn of 2025, before the end of calendar year 2025,” Goyal said.

The bloc committed an investment of \$100 billion — \$50 billion within 10 years after the implementation of the agreement and another \$50 billion in the next five years — which would facilitate the cre-

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ation of 1 million direct jobs in India. This is a first-of-its-kind pledge agreed upon in any of the trade deals signed by India so far. The commitment is the key substance of the TEPA (Trade and Economic Partnership Agreement), which took almost 16 years to conclude, for India in return for opening its markets to several products coming from the EFTA nations.

There is a provision in the agreement that if the proposed investments do not materialise for some reason, India can suspend duty concessions to the four countries. Domestic customers will get access to high-quality Swiss products, such as watches, chocolates, biscuits, and clocks, at lower prices as India will phase out customs duties under the trade pact on these goods over 10 years.

It is taking time to implement the agreement due to the elaborate ratification process of these pacts in different countries.

EV players to meet Goyal today, discuss infra issues

Stakeholders from the electric vehicle (EV) sector will hold a meeting with Commerce and Industry Minister Piyush Goyal on January 3 on issues, including infrastructure related to charging and battery swapping, sources said. They said that officials from the Department of Heavy Industries are expected to attend the meeting.

PTI

In India, such agreements are approved by the Union Cabinet; in EFTA countries, they need approval from their parliaments.

On the progress of FTA negotiations with other countries, Goyal said he has held meetings with the new UK trade minister regarding the proposed pact.