



Prime Minister Narendra Modi with Canadian Prime Minister Mark Carney at Hyderabad House, in New Delhi on Monday

PHOTO: PTI

India, Canada seal FTA talk terms; eye \$50 bn trade by '30

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Canadian Prime Minister Mark Carney concluded his four-day visit to India on Monday after delegation-level talks with Prime Minister Narendra Modi, with the two sides taking the bilateral partnership from “normalisation to structured expansion” through the signing of eight agreements spanning advanced manufacturing, nuclear energy, trade, defence, education and critical minerals.

The agreements included finalising the terms of reference to guide negotiations for a Comprehensive Economic Partnership Agreement (CEPA), to be inked by the end of the year and aimed at lifting bilateral trade to \$50 billion by 2030. The two countries also sealed a CAD2.6 billion (around \$1.9 billion) long-term uranium supply agreement.

During their discussions, Modi and Carney also addressed the situation in West Asia. The prime minister, in his media statement at the joint briefing at Hyderabad House in the national capital, said that Canadian pension funds had invested \$100 billion in India, describing this as evidence of their “deep trust in India’s growth story”. Officials said the Canadian side noted that 30 per cent of its pension fund investments

in the Asia-Pacific were in India, and suggested that India consider extending to Canadian pension funds the same treatment it accords sovereign wealth funds.

Both Canada under Carney and India have sought to diversify trade following the stiff tariffs imposed by the Donald Trump administration in the US.

Agreements were also signed to strengthen cooperation in the exploration and mining of critical and strategic minerals, energy collaboration, and the establishment of a joint pulse protein centre of excellence in Kundli. The two sides also listed nine additional outcomes, including the creation of an India-Canada defence dialogue. Indian officials, however, acknowledged that Canada has capped non-permanent visa holders at 5 per cent of its population due to pressure on its job market and public services, a move that could affect Indians seeking to live and work there. Canada continues to host 400,000 Indian students, twice as many as the US and four times as many as the UK.

In addition, 24 agreements between universities and institutions in artificial intelligence, healthcare, agriculture and innovation were signed, and the India-Canada CEO Forum was reconstituted.

Turn to Page 6 ►

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Four reciprocal, ministerial-led trade and investment engagements — two visits to Canada and two to India, accompanied by business delegations — will be institutionalised. The finance ministers' economic and financial dialogue will be among these and is scheduled for later this year. Officials said visits by Finance Minister Nirmala Sitharaman and Commerce and Industry Minister Piyush Goyal to Canada were in the works.

This was Carney's first visit to India since taking office in March and the first bilateral visit to India by a Canadian prime minister since 2018. The two leaders acknowledged the need for India and Canada, described as vibrant democracies, to work together "in an increasingly complex and uncertain global context", and welcomed the "constructive steps taken toward the gradual normalisation of bilateral ties" after relations plummeted in 2023-24 following the killing of a Sikh separatist leader in Canada.

A joint statement issued later in the day underlined opportunities to expand bilateral energy trade, including in liquefied natural gas (LNG), liquefied petroleum gas (LPG), crude oil, refined petroleum products, potash and uranium supply offtakes. An Indian delegation will attend the Prospectors and Developers Association of Canada (PDAC) meeting in March 2026, and India will dispatch a ministerial-led energy and industry delegation to Canada in summer 2026. The India-Canada Renewable Energy and Storage Summit will be

convened in 2026. The two countries also agreed to launch a joint talent and innovation strategy. Security and law enforcement liaison mechanisms are to be established, and defence cooperation deepened through expanded practical military cooperation, including joint training opportunities and professional military exchanges.

Two-way annual trade currently stands at about \$13bn. Modi said the agreement on critical minerals would help strengthen resilient supply chains. "We will work to enhance defence industries, maritime domain awareness and military exchanges. To this end, today we have decided to establish the India-Canada defence dialogue," he said.

In his remarks, Carney highlighted the future of energy ties. "Today, we are launching a strategic energy partnership with significant potential to expand bilateral energy trade. We've signed a new critical minerals partnership spanning development, processing and secure supply chains for clean energy, electric vehicles and advanced manufacturing," he said.

On West Asia, the thrust of the leaders' discussions "was how we are all concerned about the escalating situation in Iran, how dialogue and diplomacy should be the norm to resolve all underlying issues, and how there should not be any targeting of civilians who have nothing to do with this," said P Kumaran, secretary (east) in Ministry of External Affairs, at a media briefing.