

TOR TO ESTABLISH OBJECTIVES & PROCEDURES FOR NEGOTIATIONS

# India & Canada to finalise trade pact terms in March

● Third attempt by both countries to negotiate the deal

FE BUREAU  
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INDIA AND CANADA are likely to finalise the Terms of Reference (TOR) of the Comprehensive Economic Partnership Agreement (CEPA) during the visit of Canadian Prime Minister Mark Carney's visit to India early next month.

The ToR establishes the framework, scope, objectives, and procedures for the negotiations. The signing of ToR will mark the first step for negotiations to begin.

It is the third attempt by both countries to negotiate the CEPA. The negotiations on CEPA with Canada first started in 2010 but could not make much progress.

The negotiations were relaunched in March 2022 before being abandoned in August-September of 2023 due to political differences between the countries. The repair of the breach started with the election of Carney as Prime Minister in March last year.

India and Canada agreed to

## FINALISING TALKS

■ With the agreement, both countries aim to double the bilateral trade to **\$50 bn** by 2030

■ Goods and services between the India and Canada stood at **\$23.66 bn** in 2024

■ During Apr-Dec 2025, merchandise trade between the countries stood at

**\$5.8 bn**

■ Foreign direct investment from Canada stands at

**\$4.2 bn**



re-start negotiations on a "high-ambition" CEPA at a meeting between Prime Minister Narendra Modi and Carney on the sidelines of the G-20 Summit in Johannesburg in November 2025.

The agreement will cover trade in goods and services, investment, agriculture and agri-food, digital trade, mobility and sustainable development. Through the agreement both sides aim at doubling bilateral trade to \$50 billion by 2030.

Goods and services between the two countries

stood at \$23.66 billion in 2024, with merchandise trade valued at nearly \$8.98 billion, and the rest coming from services.

In 2024-25, India's goods exports to Canada were up 9.80% to \$4.22 billion, while imports from Canada fell 2.3% to \$4.44 billion.

During April-December 2025, bilateral merchandise trade between the countries stood at \$5.8 billion, with India's exports growing 8.4% to \$3.38 billion and imports contracting 31.4% to \$2.41 billion.

Major items exported by India to Canada include pharmaceutical products, electronic goods, jewellery, gems & precious stones, seafood (shrimps), engineering goods and auto parts.

India's major imports from Canada include minerals, pulses, potash, paper and paperboard, wood pulp, iron and aluminum scrap and gemstones.

While foreign direct investment (FDI) from Canada stands at \$4.2 billion, portfolio investments have crossed \$75 billion.