

# India a step closer to trade pact with NZ

**ARCHIS MOHAN &  
SHREYA NANDI**

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The Union Cabinet on Friday is learnt to have approved a trade agreement between India and New Zealand, according to people aware of the matter. However, no official confirmation was available till the time of going to the press.

The approval will pave the way for the signing of the trade deal from India's side.

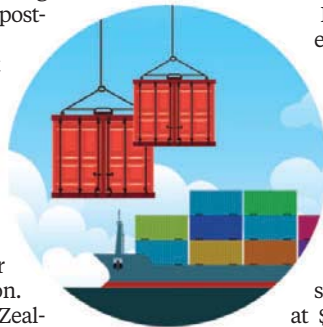
Once signed, this deal will mark India's seventh trade agreement since 2021 and a part of its diversification strategy at a time when global trade is up for a major reset.

In March, India and New Zealand had announced and restarted talks for a "comprehensive and mutually benefi-

cial" free trade agreement (FTA) after a 10-year hiatus. Both countries had entered into FTA negotiations 14 years ago, but talks stalled after 10 rounds of discussions. No formal round of negotiation took place post-February 2015.

Government officials had been saying that the negotiations between the two countries were expected to be closed or finalised soon. Last week, New Zealand Trade Minister Todd McClay was in New Delhi to review the progress of negotiations with Commerce and Industry Minister Piyush Goyal.

"We are in a good zone where we hope that the agreement will be closed and finalised soon... It is expected to be done soon," Commerce Secretary Rajesh Agrawal had said on Monday.



India's total exports of goods and services stood at \$752 million in 2024, while imports of goods and services stood at \$791 million.

Merchandise exports to New Zealand were at \$538 million in 2024, while imports stood at \$335 million.

India's key exports to New

Zealand include medicines, precious metals and gems, textiles and non-knitted apparel, and agricultural equipment & machinery, among other items. On the other hand, India's key imports from New Zealand include items such as iron and steel, aluminium, scrap metals, logs and forestry products, wood pulp, wool and apples, kiwi fruit, lamb and nuts.

India's key services exports include information technology (IT) and software services, telecommunications services to support New Zealand's digital infrastructure, medical tourism, pharmaceutical research, as well as financial services. New Zealand's services exports include education services, tourism services, and fintech services, among others.