



# FREQUENTLY ASKED QUESTIONS INDIA AND EUROPEAN UNION FREE TRADE AGREEMENT

प्रविष्टि तिथि: 29 JAN 2026 7:19PM by PIB Delhi

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## Trade in Goods

### 1. What is the bilateral merchandise trade between India and EU?

**Response:** India's total merchandise trade with the EU was USD 136.54 billion in 2024-25. India's merchandise trade with EU recorded strong growth between 2020-21 and 2024-25. Merchandise exports from India increased by 16.4% (on Compound Annual Growth Rate basis) from USD 41.36 billion in 2020-21 to USD 75.85 billion in 2024-25. India's merchandise imports from EU grew by 11.2% (on Compound Annual Growth Rate basis) from USD 39.72 billion in 2020-21 to USD 60.68 billion in 2024-25.

2. What are the overall expected benefits under this Agreement for India's exports?

**Response:** The European Union has committed to eliminating duties on about 70.4% of tariff lines immediately, covering nearly 90.7% of India's export value, while another 20.3% of products will see phased tariff elimination over time. Overall, the EU's tariff concessions cover almost 97% of tariff lines and more than 99% of trade value, making them highly ambitious which will deliver early and substantive gains.

<b>(Values in USD million; CY 2024)</b>					
<b>Sectors</b>	<b>Duty Range</b>	<b>Duty Free at Entry into Force</b>		<b>Tariff Elimination in Phases</b>	
		<b>% Tariff Lines</b>	<b>India's Exports to EU</b>	<b>% Tariff Lines</b>	<b>India's Exports to EU</b>
Marine Product	Upto 26.0	94.4%	239.0	1.9%	673.2
Chemicals	Upto 12.8	59.3%	13683.6	39.1%	354.0
Plastic/Rubber	Upto 6.5	62.7%	2556.4	37.3%	109.5
Leather/Footwear	Upto 17.0	100.0%	2511.4	0.0%	0.0
Textiles	Upto 12.0	100.0%	1636.0	0.0%	0.0
Apparel and Clothing	Upto 12.0	100.0%	5706.3	0.0%	0.0
Gems & Jewellery	Upto 4.0	96.6%	2661.3	3.4%	1.1
Base Metals	Upto 10.0	79.1%	3350.6	20.9%	164.7
Railway/Aircraft/Ships/Boats	Upto 7.7	88.2%	232.9	11.8%	0.3
Furniture & Lighting Misc Consumer Goods	Upto 10.5	94.2%	817.7	5.8%	5.0
Toys	Upto 4.7	100.0%	58.8	0.0%	0.0

Sports goods	Upto 4.7	100.0%	43.6	0.0%	0.0
<b>TOTAL</b>	-	-	<b>33497.6</b>	-	<b>1307.8</b>

### 3. What are the tariff concessions offered by India to EU?

Response: India has adopted a calibrated approach, offering immediate duty-free access on about 49.6% of tariff lines covering 30.6% of trade value, and 39.5% tariff lines with trade value of 63.1% placed under phased elimination over 5/7/10 years from entry into force of the Agreement. India's total offer covers around 92.1% of tariff lines and 97.5% of trade value, reflecting a balanced strategy to open markets while protecting sensitive sectors.

### 4. What benefits are likely to accrue to Indian farmers from India-EU Trade Deal?

Response: The FTA is expected to have a significant positive impact on the Indian agricultural and processed food sector. Preferential Market Access for agricultural products like tea, coffee, spices, grapes, gherkins and cucumbers, dried onion, fresh vegetables and fruits as well as for processed food products will make them more competitive in the EU. This market access will strengthen farmers' realised incomes, reinforce rural livelihoods, and elevate the global competitiveness of Indian agricultural products.

India has safeguarded sensitive sectors, including **beef and poultry, dairy products, fish and seafood, cereals (especially rice and wheat), fruits and vegetables, nuts, edible oils, tea, coffee, spices, tobacco** etc. balancing export growth with domestic priorities.

### 5. What are the important categories of products excluded by EU from tariff concessions?

Response: The EU has excluded items such as **meat and meat offal, dairy products, Honey, rice, sugar, tobacco** etc.

## Trade in Services

### 6. What is the contribution of the Services sector in the economy of India/EU?

Response: Services sectors' contribution in both economies remain substantial. It contributes around 73% of Gross Value Added (GVA) in EU and 55% of Gross Value Added (GVA) in India.

7. How many services sub-sectors are being covered by EU and India for specific commitments in the Trade in Services chapter?

Response: This agreement provides substantial coverage of sectors under specific commitments in services as mentioned below:

- India has secured from EU, commercially meaningful commitments in market access and national treatment in around 144 sectors/sub-sectors, including some of the key sectors of India's interest, such as Computer-related services including IT/ITeS, Professional Services, Other Business Services and Education Services.
- India, meanwhile, has provided commercially meaningful market access and national treatment commitments across 102 sectors/subsectors, which include key interest areas of the EU such as Maritime Transport Services, Financial Services, Telecommunication Services and Environmental Services.

8. What are the key mobility related gains that India expects from India-EU FTA?

Response:

- The EU has provided an assured regime for temporary entry and stay requirements for various categories of natural person like Business Visitors, Short-Term Business Visitors, Intra-Corporate Transferees (ICTs), Contractual Service Suppliers, Independent Professionals, and Family Members of Intra-Corporate Transferees.
- Entry and working rights for dependents and family members of ICTs.
- The EU has also offered commitments in 37 sectors/sub-sectors for Contractual Service Suppliers (CSS) and 17 sectors/sub-sectors for Independent Professionals (IP), many of which are sectors of interest to India, including Professional Services, Computer and related Services, Research and Development Services, and Education Services.

9. What is the maximum duration of stay allowed in EU for the various categories of service suppliers offered to India?

Response:

- Business visitors (BV)- 90 days in any 6 months period;
- Short Term Business Visitors- 90 days in any 6 months period;
- Managers and Specialists under Intra-Corporate Transferees (ICT)- 3 years, extendable by 2 years subject to domestic law;
- Trainee Employees under Intra-Corporate Transferees (ICT)- 1 year, extendable by 2 years subject to domestic law;
- Contractual Service Suppliers (CSS)- cumulative period of 12 months;
- Independent Professionals- cumulative period of 12 months.

10. What is the sectoral commitment in 'Financial Services'?

Response: Obligations have been agreed upon that can boost India's growing digital payments ecosystem by creating market access opportunities for Indian payment service providers and leveraging India's technological expertise in digital payment

systems such as UPI. Provisions have also been agreed upon that can promote collaborative efforts in Fintech innovation. As far as EU is concerned, India has provided 100 percent FDI commitments in the insurance sector and 74 percent for banking services. India has also provided market access for bank branches to EU, that is, 15 branches over 4 years for EU banks.

11. What are the key features of commitments on Telecommunication Services?

Response: The Telecommunication Services Annexure establishes a comprehensive, transparent, and balanced framework for cooperation in telecommunication services. It embeds key disciplines on access and use of networks, interconnection, access to essential facilities, submarine cable systems, and competitive safeguards. Importantly, it preserves regulatory autonomy by recognizing each Party's right to define universal service obligations and to manage scarce resources such as spectrum and numbering, while ensuring these are administered in an open, objective, and non-discriminatory manner.

12. How does the India-EU FTA provide impetus for Indian professional qualifications to gain mutual recognition in EU?

Response: Regarding recognition of professional qualifications, considering legal structure and competence of EU, both parties have agreed to engage and identify professional services for negotiating a mutual recognition or similar agreement. Further, commitments on the recognition of qualifications, experience, and certifications have been made so that, in case the EU enters into an agreement or establishes an arrangement on recognition with any third party, it will open negotiations with India to conclude, in a time-bound manner, a similar arrangement.

13. Please elaborate upon the Most Favoured Nation (MFN) provision in the Trade in Services Chapter agreed under the India-EU FTA?

Response: Both India and EU have agreed for MFN obligations for a certain number of sectors. At the time of entry into force of this Agreement, the Most Favoured Nation provision will become active and will continue to remain active for five years. Under this provision, both countries will receive MFN on sectors and to the extent committed by each of them. The continuation of the MFN post 5 years will be subject to a review mechanism. The key parameters of this review are developments pertaining to entry and stay of Indian students in the EU, including their work rights; and the maintenance, conclusion and adoption of social security arrangements between India and EU member states.

14. What safeguards have been taken by India to protect its sensitivities in Services sector?

Response: India has taken appropriate carve-outs for national security and also reserved policy space in sectors like legal services, thereby taking care of India-specific sensitivities.

15. Which are the key digitally delivered services that are expected to gain through this FTA?

Response: EU has offered significant commitments on digitally delivered services for Indian service suppliers in number of sectors especially IT/ITES, Business services, professional services such as architecture and engineering, Education Services, and Telecommunication services. These are expected to further promote Global Capability Centers in India (GCCs) and enhance exports of digitally delivered services from India.

16. How will the commitments taken on practice of Indian Traditional Medicines be helpful?

Response: In EU Member States where regulations do not exist, AYUSH practitioners will be able to provide their services using the professional qualifications they gain in India. The FTA also provides future certainty and locks in the openness of EU for establishment of AYUSH wellness centres and clinics in the European Member States. The FTA also envisages greater exchange with EU to facilitate trade in Indian Traditional Medicine services.

#### Rules of Origin and Origin Procedures

17. What are Rules of Origin (ROO)?

Response: Rules of Origin (RoO) are criteria used to determine the country of origin of a product. The primary purpose is to ensure that only products with substantial processing or manufacturing are granted the origin status of that country. The rules are essential to ensure that 3rd country goods do not get tariff preferences in the trade deal unless there is substantial processing or manufacturing in the trading partner. Countries formulate these rules depending upon the value chain of processing or manufacture of the product.

18. Why are ROOs relevant for the India -EU trade deal?

Response: A product exported by India can get a tariff concession in EU and vice versa only if the ROOs are met for the particular product. Hence, the exporter has to ensure that the origin rules are met for the export product. Further, the exporter must be able to submit requisite documentation to prove the origin of the goods, in the exigency of a verification carried out by the importing country customs.

## 19. What are the various types of Rules of Origin?

Response: There are two main types of RoOs:

### 1. *Wholly Obtained (WO):*

This applies to goods entirely produced in one country (e.g., agricultural products, minerals). The WO criteria in the India-EU trade deal uses the term “WO”, “All materials of Chapter [X] are WO”, etc.

### 2. *Not Wholly Obtained (Requires Processing):*

- **Change in Tariff Classification (CTC):** A CTC means that all the inputs or materials are used to make a final product. There are three different scenarios under CTC namely non-originating inputs or materials being from a different 2 digit HS classification (CC or change in chapter) from the final exported product; from a different 4 digit HS classification (CTH or change in tariff heading) from the final exported product or from a different 6 digit HS classification (CTSH or change in tariff sub-heading) from the final exported product.
- **Value Addition (VA):** A minimum percentage of value (using build down method) must be added in the FTA member country. In the India-EU trade deal, the criteria of value addition is manifested both in terms of “*maximum value of non-originating material i.e. maxNOM*” or “*minimum value of qualifying value content i.e. minQVC*”
- **Specific Processing Rule:** The exported product must undergo a particular process (e.g., Melt and pour, Chemical Reaction, Isomer separation, weaving knitting, etc.).

## 20. What are the Product Specific Rules (PSR) of Origin in the India – EU trade deal?

Response: A broad outline for the Product Specific Rules (PSRs) for various broad categories are given below:

- **Raw agricultural products:** The rules are fairly stringent, largely being “production in which all the material of that chapter to be wholly obtained” with flexibility to import items of other chapters with a *de minimis* to use limited quantities of preservatives, additives, fragrances, ripening agents, favours etc.
- **Marine products:** for shrimps and prawn there is an alternative rule under a specified quota where exporter can import shrimps and prawn and do the processing like peeling and deveining for final exports.
- **Processed agricultural products:** The PSRs ensure adequate processing while providing flexibility to use non-originating materials or inputs.
- **Chemicals:** The PSRs include CTC criteria and an option of chemical process like (chemical reaction, isomer separation and biotech). It provides the flexibility and also at the same time it ensures sufficient manufacturing processing.
- **Textiles and Apparels:** The rules largely include process rule and for some product CTC rule is there. This ensures substantial transformation.

- *Gems and Jewellery*: The rules allow flexibility to import precious metals for making jewellery. It also allows imports of rough, precious stones to make into worked or polished ones and do the substantial transformation.
- *Steel*: The rules are fairly stringent rules ensuring sufficient manufacturing. They also include the criteria of “*Melt & Pour*” which would mean that the product should have been made using the furnaces of EU or India.
- *Aluminium*: The PSRs have alternative PSR within a specific quota that would allow Indian MSME exporters to source non-originating primary products.
- *Engineering products*: These include both twin criteria as well as dual criteria. This will ensure sufficient value addition in the exporting country and also provide the flexibility to import some parts.
- *Automotives*: PSRs are quite stringent with a high value addition criteria.

21. Is there any other criteria, apart from the PSRs, that a product must satisfy?

Response: In order to ensure only meaningful manufacturing or value-adding activities qualify for preferential tariffs, there is a “*Insufficient production or Minimal Operations and Processes*” clause. It specifies processes that **do not** confer origin status, even if performed in a member country (such as packaging, labelling, minor assembly, or peeling).

22. Is there “cumulation” in the India – EU trade deal?

Response: Yes, there is bilateral cumulation, which allows two partner countries to treat materials or processing from each other as “originating” when producing goods under the trade deal.

23. What is the principle of absorption under the India–EU Rules of Origin?

Response: The principle of absorption provides that once a non-originating material has acquired originating status by meeting the applicable product-specific rules, its non-originating inputs are no longer taken into account when that material is subsequently used in the manufacture of another product. This would facilitate exporters of products with a long value chain and reduce compliance costs.

24. Do the India–EU Rules of Origin provide any specific flexibilities or simplified provisions for small producers or exporters?

Response: Yes, there are alternative PSRs within a specific quota for marine exporters to import shrimps and prawns and do the processing like peeling and deveining. In case of downstream products of aluminium there is an alternative PSR within a specific quota for SMEs to import upstream products to manufacture articles of aluminium.

The PSRs have also been negotiated keeping in perspective the need for flexibility to source non-originating inputs for Indian exporters in certain products of sectors like refined petroleum, pharmaceuticals, leather, footwear, copper products, electronics and aerospace.

Moreover, there are process rules for synthetic diamonds and blending rule for liquor keeping in view the value chain of processing in India. The process rule for textiles, apparel and made-up would also enable our exporters since they are in line with the existing EU GSP rules.

25. Is there a concept of “self-declaration” in the India – EU trade deal?

Response: Yes, the concept of self-declaration is through the “Statement on Origin” which is in a prescribed format. The Indian exporters using self-declaration would need to register and issue the self-certified Certificates of Origin (CoO) through DGFT’s “Common Digital Platform for Issuance of Certificate of Origin”.

In the case of India’s exports to EU, the EU importer can also use the Importers Knowledge criteria for clearing preferential goods. This is based on the EU importers having adequate information about the Indian origin of the product.

26. What is the authentication and verification mechanism in the trade deal?

Response: The India-EU trade deal has a comprehensive authentication and verification mechanism. Both Parties would have an authentication mechanism in place before the entry into force of the trade deal failing which the certificate of origin signed by a competent authority would be in place. The verification mechanism has timelines and detailed procedures spelt out which makes it robust. This would be a strong enforcement deterrent.

#### Trade Remedies

27. Are there any safeguard mechanisms to protect the Indian domestic industry from surge in imports from EU?

Response: Yes, in the event there is a surge in imports into India from the EU on account of tariff liberalisation commitments under the trade deal, so as to cause or threaten to cause serious injury to a domestic industry, the trade deal provides a bilateral safeguard mechanism.

28. What is the nature of the bilateral safeguard measure that India can take to protect its domestic industry from EU imports?

Response: Pursuant to a prescribed procedure, India can enhance the rate of duty to MFN level on goods which have resulted in surge in imports from EU due to tariff reduction or elimination under the trade deal.

29. What is the maximum duration for which such measure can be applied?

Response: The maximum duration of bilateral safeguard measure cannot exceed four years. The measure can be initially applied for a period of two years, which can be extended by an additional period of two years upon a review investigation. In any case measure cannot exceed period of four years.

30. Is there a sunset period to the bilateral safeguard mechanism?

Response: Yes, this mechanism is available for use only during the transition period, which has been agreed to be a period of 22 years from the entry in to force of the trade deal. This is longest transition period that EU has agreed in any of its FTAs signed so far.

31. Can the EU take immediate retaliatory action if India imposes a bilateral safeguard measure?

Response: No, the Trade Remedies Chapter provides a reckoning period of 2 years (in case duration of measure applied is 2 years) and 3 years (in case duration of measure applied is 4 years) before a Party can take retaliatory action against the Party applying the measure.

32. Whether India/EU can reapply a bilateral safeguard measure on the same good?

Response: A bilateral safeguard measure cannot be reapplied to the import of the same good for a period of time equal to half of the duration of the previous bilateral safeguard measure.

#### Technical Barriers to Trade

33. What are technical barriers to trade and why is it important to address them in trade deal?

Response: Technical Barriers to Trade (TBTs) are behind-the-border rules related to product standards, technical product specifications (technical regulations) and tests or certificates (conformity assessment). While these measures are intended for legitimate goals like consumer protection or environment, they may sometimes create market barriers by increasing compliance costs and introducing complex regulatory procedures.

34. What measures fall under the TBT Chapter in the India-EU trade deal?

Response: The TBT chapter applies to the preparation, adoption and application of all standards, technical regulations and conformity assessment procedures by central government bodies. It lays down the basic principles for India and the EU to follow and aims at ensuring predictability, transparency and institutional mechanisms to address compliance challenges.

35. What are key provisions of the TBT Chapter which will help in reducing trade barriers between and India and the EU?

Response: The TBT Chapter provides for transparency in development and implementation of rules and regulations related to technical regulations and conformity assessment. It also provides for a Working Group on Conformity Assessment to

specifically address any potential trade barriers and compliance challenges arising from either Party's laws. Further, provision on Technical Discussions enables early discussions and resolutions between the Parties.

36. Is the TBT Chapter subject to dispute settlement?

**Response:** Yes, the TBT Chapter is subject to trade deal dispute settlement.

## Intellectual Property

37. What is the scope of the Intellectual Property Chapter in the EU-India trade deal?

**Response:** The India-EU trade deal lays down a unified framework for intellectual property protection and enforcement. Its objectives are to foster investment in innovation, strengthen creative and knowledge-based industries, combat piracy and counterfeiting, and facilitate the wider dissemination of information, knowledge, and technology.

The IP provisions of the trade deal reaffirm the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). They encompass copyright, trademarks, geographical indications, Industrial designs, undisclosed information, plant variety protection and border measures and enforcement. It does not include specific section on patent but includes an article on technology transfer in the General provisions.

38. Will India have to change any of its intellectual property laws?

**Response:** There is no obligation on India under the Intellectual Property Chapter in India-EU trade deal that requires India to change or modify any of its intellectual property laws as the provisions in the chapter are consistent with India's existing intellectual property regime.

39. Whether trade deal promotes voluntary licensing and limits India's use of compulsory licensing for public health purposes?

**Response:** The IP Chapter in EU-India trade deal does not restrict India's right to grant compulsory licensing for public health purposes. The obligations in this chapter are without prejudice to the flexibilities available under Article 44.2 of the TRIPS Agreement which allows member states to explicitly exclude the granting of injunctions for cases of government use and other uses permitted by the government without the authorisation of the right holder, such as compulsory licenses.

40. What is the nature and scope of protection for plant varieties under this trade deal?

**Response:** The IP chapter does not include any reference to the UPOV Agreement. The protection of plant varieties under this chapter is aligned with the TRIPS framework, specifically Article 27(3)(b). This provision allows members to protect plant varieties

through patents, an effective *sui generis* system, or a combination of both. The duration of protection for plant varieties has been harmonised with Indian legislation, ensuring consistency with India's existing legal standards.

41. Is there any reference to TRIPS-Plus data exclusivity in regulatory data protection for pharmaceutical and plant products?

Response: There is no obligation of implementation of the TRIPS-plus data exclusivity for information submitted during the process of obtaining marketing authorisation for pharmaceutical and plant products; the language retains Article 39.3 of the TRIPS Agreement, which provides the flexibility.

#### Trade and Sustainable Development

42. What is the main objective of the Trade and Sustainable Development (TSD) Chapter?

Response: The TSD Chapter aims to enhance the integration of sustainable development, specifically its environmental and social (labour) dimensions, within the trade relationship between India and the EU. It seeks to promote international trade in a way that contributes to economic development, social justice, and environmental protection, while taking a cooperative approach, strengthening dialogue and cooperation between the Parties.

43. Does this trade deal require India and the EU to have the same labour and environmental laws?

Response: No. The chapter explicitly states that it is not the intention of the Parties to harmonise their labour or environment standards. Each Party retains the right to regulate and determine its own sustainable development policies, priorities, and levels of domestic protection.

44. How does the trade deal protect workers' rights and labour standards?

Response: Under the Chapter, the Parties affirm their commitment to decent work for all and agree to respect, promote and realise the fundamental principles at work and the core labour standards, namely:

- effectively abolishing child labour;
- eliminating all forms of forced or compulsory labour;
- ensuring freedom of association and the right to collective bargaining;
- eliminating discrimination in employment and
- maintaining a safe and healthy working environment.

The trade deal also clarifies that labour standards should not be used for protectionist trade purposes.

45. What specific actions are being taken to combat Climate Change?

Response: The Parties commit to implementing the UNFCCC and the Paris Agreement and agree to:

- promote trade in renewable energy and energy-efficient products;
- facilitate the phase-down of hydrofluorocarbons (HFCs);
- cooperate on climate-resilient infrastructure and low-carbon technologies; and
- cooperate on the mobilisation of climate finance for mitigation and adaptation.

46. How does the trade deal support Gender Equality in trade?

Response: The Parties aim to strengthen their trade relationship in a way that provides equal opportunities for men and women. In addition, the Parties affirm their international commitments on gender equality and also agree to strengthen their cooperation on trade related aspects of gender equality including:

- increasing women's participation in international trade and supporting women-led MSMEs;
- bridging the gender digital divide and strengthening digital skills; and
- promoting financial inclusion and access to export financing for women entrepreneurs.

47. What measures are included to protect forests, biological resources and marine life?

Response: The Chapter includes dedicated provisions on conservation and sustainable management of forests, biological diversity and marine biological resources and aquaculture. In particular, the chapter embodies the parties' commitment to:

- combat illegal logging, promote sustainable forest management and reduce deforestation;
- promote sustainable aquaculture; and
- combat illegal wildlife trade and prevent the spread of invasive alien species.

48. Does the chapter account for the different economic development levels of India & EU?

Response: Yes. The trade deal acknowledges the difference in levels of development and integrates the principle of "common but differentiated responsibilities". It emphasises cooperation through:

- Technical assistance and capacity building.
- Mobilising financial tools and instruments.
- Sharing of know-how and technological innovation to help both meet the chapter's objectives.

49. How will the commitments be enforced or monitored?

Response: The TSD chapter does not take an adversarial approach and is not subject to the usual Dispute Settlement Mechanism of the trade deal. Instead, it takes a cooperative approach and establishes a dedicated Committee on Trade and Sustainable Development (TSD Committee) to monitor and review the implementation of this chapter. Further, in case of any matter or disagreement on the application or interpretation of the Chapter's provisions, the Parties have recourse to three-tier government to government consultations with final recourse to Ministerial Consultations.

#### Subsidies

50. What is the objective of Subsidies Section under 'Anticompetitive Conduct, Merger Control and Subsidies' Chapter?

Response: The objective of Subsidies section under this chapter is to promote transparency in the use of subsidies and providing a platform for consultation to seek additional information.

51. Are there any binding commitments on subsidies under this chapter?

Response: The binding commitments on subsidies under this chapter relate to transparency and consultations. There is a soft obligation to use the subsidies for the policy objectives for which they are granted and to provide additional information.

52. Does this chapter cover subsidies provided to Agricultural and Fisheries sector?

Response: No. Agricultural and fisheries sector is kept out of the scope of this chapter

53. Is there any minimum limit on the subsidy level which is covered under this chapter?

Response: This chapter does not cover subsidies wherein the amount of the budgetary outlay over a period of three consecutive years is below 18 million Special Drawing Rights.

54. Can the Parties take recourse to dispute settlement under this trade deal?

Response: No, this chapter is kept out of bilateral dispute settlement mechanism of this trade deal.

#### Transparency, Exceptions, Administrative and Final Provisions

55. How is transparency ensured under the India-EU trade deal?

Response: The Transparency chapter promotes openness, predictability, and fairness in the administration of the trade deal. It requires both India and the EU to:

- promptly publish measures of general application;
- maintain enquiry mechanisms to respond to questions on laws, regulations, and administrative practices; and
- administer measures in an objective and impartial manner, including providing for review and appeal procedures for administrative decisions.

56. Does the Transparency chapter allow challenges under dispute settlement?

Response: No, the Transparency chapter explicitly excludes recourse to dispute settlement. Its provisions are intended to promote openness, predictability, and fairness in the administration of the trade deal.

57. Does the trade deal provide for mechanisms to facilitate communication between India and the EU?

Response: Yes. The trade deal establishes an overall contact point for each Party to facilitate communication on matters relating to the trade deal. In addition, specific contact points are designated under relevant chapters. Any changes to contact point details must be notified promptly to the other Party.

58. When will the India-EU trade deal enter into force?

Response: The trade deal will enter into force on the first day of the second month following the date on which India and the EU exchange written notifications confirming completion of their respective internal legal procedures, or on any other date mutually agreed by the Parties.

59. What is the duration of the India-EU FTA?

Response: The India-EU trade deal is valid for indefinite duration. Either Party may terminate the trade deal by providing written notification, with termination taking effect after the period specified in the trade deal.

60. Can the India-EU trade deal be amended?

Response: Yes, the trade deal may be amended by written agreement between India and the EU. In addition, the Joint Committee is empowered to adopt decisions to amend specific parts of the Agreement, such as the Rules of Procedure and the Code of Conduct under the Dispute Settlement chapter, subject to completion of the Parties' respective internal procedures.

61. What are the provisions for review of the India-EU trade deal?

Response: The trade deal provides for a general review by the Joint Committee within five years of its entry into force and thereafter every five years, or at such other times as may be agreed by the Parties. The review assesses, inter alia:

- progress in market access liberalisation; and

- whether mutually beneficial outcomes are flowing from the implementation and operation of the FTA.

62. In which languages will the India-EU trade deal be published?

Response: The trade deal will be published in English, Hindi, and the official languages of the European Union. All language versions will be equally authentic. In case of divergence of interpretation, English will prevail.

63. How will the India-EU trade deal be administered?

Response: The trade deal establishes a Joint Committee comprising representatives of both India and the EU. The Joint Committee functions in accordance with the Rules of Procedure set out in the FTA. These functions include

- overseeing the proper and effective functioning of the FTA;
- monitoring implementation and overall operation of the Agreement;
- considering ways to further enhance bilateral trade;
- addressing issues relating to interpretation and application of the FTA; and
- supervising and coordination the work of specialized committees and working groups dealing with technical and sector-specific matters.

64. How are stakeholders involved in the implementation of the trade deal?

Response: Each Party is required to establish or designate a Domestic Consultative Mechanism comprising relevant non-governmental stakeholders. These mechanisms provide inputs on the implementation of the FTA and facilitate structured stakeholder engagement.

65. Does the trade deal create any enforceable rights for private individuals or companies?

Response: No, the trade deal does not confer direct rights or impose obligations on private persons, nor does it allow the trade deal to be directly invoked in domestic courts. Rights and obligations under the trade deal exist only between the Parties.

66. Are India's rights under existing tax treaties affected by the trade deal?

Response: No, the trade deal explicitly preserves the rights and obligations of India and the EU or its Member States under existing tax conventions. In the event of any inconsistency between the trade deal and a tax treaty, the tax treaty will prevail to the extent of the inconsistency.

67. To what extent does the India-EU trade deal affect India's regulatory autonomy?

Response: The FTA preserves the regulatory autonomy of both India and the EU to suitable extent. The General Provisions and Exceptions include provisions that allow each Party to adopt or maintain measures necessary to protect public morals, public

order, public health, security interests, and other legitimate policy objectives.

68. Does the trade deal limit India's ability to take security-related measures?

Response: No, the trade deal contains comprehensive security exceptions allowing India to take any action it considers necessary to protect its essential security interests, including those relating to defence, national emergencies, and obligations under the UN Charter.

69. How is confidential and sensitive information protected under the trade deal?

Response: The trade deal contains explicit provisions on the protection of confidential information. A Party is not required to disclose information where disclosure would impede law enforcement, be contrary to public interest, violate domestic law, or prejudice legitimate commercial interests. Any confidential information shared under the trade deal must be used only for the purpose for which it is provided. Additional confidentiality requirements are set out in specific chapters also.

70. What happens if India or EU face balance-of-payments or external financial difficulty?

Response: In situations of serious balance-of-payments or external financial difficulties, a Party may adopt temporary and non-discriminatory restrictive measures in accordance with IMF rules and relevant WTO provisions. Such measures must be proportionate, transparent, and phased out as conditions improve.

71. How does the trade deal ensure consistency with India's WTO commitments?

Response: The trade deal reaffirms the Parties' rights and obligations under the WTO Agreement and incorporates relevant WTO provisions, including GATT and GATS exceptions. Nothing in the trade deal requires India to act inconsistently with its WTO commitments.

72. How are disputes under the Legal and Institutional Provisions resolved?

Response: Disputes relating to interpretation or application of the trade deal may be addressed through consultations in the Joint Committee or specialised committees. Where required, matters may be taken up under the Dispute Settlement mechanism of the trade deal, without prejudice to Parties' right to approach the Rapid Reaction Mechanism.

73. How does the trade deal address the accession of a third country to the European Union?

Response: The trade deal contains a dedicated provision on *Future Accessions to the Union*. Under this provision, the EU is required to:

- notify India of requests for accession by third countries;
- provide relevant information during accession negotiations, upon request;

- take into account India's concerns; and
- put in place necessary amendments, adjustments, or transitional arrangements to address the effects of such accession on the FTA.

#### Rapid Reaction Mechanism

74. What is the Rapid Reaction Mechanism (RRM) under the India–EU FTA?

Response: The RRM is a dedicated and expedited mechanism to address:

- concerns arising from measures of general application;
- future or planned regulatory initiatives or developments; and
- major implementation issues under the FTA that have the potential to disrupt or significantly impede bilateral trade between India and the EU.

The RRM operates through a three-tier structure:

- Consideration at the level of the relevant specialised committee;
- Escalation to senior officials of the Joint Committee, if required; and
- Final consideration at the Ministerial level of the Joint Committee.

All stages are subject to defined timelines to ensure expeditious resolution of issues.

75. What safeguards exist against misuse of the Rapid Reaction Mechanism?

Response: The RRM is subject to a clearly defined scope, timelines, and escalation procedures. It is without prejudice to the Dispute Settlement chapter and is designed to complement, not replace, existing institutional mechanisms under the trade deal.

#### Sustainable Food System

76. What is the Sustainable Food Systems (SFS) chapter, why was it included, and what does India gain from it?

Response: The SFS chapter is a standalone cooperation chapter in the India–EU trade deal, the first of its kind in any Indian trade agreement. It was included because sustainability issues such as food safety, antimicrobial resistance, food loss, and sustainable production practices are increasingly shaping agri-trade and consumer trust.

For India, the chapter creates an institutional platform for structured cooperation with the EU on these themes, without imposing new regulatory obligations. It strengthens India's export credibility in high-value markets, provides early visibility on evolving sustainability debates, and supports domestic priorities such as public health, climate resilience, and resource efficiency. Most importantly, it elevates sustainability from a side reference to a core pillar of trade cooperation.

77. Will India be required to change its food safety, environmental, or agricultural laws because of this chapter?

**Response:** No. The chapter explicitly preserves each Party's right to regulate. It contains no binding harmonisation commitments and no obligation to amend domestic legal or regulatory frameworks.

78. Is the SFS chapter a backdoor for EU green conditionalities or new compliance burdens on Indian farmers and exporters?

**Response:** No. The SFS chapter is a cooperation framework, not an enforcement or conditionality instrument. It does not impose new import requirements, regulatory procedures, or binding sustainability standards on India.

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