



International Market Access

# Free trade agreement with India: a milestone for Swiss foreign trade

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## At a glance

On 10 March 2024, the EFTA states signed a free trade agreement with India. In our dossierpolitik, we explain why this agreement will significantly improve market access for Swiss export companies in India and why it also represents a promise for the future.

With the conclusion of the free trade agreement (FTA) with India, Switzerland and the other EFTA states (Iceland, Liechtenstein and Norway) have achieved a remarkable success. Never before has India – now the world's most populous

country – entered into such an agreement with a European partner. Our analysis of the agreement shows: The benefits for the Swiss export industry are manifold and far-reaching.

### **Significant tariff reductions for Swiss exporters**

India previously levied very high customs duties on imported products. The FTA will greatly improve market access for Swiss companies in India. For 95.3 per cent of imports of Swiss industrial products (excluding gold), the existing customs duties will be completely or partially lifted. Numerous Swiss companies will benefit from this. For example, the Rapperswil-based Weidmann Group, which manufactures insulation components with Swiss materials in India with a license partner. Thanks to the reduced customs duties, Weidmann will only have to pay much lower import duties or even none at all. This will make the company even more competitive on the Indian market compared to its foreign competitors.

### **Promoting direct investment as an opportunity for Swiss companies**

A special feature of the FTA is the investment promotion chapter. India hopes to improve its own competitiveness thanks to investments by companies from the EFTA countries. This is crucial for the creation of millions of new jobs for India's young population. As one of the twelve largest direct investors worldwide, Switzerland can play an important role here and contribute to sustainability.

We explain these and other advantages of the free trade agreement with India for the Swiss economy in our dossierpolitik.

### **to the dossierpolitik**



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