



India-European Free Trade Association (EFTA) signs Trade and Economic Partnership Agreement (TEPA)

The Union Cabinet chaired by the Hon'ble Prime Minister has approved signing of the TEPA with EFTA States. EFTA is an inter-governmental organization set up in 1960 for the promotion of free trade and economic integration for the benefit of its four Member States.

The highlights of the agreement are:

EFTA has committed to promote investments with the aim to increase the stock of foreign direct investments by USD 100 billion in India in the next 15 years, and to facilitate the generation of 1 million direct employment in India, through such investments.

For the first ever time in the history of FTAs, a legal commitment is being made about promoting target-oriented investment and creation of jobs.

EFTA is offering 92.2% of its tariff lines which covers 99.6% of India's exports. The EFTA's market access offer covers 100% of non-agri products and tariff concession on Processed Agricultural Products (PAP).

TEPA would stimulate our services exports in sectors of our key strength / interest such as IT services, business services, personal, cultural, sporting and recreational services, other education services, audio-visual services etc.

Services offers from EFTA include better access through digital delivery of Services (Mode 1), commercial presence (Mode 3) and improved commitments and certainty for entry and temporary stay of key personnel (Mode 4).

TEPA has provisions for Mutual Recognition Agreements in Professional Services like nursing, chartered accountants, architects etc.

TEPA will empower our exporters' access to specialized inputs and create a conducive trade and investment environment. This would boost exports of Indian made goods as well as provide opportunities for the services sector to access more markets.

TEPA provides an opportunity to integrate into EU markets. Over 40% of Switzerland's global

services exports are to the EU. Indian companies can look to Switzerland as a base for extending its market reach to the EU.

TEPA will give impetus to “Make in India” and Atmanirbhar Bharat by encouraging domestic manufacturing in sectors such as Infrastructure and Connectivity, Manufacturing, Machinery, Pharmaceuticals, Chemicals, Food Processing, Transport and Logistics, Banking and Financial Services and Insurance.

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Warm regards,

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