

Trade Promotion Council of India

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India- New Zealand FTA to thrust strong and deeper bilateral trade, particularly in the food and agri sector

- *New Zealand's expertise to enable Indian exporters to integrate effectively into global value chains:*
Chairman TPCI

27th April 2026; New Delhi: Applauding the trade deal between India and New Zealand, Shri Mohit Singla, Chairman of TPCI, said, "The Free Trade Agreement between India and New Zealand is a welcome and forward-looking move which holds immense potential for strengthening & deepening bilateral trade, especially in a less penetrated, high-income market. The agreement is expected to significantly enhance market access for Indian agri-food products, including processed foods, beverages, spices, and marine products, by reducing tariffs and facilitating overcoming of non-tariff barriers."

Further, Shri Singla emphasised, "Equally important is the opportunity for deeper collaboration in areas such as agri productivity, food processing, cold chain infrastructure, and quality standards. New Zealand's expertise in food safety, traceability, and sustainable practices can complement India's growing capabilities, enabling our exporters to integrate effectively into global value chains."

"The FTA also opens new avenues for high-growth segments such as organic and health foods, where Indian exporters are well-positioned to meet evolving consumer preferences in New Zealand. We are confident that this agreement, with balanced safeguards for sensitive sectors, will act as a catalyst in boosting India's agri-food exports, attracting investments, and generating employment across the value chain," Chairman TPCI remarked.

For Indian exporters, lower tariffs will improve price competitiveness and help Indian products penetrate niche and premium segments in New Zealand. Amongst others, this would improve access to the New Zealand market for products such as Processed foods, Ready-to-eat meals, Spices and condiments, Marine products, Tea, coffee, and alcoholic/non-alcoholic beverages, etc. Similarly, New Zealand exporters would benefit from concessional duty by India for products like sheep meat, certain fruits, manuka honey and premium beverages. Concessions on products like kiwi fruits, apples, manuka honey and albumines are for a pre-determined quantity (TRQ).

The harmonisation of sanitary and phytosanitary (SPS) measures under the FTA would also streamline export procedures, helping reduce compliance costs and improve transparency in regulations, Chairman TPCI said.

India's food processing sector is expanding rapidly, supported by government initiatives such as "Make in India" and Production Linked Incentive (PLI) schemes. Lower duties under the FTA would make Indian processed food products more competitive in New Zealand, encouraging export diversification beyond traditional markets, Shri Singla stated.

New Zealand is a world leader and major exporter of certain horticultural and dairy products. This FTA will create a structured framework (Agri Production Action Plan) for deeper collaboration in horticulture sector, in particular, improving productivity and quality of Kiwi fruits and apples, including their value-added products, honey, etc. In addition, the agreement envisages productive collaboration in dairy sector between the dairy establishment in India with the New Zealand experts such as Fonterra, through latter's state of art advanced dairy processing technologies, need based specialized trainings for our farmers, Joint ventures in high-value

dairy segments and Improved supply chain efficiencies, thereby facilitating increase in dairy sector productivity as well as quality and trade in value-added dairy products of India.

New Zealand's expertise in food safety and cold chain logistics can complement India's production and processing capabilities through focused collaboration in terms of Joint ventures in food processing, Technology transfer in packaging and preservation and improved quality standards.

With the India-Australia FTA (Ind-Aus ECTA) already in place, this agreement can facilitate the integration of supply chains with the Oceania region, which remains mostly unexplored by our exporters.

India's F&B exports to New Zealand grew at a 5-yr CAGR of 6.4% to reach US\$ 101.85 million in 2025. It accounted for around 2% of New Zealand's total imports in this category during the year. Top categories of exports were fish and crustaceans (US\$ 14.42 million); coffee, tea, mate & spices (US\$ 13 million); cereals (US\$ 12.72 million); preparations of vegetables (US\$ 12 million) and miscellaneous edible preparations (US\$ 11.2 million). New Zealand's total imports in this category were recorded at US\$ 5.1 billion in 2025. India is ranked 12th in New Zealand's imports. Some key categories for Indian exporters are food preparations (US\$ 470.3 billion); bread, pastry, cakes (US\$ 160.8 million); wheat & meslin (US\$ 125 million) and coffee (US\$ 124.4 million).

The FTA is likely to promote bilateral investments in the F&B sector. New Zealand companies may invest in India's food processing infrastructure, while Indian firms can explore partnerships in New Zealand's agri-tech and premium food segments like organic, natural, and health-oriented food products, which are in high demand in the New Zealand Market, Chairman TPCI said.
