

India-EFTA Trade and Economic Partnership: A Strategic Bridge Between Innovation and Growth



In March 2024, India and the four EFTA nations, i.e Switzerland, Norway, Iceland, and Liechtenstein, signed the landmark Trade and Economic Partnership Agreement (TEPA), which officially came into effect in October 2025.

This agreement is not just another trade pact, it's a strategic bridge connecting India's growth story with Europe's innovation, technology, and sustainability leadership. Under the deal, the EFTA bloc has pledged to mobilize US \$100 billion in investments over the next 15 years and support the creation of one million jobs in India.

In return, India opens its massive consumer and manufacturing market to EFTA goods, services, and expertise. TEPA links trade liberalization with investment facilitation, innovation, and cooperation in



areas such as clean energy, digital technology, pharmaceuticals, and engineering. For EFTA nations, it represents more than market access as it's an opportunity to strategically partner with one of the world's fastest-growing major economies.

1. Switzerland

Switzerland, the largest EFTA economy, stands to gain the most from this partnership. With India cutting tariffs on over 80% of goods, Swiss exports such as pharmaceuticals, precision machinery, watches, medical devices, and chocolates will enjoy significant competitive advantages. Simplified customs procedures and harmonised regulations will further help Swiss small and medium enterprises access India's dynamic consumer market.

Switzerland's leadership in finance, insurance, engineering, and IT services makes it a natural partner for India's expanding service economy. The agreement ensures fair treatment for Swiss service providers and recognises professional qualifications in fields such as accountancy, architecture, and nursing paving the way for cross-border professional mobility and collaboration.

Investment ties are expected to strengthen as well. Swiss investments in India already exceed \$10 billion, and with the establishment of the India–EFTA Investment Desk, opportunities in renewable energy, life sciences, manufacturing, and digital technology are set to grow further.

The partnership also promotes cooperation in skills development, vocational training, and temporary movement of professionals, enabling Swiss and Indian experts to collaborate seamlessly. Switzerland's strong emphasis on intellectual property protection finds reassurance in TEPA's reaffirmation of high standards for patents and trademarks. At the same time, the pact ensures balance preserving India's access to affordable medicines while protecting innovation.

Sustainability runs through TEPA's core. Switzerland will collaborate with India on green energy, climate action, and circular economy initiatives, ensuring growth remains both ethical and environmentally responsible.

2. Norway

Norway's relationship with India is smaller in volume but highly strategic. The agreement will give Norway immediate tariff-free access for over 40% of its current exports, rising to over 90% within a decade. Key beneficiaries include the seafood, oil and gas equipment, fertiliser, and maritime machinery sectors, which will gain greater competitiveness in Indian markets.

Norwegian expertise in shipping, marine insurance, offshore energy, and engineering aligns perfectly with India's priorities. Under TEPA, Norwegian firms can operate in India on a fair, non-discriminatory basis, while professionals such as engineers, renewable energy experts, and maritime consultants benefit from smoother visa and qualification processes.

Investment links between the two nations are expected to deepen. Norway's sovereign wealth fund and private enterprises are already significant investors in India, particularly in renewable energy and infrastructure. The agreement's institutional mechanisms will further streamline investment facilitation and project collaboration.

TEPA also opens opportunities for cooperation in vocational training, technology transfer, and labour mobility. Indian professionals will find it easier to work in Norway's maritime and healthcare industries, while Norwegian experts can contribute to India's projects in renewable energy and logistics.

The agreement's intellectual property provisions will help protect Norway's innovations in renewable energy and marine engineering, while its strong environmental commitments ensure that trade liberalization goes hand-in-hand with sustainable development.

3. Iceland

Iceland, though small, stands to make proportionally large gains. Its exports, including seafood, aluminium, medical devices, and geothermal equipment will now enter India with reduced or zero tariffs. Meanwhile, Indian products like tea, coffee, and textiles will reach Icelandic consumers at lower prices, boosting bilateral trade.

The country's strength in renewable energy positions it as a key collaborator for India's green transition. Icelandic firms already work with Indian counterparts on geothermal and clean energy projects, and TEPA will encourage more such partnerships backed by policy support.

Beyond energy, Iceland's tourism and service sectors will also benefit. Code-share agreements between airlines and increased connectivity will boost business and travel, creating employment opportunities in both countries.

Intellectual property protections under TEPA provide confidence for Icelandic innovators in fisheries and energy technology. Furthermore, Iceland's sustainability-oriented policies align perfectly with TEPA's focus on climate action, renewable energy, and circular economy practices. Together, these factors make Iceland's participation in TEPA a model for how small economies can leverage specialization to drive big outcomes.

4. Liechtenstein

Liechtenstein, through its customs union with Switzerland, automatically enjoys the same tariff benefits secured under TEPA. Its niche industries precision instruments, machinery, and medical devices will now gain better access to India's manufacturing and industrial markets, while Indian exports will help make local consumer markets more competitive.



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As a hub for finance and fintech, Liechtenstein is well-positioned to expand into India's digital finance and wealth management ecosystem. The pact creates scope for collaboration in sustainable finance, blockchain innovation, and cross-border digital services.

Investment opportunities are set to grow as well. Liechtenstein's boutique funds and family offices may explore ventures in India's life sciences, manufacturing, and renewable energy sectors. The EFTA Investment Desk will provide a platform to connect smaller investors with large-scale Indian opportunities.

TEPA also enhances professional mobility, allowing Liechtensteiners in Swiss-linked firms to work more easily on Indian projects, and enabling Indian professionals in finance and technology to collaborate with Liechtenstein's niche industries. The strong emphasis on intellectual property and sustainability ensures that innovation and climate responsibility remain at the forefront of this relationship.

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