

India EFTA Free Trade Agreement (FTA) Trade and Opportunity

India-EFTA Trade and Economic Partnership Agreement (TEPA) is set to be implemented from October 1, 2025. This agreement holds significant potential for the Indian chemicals and petrochemicals industry. This is analyzed below:

Duty Differential

Chapter	Tariff (%) Before FTA	Tariff (%) After FTA	Differential
28	5.5 to 8.25	0	5.5 to 8.25
29	5.5 to 8.25	Total TLs - 949 8.25% (194 TLs) 4.13% (43 TLs) 0 % in rest of the lines	5.5 to 8.25
32	8.25 to 11	0	8.25 to 11
38	8.25 to 11	8.25 to 11 in most of the TLs	0
39	5.5 to 16	0	5.5 to 16
4008	11	0	11
54	20 to 25	0	20 to 25
55	25	0	25

Trade stats

	India Export to EFTA Country (USD Millions)	India Imports from EFTA Country (USD Millions)	India's total trade with EFTA Country (USD Millions)	EFTA Export to World (USD Millions)	EFTA Imports from World (USD Millions)	India's imports from world	India's exports to world
Grand Total Chemicals & Petro chemicals	720	468	1,188	60,612	28,993	71,778	47,516
Total trade of all commodity	1,944	22,470	24,414	6,22,056	4,82,462	7,02,773	4,41,701

Country wise breakup

Iceland

HS Codes	Commodity Description	India Export to Iceland (USD Millions)	Iceland Imports from World (USD Millions)	% Share of India's Export to Iceland	India's exports to world	India Imports from Iceland (USD Millions)	India's total trade with Iceland (USD Millions)
28	Organic Chemicals	0.00	789.61	0.000	3,619	0.55	0.55
29	Inorganic Chemicals	5.03	21.24	0.237	20,961	0.00	5.03
32	Tanning, Dyes, and Dye Intermediates	0.01	38.35	0.000	4,400	0.68	0.69
38	Miscellaneous Chemicals	0.00	135.56	0.000	6,845	0.01	0.01
39	Plastics and Articles Thereof	0.38	265.71	0.001	8,099	0.00	0.38
4002	Synthetic rubber	0.00	0.40	0.000	1,802	0.00	0.00
54	Man Made Filaments	0.00	1.15	0.000	1,629	0.00	0.00
55	Man Made Fibers	0.01	0.91	0.006	160	0.00	0.01
	Total of Chemicals & Petrochemicals	5.42	1,252.92	0.004	47,516	1.24	6.67

					4,41,701		
	Total trade of all commodity	12.40	9,835.00	0.001		11.38	23.78

Norway

HS Codes	Commodity Description	India Export to Norway (USD Millions)	Norway Imports from World (USD Millions)	% Share of India's Export to Norway	India's exports to world	India Imports from Norway (USD Millions)	India's total trade with Norway (USD Millions)
28	Organic Chemicals	0.35	2219	0.000	3,619	11.49	11.84
29	Inorganic Chemicals	79.29	1026	0.077	20,961	14.58	93.86
32	Tanning, Dyes, and Dye Intermediates	0.08	454	0.000	4,400	2.53	2.61
38	Miscellaneous Chemicals	1.02	1211	0.001	6,845	22.64	23.65
39	Plastics and Articles Thereof	5.05	2714	0.002	8,099	32.78	37.82
54	Man Made Filaments	0.00	15	0.000	1,802	0.00	0.00
54	Man Made Filaments	0.12	32	0.004	1,629	0.00	0.12
55	Man Made Staple Fibers	0.56	20	0.028	160	0.00	0.56

	Total of Chemicals & Petrochemicals	86.46	7,691.06	0.011	47,516	84.00	170.46
	Total trade of all commodity	424.35	1,01,265.00	0.004	4,41,701	934.22	1,358.57

Switzerland

HS Codes	Commodity Description	India Export to Switzerland (USD Millions)	Switzerland and Imports from World (USD Millions)	% Share of India's Export to Switzerland	India's exports to world	India Imports from Switzerland (USD Millions)	India's total trade with Switzerland (USD Millions)
28	Organic Chemicals	8.34	774	0.01	3,619	5.14	13.49
29	Inorganic Chemicals	597.23	8100	0.07	20,961	228.14	825.37
32	Tanning, Dyes, and Dye Intermediates	15.60	1005	0.02	4,400	34.32	49.91
38	Miscellaneous Chemicals	4.07	2283	0.00	6,845	66.77	70.84
39	Plastics and Articles Thereof	2.65	7612	0.00	8,099	44.67	47.32
4002	Synthetic rubber	0.00	63	0.00	1,802	0.33	0.33
54	Man Made Filaments	0.32	129	0.00	1,629	1.35	1.67

55	Man Made Staple Fibers	0.00	83	0.00	160	1.67	1.67
	Total of Chemicals & Petrochemicals	628.22	20,049.1 0	0.03	47,516	382.39	1,010.61
	Total trade of all commodity	1,507.24	3,71,362 .00	0.00	4,41,70 1	21,524.7 9	23,032.0 3

Pointers for India–EFTA Trade (2024)

Overall Trade Snapshot

- **Total India–EFTA trade (all commodities): \$24.41B**
 - **Exports:** \$1.94B
 - **Imports:** \$22.47B
 - **Trade Balance:** Deficit of **\$20.53B**.
- **Chemicals & Petrochemicals trade:**
 - **India’s exports:** \$720M (3% of EFTA’s \$28.99B imports in this segment).
 - **India’s imports:** \$468M.
 - **Share in India’s world exports of chemicals: 1.5% only** (out of India’s \$47.5B chemical exports).

Country-wise Dynamics

Switzerland

- **India's total exports:** \$1.51B | **Imports:** \$21.52B (driven by gold/metals).
- **Chemicals & Petrochemicals exports:** \$628M vs Swiss imports of \$20.05B ⇒ **India's share:** ~3%.
- **Also, India received an FDI of USD 12.96 million** in 2024-25 out of which around 10.23 million USD is contributed in Manufacturing of Basic Chemicals. Thus, indicating the investment and JV opportunity for India with Switzerland.
- Key sectors:
 - **Inorganic chemicals (HS 29):** India exports \$597M vs Swiss imports \$8.1B ⇒ **7.4% share.**
 - **Organic chemicals (HS 28):** \$8.34M vs imports \$774M ⇒ ~1.1%.
 - **Plastics (HS 39):** \$2.65M vs \$7.6B imports ⇒ **near-zero share (<0.05%).**

S.No.	Top Exporter countries to Switzerland	Value of Exports of Chemicals and petrochemicals (USD Millions)	% Share of total Imports of Switzerland
0	World	20049	
1	Germany	5692	28%
2	China	2740	14%
3	Italy	1748	9%
4	USA	1333	7%

5	France	1326	7%
6	Netherlands	831	4%
7	Belgium	654	3%
8	Austria	651	3%
9	India	628	3%
10	United Kingdom	545	3%

Norway

- **India's total exports:** \$424M | **Imports:** \$934M.
- **Chemicals & Petrochemicals exports:** \$86.5M vs Norway's \$7.69B imports ⇒ **just 1.1% share.**
- Key sectors:
 - **Inorganic chemicals (HS 29):** \$79.3M vs \$1.03B imports ⇒ **7.7% share** (solid presence).
 - **Plastics (HS 39):** \$5.05M vs \$2.7B imports ⇒ **0.2% share.**

S.No.	Top Exporter countries to Norway	Value of Exports of Chemicals and petrochemicals (USD Millions)	% Share of total Imports of Norway
0	World	7691	
1	Brazil	979	13%
2	Germany	849	11%

3	USA	849	11%
4	Sweden	802	10%
5	Netherlands	504	7%
6	China	479	6%
7	United Kingdom	330	4%
8	Belgium	295	4%
9	Denmark	287	4%
10	Spain	281	4%

Iceland

- **India's total exports:** \$12.4M | **Imports:** \$11.4M.
- **Chemicals & Petrochemicals exports:** \$5.4M vs Iceland's \$1.25B imports \Rightarrow **0.4% share.**
- Key sectors:
 - **Inorganic chemicals (HS 29):** \$5.03M vs \$21.2M imports \Rightarrow **23.7% share** (India already strong).
 - **Plastics (HS 39):** \$0.38M vs \$266M imports \Rightarrow **0.14% share.**

S.No.	Top Exporter countries to Iceland	Value of Exports of Chemicals and petrochemicals (USD Millions)	% Share of total Imports of Iceland
0	World	1253	

1	Brazil	308	25%
2	Australia	207	17%
3	Jamaica	149	12%
4	Germany	74	6%
5	Netherlands	64	5%
6	Ireland	43	3%
7	Norway	42	3%
8	China	41	3%
9	Sweden	41	3%
10	USA	39	3%

Opportunities for India's Chemicals & Petrochemicals Exports to EFTA

1. Switzerland

- Switzerland's Total imports of Chemicals & Petrochemicals: **USD 20.05 billion**.
- India's exports to Switzerland: **USD 628 million (3% share)**.
- Switzerland's major suppliers: Germany (28%), China (14%), Italy (9%), USA (7%).
- **Opportunity:**
 - India already has a foothold (6th largest supplier) but can expand by targeting **high-value segments like inorganic chemicals, agrochemicals, specialty chemicals, and plastics**.
 - Import reliance on Germany & China provides room for diversification of supply sources.

- With EFTA–India TEPA signed, tariff concessions can enhance India’s competitiveness vis-à-vis EU suppliers.

2. Norway

- Norway’s Total imports of Chemicals & Petrochemicals: **USD 7.69 billion.**
- India’s exports to Norway: **USD 86.46 million**
- Major suppliers: Brazil (13%), Germany (11%), USA (11%), Sweden (10%).
- **Opportunity:**
 - India’s presence is limited; potential to climb up supplier ranks by tapping **pharmaceutical intermediates, agrochemicals, plastics, and organic chemicals.**
 - Strong potential for import substitution as top exporters are geographically distant (Brazil, USA).
 - Growth areas include **green/eco-friendly chemicals** aligning with Norway’s sustainability agenda.

3. Iceland

- Iceland’s Total imports of Chemicals & Petrochemicals: **USD 1.25 billion.**
- India’s exports to Iceland: **USD 5.42 million**
- Major suppliers: Brazil (25%), Australia (17%), Jamaica (12%), Germany (6%).
- **Opportunity:**
 - Very low penetration of India; scope to expand in **specialty chemicals, agrochemicals, plastics, and pharmaceutical products.**
 - Heavy dependence on distant suppliers (Brazil, Australia,) indicates opportunity for India to emerge as a **cost-effective and reliable alternative.**