



## Key Takeaways of the India EU Free Trade Agreement for Pharmaceuticals and Medical Devices Sector

On 27 January 2026, India and the European Union concluded the India–EU Free Trade Agreement (“FTA”) at the 16th India–EU Summit, marking a major development in bilateral economic relations. The FTA provides significant opportunities for India’s health sector, particularly pharmaceuticals, medical devices, and traditional medicine services, by expanding access to the European Union’s large and regulated healthcare market.

### **Benefits of the India–EU Free Trade Agreement**

- The FTA unlocks access to the **USD 572.3 billion** EU pharmaceuticals and medical devices market, providing a strong boost to the Indian pharmaceuticals and medical device sectors.
- Preferential market access under the FTA is intended to drive faster growth in high-value segments and liberalise tariffs for key “Made in India” medical devices, supporting sectoral expansion.
- Creation of major expansion opportunities for Indian businesses across hubs in Gujarat, Maharashtra, Karnataka and Andhra Pradesh, aiding coastal export centres scale export-led growth and support employment.
- In EU Member States where it is legally permitted, AYUSH practitioners will be able to provide their services using the professional qualifications they obtained in India.
- The FTA is predicted to also enable the establishment of AYUSH wellness centres and clinics in the European Member States.
- Growth across allied sectors, including inorganic and organic chemicals, fertilisers, pharmaceuticals, cosmetics, soaps, and detergents.
- Reduction of compliance burdens and smoother market entry for Indian health-related exports

### **Significance of the FTA**

Union Minister for Chemicals and Fertilisers, Shri J.P. Nadda, stated that the liberalised tariffs for Indian medical devices will accelerate growth in this high-value sector, reinforcing India’s presence as a reliable global partner in healthcare and manufacturing.

Overall, the India–EU Free Trade Agreement marks a significant milestone for India’s pharmaceuticals and medical devices sector by opening access to one of the world’s largest and most regulated healthcare markets. In addition to tariff liberalisation, the agreement addresses non-tariff barriers relevant to the health sector through enhanced regulatory cooperation and simplified customs procedures. By enabling market access, liberalising tariffs, and supporting growth across pharmaceuticals and related chemical sectors, the FTA strengthens India’s position as a reliable global partner in healthcare manufacturing and innovation.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219406&reg=3&lang=1#:~:text=Hailing%20the%20FTA%2C%20Union%20Minister,in%20this%20high%2Dvalue%20sector.>



*This foregoing is only for general informational purposes, and nothing in the contents hereinabove could possibly constitute legal advice, which can only be given after being formally engaged and familiarizing ourselves with all relevant facts.*

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