

# The Free Trade Agreement between the European Union and India: Early Remarks Based on the Provisional Text Published on 27 February 2026

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SUMMARY: 1. Introduction: preliminary remarks and aims of the contribution. – 2. EU trade agreements in general. – 3. Trade relations between the EU and India. – 4. The principal matters addressed by the EU-India FTA. – 5. The «Trade and Sustainable Development» (TSD) Chapter (follows). – 6. The regular «Dispute Settlement» mechanism (follows). – 7. Concluding remarks: the strengths and the critical aspects of the EU-India FTA.

## *1. Introduction: preliminary remarks and aims of the contribution*

On Tuesday 27 January 2026, the EU and India concluded negotiations for a Free Trade Agreement (FTA), the largest such deal ever finalised by either side.

The agreement was welcomed by the President of the European Commission, Ursula von der Leyen, who enthusiastically commented as follows: «The EU and India make history today, deepening the partnership between the world’s biggest democracies. We have created a free trade zone of 2 billion people, with both sides set to gain economically. We have sent a signal to the world that rules-based cooperation still delivers great outcomes. And, best of all, this is only the start – we will build on this success, and grow our relationship to be even stronger».<sup>1</sup>

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<sup>1</sup> Press release of the European Commission, EU and India conclude landmark Free Trade Agreement, of 27 January 2026, available at the following link: [ec.europa.eu/commission/presscorner/detail/en/ip\\_26\\_184](https://ec.europa.eu/commission/presscorner/detail/en/ip_26_184).

It should be recalled that negotiations between the EU and India started in 2007, were paused in 2013 and restarted in 2022, with a view to the conclusion of three separate agreements:<sup>2</sup> the first one is the abovementioned Free Trade Agreement; the second one is an Investment Protection Agreement (IPA), aimed at providing investors from both sides with a predictable and secure investment environment – through commitments on non-discrimination, protection against expropriation without compensation and unfair treatment of investors and their investments, while preserving the right to regulate and transfer of returns – and also aimed at putting in place an effective and state-of-the-art dispute settlement mechanism to enforce such rules; the third one is an Agreement on Geographical Indications, aimed at supporting rural communities, helping preserve the cultural and culinary heritage of both sides, assuring simplified access to quality products for consumers on both sides and promoting the geographical indications globally.<sup>3</sup>

While negotiations for the latter two agreements are still ongoing, those for the first one experienced an acceleration following the visit of the College of European Commissioners to India on 28 February 2025 – as jointly agreed on that occasion by Ursula von der Leyen and Indian Prime Minister Narendra Modi – and were successfully concluded in January 2026, as already mentioned. This contribution, therefore, will focus solely on that FTA, examining the key aspects that can currently be identified, in view of the documents available at the time of writing and in particular the «Provisional Text» of the deal published by the European Commission on Friday 27 February 2026. Subsequently, it will be possible to make some concluding remarks.

## *2. EU trade agreements in general*

For a better understanding of the EU-India FTA, we must preliminarily recall some essential elements of EU trade agreements in general.

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<sup>2</sup> On the point see, for instance, the webpage of the European Commission's official website entitled «Negotiations and agreements», available at the following link: [policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/negotiations-and-agreements\\_en](https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/negotiations-and-agreements_en).

<sup>3</sup> On the point see, for instance, the webpage of the European Commission's official website entitled «EU-India Free Trade Agreement, Investment Protection Agreement and Geographical Indications Agreement», available at the following link: [policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india/eu-india-agreements\\_en](https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india/eu-india-agreements_en).

As is well known, while the earliest EU trade agreements were almost exclusively focused on the removal (or at least on the reduction) of tariff barriers to trade, the latest pacts are much more ambitious: the movement of goods and services among the signatories through tariff elimination is no longer the one and only *raison d'être* of the agreements; besides that, the aim of the EU is also to promote sustainable development, implementing values such as the protection of the environment (including the climate change policy) and of workers, intellectual property rights, inclusive growth, research and development and the protection of human rights.<sup>4</sup>

To be even more specific, according to the European Commission, EU trade agreements can be divided into four categories: «first generation» agreements, negotiated before 2006, that focus on tariff elimination (as mentioned above); «second generation» agreements, which extend to new areas, including intellectual property rights, services and sustainable development; «Deep and Comprehensive Free Trade Areas» (DCFTAs) that create stronger economic links between the EU and its neighbouring countries; and «Economic Partnership Agreements» (EPAs) focusing on development needs of African, Caribbean and Pacific (ACP) regions.<sup>5</sup>

Obviously, the agreement with India falls into the second category, since it does not focus only on tariff elimination, but also concerns other areas, as will be shown shortly: consequently, it can be defined as a «New Generation Free Trade Agreement», or NGFTA.<sup>6</sup>

### 3. Trade relations between the EU and India

Focusing more specifically on India, according to the World Bank, that country is one of the fastest growing economies of the world and is poised to

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<sup>4</sup> L. PASQUALI, *The EU-MERCOSUR Agreement as Source of Development of Specific Global Norms and Standards*, in C. GARCÍA SEGURA, J. IBÁÑEZ, P. PAREJA (dirs.), *Actores Regionales y Normas Globales: la Unión Europea y los BRICS como Actores Normativos*, Valencia, 2021, p. 131 ff., at 133. On the point see also: I. BARTHESAGHI, N. DE MARIA CALVELO, N. MELGAR ALASSIO, M. A. PEREIRA, *La nueva generación de acuerdos de la Unión Europea y sus implicancias en el sistema internacional*, in E. TREMOLADA ALVAREZ (dir.), *Gobernanza, cooperación internacional y valores democráticos comunes*, Bogotá, 2019, p. 445 ff.

<sup>5</sup> Press release of the European Commission, EU trade agreements: delivering new opportunities in time of global economic uncertainties, of 14 October 2019, available at the following link: [ec.europa.eu/commission/presscorner/detail/en/ip\\_19\\_6074](https://ec.europa.eu/commission/presscorner/detail/en/ip_19_6074).

<sup>6</sup> On NGFTA see, for instance: V. REMONDINO, *New Generation Free Trade Agreements at a Crossroads. Assessing Environmental Enforcement of the E.U.'s Trade and Sustainable Development Chapters from Global Europe to the Power of Trade Partnerships Communication*, in *University of Bologna Law Review*, Vol. 8, No. 1, 2023, p. 149 ff.

continue on this path. India has achieved remarkable development over the past two decades: since 2000, the economy has nearly quadrupled in real terms, and per capita income has almost tripled; its share in the global economy has doubled – from 1.6 percent in 2000 to 3.4 percent in 2023 – making India the world’s fifth-largest economy. Moreover, this country continued to be the fastest-growing major economy, with a growth rate of 6.5 percent, in 2024-2025: growth was bolstered by robust activity in agriculture and sustained service sector performance, which counterbalanced the slowdown in the industrial sector; agricultural growth accelerated to 4.6 percent, up from 2.7 percent the previous year, thanks to favourable weather conditions. Meanwhile, while services growth softened slightly, it remained strong.<sup>7</sup>

As far as trade relations between the EU and India are concerned, according to the European Commission, the EU is India’s largest trading partner, accounting for trade in goods worth €120 billion in 2024, or 11.5% of India’s total trade. On the other hand, India is only the EU’s 9<sup>th</sup> largest trading partner, accounting for 2.4% of the EU’s total trade in goods in 2024, well behind the USA (17.3%), China (14.6%) or the UK (10.1%); however, trade in goods between the EU and India has increased by almost 90% in the last decade. More specifically, the EU’s imports from India comprise mainly machinery and appliances, chemicals, base metals, mineral products and textiles, while the EU’s main exports to India consist of machinery and appliances, transport equipment and chemicals. As for trade in services, it amounted to €59.7 billion in 2023, with EU exports of €26 billion. Moreover, it should not be overlooked that approximately 6,000 European companies are present in India.<sup>8</sup>

In light of the importance of trade in goods and services between the EU and India, and particularly of the pace at which it is growing, it is clear that the FTA in question meets certain relevant commercial and strategic needs of both Parties.

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<sup>7</sup> On the point, see the webpage of the World Bank’s official website devoted to «India», available at the following link: [www.worldbank.org/ext/en/country/india#tab-economy](http://www.worldbank.org/ext/en/country/india#tab-economy).

<sup>8</sup> On the point see, for instance, the webpage of the European Commission’s official website entitled «India. EU trade relations with India. Facts, figures and latest developments», available at the following link: [policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india\\_en](http://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india_en).

#### 4. *The principal matters addressed by the EU-India FTA*

It is now possible to examine the principal matters addressed by the EU-India FTA, having regard to the Provisional Text.

Following Chapter 1, which is devoted to «Initial Provisions», Chapter 2 addresses trade in goods (namely, «National Treatment and Market Access for Goods»). Pursuant to Art. 2.1, «[t]he Parties shall progressively and mutually liberalise trade in goods in accordance with the provisions of this Agreement»; the provisions set out below are intended to achieve such objective, for example Art. 2.4 on «National treatment on internal taxation and regulation» and Art. 2.5 on «Elimination or reduction of customs duties». According to the Commission, should the agreement enter into force, the EU would eliminate tariffs on over 90% of tariff lines and 91% in terms of value, while India would eliminate tariffs on 86% of tariff lines, and 93% in terms of value. Moreover, both sides would partially liberalise a significant additional number of lines, thereby bringing the overall coverage of trade liberalisation to 96.6% for India and 99.3% for the EU. The main benefits would concern the following economic sectors: for the EU, the agri-food, chemical, pharmaceutical, machinery, medical devices, avionics and automotive industries; for India, fisheries, chemicals, textiles, footwear and pharmaceuticals. At the same time, there would also be rules to protect EU's agricultural sensitivities.<sup>9</sup>

Chapter 3 concerns «Rules of Origin»: the EU and India have agreed rules of origin that are closely aligned with those included in recent EU FTAs, whose aim is to ensure that only products that have been significantly processed in one of the Parties can benefit from the tariff preferences of the agreement.<sup>10</sup>

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<sup>9</sup> On the point see, for instance, the webpage of the European Commission's official website entitled «MEMO: EU-India Free Trade Agreement: Chapter-by-Chapter Summary», available at the following link: [policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india/eu-india-agreements/memo-eu-india-free-trade-agreement-chapter-chapter-summary\\_en](http://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india/eu-india-agreements/memo-eu-india-free-trade-agreement-chapter-chapter-summary_en).

<sup>10</sup> Art. 3.2 of the Provisional Text, devoted to «Requirements for originating products», reads as follows: «1. The following products shall be considered as originating in a Party, provided that they satisfy all other applicable requirements of this chapter: (a) products wholly obtained or wholly produced in that Party within the meaning of Article 3; or (b) products produced in that Party incorporating non-originating materials provided they satisfy the requirements set out in Annex II. Those originating products shall be considered as originating goods for the purpose of applying the preferential tariff treatment in accordance with this Agreement [...]».

«Customs and trade facilitation» are governed by Chapter 4: the latter is intended to facilitate legitimate trade between the EU and India, while ensuring effective customs control, so that imported goods meet all the rules of the importing country, including requirements related to safety, security and respect of intellectual property rights.<sup>11</sup>

Chapter 5 regards «Sanitary and phytosanitary measures»: one of the main objectives is «to protect human, animal or plant life or health in the territory of each Party while facilitating trade between the Parties and to ensure that Sanitary and Phytosanitary (SPS) measures imposed by each Party do not create unjustified barriers to trade» (Art. 5.1.b). Such provisions are defined by the Commission as «comprehensive and balanced, covering both the EU's offensive and defensive interests»,<sup>12</sup> and would be subject to the agreement's bilateral dispute settlement system.<sup>13</sup>

«Technical Barriers to Trade» (TBT) are regulated by Chapter 6: its objective is to «facilitate trade in goods between the Parties by preventing, identifying and eliminating unnecessary technical barriers to trade» (Art. 6.1); it incorporates commitments under the WTO law<sup>14</sup> and makes them subject to bilateral dispute settlement under the FTA.<sup>15</sup>

Chapter 7 is dedicated to «Trade Remedies»: the rules in question attempt to strike a balance between advancing market openness and ensuring effective

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<sup>11</sup> Art. 4.1 of the Provisional Text, devoted to «Objective», reads as follows: «1. The Parties recognise the importance of customs and trade facilitation matters in the evolving global trading environment. The Parties shall reinforce cooperation in this area with a view to ensuring that the relevant laws and regulations and procedures, as well as the administrative capacity of the relevant administrations, fulfil the objectives of promoting trade facilitation while ensuring effective customs control. 2. To this end, the Parties agree that laws and regulations shall be non-discriminatory and that customs procedures shall be based upon the use of effective and efficient methods and controls to combat fraud and to promote legitimate trade. 3. The Parties recognise that legitimate public policy objectives, including in relation to security, safety and fight against fraud shall not be compromised in any way».

<sup>12</sup> On the point, see the webpage of the European Commission's official website entitled «MEMO: EU-India Free Trade Agreement: Chapter-by-Chapter Summary», cited above.

<sup>13</sup> Art. 5.12 of the Provisional Text, devoted to «Technical consultations», reads as follows: «[...] 5. Each Party shall seek to resolve any concerns with respect to sanitary and phytosanitary measures of the other Party referred to in paragraph 1 through technical consultations pursuant to this Article prior to initiating dispute settlement proceedings under this Agreement [...]».

<sup>14</sup> Art. 6.2 of the Provisional Text, devoted to «Scope», reads as follows: «1. This Chapter applies to the preparation, adoption and application of all standards, technical regulations and conformity assessment procedures as defined in Annex 1 of the WTO TBT Agreement on Technical Barriers to Trade («TBT Agreement»), at the central level of government, which may affect trade in goods between the Parties».

<sup>15</sup> Art. 6.10 of the Provisional Text, devoted to «Technical discussions», reads as follows: «[...] 5. For greater certainty, this Article is without prejudice to a Party's rights and obligations under Chapter 17 (Dispute Settlement)».

protection against unfair trade practices and import surges; therefore, they confirm the possibility of tackling unfair trade between the Parties by using trade defence instruments, such as anti-dumping, anti-subsidy<sup>16</sup> or global safeguards.<sup>17</sup> The matter, however, is excluded from the dispute settlement mechanism.<sup>18</sup>

With regard to «Trade in Services», Chapter 8 introduces services rules grounded on the WTO's General Agreement on Trade in Services (GATS),<sup>19</sup> but, in the view of the Commission, it contains «numerous improvements» that are found in other modern FTAs of the EU.<sup>20</sup>

Chapter 9 is focused on «Digital Trade» and has the objective «to facilitate digital trade, to address unjustified barriers to trade enabled by electronic means and to ensure an open, secure and trustworthy online environment for businesses and consumers» (Art. 9.1). It integrates the majority of the rules agreed under the WTO's Electronic Commerce Joint Initiative,<sup>21</sup> of which India is not a member.

The EU-India FTA also includes provisions on «Intellectual Property» (Chapter 10), aimed at ensuring «appropriate and effective protection and enforcement of intellectual property rights in each Party» (Art. 10.1), as well as rules on «Anticompetitive Conduct, Merger Control and Subsidies» (Chapter 11), «Small and Medium-Sized Enterprises (SMEs)» (Chapter 12), «Transparency» (Chapter 13), «Good Regulatory Practices» (Chapter 14) and «Sustainable Food Systems» (Chapter 15).

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<sup>16</sup> Section B of Chapter 7 of the Provisional Text (Articles 7.3-7.6) is devoted to «Anti-dumping and countervailing measures». Art. 7.3, devoted to «General Provisions», reads as follows: «1. Each Party retains its rights and obligations arising from the Anti-Dumping Agreement and from the SCM Agreement [...]». The Anti-Dumping Agreement is the «Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, set out in Annex 1A to the WTO Agreement» (art. 7.1.a); the SCM Agreement is the «Agreement on Subsidies and Countervailing Measures, set out in Annex 1A to the WTO Agreement» (Art. 7.1.d).

<sup>17</sup> Section C of Chapter 7 of the Provisional Text (Articles 7.7-7.8) is devoted to «Global Safeguard Measures».

<sup>18</sup> Art. 7.2 of the Provisional Text, devoted to «Exclusion from dispute settlement mechanism», reads as follows: «Neither Party shall have recourse to dispute settlement provisions of this Agreement for any matter arising under Section A, Section B and Section C of this Chapter».

<sup>19</sup> See, for instance, Art. 8.6 («Most-Favoured-Nation Treatment») and Art. 8.12 («Domestic Regulation») of the Provisional Text.

<sup>20</sup> On the point, see the webpage of the European Commission's official website entitled «MEMO: EU-India Free Trade Agreement: Chapter-by-Chapter Summary», cited above.

<sup>21</sup> On the point see, for instance: M. BURRI, *A WTO Agreement on Electronic Commerce: An Enquiry into its Substance and Viability*, in *Georgetown Journal of International Law*, Vol. 53, 2023, p. 565 ff.

## 5. *The «Trade and Sustainable Development» (TSD) Chapter (follows)*

Specific attention should be devoted to the provisions concerning «Trade and Sustainable Development» (TSD), inserted in Chapter 16 of the EU-India FTA, that have the objective «to enhance the integration of sustainable development, notably its environmental and social dimensions (in particular the labour aspects), in the Parties' trade relationship» (Art. 16.1.4). In particular, Chapter 16 sets out a legal framework whose stated aims are to enhance environmental protection, address climate change, protect workers' rights, and support women's empowerment.

With regard to environment and climate, both Parties commit to work towards the implementation of the Multilateral Environmental Agreements (MEAs) that each Party has ratified, such as the Paris Agreement,<sup>22</sup> the Convention on Biological Diversity (CBD) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).<sup>23</sup> Moreover, the deal commits the EU and India to work together on climate change issues such as reducing emissions, shifting to a resource-efficient and circular economy, as well as promoting renewable energies,<sup>24</sup> and includes

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<sup>22</sup> Art. 16.6 of the Provisional Text, devoted to «Trade and climate change», reads as follows: «1. The Parties recognise the importance of taking urgent and enhanced action to combat climate change and its impacts, and the role of a supportive and open international economic system in pursuing this objective, which would lead to sustainable economic growth and development in the Parties, consistent with the UN Framework Convention on Climate Change (UNFCCC) and with the Paris Agreement adopted by the Conference of the Parties to the UNFCCC at its 21<sup>st</sup> session. The Parties also recognise the objective of UNFCCC to tackle climate change through the implementation of the Paris Agreement, reflecting equity and the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances. Accordingly, each Party shall implement the UNFCCC and the Paris Agreement».

<sup>23</sup> Art. 16.7 of the Provisional Text, devoted to «Trade and biological diversity», reads as follows: «1. The Parties recognise the importance of conserving and sustainably using biological diversity and the role of trade in pursuing these objectives, consistent with relevant MEAs to which they are a party, including the Convention on Biological Diversity (CBD) and its protocols, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and the decisions adopted thereunder [...]».

<sup>24</sup> Art. 16.6 of the Provisional Text, devoted to «Trade and climate change», reads as follows: «[...] 2. [...] each Party shall endeavour to: (a) promote mutually supportive trade and climate policies and measures contributing to respective Nationally Determined Contributions and to respective long term strategies for transitions with respect to low greenhouse gas/carbon emissions, to a resource-efficient and circular economy, and to climate-resilient development; (b) facilitate climate change mitigation and adaptation, especially through addressing tariff and non-tariff barriers to trade in renewable energy and energy efficient products and services, among others, or through the adoption of policy frameworks encouraging the deployment of best available technologies [...]. 3. The Parties shall work together to strengthen their

provisions on the protection and management of natural resources: more specifically, it sets commitments with respect to forest conservation and combatting illegal logging and related trade;<sup>25</sup> to conservation and sustainable use of biodiversity and combatting illegal wildlife trade;<sup>26</sup> and to combatting illegal, unreported and unregulated (IUU) fishing.<sup>27</sup>

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cooperation [...] on trade-related matters of mutual interest covered by this article, bilaterally and in international fora, as appropriate, among others through the exchange of information, best practices and outreach initiatives. Such cooperation may cover, among others: (a) policy dialogue and cooperation on matters regarding the Paris Agreement, such as on means to promote climate resilience, renewable energy, low-carbon technologies, energy efficiency, sustainable transport, sustainable and climate-resilient infrastructure development; (b) matters related to the IMO process on greenhouse gas emissions reduction measures by ships engaged in international trade [...].»

<sup>25</sup> Art. 16.8 of the Provisional Text, devoted to «Trade and forests», reads as follows: «1. The Parties recognise the importance of the conservation and sustainable management of forests for providing environmental functions and economic and social opportunities for present and future generations. 2. Recognising that deforestation is a major driver of global warming and biodiversity loss, each Party shall take appropriate measures to combat illegal logging and related trade, as well as to support the conservation and sustainable management of forests and to address the risk of deforestation or forest degradation [...].»

<sup>26</sup> Art. 16.7 of the Provisional Text, devoted to «Trade and biological diversity», reads as follows: «2. [...] each Party shall, as per its domestic law and procedure: (a) implement appropriate measures to combat illegal wildlife trade, in accordance with CITES; and (b) take measures to conserve biological diversity, in particular to prevent the spread of invasive alien species by preventing the introduction of, and controlling, those alien species which threaten ecosystems, habitats or species [...]. 5. The Parties shall work together to strengthen their cooperation [...] on trade-related matters of mutual interest covered by this article, bilaterally and in international fora, as appropriate, among others through the exchange of information, best practices and outreach initiatives. Such cooperation may cover, among others: (a) initiatives and good practices concerning trade in products and services derived from the sustainable use of biological resources with the aim of conserving biological diversity; (b) trade and the conservation and sustainable use of biological diversity, including the development and application of natural capital and ecosystem accounting methods, the valuation of ecosystems and their services and related economic instruments; (c) combatting illegal wildlife trade, including through initiatives to reduce demand for illegal wildlife products and initiatives to enhance information sharing and cooperation [...].»

<sup>27</sup> Art. 16.9 of the Provisional Text, devoted to «Trade and sustainable management of marine biological resources and aquaculture», reads as follows: «1. The Parties recognise the importance of conserving and sustainably managing marine biological resources and marine ecosystems as well as of promoting responsible and sustainable aquaculture, and the role of trade in pursuing these objectives. The Parties acknowledge the importance of the marine fisheries sector to their development and to the livelihoods of their fishing communities, including artisanal or small-scale fishers, and the usefulness to encourage responsible fishing practices by such fishers that may enhance trade opportunities for them. 2. The Parties acknowledge that illegal, unreported and unregulated (IUU) fishing threatens fishery stocks, the livelihoods of persons engaged in responsible fishing practices and the sustainability of trade in fishery products and confirm the need for action to end IUU fishing in order to encourage sustainable utilisation of fisheries resources and their conservation, while recognising the need for capacity building and technical assistance to Parties [...].»

With reference to workers' rights, the agreement requires the respect of core International Labour Organization (ILO) principles, covering subjects such as freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; the elimination of discrimination in respect of employment and occupation; and a safe and healthy working environment.<sup>28</sup>

As regards gender equality and women's empowerment, instead, the EU-India FTA contains provisions regarding relevant UN and ILO conventions on advancing women's economic empowerment and gender equality, including promoting cooperation in international fora to advance these objectives.<sup>29</sup>

Commitments on TSD are legally binding and enforceable through a dedicated consultation mechanism, which provides for «Consultations between the Parties» (Art. 16.16), «Joint Committee consultations» (Art.

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<sup>28</sup> Art. 16.3 of the Provisional Text, devoted to «Multilateral labour standards and agreements», reads as follows: «1. The Parties affirm their commitment to promote the development of international trade in a way that is conducive to decent work for all, as expressed in the ILO Declaration on Social Justice for a Fair Globalization of 2008, as amended in 2022. 2. In accordance with the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, adopted by the International Labour Conference at its 86th Session in 1998 and as amended at its 110th Session in 2022, each Party shall respect, promote and realise, in good faith and in accordance with the ILO Constitution, the principles concerning the fundamental rights at work, as defined in the fundamental ILO Conventions, namely: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; (d) the elimination of discrimination in respect of employment and occupation; and (e) a safe and healthy working environment [...]».

<sup>29</sup> Art. 16.4 of the Provisional Text, devoted to «Trade and gender equality», reads as follows: «1. The Parties recognise that inclusive trade policies contribute to advancing women's economic empowerment and gender equality, in line with Sustainable Development Goal 5 of the UN 2030 Agenda on Sustainable Development. They acknowledge the important contribution by women to economic growth through their participation in economic activity, including international trade. The Parties agree to promote and enhance gender equality and the empowerment of women in the implementation of the provisions of this Agreement [...] 3. Each Party shall implement, in good faith, as per its domestic law and procedure, its obligations under international agreements addressing gender equality and women's rights to which it is a party, including the Convention on the Elimination of all Forms of Discrimination Against Women, adopted by the United Nations General Assembly on December 18, 1979 noting in particular its provisions related to eliminating discrimination against women in economic life and in the field of employment, as well as the relevant ILO Conventions that it has ratified [...]. 5. The Parties shall work together bilaterally or in other relevant fora as appropriate to strengthen their cooperation on trade-related aspects of gender equality policies and measures, including activities designed to improve the capacity and conditions for women, including workers, businesswomen and entrepreneurs, to access and benefit from the opportunities created by this Agreement [...]».

16.17) and «Consultations at ministerial level» (Art. 16.18) as a last resort: if consultations between the Parties and subsequent Joint Committee consultations have failed, «either Party may refer the matter to the relevant Minister-level representatives of the Parties who shall seek to promptly resolve the matter». What has just been stated, however, implies that, in case TSD provisions are violated, the rules concerning regular dispute settlement (to be discussed shortly), which are undoubtedly more effective, do not apply; a feature that characterises the vast majority of EU trade agreements, though not all: consider, in particular, the FTA with New Zealand.<sup>30</sup>

## 6. *The regular «Dispute Settlement» mechanism (follows)*

Particular consideration should also be given to the regular «Dispute Settlement» mechanism, governed by Chapter 17.

Some of the key features of such mechanism are the following: the possibility of alternative methods of dispute resolution, such as good offices, conciliation or mediation;<sup>31</sup> independent panels agreed by both Parties, with the use of pre-established rosters if the Parties do not agree on panel composition;<sup>32</sup> rules on transparency and open hearings;<sup>33</sup> and legally binding panel reports;<sup>34</sup> if the Party complained against does not comply with the final report, there is the possibility of compensation and suspension of concessions or other obligations.<sup>35</sup>

However, it should not be forgotten that the regular dispute settlement mechanism described above does not apply to certain relevant matters, most notably Trade and Sustainable Development provisions: in the event of a

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<sup>30</sup> On the point see, for instance: S. VILLANI, *EU Trade Agreements and Dispute Settlement Mechanisms on Sustainable Development: Remarks on the EU-New Zealand FTA*, in E. BARONCINI, A. MARIA DAZA VARGAS, F. FONTANELLI, G. KOSTKA, R. REGUEIRO DUBRA, P. SZWEDO, R. TOIVANEN (eds.), *The UN 2030 Agenda in the EU Trade Policy – Improving Global Governance for a Sustainable New World*, Bologna, 2025, p. 179 ff.

<sup>31</sup> See Art. 17.4 («Alternative dispute resolution») of the Provisional Text.

<sup>32</sup> See, in particular, Art. 17.6 («Request for the establishment of a panel»), Art. 17.7 («Establishment and composition of a panel»), Art. 17.8 («Lists of panellists»), Art. 17.9 («Requirements for panellists») and Art. 17.10 («Functions of the panel») of the Provisional Text.

<sup>33</sup> See Art. 17.27 («Transparency») of the Provisional Text.

<sup>34</sup> See, in particular, Art. 17.14 («Final report») and Art. 17.15 («Implementation of the final report») of the Provisional Text.

<sup>35</sup> See Art. 17.18 («Compensation and suspension of concessions or other obligations») of the Provisional Text.

dispute, a less effective procedure shall therefore apply (as previously indicated).<sup>36</sup>

The EU-India Free Trade Agreement concludes, finally, with «Institutional Provisions» (Chapter 18), «Exceptions» (Chapter 19) and «Final Provisions» (Chapter 20).

## *7. Concluding remarks: the strengths and the critical aspects of the EU-India FTA*

Given the above, it is now possible to make some concluding remarks.

The EU-India FTA is, without a doubt, extremely ambitious, so much so that President von der Leyen has described it as «the mother of all deals».<sup>37</sup>

Once in force, the deal would bring together the world's biggest trading bloc and its most populous country and would create the world's largest free trade zone, encompassing two billion people and nearly 25% of global gross domestic product and promising to lower tariffs on hundreds of goods and save up to €4 billion per year in duties on European products. An agreement 19 years in the making, that was given fresh urgency by rising trade tensions with the US and China.<sup>38</sup>

Particularly significant is the fact that the EU-India pact, as a New Generation Free Trade Agreement, focuses not only on the removal (or at least on the reduction) of tariff barriers to trade, but also on other areas, such as Trade and Sustainable Development (which this contribution has addressed

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<sup>36</sup> Art. 17.2 of the Provisional Text, devoted to «Scope», reads as follows: «[...] 2. The covered provisions shall include all provisions of this Agreement with the exception of: (a) Section A [Initial provisions], Section B [Anti-dumping and countervailing measures] and Section C [Global safeguard measures] of Chapter 7 [Trade remedies]; (b) Article 8.X (Transparency of measures in the schedule of specific commitments) and Article 8.17 (Subsidies) of Chapter 8 [Trade in services]; (c) Chapter 10 [Intellectual Property] for the purposes of point (b) of paragraph 1; (d) Chapter 11 [Anticompetitive conduct, merger control and subsidies]; (e) Chapter 12 [Small and medium-sized enterprises]; (f) Chapter 13 [Transparency]; (g) Chapter 14 [Good regulatory practices and regulatory cooperation]; (h) Chapter 15 [Sustainable food systems]; and (i) Chapter 16 [Trade and sustainable development] [...]».

<sup>37</sup> Press release of the European Commission, EU and India conclude negotiations for largest trade deal in their history, of 28 January 2026, available at the following link: [ec.europa.eu/commission/presscorner/detail/en/ac\\_26\\_253](https://ec.europa.eu/commission/presscorner/detail/en/ac_26_253)

<sup>38</sup> On the point see, for instance: C. KROET, O. PANDIELLO, *EU, India sign 'mother of all trade deals' amid Trump tensions*, in *Mlex*, 27 January 2026; S. FEINGOLD, K. WHITING, *Here's why the India-EU trade pact is the 'mother of all deals'*, in *World Economic Forum*, 4 February 2026.

in some detail), as well as intellectual property rights, a field in which India would be pressured to strengthen its level of protection.<sup>39</sup>

There are, however, critical aspects that cannot be overlooked, among which, without doubt, the implementation of those non-strictly commercial provisions aimed at promoting EU values. In general, it must be highlighted that some recent developments – in particular, the failure to adopt the European Commission’s Proposal for the partial suspension of the EU-Israel Association Agreement – clearly demonstrate the difficulties in approving appropriate *lato sensu* sanctioning measures in the event of a violation of the aforementioned provisions.<sup>40</sup> Moreover, with specific reference to the EU-India FTA, it cannot be welcomed that the regular dispute settlement mechanism described above does not apply to certain relevant matters, most notably Trade and Sustainable Development provisions, for which a less effective procedure is provided: a shortcoming not present in all of the EU’s more recent trade agreements – as exemplified by the FTA with New Zealand – but which, in agreements such as the one with India, represents one of the main weaknesses of the provisions in question.<sup>41</sup>

The above appears unquestionably more serious in light of the major problems that characterise India in the areas covered by the TSD provisions. With reference to environmental matters, the implementation of pollution control programmes is often poor and some areas, such as noise pollution and the use of pesticides, are not adequately addressed:<sup>42</sup> circumstances that contribute to making India one of the most polluted countries in the world.<sup>43</sup> As regards labour concerns, workers’ rights violations in India are widespread across various sectors, and include lack of social security, forced labour and

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<sup>39</sup> On the point see, for instance: F. PATEL, *India-EU FTA to force high-speed overhaul of Indian patent law*, in *Mlex*, 29 January 2026.

<sup>40</sup> On the point, see in greater detail: G. RUGANI, *The Partial Suspension of the EU-Israel Association Agreement: The Inadequacies of the EC’s Proposal and the Critical Issues Arising from Its Non-Adoption*, in *EUWEB Legal Essays*, No. 1, 2026, p. 79 ff.; G. RUGANI, *La proposta di sospensione parziale dell’accordo UE-Israele: limiti delle misure e criticità derivanti dalla loro mancata adozione*, in *Quaderni AISDUE*, No. 1, 2026.

<sup>41</sup> On the point see, for instance: M. BRONCKERS, G. GRUNI, *Taking the enforcement of labour standards in the EU’s free trade agreements seriously*, in *Common Market Law Review*, Vol. 56, No. 6, 2019, p. 1591 ff.

<sup>42</sup> J. JYOTI, *Environmental Protection in India*, in *International Journal of Humanities Social Science and Management*, Vol. 5, No. 2, 2025, p. 43 ff.

<sup>43</sup> On the point, see the webpage of IQAir’s official website devoted to «World’s most polluted countries & regions», available at the following link: [www.iqair.com/world-most-polluted-countries](http://www.iqair.com/world-most-polluted-countries)

discrimination against vulnerable groups,<sup>44</sup> to such an extent that the International Trade Union Confederation (ITUC) classifies India among the countries with «no guarantee of rights» of workers.<sup>45</sup> Finally, as regards gender-related issues, it is worth recalling that a survey conducted some years ago by the Thomson Reuters Foundation, involving approximately 550 experts in the field, identified India as *the world's most dangerous country for women*, on account of the risks they face from sexual violence and harassment, from cultural and traditional practices, and from human trafficking including forced labour, sex slavery and domestic servitude;<sup>46</sup> this means that, according to the survey, India is even more dangerous for women than countries which the EU openly condemns for gender-based violence and which are subject to sanctions for human rights violations, such as Iran.<sup>47</sup>

Ultimately, at the very least, it would have been appropriate for the regular dispute settlement mechanism to apply also to the TSD provisions, or, alternatively, for more effective enforcement mechanisms to be provided for the latter; this would undoubtedly have been more consistent with Articles 3.5 and 21 TEU, pursuant to which the EU in its relations with the wider world shall uphold and promote its values, including the sustainable development of the Earth.

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<sup>44</sup> On the point see, for instance: A. SHARMA, *India: Migrant workers' systemic exploitation, including lack of social security, forced labour & discrimination, is worsened by conflict and crisis*, in *Business and Human Rights Centre*, 19 June 2025.

<sup>45</sup> On the point, see the webpage of the official website of the International Trade Union Confederation (ITUC) devoted to «Global Rights Index 2025», available at the following link: [www.ituc-csi.org/global-rights-index](http://www.ituc-csi.org/global-rights-index)

<sup>46</sup> THOMSON REUTERS FOUNDATION, *The World's most dangerous countries for women 2018*, in *Thomson Reuters Foundation News*, 2018. See the following link: [news.trust.org/item/20180612142134-9jrem/](http://news.trust.org/item/20180612142134-9jrem/).

<sup>47</sup> On the point see, for instance, the webpage of the European Commission's official website entitled «EU sanctions against Iran», according to which «The EU condemns human rights abuses in Iran [...]. It has adopted a number of sanctions in this regard»; with particular reference to gender-related issues, «The EU calls on Iran to eliminate, in law and in practice, all forms of systemic discrimination against women and girls in public and private life and to take gender-responsive measures to prevent sexual and gender-based violence in all its forms against women and girls and to ensure protection against such violence». The webpage is available at the following link: [www.consilium.europa.eu/en/policies/sanctions-against-iran/#human-rights](http://www.consilium.europa.eu/en/policies/sanctions-against-iran/#human-rights).

**ABSTRACT (ita)**

Il contributo si concentra sull'Accordo di libero scambio ("*Free Trade Agreement*" o FTA) tra l'Unione europea e l'India, i cui negoziati si sono conclusi con successo il 27 gennaio 2026, e propone alcune prime osservazioni sulla base del "*Provisional Text*" pubblicato dalla Commissione europea il 27 febbraio 2026. Preliminarmente, l'articolo richiama in breve alcuni elementi essenziali degli accordi commerciali dell'UE in generale e illustra la rilevanza delle relazioni commerciali tra l'UE e l'India. Successivamente, esso esamina le principali materie disciplinate dal FTA, tra cui gli scambi di merci, le regole di origine, le dogane e l'agevolazione degli scambi, le misure sanitarie e fitosanitarie, gli ostacoli tecnici agli scambi, le misure di difesa commerciale, gli scambi di servizi, il commercio digitale e la proprietà intellettuale. Particolare attenzione è dedicata al Capo su commercio e sviluppo sostenibile ("*Trade and Sustainable Development*" o TSD) – i cui obiettivi consistono nel rafforzare la tutela dell'ambiente, contrastare i cambiamenti climatici, proteggere i diritti dei lavoratori e promuovere l'emancipazione femminile – nonché al meccanismo di risoluzione delle controversie. Infine, il contributo mette in luce non soltanto i punti di forza del FTA tra l'UE e l'India, ma anche le sue problematiche, tra le quali figura la difficile implementazione di quelle disposizioni non strettamente commerciali volte a promuovere i valori dell'UE: un aspetto che appare particolarmente grave alla luce delle persistenti criticità ambientali, lavoristiche e di genere riscontrabili in India.

**ABSTRACT (eng)**

The contribution focuses on the Free Trade Agreement (FTA) between the European Union and India, the negotiations for which were successfully concluded on 27 January 2026, and provides some early remarks based on the Provisional Text published by the European Commission on 27 February 2026. Preliminarily, the article briefly recalls some essential elements of EU trade agreements in general, and explains the relevance of trade relations between the EU and India. Subsequently, it examines the principal matters addressed by the FTA, including trade in goods, rules of origin, customs and trade facilitation, sanitary and phytosanitary measures, technical barriers to trade, trade remedies, trade in services, digital trade and intellectual property. Specific attention is devoted to the Trade and Sustainable Development (TSD) Chapter – whose aims are to enhance environmental protection, address

climate change, protect workers' rights and support women's empowerment – and to the dispute settlement mechanism. Finally, the contribution highlights not only the strengths of the EU-India FTA, but also its critical aspects, among which the problematic implementation of those non-strictly commercial provisions aimed at promoting EU values: an issue that appears particularly serious in light of persistent environmental, labour and gender-related challenges in India.