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India and Canada CEPA Negotiations

Published On: 11-05-2026



India and Canada successfully concluded the second round of negotiations for the proposed Comprehensive Economic Partnership Agreement (CEPA) in New Delhi. The discussions were hosted by the Department of Commerce at Vanijya Bhawan. Both countries reaffirmed their commitment to strengthening bilateral trade and economic cooperation through a balanced and mutually beneficial trade agreement.?

Key Outcomes of the Negotiations

The negotiations covered several important chapters, including:

Trade in Goods

Trade in Services

Intellectual Property Rights (IPR)

Rules of Origin

Sanitary and Phytosanitary (SPS) Measures

Technical Barriers to Trade (TBT)

Both countries described the discussions as constructive and productive.

Next Round of Discussions

The next round of CEPA negotiations will be held in Ottawa, Canada, in July 2026.

Intersessional engagements between officials of both countries will continue before the next formal round.

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What is CEPA?

Comprehensive Economic Partnership Agreement (CEPA)

CEPA is a broad-based trade agreement aimed at improving:

Trade in goods and services

Investment flows

Economic cooperation

Market access between participating countries

Compared to a normal Free Trade Agreement (FTA), CEPA generally includes wider areas such as:

Intellectual property rights

Investment rules

Digital trade

Economic cooperation measures

Significance of India–Canada CEPA

Economic Importance

CEPA is expected to enhance bilateral trade and investment between India and Canada.

Both countries aim to increase bilateral trade to around USD 50 billion by 2030.

Strategic Importance

The negotiations indicate improving India–Canada diplomatic and economic relations.

The agreement may help Indian exporters gain better access to Canadian markets.

Canada is an important source of:

Pulses

Fertilizers

Critical minerals

Education services

Benefit for India

The agreement may particularly benefit sectors such as:

Pharmaceuticals

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Information Technology (IT)

Textiles

Agriculture

Engineering goods

India–Canada Trade Relations

According to official trade figures for FY 2024–25:

Total bilateral trade: USD 8.66 billion

India's exports to Canada: USD 4.22 billion

India's imports from Canada: USD 4.44 billion

Major Indian Exports to Canada

Pharmaceuticals

Textiles

Engineering products

Organic chemicals

Gems and jewellery

Major Imports from Canada

Pulses

Potash fertilizers

Wood pulp

Minerals

Important Features of Trade Agreements:

FTA (Free Trade Agreement): Reduces or removes tariffs on goods

CEPA: Covers trade, investment, services, and broader economic cooperation

CECA (Comprehensive Economic Cooperation Agreement): Includes economic cooperation with trade liberalisation

India's Recent Trade Agreements:

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Agreement: Partner

ECTA: Australia

TEPA: EFTA Countries

India–UK CETA: United Kingdom

Proposed CEPA: Canada

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