

One Year of the Free Trade Agreement with India: The Partnership Gains Momentum

07.10.2026

At a glance

- Just one year after it took effect, the free trade agreement with India is already providing significant momentum for investment, economic cooperation, and long-term growth.
- Swiss companies plan to invest \$29 billion in India by 2030, creating approximately 400,000 jobs directly or indirectly.
- Additional investments will follow if India further strengthens investment security and intellectual property protection.

A high-level Swiss business delegation led by *economiesuisse* also took part in Federal President Guy Parmelin's trade mission to India. The trip underscores the growing importance of relations between Switzerland and India. One year after the Trade and Economic Partnership Agreement (TEPA) entered into force, it is already clear that the agreement is providing significant impetus for investment, economic cooperation, and long-term growth.

A Free Trade Agreement Takes Effect

Even before the agreement was finalized, ambitious goals were announced. Within 15 years, the agreement is expected to trigger a total of \$100 billion in investments in India and create up to one million jobs. Even though TEPA has only been in effect for a year, remarkable momentum is already emerging.

A survey by the Swiss-Indian Chamber of Commerce shows that Swiss companies plan to invest 29 billion U.S. dollars in India by 2030. This would directly or indirectly support around 400,000 jobs. Given Switzerland's size, this is an impressive figure. This is made possible by the strength of the Swiss economy, with its numerous innovative SMEs and internationally successful large corporations.

Switzerland as a business location will also benefit from this. An international presence, diversified value chains, and access to growth markets help ensure the long-term competitiveness of Swiss companies. A broad international footprint is of central importance, especially in times of geopolitical uncertainty.

Swiss Strengths Meet Indian Needs

India warmly welcomes foreign investment from Switzerland. The country has a population of approximately 1.48 billion and a young workforce. In the coming years, an additional 150 million people are expected to reach working age. To offer them opportunities, India needs strong and sustained economic growth.

Swiss companies can make an important contribution to this. As a democratic and neutral country, Switzerland enjoys a high level of trust and offers India the opportunity to diversify its economic partnerships. At the same time, the Swiss economy possesses expertise that is in high demand in India: from advanced manufacturing and measurement and security technology to food products,

pharmaceuticals, medical technology, infrastructure projects, energy solutions, construction planning, insurance, and investment partnerships.

Investment Protection Remains a Key Issue

To fully realize this potential, further progress is needed in the economic framework. In particular, there is room for improvement in the protection of intellectual property. This applies above all to innovative sectors such as the pharmaceutical industry. Equally important is the swift conclusion of a bilateral investment protection agreement between Switzerland and India. Since only a few issues remain unresolved, there is hope that an agreement can be reached before the end of this year.

India is one of the world's most important growth markets. If efforts to further strengthen investment security and create attractive conditions for foreign companies are successful, further investments are likely to follow.

India and Switzerland complement each other exceptionally well economically. Both countries benefit from a deeper partnership: India through growth, employment, and poverty reduction; Switzerland through stronger international connections, new business opportunities, and a competitive business environment.

Rudolf Minsch

Head of General Economic Policy & International Relations, Chief Economist, Deputy Chairman of the Executive Board