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# India’s Strategic Shift: EU Trade Deal Ahead

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India is on the verge of finalising a long?awaited **free trade agreement (FTA) with the European Union (EU)**, marking a potentially transformative moment for the nation’s global trade strategy, even as bilateral talks with the United States continue without a breakthrough.

Trade Secretary **Rajesh Agrawal** has indicated that negotiations with the EU could conclude in **January 2026**, potentially making this the **largest trade agreement** India has achieved to date. The pact is expected to cover a broad spectrum of economic ties, including goods, services, investment, and market access provisions.

As momentum builds toward an **India–EU summit later this month**, the broad consensus among negotiators suggests that only a handful of technical and regulatory issues remain unresolved. India’s Commerce and Industry Minister **Piyush Goyal** has described the agreement as poised to be the **“mother of all trade deals,”** underlining its potential to reshape trade flows and deepen economic integration with Europe.

### Why the EU Deal Matters

Analysts say the deal could deliver **substantial benefits** to Indian exporters by lowering tariffs and expanding access to one of the world’s largest markets. Sectors like **textiles, leather, gems and jewellery, IT services and pharmaceuticals** may see significant gains if zero?duty access and broad market entry terms are secured.

For European companies, India offers a rapidly growing consumer base and a gateway to South Asia’s broader economic landscape, increasing the strategic appeal of a comprehensive trade pact.

### US Negotiations Continue Without Final Accord

Meanwhile, India’s trade discussions with the **United States** have yet to yield a deal, despite ongoing engagement and multiple rounds of negotiation. Both nations have expressed commitment to continue talks toward a **bilateral trade agreement**, but no timeline for conclusion has been announced. Commerce officials stress that any pact must be **fair and balanced**, protecting key domestic interests while advancing mutual economic goals.

Experts note that while India and the US remain important trading partners, **tariff disagreements and sensitive market access issues** have slowed progress, prompting New Delhi to diversify its trade focus — a strategy highlighted by the accelerating EU?deal timeline.

### Looking Ahead

As India edges closer to a landmark EU free trade agreement, policymakers are positioning the country not just as a regional powerhouse but as a key participant in **global trade architecture**. The outcome of these negotiations — both with Europe and the United States — could have lasting implications for India’s export landscape, foreign investment flows and industrial competitiveness over the coming decade.

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