

LETTER

CONFEDERATION OF INDIAN TEXTILE INDUSTRY

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India-New Zealand FTA ratified, wool to get tariff-free access

New Zealand and India have formally ratified the India-New Zealand Free Trade Agreement (FTA), establishing new market-access terms for exporters and importers. For the textile sector, New Zealand wool is among the products set to receive tariff-free access to India from the agreement's first day.

The FTA will enter into force on October 20, 2026. New Zealand Trade and Investment Minister Todd McClay exchanged the formal ratification documents with India's High Commissioner to New Zealand, Muanpui Saiawi in Parliament, confirming that New Zealand had completed its domestic procedures.

McClay said 57 per cent of New Zealand exports to India will be tariff-free from day one, including wool and coal, while more than 95 per cent of forestry and wood exports will also receive tariff-free access. He said exporters would benefit from a second round of tariff cuts from January 1, 2027.

"The New Zealand-India FTA will level the playing field," McClay said, adding that greater market diversification was increasingly important as global markets become more uncertain.

The agreement will also provide preferential quota access to India for New Zealand albumins, apples and kiwifruit.

For textile and wider goods exporters, the key implementation date is October 20, with wool among the products receiving immediate tariff-free access and further tariff reductions scheduled for January 1, 2027.

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Additional US tariff: Textile body sees severe threat to India's textiles & apparel sector

The Confederation of Indian Textile Industry (CITI) expresses grave concern over the potential impact on the country's textile and apparel exports through likely additional tariffs being imposed by the United States following the signing of the 'Lindsey O. Graham Sanctioning Russia and Iran Act of 2026' by the US President. The US is the single-largest market for India's textile and apparel exporters.

"Any additional tariffs under this Act will be very difficult to absorb for the MSME dominated Indian textile and apparel sector already under stress due to several factors, including the continuing turmoil in West Asia. It will severely impact our ability to sell in the United States, our most significant market by a distance," CITI Chairman Ashwin Chandran said, in a statement.

"We eagerly look forward to the Government of India engaging more closely with the United States to ensure that Indian exporters are not disadvantaged and rendered completely uncompetitive in the world's No. 1 economy," Chandran added. Chandran added that a fair, balanced and equitable bilateral trade deal (BTA) between India and the US is the urgent need of the hour. India has been negotiating the BTA with the United States for some time. The CITI Chairman said that although the Free Trade Agreements (FTAs) signed by India will open new markets for Indian exporters, these FTAs cannot substitute for the importance of the US market for the textile and apparel sector. "The FTAs offer a lot of potential, but the gains from those are not automatic for exporters and will take time to materialise," he pointed out.

Incidentally, the India-EU FTA is likely to be operational next year. The Comprehensive Economic and Trade Agreement (CETA) between India and the United Kingdom became effective on July 15, 2026. In US dollar terms, India's overall textile and apparel exports climbed 6.39% in August 2026 over the same period last year, with textile exports rising 13.03% and apparel exports declining 2.74%

For April-August 2026, India's textile exports rose 6.94% in US dollar terms, but apparel exports fell 9.10%, leaving cumulative textile and apparel exports marginally lower by 0.24% year-on-year.

The India-US trade relationship has value-chain complementarity and potential for technology partnerships, supply-chain resilience, and mutual economic opportunity. A

balanced and predictable trade framework can help unlock these complementarities, strengthen bilateral commercial engagement, and support the long-term competitiveness of the textile and apparel sectors in both countries.

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India's Textile Industry Targets US\$ 350 Billion Milestone as Sector Enters New Growth Phase

India's textile and apparel sector has witnessed a transformative decade, emerging as a globally competitive manufacturing powerhouse under the Government's long term vision for the industry. Union Textiles Minister Giriraj Singh stated that the sector has expanded to nearly US\$ 190 billion in 2025-26 and is on track to achieve US\$ 350 billion by 2030, supported by policy reforms, infrastructure development, and rising global demand.

The domestic textile market has grown from approximately ₹6 lakh crore in 2014-15 to more than ₹16 lakh crore, while direct employment has crossed 5.3 crore people. Another 2 crore jobs are expected to be created over the next three years. Major initiatives such as PM MITRA Parks, the Production Linked Incentive Scheme, National Technical Textiles Mission, Cotton Productivity Mission, and Textiles Export Promotion Mission are accelerating investments and competitiveness.

India's technical textiles market has expanded from about US\$ 6 billion to US\$ 25 billion, reflecting rapid adoption across industrial and infrastructure applications. Seven PM MITRA Parks are projected to attract investments of ₹70,000 crore and generate nearly 21 lakh jobs.

The Government has also strengthened export opportunities through expanded Free Trade Agreements, which have increased from 10 agreements covering 19 countries in 2014 to 18 agreements covering 56 countries. Despite global trade uncertainties, Indian textile exports have recorded growth across 135 international markets, reinforcing the country's ambition to become a design driven, innovation focused, sustainable, and export oriented global textile hub.

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Strategic choices key to navigating a changing global economy: UNCTAD acting chief

Read more at: <https://unctad.org/news/strategic-choices-key-navigating-changing-global-economy-unctad-acting-chief>

[Home](#)**Taiwan Textile Select to showcase functional fabrics in Taipei**

Taiwan's textile industry will showcase its latest advances in functional, sustainable and technology-driven materials through Taiwan Textile Select: RECODE 2050 – FUNCTION IN FABRIC, taking place on October 6, 2026, from 2:00 p.m. to 2:30 p.m. at the Stage Area of Taipei Nangang Exhibition Center, Hall 1.

The showcase brings together 31 Taiwanese textile manufacturers and six designer brands, transforming innovative fibres, yarns, fabrics, membranes, laminations and advanced finishing technologies into 48 complete looks.

Under the theme 'FUNCTION IN FABRIC', the project places material innovation at the starting point of design. Participating suppliers demonstrate Taiwan's capabilities across sustainable and lower-carbon materials, high-performance and protective textiles, comfort applications, innovative fibres, advanced processing and multifunctional solutions.

The presentation is structured around six themes: ORIGIN, PERFORMANCE, PROTECTION, THERMO and SENSOR, SUSTAINABILITY and FUTURE, highlighting applications ranging from comfort, cooling and protection to recycled, bio-based and advanced textile technologies.

Six Taiwanese designer brands, UUIN, ALLENKO3, oqLiq, Yentity, PCES and Seivson, translate these materials into distinctive fashion concepts, demonstrating how textile performance can be integrated into contemporary design and everyday applications.

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The collaboration reflects the strength and diversity of Taiwan's textile supply chain, connecting material development, functional technology, sustainability and creative design.

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