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Answer given by Mr Šefčovič
on behalf of the European Commission
(1.4.2026)

The Commission concluded negotiations with India on a Free Trade Agreement (FTA) on 27 January 2026¹. This agreement will strengthen the EU's trade relations with a key partner and is expected to be beneficial for the EU medical sector. The Commission does not expect the agreement to have a negative impact on EU production of medicines. Currently, the EU does not generally levy duties on imported medicines and thus the FTA will not further liberalise imports. Additionally, the agreement will uphold EU's high standards on medicines.

The Commission commissioned an independent Sustainability Impact Assessment (SIA) in support of the negotiations, which was published in December 2023.² This SIA concluded that the overall potential impact of the agreement would be minor on the right to health, also considering access to medicines. It also anticipated a slight decrease of production of medicines in the EU by assuming a reduction of the non-tariff measures applicable to bilateral trade in medicines, but such reduction did not materialise in the agreement.

There is no contradiction between the objectives of the proposed Critical Medicines Act (CMA)³ and the EU-India agreement. The CMA aims to strengthen the EU's security of supply of critical medicines, which are essential for the functioning of public health systems. It will help to address vulnerabilities in the supply chains of these medicines, including by supporting investments into EU manufacturing capacities and procurement requirements that promote the security of supply in the Union. The CMA also proposes to form international partnerships to facilitate the diversification of the supply chains.

¹ https://ec.europa.eu/commission/presscorner/detail/en/ip_26_184.

² https://policy.trade.ec.europa.eu/analysis-and-assessment/sustainability-impact-assessments_en.

³ https://health.ec.europa.eu/medicinal-products/critical-medicines-act_en.