



CURRENT AFFAIRS



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INDIA – NEW ZEALAND JOINT STATEMENT

WHY IN THE NEWS?

New Zealand's Prime Minister Christopher Luxon is on his first official visit to India at PM Narendra Modi's invitation to strengthen bilateral ties. Key highlights include launching Free Trade Agreement (FTA) negotiations, signing a Defence Cooperation MoU, and enhancing collaboration in trade, investment, education, and security. Discussions also covered regional and global issues like Indo-Pacific stability, the Ukraine war, and counterterrorism. PM Luxon is the Chief Guest at the 10th Raisina Dialogue, delivering the Inaugural Keynote Address. This visit marks a significant step in deepening India-New Zealand relations.



INDIA AND NEW ZEALAND TIES

1. Economic & Trade: Restarted FTA talks under NZ's "Opening Doors to India" policy. Signed AEO-MRA to ease trade.

2. Defense & Security: Signed Defense MoU focusing on joint exercises, maritime security & counter-terrorism. NZ supports the Indo-Pacific Oceans Initiative (IPOI).

3. Global Cooperation: NZ backs India's UNSC bid & NSG entry. Shared commitment to free, open Indo-Pacific & UNCLOS.

4. Education & Diaspora: Renewed Education MoU, expanding student & academic exchanges. Indian diaspora forms 6% of NZ's population.

5. Climate Cooperation: NZ supports India's ISA, CDRI & Paris Agreement, aiding India's clean energy transition.

EVALUATIONS OF INDIA AND NEW ZEALAND

Aspect	Strengths & Opportunities	Challenges & Weaknesses	Future Prospects
Trade & Economy	Renewed push for FTA Enhanced economic partnerships	FTA deadlock over dairy & tariffs Low trade volume (\$1.75 billion)	Sign an interim FTA like India-Australia ECTA Boost sector-specific trade deals
Strategic & Security	A shared vision for a free & open Indo-Pacific Defense MoU & IPOI collaboration	NZ's reliance on China could limit deeper strategic ties	Strengthen defence & maritime security cooperation Joint military exercises & intelligence sharing
Education & Workforce	India is NZ's largest source of skilled migrants. The 2nd-largest source of international students	– Recognition of Indian degrees and work rights needs improvement	Expand student exchanges & research partnerships Strengthen vocational training programs
Climate & Sustainability	NZ's expertise in green tech & renewable energy Supports India's clean energy goals	– Limited joint projects despite alignment	Collaborate on climate tech, sustainable farming, & disaster resilience
Cultural & Diaspora	Strong Indian diaspora (6% of NZ's population) Cultural & sports ties improving	Concerns over pro-Khalistan activities in NZ	Promote Indian culture & heritage events in NZ Strengthen diaspora engagement
Market & Innovation	NZ's tech & innovation ecosystem offers potential	– India sees NZ primarily for tourism, ignoring tech & innovation potential	Boost business delegations, trade fairs & workshops Enhance digital economy & AI collaborations

AREAS OF COOPERATION BETWEEN INDIA AND NEW ZEALAND

- 1. Trade & Economy:** Negotiations for a Free Trade Agreement (FTA) under NZ's Opening Doors to India Policy. Authorized Economic Operators (AEO) Agreement to ease the movement of goods. Potential for collaboration in agriculture, dairy, digital economy, and pharmaceuticals.
- 2. Defense & Security:** Defense MoU signed for military exercises, naval visits, and joint training. NZ's interest in India's Indo-Pacific Oceans Initiative (IPOI). Scope for enhancing maritime security, intelligence sharing, and counter-terrorism efforts.
- 3. Education & Workforce:** Renewed Education Cooperation Agreement to strengthen academic and vocational ties. India is NZ's largest source of skilled migrants and the second-largest source of international students.
Opportunities to expand student exchange programs and research collaborations.
- 4. Climate & Sustainability:** NZ supports India's membership in the International Solar Alliance (ISA) & Coalition for Disaster Resilient Infrastructure (CDRI). Joint cooperation on UN Sustainable Development Goals (SDGs) & Paris Climate Agreement.
Potential for climate tech, renewable energy, and sustainable farming partnerships.
- 5. Sports & Cultural Exchange:** Sports MoU signed to enhance sporting collaborations. Plans to celebrate 100 years of India-NZ sports relations in 2026. Recognition of the Indian diaspora (6% of NZ's population) in strengthening ties.
- 6. Technology & Innovation:** NZ's expertise in AI, fintech, and digital economy complements India's booming IT sector. Potential for collaboration in agritech, biotech, and clean energy technology.
Expansion of startup ecosystems and digital commerce partnerships.

SIGNIFICANCE OF NEW ZEALAND FOR INDIA INDO- PACIFIC

- 1. Strategic Partner in the Indo-Pacific:** Supports India's vision for a free, open, and inclusive Indo-Pacific. Potential collaboration in maritime security, freedom of navigation, and regional stability.
- 2. Maritime Security & Defense Cooperation:** New Zealand's strategic location in the South Pacific complements India's Indo-Pacific strategy. Defense MoU paves the way for joint exercises, naval visits, and intelligence sharing. Enhancing cooperation under the Indo-Pacific Oceans Initiative (IPOI).
- 3. Economic & Trade Opportunities:** Expanding trade relations through negotiations on a Free Trade Agreement (FTA). NZ's expertise in agritech, dairy, and sustainable farming can support India's agricultural sector.
Strengthening the digital economy and fintech collaborations.
- 4. Climate & Sustainable Development:** Partnering in renewable energy and climate resilience under the International Solar Alliance (ISA) and Coalition for Disaster Resilient Infrastructure (CDRI).
Joint initiatives for clean energy, disaster management, and carbon neutrality.
- 5. People-to-People & Cultural Ties:** The Indian diaspora constitutes 6% of NZ's population, fostering deep cultural and economic ties. Strengthening educational exchanges, student mobility, and tourism.
- 6. Balancing China's Influence:** India-NZ cooperation can help counterbalance China's growing influence in the Pacific region. Potential for collaboration on infrastructure projects and supply chain diversification.

AREAS OF CONCERN

- 1. Stalled FTA Negotiations:** Free Trade Agreement (FTA) talks started in 2010 but stalled due to India's high tariffs on dairy and agricultural products.
- 2. Non-Tariff Barriers (NTBs):** Indian exports (e.g., grapes, okra, mangoes) face strict Sanitary and Phytosanitary (SPS) restrictions in New Zealand. Lack of Mutual Recognition Arrangement (MRA) for standards and certifications.

- 3. Low Trade Volumes:** Bilateral trade remains limited, amounting to only USD 1.75 billion (2023-24), with an imbalance in exports and imports.
- 4. Limited Market Awareness:** New Zealand sees India mainly as a tourism market, while India underutilizes NZ's strengths in technology, innovation, and sustainability.
- 5. Geopolitical Differences:** New Zealand's foreign policy is aligned with Western allies (Australia, the US) and is economically dependent on China, sometimes leading to differences with India.
- 6. Pro-Khalistan Activities:** India has raised concerns about certain extremist elements in New Zealand promoting anti-India sentiments.
- 7. Lack of Defense Engagement:** Despite recent agreements, defence and security cooperation remain limited compared to India's engagements with Australia and the US.

WAY FORWARD

- 1. Revive FTA Negotiations:** Resolve trade barriers, particularly in dairy and agriculture, through sector-specific agreements. Explore an Early Harvest Agreement or interim trade pact similar to the India-Australia ECTA. Enhance Market Access & Trade Relations
- 2. Fast-track Mutual Recognition Arrangements (MRA) for standards and certifications:** Reduce Non-Tariff Barriers (NTBs) to facilitate smoother trade in agriculture, pharma, and technology. Organize trade fairs, business delegations, and awareness campaigns for better market understanding.
- 3. Deepen Defense & Security Cooperation:** Strengthen maritime security collaboration under the Indo-Pacific Oceans Initiative (IPOI). Conduct joint military exercises, intelligence sharing, and naval visits for regional stability. Enhance counter-terrorism efforts to address extremism concerns.
- 4. Leverage Climate Change & Sustainability Expertise:** Collaborate on clean energy projects, sustainable agriculture, and disaster resilience under initiatives like CDRI and ISA. Use New Zealand's climate tech and renewable energy expertise to support India's green transition.
- 5. Expand Education & Skill Development Ties:** Strengthen academic partnerships, research collaborations, and student exchange programs. Utilize New Zealand's vocational training to enhance skill development in India
- 6. Boost Cultural & Diaspora Engagement:** Celebrate 100 years of sports relations in 2026 to enhance people-to-people ties. Ensure the safety and welfare of the Indian diaspora, students, and tourists in New Zealand.
- 7. Enhance Strategic Cooperation in the Indo-Pacific:** Work together on rules-based maritime order, regional stability, and UNCLOS compliance. Leverage India's growing presence in the Indo-Pacific for mutual security and economic interests.

CONCLUSION

India and New Zealand share a growing partnership across trade, defence, education, climate action, and cultural exchange. While challenges such as stalled FTA negotiations, trade barriers, and geopolitical differences persist, both nations have strong potential to deepen cooperation. Strengthening economic ties through a trade agreement, enhancing defence engagement under the Indo-Pacific framework, and leveraging climate and technology partnerships can significantly boost relations. A proactive approach, including sector-specific trade agreements, deeper maritime collaboration, and people-to-people exchanges, will help unlock new opportunities. By addressing concerns like market awareness and security cooperation, India and New Zealand can build a long-term, resilient, and mutually beneficial relationship in the evolving Indo-Pacific landscape.

PRELIMS QUESTIONS

Q. Which of the following statements are correct about India-New Zealand relations?

1. India and New Zealand have signed a Free Trade Agreement (FTA).
2. New Zealand supports India's Indo-Pacific Oceans Initiative (IPOI).
3. The Indian diaspora forms about 6% of New Zealand's population.

Select the correct answer using the code given below:

- A. 1 and 2 only
- B. 2 and 3 only
- C. 1 and 3 only
- D. 1, 2 and 3

Answer: B

MAINS QUESTIONS

Q. India and New Zealand have strong historical and cultural ties, but economic relations remain underdeveloped. Discuss the key challenges in India-New Zealand trade relations and suggest measures to enhance bilateral trade. (250 words, 15 marks)

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