VOICES FOR FREEDOM
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Submissions on the India Free Trade Agreement Legislation Amendment Bill

16 July 2026

Voices For Freedom thanks the Foreign Affairs, Defence and Trade Committee for the opportunity offered to review and make comments upon the India Free Trade Agreement Legislation Amendment Bill.

Voices For Freedom

1. **Voices For Freedom (VFF)** is a grassroots, not-for-profit community advocacy organisation focused on raising awareness of the human impacts of government policy, particularly where those policies affect the rights and freedoms of New Zealanders.[1]

2. VFF was founded in late 2020 by three Kiwi mothers with professional backgrounds in law and education, and experience in building and leading large online communities across the health, wellbeing, and arts sectors.[2] The organisation has a clear and principled vision centred on protecting fundamental freedoms, encouraging open dialogue, and supporting informed civic participation.[3]

3. VFF's community now includes well over 100,000 supporters nationwide, with more than 40,000 actively engaged in local groups. Our supporters are diverse, spanning all ages, ethnicities, socio-economic backgrounds, religious and political beliefs, and abilities.

4. We advocate for open discussion and debate on important issues affecting New Zealanders, including the transparent sharing of information, research, and data. Our work is guided by a Code of Conduct[4] that promotes respectful engagement and evidence-based dialogue.

5. VFF and its media outlet have produced more than 2000 hours of recorded interviews and discussions, including extensive conversations with experts recognised internationally in their respective fields.[5]

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[1] https://www.voicesforfreedom.co.nz/about-us
[2] https://www.voicesforfreedom.co.nz/our-founders
[3] https://www.voicesforfreedom.co.nz/our-vision
[4] https://www.voicesforfreedom.co.nz/code-of-conduct/
[5] https://www.voicesforfreedom.co.nz/favourites/ and www.rcr.media .

6. We trust that this Select Committee, in considering these Bills, will do so with an open mind and a willingness to hear all perspectives.

Executive Summary

7. This submission opposes the India Free Trade Agreement Legislation Amendment Bill 2026 because Parliament is being asked to implement an Agreement while significant uncertainty remains about the scope and effect of key obligations it contains.

8. Many of the concerns raised in my original submission on the Agreement have not been resolved. Rather, the Foreign Affairs, Defence and Trade Committee's examination, the evidence given by officials, and the subsequent parliamentary debate confirmed that important questions remain unanswered.

If Parliament is still trying to work out what these provisions mean, why is the Government asking Parliament to pass the legislation implementing them?

9. Most significantly, uncertainty persists regarding Articles 9.2, 9.9 and 9.10 concerning New Zealand's commitment to promote investment into India with the aim of increasing private sector investment by US$20 billion over 15 years. While the Government maintains this is merely an aspirational objective, the Agreement and National Interest Analysis contemplate India taking remedial measures, including the withdrawal of tariff concessions, if it considers the investment objective has not been achieved. Parliament should not legislate on the basis of competing interpretations of a treaty that may ultimately affect New Zealand exporters.

10. Although presented as technical legislation, the Bill gives domestic legal effect to obligations extending well beyond tariffs. It implements changes affecting overseas investment, export quota administration, financial services cooperation, immigration settings and significant delegated regulatory powers. These matters warrant full parliamentary scrutiny.

11. The official economic modelling projects only modest gains, while Parliament has not been provided with independent analysis of the opportunity costs of promoting New Zealand investment into India, the potential consequences of remedial measures, or the broader implications of financial services cooperation, including payment system integration.

12. The issue before Parliament is not whether New Zealand should trade with India. It is whether Parliament should enact legislation implementing an Agreement when material uncertainty remains about what New Zealand has agreed to and how those obligations may be interpreted and enforced.

13. Accordingly, the Bill should not proceed until the Government has:

- obtained and published a definitive legal interpretation of the disputed investment provisions;
- commissioned independent legal and economic analysis of the Agreement;
- fully explained the implications of the Agreement for New Zealand's future regulatory and policy autonomy; and
- addressed the concerns identified during the treaty examination process.

1. Introduction and Background

14. Over the last month, we made both written and oral submission on the New Zealand-India Free Trade Agreement, raising concerns that it extended well beyond trade liberalisation into areas including immigration, overseas investment, financial systems, digital payments and New Zealand's future regulatory autonomy.

15. This submission does not repeat those concerns in full. Instead, it addresses whether Parliament should implement the Agreement through this Bill when many of those issues remain unresolved.

16. The committee's examination of the Agreement and the subsequent parliamentary debate have reinforced, rather than resolved, a number of those concerns. Most notably, uncertainty remains regarding the investment

provisions, the scope of New Zealand's obligations, and the practical implications of commitments affecting immigration, financial services and payment systems.

17. Although presented as technical legislation, the Bill is the mechanism by which New Zealand implements and brings the Agreement into force. Parliament should not legislate until it is satisfied that the obligations being implemented are clearly understood, have been adequately scrutinised, and are in New Zealand's long-term national interest.

2. Parliament is being asked to legislate despite unresolved uncertainty

18. The central issue is not whether New Zealand should pursue closer trade with India. It is whether Parliament should implement an international agreement when there remains genuine uncertainty about the meaning and effect of key provisions.

19. Throughout the treaty examination process, submitters raised concerns about the interpretation of the investment provisions, particularly Articles 9.2, 9.9 and 9.10. Rather than resolving those concerns, the committee hearings and subsequent parliamentary debate demonstrated that they remain unresolved.

20. The Foreign Affairs, Defence and Trade Committee repeatedly questioned officials about whether India could suspend trade concessions if it considered New Zealand had failed to make sufficient progress towards promoting US$20 billion of New Zealand investment into India. Despite repeated questioning, no definitive answer emerged. Instead, the committee reported only its understanding of how the provisions would operate.

Parliament should never be asked to implement obligations that it cannot explain.

21. That is not the same as establishing a shared interpretation of the Agreement.

22. This matters because the Bill is the mechanism by which New Zealand implements the Agreement. If the Parties hold different interpretations of their obligations, the consequences will ultimately fall on New Zealand exporters and businesses, not the negotiators who concluded the Agreement.

23. Parliament should not implement an international agreement until it is satisfied that the obligations being incorporated into New Zealand law are clearly understood and will be applied consistently by both Parties.

3. Investment Obligations Remain Unresolved

24. Articles 9.2, 9.9 and 9.10 remain among the most concerning provisions of the Agreement.

25. Article 9.2 commits the Parties to promote New Zealand investment into India with the aim of increasing private sector investment by US$20 billion over 15 years. Articles 9.9 and 9.10 provide a mechanism allowing India to take remedial measures, including the suspension of tariff concessions, if it considers that objective has not been achieved.

26. During the treaty examination, the Foreign Affairs, Defence and Trade Committee repeatedly questioned officials about how these provisions operate together and whether India could suspend concessions if it considered insufficient progress had been made. Despite repeated questioning, no definitive answer emerged. Instead, the Committee reported only its *understanding* of how the provisions would operate.

If Parliament cannot determine with confidence how these provisions will operate before implementation, it should not expect New Zealand businesses to bear the consequences afterwards.

27. That uncertainty is reflected in the Government's own National Interest Analysis, which acknowledges that India may take remedial measures if it determines New Zealand has not fulfilled its obligations under Article 9.2.

28. If Parliament cannot determine with confidence how these provisions will operate before implementation, it should not expect New Zealand businesses to bear the consequences afterwards.

4. Government Has Shifted Treaty Risk onto New Zealand Businesses

29. It is the Government's responsibility to negotiate agreements whose meaning and consequences are clear before they are signed and implemented.

30. Yet Members of Parliament have acknowledged that India may interpret the investment provisions differently from New Zealand. Rather than resolving that uncertainty, businesses are effectively being told to assess and bear the risk themselves.

It is the Government's job to secure certainty, not the job of New Zealand businesses to suffer the consequences when it fails to do so.

31. That reverses where responsibility properly lies. New Zealand businesses did not negotiate or sign this Agreement. They should not suffer the consequences of the Government's failure to secure clear and mutually understood terms.

32. If India later withdraws tariff concessions or otherwise acts on a different interpretation, the resulting loss will fall on exporters who relied on the market access the Government promised them.

5. The Economic Justification is One-sided and Remains Weak

33. The Government has consistently relied on Treasury's modelling to justify the Agreement. That modelling estimates the Agreement will increase New Zealand's GDP by approximately 0.1 percent (around $657.7 million annually) by 2050.

34. However, the economic assessment is one-sided. It focuses almost exclusively on projected benefits while giving little consideration to the potential costs and risks created by the Agreement.

Forecast benefits should never be accepted without equally rigorous assessment of the risks.

35. For example, there appears to have been no meaningful assessment of:

- the opportunity cost of promoting up to US$20 billion of New Zealand investment into India;
- the economic consequences if India were to suspend tariff concessions under Articles 9.9 and 9.10;
- the impact of increased remittances and capital outflows; or
- the broader economic implications of commitments affecting immigration, labour mobility and financial services.

Optimism is not an economic assessment.

36. During the committee process, officials suggested the modelling was conservative and that previous free trade agreements had outperformed expectations. While that may prove to be the case, it is not an economic assessment. Parliament should not be asked to accept uncertain upside while significant downside risks remain unquantified.

5. The Bill is <u>Not</u> Merely Technical Legislation

37. Throughout the parliamentary process, the Bill has been described as making technical amendments necessary to implement the Agreement.

38. That understates its significance.

39. While many of the amendments are technical in form, they give domestic legal effect to an international agreement that extends well beyond tariffs and customs administration. The Bill implements changes affecting overseas investment, tariff concessions, export quota administration and regulatory

powers, while enabling New Zealand to give effect to broader commitments relating to immigration, labour mobility, financial services and digital payments.

This Bill is not about drafting. It is about giving legal effect to international commitments.

40. The technical nature of the legislative amendments should not obscure the significance of the obligations they implement. Parliament is not simply amending existing statutes. It is completing New Zealand's domestic implementation of an international agreement with potentially long-term consequences for future governments and future policy choices.

5. Financial Systems and Digital Payments

41. Our original submission raised concerns that the Agreement extends beyond trade into financial services, digital payments and financial system cooperation. Those concerns have only increased since the Agreement was signed.

Trade agreements should facilitate trade, not become the back door to reshaping a nation's financial infrastructure.

42. During Prime Minister Modi's recent visit to New Zealand, India announced that the two countries would work towards connecting India's Unified Payments Interface (UPI) with New Zealand's payment system. While UPI is not a central bank digital currency, it forms part of India's broader digital public infrastructure and raises important questions about payment systems, cross-border transactions, digital identity, data governance and financial sovereignty.

43. The Agreement also provides for cooperation in financial technology, digital payments and central bank digital currencies. Yet Parliament has received little explanation of what these commitments may involve in practice or what future obligations they may create.

44. These issues deserve greater scrutiny before Parliament implements the Agreement. Financial infrastructure is fundamental to national sovereignty, privacy and economic resilience, and any future integration with foreign

payment systems or cooperation on digital currency should occur only following full parliamentary and public consideration.

8. Immigration and Labour Mobility

45. Our original submission raised concerns that the Agreement extends into domestic immigration policy. The committee's examination confirmed that concern.

46. The committee acknowledged that the Agreement limits the ability of future governments to impose numerical caps on Indian students attending recognised institutions and prevents reducing student work rights below 20 hours per week. It also establishes commitments relating to temporary entry, intra-corporate transferees and working holiday visas.

47. The question is not whether these settings are appropriate today. It is whether New Zealand should bind future Parliaments and governments to immigration settings through an international trade agreement, regardless of future labour market conditions, housing pressures, infrastructure capacity or changing national priorities.

48. Trade agreements should expand economic opportunity, not constrain the ability of future governments to respond to changing domestic circumstances.

9. The Select Committee Process Did Not Resolve the Concerns

49. The Foreign Affairs, Defence and Trade Committee received significant public interest in the Agreement, considering 1,780 written submissions and hearing from 52 oral submitters. Many raised concerns about the Agreement's investment provisions, immigration commitments, financial services and future policy flexibility.

50. While the Committee carefully considered these issues, its report did not resolve many of them. Instead, it frequently relied on its *understanding* of the

Agreement based on evidence from New Zealand officials. It did not obtain an independent legal opinion on the disputed investment provisions, nor identify a shared interpretation between New Zealand and India.

Unresolved uncertainty is evidence that scrutiny should continue, not that implementation should begin.

51. The scrutiny process itself also appears to have been compressed. During the parliamentary debate it was noted that the Committee had only 11 sitting days to examine an Agreement of approximately 1,400 pages, and that officials declined an invitation to reappear to answer further questions.

52. These matters do not diminish the work of the Committee. Rather, they reinforce the need for Parliament to proceed cautiously before implementing an Agreement where significant legal and practical questions remain unresolved.

10. Recommendations

53. For the reasons set out above, we submit that the Committee should recommend that the Bill not proceed until:

    53.1. **The Government obtains and publishes a definitive legal interpretation of Articles 9.2, 9.9 and 9.10**, including the circumstances in which India may suspend or withdraw tariff concessions.

    53.2. **The Government confirms that New Zealand and India share the same interpretation of the Agreement's investment provisions**, or otherwise explains how any differences in interpretation will be resolved without exposing New Zealand exporters to risk.

    53.3. **An independent economic assessment is undertaken** that evaluates not only the projected benefits of the Agreement, but also its potential costs, including the opportunity cost of promoting New Zealand investment into India, the consequences of remedial measures, and the broader impacts of commitments relating to immigration, labour mobility and financial services.

53.4. **The Government publishes a detailed assessment of the financial services and digital payments provisions**, including any proposed cooperation involving payment systems, digital identity, digital public infrastructure or central bank digital currencies, and confirms that any future implementation will require separate parliamentary consideration.

53.5. **The Government explains the implications of the Agreement for New Zealand's future policy flexibility**, particularly in relation to immigration, labour mobility, overseas investment and financial regulation.

53.6. **The Committee is satisfied that the obligations Parliament is implementing are clear, mutually understood by both Parties, and demonstrably in New Zealand's long-term national interest.**

54. Trade agreements should provide certainty, strengthen New Zealand's sovereignty and expand economic opportunity. Where significant uncertainty remains about the obligations being implemented or their practical consequences, Parliament should resolve those questions before, not after, legislation is enacted.

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