



India-EU Relations

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This article is based on **“Can India and the EU operationalise their natural partnership?”** which was published in The Hindustan Times on 12/05/2021. It talks about the areas of cooperation between India and the EU.

Recently, a virtual India-EU leaders meeting was held between Indian Prime Minister and 27 EU leaders. Due to changing geo-political circumstances Europe is changing its perception of India, which can be reflected in this virtual meet also.

Further, in 2018, the EU released a new strategy for cooperation with India, calling it a geopolitical pillar in a multipolar Asia, crucial for maintaining the balance of power in the region.

From Indian perspective, collaboration with the EU can promote peace, create jobs, boost economic growth and enhance sustainable development. Therefore, the **EU and India appear to be natural partners** and they need to leverage existing opportunities.

Highlights of the Virtual Summit

- **Resumption of FTA Talks:** The most significant outcome of the summit was that after eight years, India and the EU have decided to resume negotiations for a comprehensive trade agreement.

These talks were suspended in 2013 after the two sides failed to bridge their differences on some key issues such as tariff reductions, patent protection, data security and the right of Indian professionals to work in Europe.

- **Resumption of BIT Talks:** The two sides have also agreed to commence talks for a standalone investment protection pact and an accord on geographical indications.
- **Connectivity Partnership:** The virtual summit saw India and the EU launching an ambitious “connectivity partnership” in digital, energy, transport, and people-to-people sectors, enabling the two to pursue sustainable joint projects in regions spanning from Africa, Central Asia to the wider Indo-Pacific.

EU and India: Natural Partners

- **EU's Need to Pivot Away from China:** EU recently signed a Comprehensive Agreement on Investment with China, which has drawn a lot of criticism and its ratification has now been suspended because of diplomatic tensions.
 - The European Parliament remains overwhelmingly opposed to this deal after China imposed sanctions on some of its members, in response to the EU imposing sanctions against China for its treatment of the Uyghur Muslim minority in the Xinjiang region.
- **Economic Logic:** With the EU being India's largest trading partner and the second-largest export destination, the economic logic of strong India-EU economic relations is self-evident.
 - Further, India wants to showcase its commitment to open trade at a time of renewed focus on developing a domestic manufacturing base.
- **Cooperation in Global Health:** Given the current situation, health cooperation assumed a new salience.
 - EU member-states have rallied to support India by sending critical medical supplies in the last few weeks in recognition for the role India had played in helping others over the last year.
 - As the two sides commit themselves to working together on global health, the need to focus on resilient medical supply chains is all the more evident.
- **Convergence in Indo-Pacific Theatre:** The EU is being forced to reckon with the geopolitical implications of its foreign policy imperatives and India is looking for substantive partnerships with like-minded nations to bring stability to the **Indo-Pacific theatre**.
 - Further, India is looking beyond the bipolar geopolitical competition between the US and China and works towards the establishment of a Multi-polar world.
- **Combating Climate Change:** India can learn from a new industrial strategy called the **Green Deal of EU** to render its carbon-emission neutral by 2050.
 - The EU and India could endeavour transforming into carbon-neutral economies by 2050 by investing in clean energies.
 - In India's efforts to increase the use of renewable energy in India, the investment and technology of Europe is of paramount importance.

Way Forward

- **Geo-Economic Cooperation:** India can pursue EU countries to engage in Indo-pacific narrative, geo-economically if not from security prism.
 - It can mobilise massive economic resources for sustainable development of regional infrastructure, wield political influence and leverage its significant soft power to shape the Indo-Pacific discourse.
- **Finalisation of Indo-EU BIT Treaty:** India and the European Union have been negotiating a free trade deal, but it is pending since 2007.
 - Therefore, for closer convergence between India and the EU, both should engage in finalisation of the trade deal as soon as possible.

- **Collaborating With Important Players:** French President Emmanuel Macron's visit to India in early 2018 unveiled an expansive framework for revitalising the strategic partnership.
 - India's partnership with France now has a strong regional anchor in the Indo-Pacific narrative.
 - Further, India should supplement its partnership with the US with a network of multilateral groups with other middle powers, such as the India-Australia-Japan forum and the trilateral dialogue with France and Australia.

Conclusion

As strategic realities evolve rapidly in an era defined by Covid-19 and its aftermath, India and the EU have a new opening to re-evaluate the fundamentals of their engagement.

Whether the two "natural partners" can make the most of this unique synergy remains to be seen.

Drishti Mains Question

In the present geo-political scenario, the EU and India appear to be natural partners and they need to leverage existing opportunities. Discuss.
