



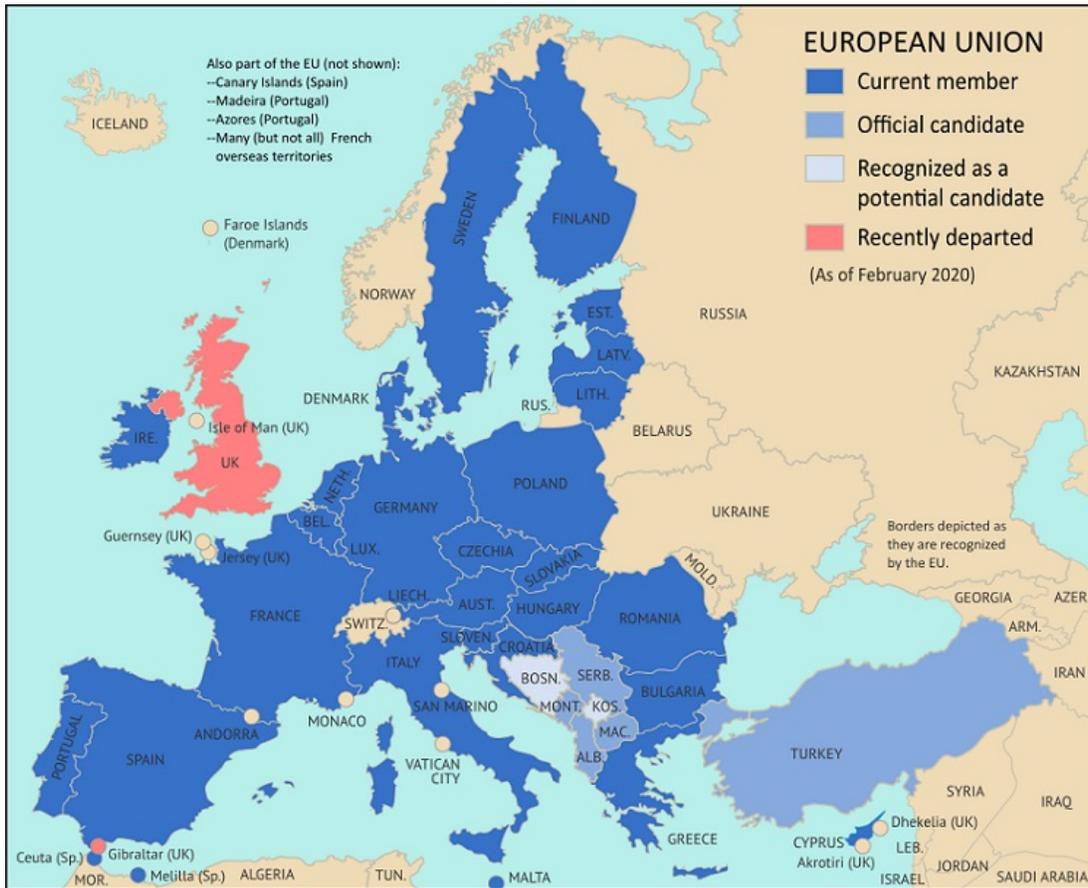
India-EU Leaders' Meeting

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Why in News

Recently, Indian Prime Minister participated in the India-**European Union (EU) Leaders' Meeting**.

- The meeting was held in a **hybrid format** with the participation of leaders of all the **27 EU Member States** as well as the **President of the European Council and the European Commission**.
- This is the **first time** that the EU hosted a meeting with India in the **EU+27 format**.
The meeting was the **initiative of the Portuguese Presidency of the Council of the EU**.



Key Points

- **Free Trade Negotiations:**
 - Agreed to **relaunch free trade negotiations** by resuming talks that were suspended for the **Bilateral Trade and Investment Agreement (BTIA)**.
 - India and EU had launched talks for having a wide-ranging **Free Trade Agreement (FTA)**, officially called broad-based BTIA, long ago in 2007.
 - The BTIA was proposed to **encompass trade in goods, services and investments**.
 - However, the talks **stalled in 2013** over **differences on market access and movement of professionals**.
 - The **EU was India's largest trading partner in goods 2019-20**, ahead of China and the US, with total trade close to USD 90 billion.

- **Connectivity Partnership:**

- Launched an ambitious and comprehensive '**Connectivity Partnership**' which is **focused on enhancing digital, energy, transport and people-to-people connectivity**.
 - It is **based on the shared principles** of social, economic, fiscal, climate and environmental sustainability, and respect for international law and commitments.
 - It will **catalyse private and public financing for connectivity projects**. It will also **foster new synergies for supporting connectivity** initiatives in third countries, including in the **Indo-Pacific**.
- Also signed the contract for the second tranche of **USD 150 million from the EU for the Pune Metro rail project**.

- **Climate Change:**

Reiterated their commitment to achieving the goals of the **Paris Agreement** and agreed to **strengthen joint efforts for mitigation, adaptation and resilience to the impacts of climate change**, as well as providing means of implementation including finance in the context of **Conference of the Parties (COP 26)**.

India welcomed the EU's decision to join the **Coalition for Disaster Resilient Infrastructure (CDRI)**.

- **Technology:**

Agreed to enhance bilateral cooperation on digital and emerging technologies such as **5G, Artificial Intelligence (AI), Quantum and High-Performance Computing** including through the **early operationalization of the Joint Task Force on AI and the Digital Investment Forum**.

- **Strengthening Partnership:**

- Desired to **further strengthen the India-EU Strategic Partnership** based on a shared commitment to democracy, fundamental freedoms, rule of law and multilateralism.
- India appreciated the prompt assistance provided by the EU and its member states to combat its **second Covid wave**.
- India also **requested the EU's support** for its joint proposal with South Africa for a **Trade Related Aspects of Intellectual Property (TRIPS) waiver** on vaccine production-related patents in the **World Trade Organisation (WTO)**.

Recently, the **US has supported the proposal**. However, India **failed to secure the support of the European leaders**.

Way Forward

- India-EU Leaders' Meeting has set a **significant milestone** by providing a new direction to the Strategic Partnership and **giving a fresh impetus for implementing the ambitious India-EU Roadmap 2025** adopted at the **15th India-EU Summit** held in July 2020.

- There is a **need for comprehensive trade agreement** that brings in strong rules, removes barriers to trade in goods and services and investments and opens up free markets. **Addressing the mutual trust deficit**, facilitating people's mobility and connectivity can improve mutual understanding and create **opportunities for innovation and growth**.
- **Enhanced business cooperation between EU and India** can diversify their strategic value chains and **reduce economic dependency**—notably on China.

Source: PIB