



## India- European Union Relations: Challenges and Prospects in the Contemporary Regime

Shikha Gautam, PhD. Fellow, Centre for European Studies, Jawaharlal Nehru University, New Delhi

Email: [gautamshikha88@gmail.com](mailto:gautamshikha88@gmail.com)

Contact: 9910863329

### Abstract:

*In the Modi era, March 2016 has seen as an important mark in India's relationship with the European Union with the summit held in Brussels where both the EU leaders and India's Prime Minister Mr. Narendra Modi showed their commitment to reinvigorate the relations by focusing on a variety of old and new issues. In the month of June 2022, India resumed negotiations with the 27-nation bloc on the long-awaited FTA, which includes agreements on trade, investments, and Geographical Indications, after an absence of more than eight years (GI). This round completed on July 1, and the next round is scheduled to begin in September in Brussels. The parties seek "broad-based, balanced, and exhaustive" negotiations "based on the principles of justice and reciprocity." In this light the paper attempts to explain the trajectories of India-EU relations, its changing contours and commitments in respect to the contemporary global scenario. Also, it will focus on the challenges they need to concentrate on in terms of achieving the desired developmental goals.*

**Keyword:** European Union; India; Relationship; Challenges

### Introduction

India and European Union has established trade and economic ties in the early 1960s which does not only focus the relations with European Economic Community (EEC) but also focusses on bilateral relations with the different European countries as well. In the post-Cold war era, with the changed world geo- politics, the relationship between the two has also been restructured significantly. In the changed world order, the Indian economy has also experienced robust changes in the era of 1990s with the forces of liberalization. Also, the Indian nuclear test in 1998 has transformed the impression of India on the global fora. These economic shifts have changed the developmental trajectories of India and new assertiveness has been developed in the Indian foreign policy. It has also metamorphosis the economic, political and security dimensions of India.

On the other hand, Europe has also witnessed many changes in the post-Cold war era like the unification of Germany which has changed the borders of Western Europe and led to an emergence of powerful actor on the European background. Also the integration process has accelerated from more than just economic integration by various treaties such as the single European Act (1986), Treaty of European Union (1992), Treaty of Amsterdam (1994), Niece (2000) and the Lisbon Treaty (2009). The transformation of European Community into European Union by the treaty of 1992 re- shaped the commitments as well with the "values of democracy", "rule of law", multilateralism and market economy<sup>1</sup>.

The changes on the global front and on the home ground of India and European Union have immensely impacted the India- EU relationship. The stronger ties between India and European Union lies in the increasing trade and economy undoubtedly and 1990s has witnessed significant trade with the EU closer to 24-26 percent of India's overall trade. In the period of 1990- 2005, India's trade grew significantly and this has impacted its relationship with European Union as well. In the new millennium, the political and economic relation between the two has also been transformed and upgraded with doubled trade from € 28.6 billion in 2003 to € 55 billion in 2007<sup>2</sup>.

<sup>1</sup> Bava, Ummu Salma (2010) India and the European Union, *International Studies* 42 (2- 4) (373- 386), Sage Publication: London, DOI:10.1177/002088171104700419, <http://isq.sagepub.com>.

<sup>2</sup> Ibid.

In the previous decade, India's relationship with European Union has prospered significantly in terms of trade and commerce which is explicitly visible in the official data but the potential of the co-operation is still underwhelmed. The FTA between the two is in existence since 2007 with the Indian vision of progressive growth and integration with global economy but the target is not being fulfilled because of the hesitant policies and the commitment to the principles of non-alignment. Also, the relationship was widely aligned to the trade and economic strands and did not want to stretch its boundaries to other dimensions such as political, cultural and social dynamics partly because of contrasting geographical scenarios and unlike aspirations on the home ground.

The context of EU-India relations has been changed vividly with the emergence of many global actors including India which has significantly shaped the multi-polar world order which has its challenges as well. Due to the economic crisis, the west has certainly experienced a setback while the developing economies are performing exceptionally well with their spectacular dynamism such as the internal economic cohesion have been achieved by India as signaled by the participants of Indian Forum. Hence, India is in the process of becoming increasingly self-reliant and confident in a time where Europe is continuously struggling to solve their internal economic problems.

### Transforming Relations in the Modi Era

The year 2013 proved as a milestone in terms of Indian foreign policy with the accession of Prime Minister Narendra Modi. He has significantly altered the policy of reluctance to open up on the global stage and took initiatives of blending the domestic commitments to the global agendas. As the former Foreign Secretary of India Kanwal Sibal stated that "the focus on development, modernization, ease of doing business, campaign such as Digital India, Startup India, Skill India, and Make in India aims to secure India's interest in the unfolding uncertain and competitive world." The India- EU relations are also determined by these commitments, focusing on various aspects of relation along with trade and commerce such as security, environment, strategic development, global governance, energy and so on.<sup>3</sup>

With the changed leadership India is keenly stepping towards new foreign policy attitude which aims co-operation over investment and developmental issues with its neighboring and far neighborhood in various aspects and is visible enough in the relations with European Union as well. The underwhelmed relations of India-EU are now looking into various dimensions stretching from the traditional dimensions of political co-operation, trade to security, terrorism, migration & mobility, energy, sustainable development and environment. This expansion is not going to fulfill in a meeting or two but needs consistent and creative efforts from both the sides.

Looking into the political landscape, the 13<sup>th</sup> India-EU Summit in Brussels held on 30 March 2016 after the gap of four years is of great relevance where the meeting between the Indian delegation led by Prime Minister Narendra Modi with the President of European Council Donald Tusk and President of European Commission Jean Claude Juncker, resulted in seven outcome documents including a "Joint Statement Agenda for Action 2020". This statement focused on the continuous investment flow, trade co-operation and broadening dialogue on issues like environment, migration and refugee crisis. Also, India has close bilateral relations with prominent countries of Europe like the France, United Kingdom and Germany on the basis of different historical interactions which has resulted in technological co-operation and supports in different areas such as deal of Rafale fighter jet between India and France, and German technology is helping Indian industries enormously.

### Strategic Co-operation

The India-EU co-operation does not only limit to the home ground but it has extended its reach to the regional and international issues. India is a key regional actor in the South Asian subcontinent which is being recognized by the EU and thus to maintain stability and peace, both have signed Joint Action Plan (JAP) in 2008 with the sight to exchange the views on development in Europe and South Asia. The 2008 Joint Action Plan highlights its commitments to "join effort in international fora in using expertise in global development policy to promote the achievement of Millennium Development Goals and aid effectiveness and to conduct a dialogue on issues relevant to co-operation with third world countries."<sup>4</sup> In this respect, it has been reported that in 2013-14, an investment of \$ 1.3 billion was done in form of foreign assistance by the government of India. It includes assistance to Bhutan in the year of 2012-13 (\$ 213 million) for hydropower generation. Afghanistan has also received substantial investment focusing on infrastructure development (construction of roads, dam and Afghanistan's parliamentary building) developing the energy sector and initiating social programmes.<sup>5</sup>

The commitment of strategic co-operation is re-shaped in the recently held India- EU summits in 2016 and 2017 under the leadership of Hon'ble Prime Minister Shri Narendra Modi. The leaders adopted common roadmap of co-operation on the basis of Joint Action Plan 2005 and 2008 focusing on strengthening co-operation on regional and global issues related with peace, security, non-proliferation and disarmament. Also generating jobs and enhancing trade and economy is one of the commitments. Thus, the EU's agenda for development and growth, employment and democratic changes and India's vision of 'Sabka Saath, Sabka Vikas' initiative has created new opportunities for mutually

<sup>3</sup> Burman, Arijit & Chaudhury, Dipanjan Roy, PM Narendra Modi expands on his foreign policy vision of India as a strategic global player, The Economic Times, January 25, 2018 at <https://economictimes.indiatimes.com/news/politics-and-nation/pm-narendra-modi-expands-on-his-foreign-policy-vision-of-india-as-a-strategic-global-player/articleshow/62643491.cms>. (Accessed on April, 27, 2018)

<sup>4</sup> EU-India Summit (2008), Global partners for global challenges: The EU-India Joint Action Plan, September 29, 2008 at [https://eeas.europa.eu/archives/docs/india/sum09\\_08/joint\\_action\\_plan\\_2008\\_en.pdf](https://eeas.europa.eu/archives/docs/india/sum09_08/joint_action_plan_2008_en.pdf) (Accessed on May 1, 2018)

<sup>5</sup> Mawdsley, Emma (2014) Development of India- EU Strategic Partnership: Missing Incentives and Divergent Identities, European Strategic Partnership Observatory, Policy Brief 14, Frigde: Spain.

beneficial co-operation between people and business of both sides. The relationship extended its concern to the issues of terrorism and security, refugee and migrant crisis, climate change and sustainable urbanization is has also given priority.<sup>6</sup>

Along with the co- operation on the global and regional front, people to people dialogue is given into prominence for cultural co- operation between the India and Europe. The cultural ties between the two will also revive the ties through the programs of “Common Agenda on Migration and Mobility” (CAMP). This will enhance the co- operation in the field of cultural heritage. Also, academic initiatives such as student mobility through Erasmus+ and Marie Skłodowska- Curie actions will provide the opportunity to create effective interaction between India and EU (MEA, 2016)<sup>7</sup>.

## Trade

Trade is the main driver of India- EU relations and their relation are largely dominated by manufactured goods. In 2007, it moved one more step ahead and negotiations on the “Broad-based Trade and Investment Agreement” (BTIA) started. But, in earlier times the situation was very pessimistic. As C. Rajamohan had argued in 2006 that, "India's relations with Europe have been limited by the fact that New Delhi is fairly unimpressed with Europe's role in global politics" (Mohan, 2006). Even though with this situation the trade from goods and service sector was nearly €100 billion and also, EU remained India's largest trading partner. When we see the data of the first fifteen years of the 21<sup>st</sup> century, we find that EU member countries overall FDI to India has been much more than that of USA and Japan combined together. Also, from Indian side Europe emerged as a prominent destination for investment and overseas acquisitions.

Seeing the trade statistics, we find that with 13.5% of overall world trade in 2015-16 EU has been India's number one trading partner. Also, this makes the India the ninth largest trading partner of EU with a trade of 2.2% in 2016. In 2016, EU exported goods and services worth around €37.8 billion to India. The major exports comprised of engineered goods and chemicals. The same year EU's import from India was €39.3 billion with main goods being textile and clothing. In 2015, trade in services amounted to around €28.1 billion. EU investment stock in India also increased from Euro 44.2 billion in 2014 to Euro 51.2 billion in 2015 (EU website).

In the list of European Union India comes as a prominent country with whom it chooses to have strategic partnership. In 2013, before coming of Modi government, India's trade of 72.7 million Euros made it the tenth largest trading partner of EU. Also, on innovation issues which comprise of energy and scientific issues, India is a privileged partner of EU.<sup>8</sup> In 2014 after Narendra Modi becoming the Prime Minister of India the focus on economic and development issues gained prominence which was also seen during the Prime Minister's visit to Europe. The government is paving ways to make the EU member states strategic and contributors to its several initiatives like 'Make in India', 'digital India', 'Clean Ganga', among various others.<sup>9</sup>

During the visit initiative to support and integrate European and Indian micro, small, medium enterprise (MSME) and the program of 'Skill India' was also adopted. Also, the G20 discussions related to issues of occupational safety and health and promotion of responsible supply chains and better integration of the micro, small and medium enterprises (MSME) in them were welcomed by both the sides. Also, an investment from European Investment Bank (EIB) has been welcomed to support infrastructural, environmental, social and economic development of India especially € 450 million is given by EU for the construction of metro line in Lucknow. The establishment of EIB as a regional representation in New Delhi was also appreciated by the leaders.<sup>10</sup>

At the 13<sup>th</sup> India-EU Summit at Brussels in 2016 the two sides adopted the India-EU Agenda 2020. This laid down a road map for cooperation in areas of investment, climate change, 5G communication among others. In 2017, Prime Minister Narendra Modi visited Europe a number of times. The visits included first ever visit to Portugal and also to Spain it was after nearly three decades. The visits comprised of those to Germany, Netherlands and France.

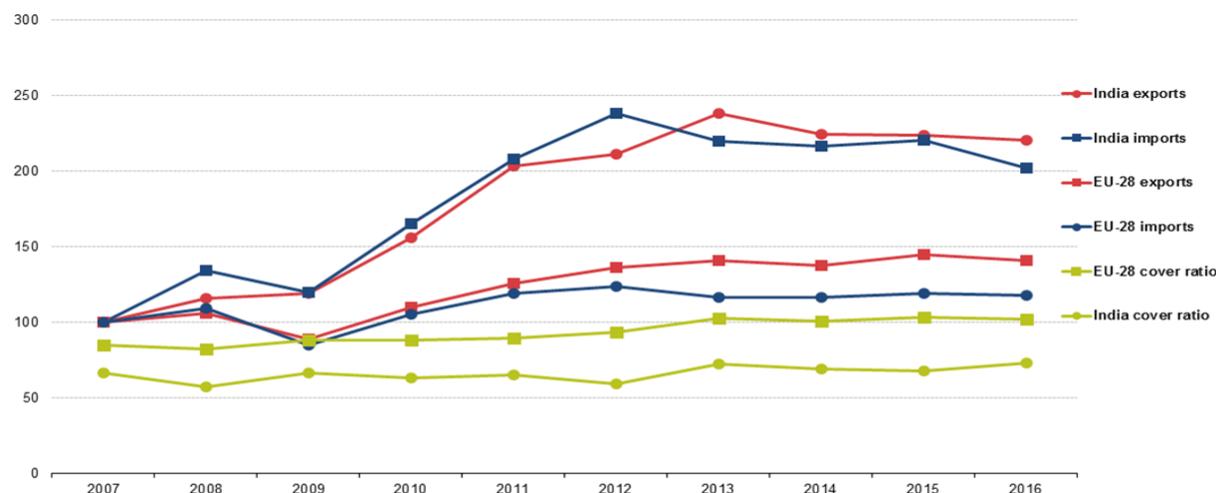
<sup>6</sup> European Commission (2016) EU- India Summit: A new momentum for the EU- India Strategic Partnership, Press Release, Brussels at [http://europa.eu/rapid/press-release\\_IP-16-1142\\_en.htm](http://europa.eu/rapid/press-release_IP-16-1142_en.htm) (Accessed on May 1, 2018)

<sup>7</sup>Ministry of External Affairs (2016) EU- India Joint Statement on the 13<sup>th</sup> India- EU Summit, Government of India, <http://www.mea.gov.in/bilateral-documents.htm?dtl/26576/IndiaEU+Joint+Statement+on+the+13th+IndiaEU+Summit+Brussels> (Accessed on May 1, 2018)

<sup>8</sup> Solana, Javier (2014) *The European Union and India*, Brookings Institute, Washington D.C., <https://www.brookings.edu/wp-content/uploads/2016/06/23-european-union-india-solana.pdf> (Accessed on May 1, 2018)

<sup>9</sup> European Parliament (2015) *Evaluation of the EU-India Strategic Partnership and the potential for its revitalization*, European Union. [http://www.europarl.europa.eu/RegData/etudes/STUD/2015/534987/EXPO\\_STU\(2015\)534987\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2015/534987/EXPO_STU(2015)534987_EN.pdf). (Accessed on May 1, 2018)

<sup>10</sup> European Commission (2016) EU- India Summit: A new momentum for the EU- India Strategic Partnership, Press Release, Brussels, [http://europa.eu/rapid/press-release\\_IP-16-1142\\_en.htm](http://europa.eu/rapid/press-release_IP-16-1142_en.htm) (Accessed on May 1, 2018)



Notes:  
 - While the trade balance provides information on the absolute value of trading positions, the cover ratio provides a relative measure that is based on the ratio (expressed in percentage terms) between the value of exports and the value of imports; if exports are higher than imports then the cover ratio will be above 100.  
 - Exports and imports are indexed at 100 in 2007

Fig. 1 EU- 28 and India Evolution of Trade 2007- 16

Source: Eurostat, 2018

In the recent summit, India has set its priorities to enhance the market access for its various commodities like the agricultural products, pharmaceuticals and textiles and EU is seeking to the concessions and tariff reduction in the financial services and automobile sector with strong intellectual property regime. In this scenario India is looking forward to a much comprehensive Free Trade Agreement while EU is inclined towards bilateral investment treaty. Juncker in this respect stated that, “it is the time for free trade agreement between India and European Union. Once the conditions are right and only when the conditions are right, we resume talks”.<sup>11</sup> These agreements with the EU are a step further towards a closer integration in the world economy and an attempt towards realising the potential of India- EU ties.

India and the European Union have once more launched on a journey of great ambition. Both recognise the importance of reaching their location quickly. Nevertheless, despite a new energy in their bilateral engagement, the path to this conclusion remains arduous. In terms of India-EU trade relations, this is an opportunity to seize and maximise, and policymakers on both sides appear to be acutely aware of what is at risk. Even now, few would wager that a free trade agreement (FTA) can be concluded without hiccups.

Trade negotiations between India and the EU began in 2007, but by 2013 it was clear that they would not advance due to fundamental disagreements on matters such as the mobility of professionals and customs taxes on goods such as autos. Since then, there has been widespread pessimism in New Delhi and Brussels regarding this subject.

However, the globe in 2022 will seem drastically different than it did in 2013. Nations are forced to fundamentally reconsider their long-held assumptions. This is the age of economic decoupling and deglobalization. Suddenly, commerce is viewed through a strategic prism as opposed to a solely economic one. India and the European Union are prepared to establish a new alliance that addresses contemporary issues and meets the challenges of the twenty-first century. This also necessitates a reexamination of the FTA and an attempt to resolve some of the lingering issues.

## Energy

India and EU have been engaged in an energy level policy dialogue since many years. The dialogue clearly identifies renewable energy, energy security and energy efficiency as priority areas. India’s need for energy is increasing each and every day because of rapid economic growth and population. So, in order to achieve this government is working on increasing domestic production and making country energy efficient.

The India-EU energy cooperation got boosted after the adoption of “Joint Declaration on Enhanced Cooperation on Energy”, which was signed in 2012. Also, there is an annual Energy Panel meet of senior official’s level. There are also working groups on coal and renewable and efficient energy. India and EU are undertaking projects under development cooperation and under the Partnership Instrument. Under the present government in India many milestones have been achieved. The interactions between the EU and India have increased. EU’s Climate Action Commissioner Arias Cañete, who followed the former commissioner’s visit in September, 2014, met his Indian counterpart twice in the recent past. EU and India have decided for an “Indo-European Clean Energy and Climate Partnership”, which aims for reinforcing cooperation on development of renewable energy avenues. In November 2015, India-EU Joint Steering Committee meeting held in Delhi whose one of the main focus was further strengthening of cooperation in the area of energy (European Union External Action, 2016).<sup>12</sup>

<sup>11</sup> Pant, Harsh V., Europe faces many challenges and that gives Modi a great opportunity in his six- day visit, *Scroll.in*, 30<sup>th</sup> April 2017, <https://scroll.in/article/839073/europes-many-challenges-provide-an-opportunity-for-modi-in-his-six-day-visit>. (Accessed on May 2, 2018)

<sup>12</sup> European Union (2016), Factsheet EU-India relations, Brussels, March 30, 2016 at [http://eeas.europa.eu/archives/docs/factsheets/docs/eu-india\\_factsheet\\_en.pdf](http://eeas.europa.eu/archives/docs/factsheets/docs/eu-india_factsheet_en.pdf). (Accessed on May 2, 2018)

At the 13<sup>th</sup> India-EU Summit at Brussels in 2016 a “Joint Declaration on a Clean Energy and Climate Partnership” was endorsed by the leaders. In the same summit the EU and India also adopted the declaration. “The Declaration outlines the EU and India’s commitment to dialogue and cooperation on clean energy, energy efficiency and climate action. Under the partnership, both the EU and India will share views on policy and regulatory approaches, will promote business solutions and support joint innovation activities.”<sup>13</sup>

A major achievement for India was the International Solar Alliance, which shows the diplomatic victory of India. It is also a symbol of effort and collaboration of partner countries. In November, 2015 the then French President Francois Hollande and Indian Prime Minister Narendra Modi launched the International Solar Alliance (ISA) at the UN sponsored Paris climate talks. On October 6, 2017 Joint Declaration was signed with the European Investment Bank to mobilize fund for promoting solar energy. ISA is the most tangible outcome of the Paris Summit. Each summit after it has proved to be a milestone for the ISA.

India and EU are working in cooperation which will look into making the buildings energy efficient and developing renewable energy sources which will include “solar and offshore wind, smart grids, energy research and innovation.”<sup>14</sup>

At present, EU is partnering India in projects like designing of an offshore wind plant off the coast of Gujarat with Ministry of New and Renewable Energy, Government of India. This also comes with support in rolling out of solar park, roof-top solar programmes, energy efficiency in buildings and establishing of ‘Smart Grids’. Two other important areas of EU’s support are International Solar Alliance and an EU-India initiative for financing clean energy. At the India-EU Clean Energy and Climate Conclave held on September 7, 2017, Ambassador of the European Union to India H.E. Mr. Tomasz Kozlowski told that, “The European Investment Bank has already provided loans and credit lines for more than 1,2 billion € to support implementation of energy and climate related projects in India.” In the Joint Statement and the EU-India Strategic Partnership: A Roadmap to 2025 agreed upon at the EU-India Summit on 15 July 2020, as well as the Joint Statement adopted at the EU-India Leaders Meeting on 8 May 2021, the strengthening of cooperation under the Clean Energy and Climate Partnership was also welcomed.

## Security

Apart from political and economic relations, security has increasingly becoming the priority of bilateral relations. After the 9/11 incident, the dimension of relations between nation- states underwent to significant changes with increasing threats of terrorism globally. Although terrorism is the primary concern of global actors but it is certainly not the only one. Other security threats such as trafficking (arms/ human), piracy, and cyber security are also prominent in the contemporary times and since these threats has no border lines, it is needed to address them with an integrated approach.

India-EU relations share a common approach towards rule based global order and multilateralism and with that both actors share a common vision to the challenges posed on regional and global levels. The 14<sup>th</sup> India-EU summit in this respect is very important as the focus lies on the security issues pertaining to the regional and far neighboring level of India and Europe. The commitments have been made to act against terrorism and enhancing co-operation in the security domain. The joint statement strongly condemned the recent terror attacks and said that, “the recent terror attack in Pathankot, Uri, Nagrota, Anantnag, Srinagar, Paris, Brussels, Nice, Berlin, London, Stockholm, Manchester, Barcelona and other terrorist attacks....”<sup>15</sup> Also the prospect for peace in Afghanistan, Korean Peninsula, Myanmar, Ukraine, Syria, and Iran has also been adopted. The Joint Statement adopted resolutions on combating terrorism to mark it as a common fight against the threat. There is a considerable progress has been achieved through various dialogues over counter- terrorism. The Joint Statement expressed commitment to fight terrorism, violent extremism and enhance security cooperation.<sup>16</sup>

India and European Union further extended the security dimension to the Indian Ocean as well by deciding to boost on co- operation on maritime security in the 14<sup>th</sup> EU- India Summit. In this sequence the Indian Navy and European Naval Force have conducted tactical exercise on the Somalian coast, this represented the first ever India-EU joint naval exercise. It also represents the increasing co-operation for maritime security in Indian Ocean and beyond. Cyber security is also an aspect which was being addressed in the recent summit and leaders have shown their commitment to deepen their co-operation on the issues of Cyber security to provide free, secure, stable and accessible cyber space to create better opportunity and economic growth.<sup>17</sup>

## Sustainable Development

Climate is one of the key areas which needed global attention in the changing world order. It has becoming more significant in the contemporary time than ever and the leader of India and European Union cannot afford to ignore it, thus it is a vital part of the India- EU Summit held in 2017

<sup>13</sup> European Commission (2016) EU and India agree on Clean India Partnership, Brussels, [https://ec.europa.eu/clima/news/articles/news\\_2016033101\\_en](https://ec.europa.eu/clima/news/articles/news_2016033101_en) (Accessed on May 1, 2018)

<sup>14</sup> *ibid.*

<sup>15</sup> Pant, Harsh V. (2017), Build on the New Momentum, *ORF*, 25 October 2017, <https://www.orfonline.org/research/build-on-the-new-momentum/>. (Accessed on May 2, 2018)

<sup>16</sup> European Union External Action (2017), Joint statement 14<sup>th</sup> India-EU summit, New Delhi, October 6, 2017 [https://ec.europa.eu/commission/presscorner/detail/en/STATEMENT\\_17\\_3743](https://ec.europa.eu/commission/presscorner/detail/en/STATEMENT_17_3743) (Accessed on May 1, 2018)

<sup>17</sup> *ibid.*

and has a separate segment in *the Agenda for Action 2020*. The leaders in this context demonstrated co- operation, determination and shared responsibility to mitigate the effects of climate change. They also determined to co-operate on the areas of Paris Agreement such as “transparency, accountability framework and disaster preparedness” along with “the implementation of climate action commitment, green cooling, solar pumping, electric mobility and renewable energy in order to fulfill the commitments towards the agreement.”<sup>18</sup>

The need for smart and sustainable urbanization is also recognized and with the vision of ‘smart cities are the drivers of economic, political and social changes’ the co- operation has taken various initiatives to develop urban centers under the “Agenda for the EU and India’s Flagship Smart Cities Mission Programme.” This project includes different metro rail project in Indian cities to create connectivity and economic development in the far reach areas. The EIB is providing loan for these projects such as € 500 million loan has been provided for sustainable transport in the 96 new trains in Bangluru metro. It has also signed agreement with the private bank to finance solar and wind energy projects. Narendra Modi recapitulated India’s commitment towards the Paris Agreement by stating that, “On clean energy and climate change, we are both committed to the 2015 Paris Agreement. Addressing climate change and promoting secure, affordable and sustainable supplies of energy are our shared priorities. We also affirmed our commitment to undertake mutual co- operation for reducing the cost of deployment of renewable energy.”<sup>19</sup>

### Other areas of co- operation

The co- operation has been extended to various other dimensions of affairs such as the increasing turmoil in different parts of the world which is causing the displacement of people from their own places. Also, it is leading to problems to the host countries in Europe and South Asia as well. The leaders expressed their deep concern to the issue of migration and refugee settlement. Along with that the India- EU relations have been revised variously on the issues of student mobility, research innovation, cultural co- operation, e-governance, global societal changes, health, and food security are also considered important.

In the 13<sup>th</sup> India- EU Summit, the plan to conclude a “Common Agenda for Migration and Mobility” (Camm) has adopted. Herbert Krauss, Head of the Department for Common Foreign and Security Policy (EU) said that, “On the migration issue, India has experience with migration. I think they had refugees from Bangladesh, so you know how to integrate them, how to deal with them. I think the EU is also tapping into your experience.” Further he stated that “the plan to conclude a Common Agenda for Migration and Mobility is a good project and can be mutually beneficial” Camm, thus is a joint declaration adopted in 13<sup>th</sup> India- EU Summit which covers a wide range of issues from easier visas to the visitors and business people to a potential re- admission agreement.<sup>20</sup> The migrant’s crisis is now severely attacking the heart of European domestic policies and now it is important for them to strengthen co-operation on migrants and refugees under the aegis of the United Nations and work on adopting global compact for safe and orderly migrations (The Economic Times, 2016). In the respect of migrants and refugees the 14<sup>th</sup> summit addressed its concerns over the issues of Rohingya crisis too by taking into note that, “this violence is triggered off by a series of attacks by Arakan Rohingya Salvation Army militants (ARSA) which led to loss of lives amongst the security forces as well as the civilian population.”<sup>21</sup>

In Brussels a common agenda on migration was agreed upon and this a positive step for the actors and India has become one such nation on the world map with whom EU has such kind of co- operation agreement. Also, by easing visa, Europe is fostering considerable Indian Diaspora in the continent which will help to build Make in India more significant with vibrant commercial relations especially related to digital avenues and it will also establish a dynamism leading to a co- operation in the field of India-EU business, for whom connectivity is a priority. Also, it will further enrich the India-EU relationship.<sup>22</sup>

The EU is one of the leading regions in research and innovation with the producer of 27% of the world’s total scientific publications. Thus India-EU co- operation on Research and Innovation is of great relevance. The EU program for research and innovation ‘Horizon 2020’ (2014- 2020) is

<sup>18</sup> European External Action Service (2017) *14<sup>th</sup> EU- India Summit: Why the EU-India Strategic Partnership matters*, Delegation of the EU to India and Bhutan, Brussels, [https://eeas.europa.eu/delegations/india/33482/14th-eu-india-summit-why-eu-india-strategic-partnership-matters\\_en](https://eeas.europa.eu/delegations/india/33482/14th-eu-india-summit-why-eu-india-strategic-partnership-matters_en) (Accessed on May 3, 2018)

<sup>19</sup> Pant, Harsh V., Europe faces many challenges and that gives Modi a great opportunity in his six- day visit, *Scroll.in*, 30<sup>th</sup> April 2017, <https://scroll.in/article/839073/europes-many-challenges-provide-an-opportunity-for-modi-in-his-six-day-visit>. (Accessed on May 2, 2018)

<sup>20</sup> Laksman, Sriram, Europe could learn from India in tackling migrant crisis, *The Hindu*, 30 April, 2016, <http://www.thehindu.com/news/international/europe-could-learn-from-india-in-tackling-migrant-crisis/article8541125.ece> (Accessed on May 4, 2018)

<sup>21</sup> Pant, Harsh V., Build on the New Momentum, *ORF*, 25 October 2017, <https://www.orfonline.org/research/build-on-the-new-momentum/> (Accessed on May 2, 2018)

<sup>22</sup> Varma, Tara & Vasselier Abigaël (2016) What if the EU future lay with India? European Council on Foreign Relations, [https://www.ecfr.eu/article/commentary\\_what\\_if\\_the\\_eus\\_future\\_lay\\_with\\_india7015](https://www.ecfr.eu/article/commentary_what_if_the_eus_future_lay_with_india7015) (Accessed on April 29, 2018)

open for Indian scholars and researchers which includes different areas related to science and technology. For the funding of successful Indian participants in Horizon 2020, the European Commission and, India's Department of Science and Technology (DST) and the Department of Biotechnology (DBT), established the modalities for co-funding in the year of 2016. Also, a joint call for the research on water of € 30 million co-funded by European Commission and India (DBT & DST) was proposed. Along with that, an agreement between the European Commission and the Science and Engineering Research Board (SERB) was signed to facilitate the collaboration of talented Indian researchers with the European Researchers Grantees in Europe.<sup>23</sup>

### The Road Ahead

In the contemporary scenario where Europe and India both are posited on the crucial juncture, India on the one side going through various developmental process with the introduction of technology in the forefront. Also trying to create the balance between the emerging power structure of the world by denoting its presence and on the other side, Europe is already a dominant actor on the world stage and still countering with different domestic and international challenges from various dimensions (such as Brexit and refugee crisis). In this scenario, both the actors need each other more than ever. It is very important in this respect to understand the areas of challenges and future prospect of India- EU relations.

Looking into challenges, the conceptualized and biased perception about India is needed to revise in a sense that EU has to change its approach towards India before accelerating the relationship. Europe in a general sense has the tendency to see India as a South Asian power (i.e. regional) and also putting India and Pakistan on the same platform which has affected the policies in terms of India- EU relations till now. The dynamics of security relations is also needed to be reconsidered to create new balance between Delhi and Islamabad.

India's relation with United States is also one of the matters of contemplation in the India- EU relations where except Britain and France other member-countries of EU are not much enthusiastic about it. The nuclear deal between US and India and the admission of India into Nuclear Suppliers Group (NSG) are some of the examples which did not get enough support from the European countries.<sup>24</sup>

With the emergence of India and China on the world sphere, Europe is finding it hard to adjust with the changing realities of world. However, the actors are trying to create a balance with the profound re-ordering. These shifts are also important because Europe is currently countering problems on home ground as well such as Brexit and refugee and migrant's crisis which is shaking the domestic grounds of EU and the threat is also on the very existence of the union (ibid).

With all these challenges it is important to understand the importance of India- EU relations which is recently very well observed by the current government of Indian Republic. Under the vision of Hon'able Prime Minister, India is stepping forward with an assertive approach to strengthen the political, economic and social ties. The EU in this respect has to focus on the prospective gains from India and need to re-evaluate its lack in strategic vision in defining its global role and the emergence of India in it. It's the time for EU to become more proactive on the partnership with India.<sup>25</sup>

Closer political co-operation with EU would have positive effects on the growth of Indian economy and it will also help to fulfill the initiatives of *Make in India* by various investment and infrastructural programmes. It could also take advantage of the vast European industries to flourish the Indian businesses. Also, the security ties between India- EU could play an instrumental role to its bid in the United Nations Security Council (UNSC).<sup>26</sup>

Also, some intervention on the both side of media is needed. The Indian perception is hugely shaped by the dominant media houses of British and United States of America which is certainly not sympathetic towards European Union. Re-examining the behavior of media will thus help to strengthen the internal and bilateral relations.<sup>27</sup>

### Conclusion

The India- EU relations although shared a long history but for a long time the relationship remain stagnant for different reasons including the pessimistic approach, suspicion about the policy initiatives (especially security) and different domestic and regional commitments. These varied issues have limited the relation to the commercial interest for a long time. It was being said that, although both sides have shared values the co-

<sup>23</sup> European Commission (2016) EU- India Summit: A new momentum for the EU- India Strategic Partnership, Press Release, Brussels, [http://europa.eu/rapid/press-release\\_IP-16-1142\\_en.htm](http://europa.eu/rapid/press-release_IP-16-1142_en.htm) (Accessed on May 1, 2018)

<sup>24</sup> Pant, Harsh V., Europe faces many challenges and that gives Modi a great opportunity in his six- day visit, *Scroll.in*, 30<sup>th</sup> April 2017, <https://scroll.in/article/839073/europes-many-challenges-provide-an-opportunity-for-modi-in-his-six-day-visit> (Accessed on May 2, 2018)

<sup>25</sup> Ibid.

<sup>26</sup> Benaglia, Stefania (2016) How to Boost EU- India Relations, Centre for European Policy Studies, Policy Brief No. 341, Brussels.

<sup>27</sup> European Parliament (2015) *Evaluation of the EU-India Strategic Partnership and the potential for its revitalization*, European Union.

[http://www.europarl.europa.eu/RegData/etudes/STUD/2015/534987/EXPO\\_STU\(2015\)534987\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2015/534987/EXPO_STU(2015)534987_EN.pdf) (Accessed on May 1, 2018)

operation becomes limited due to disinterest on a number of issues.<sup>28</sup> Also, it is important to take into consideration that both EU and India belong to a multilateral order which is founded on democratic principles. Both actors have contributed substantially in the peacekeeping operations under the flag of United Nations. In this order, they are dealing with established as well as new threats such as terrorism, cyberattacks and piracy associated with fragile states or climate change.

Looking into the regional co- operation, it is noted that South Asian Association for Regional Co- operation (SAARC) has not been able to translate the rhetoric into action and in this regard, the relationship between the two actors has immense possibilities with EU providing know-how to ground the co-operation. In this way India and EU are natural partners but they are often divergent by the geo-political consideration and the regional commitments and interests. The citizens has a vital role in forging the foreign policies of both India and the EU however, on the one hand the aspirations of the masses provide the legitimacy to the policies, it entails a series of constraints as well.

Notwithstanding these projections about the relation, the partnership took a steep turn with new leadership in India and European Union, where both the actors revised their commitments by adding new aspects in the bilateral relations. Although trade is the vital aspect of India- EU relations but the need to move forward from the economic relations is considered by the policymakers and it led to the expansion of the partnership to the issues of public diplomacy, research & innovation and cultural co- operation, which is much needed. It will certainly create new opportunity and growth on the both side and will be seen as a catalyst in the revised India- EU relations.

In the contemporary scenario, for EU, it is important to enhance its added values to the nation states and reinvigorate the stagnating relations by the deeper co- operation by working on the said commitments in the summits. The EU should also embrace the assertiveness of India to play the role of a responsible and prominent democratic power working to establish peace and stability.<sup>29</sup> The implication of India-EU relations will only be visible by the adaptation of the summit goals and work on the common agendas by both of the actors. Also, EU has to come out of its regional aspirations and have to be a normative global actor in true sense.

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