



Explaining the European Union's partnership with India

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Questions and Answers

What are the main objectives of the Joint Communication?

The [Joint Communication](#) will strengthen the EU-India Strategic Partnership by focusing on sustainable modernisation and on common responses to global and regional issues. It is meant to serve for the next decade as a coherent platform to advance key EU interests, improving the way the EU approaches India. The Joint Communication seeks to maximise the opportunities in terms of trade, investment, people-to-people exchanges, foreign policy and security, and global governance, particularly through synergies and coherence in actions by the EU and its Member States.

- Seize the full potential of the EU-India strategic partnership.
- Build a strong partnership for sustainable modernisation, to benefit both sides.
- Join forces with India to consolidate the rules-based global order, based on multilateralism with the UN and the WTO at its core.
- Develop a shared approach at the multilateral level to address global challenges and increase coordination.
- Seek common responses to security threats and regional issues.

Why is this Joint Communication coming now?

The long-standing EU-India relationship is based on a [1994 Cooperation Agreement](#). The last [Commission Communication on India dates from 2004](#), when the Strategic Partnership was established. The partnership has evolved and has seen enhanced commitment from both sides over the last two years. An ambitious Agenda for Action 2020 was adopted jointly at the [2016 EU-India Summit](#), while at the [October 2017 EU-India Summit](#), the two sides recognised agreed a common vision of global governance, shared values and principles. There is, therefore, a positive momentum for the EU to restate its engagement towards India.

What is the EU's ambition in developing foreign policy cooperation with India?

Among the EU's many partners, India already plays an important role, particularly in consolidating EU's engagement in and with Asia. India's international reach and relevance will continue to grow, and therefore its importance to the EU, in line with the development of its economy and its diplomatic and defence capabilities. Although EU-India political consultations have broadened and deepened considerably in the last few years, more could be done together to ensure regional stability and global crisis management.

On many global, international and regional issues, there is clear convergence between the EU's and India's views and objectives. For example, both the EU and India remain committed to the continued full and effective implementation of the Iran nuclear deal and we collaborate closely to help bring peace and development to Afghanistan, as we have also done in addressing the recent crisis in the Maldives. The EU wants to expand this positive engagement and to strengthen cooperation on other issues in Africa and the Middle East, based on shared interests, principles and values. The EU will seek to develop more structured and regular consultations in multilateral fora and exchanges on emerging regional structures in Asia.

How will the EU enhance security cooperation with India?

EU-India cooperation in the field of security is directed at enhancing the security and wellbeing of our citizens. Terrorist attacks on EU and Indian soil should not shake our commitment to tolerance and diversity. On the contrary, in order to address this growing threat, the EU and India are currently looking at establishing effective counter radicalisation programmes, removing terrorist and extremist

content available online, deepen cooperation on terrorist designations and to increase the effectiveness of sanctions, and putting an end to terrorism financing.

With the expansion of IT to all spheres of life, cybersecurity is quickly becoming one of the most important threats to national and global security, and in the short-to-medium term this threat is only expected to grow. The EU and India have a lot to learn from each other regarding protecting critical infrastructure and defining international rules that can apply to the cyberspace. In addition, our law enforcement agencies have to start collaborating more closely to confront the activities of cybercriminals that operate in the EU and India at the same time.

Both India and the EU are firm believers that non-proliferation and disarmament are necessary to maintain world security and are promoting international regimes to control missile technology and the spread of weapons of mass destruction.

Another area of mutual interest is maritime security. The scope for cooperation, especially in the Indian Ocean, is very large. The EU and India have cooperated in anti-piracy efforts in the Indian Ocean and the EU would like to see India joining on efforts to escort World Food Programme shipments off the coast of Somalia. The EU and India should join forces to promote the UN Convention on the Law of the Sea, as the basis of ocean governance and work more closely in the field of maritime surveillance.

Given the important steps the EU has taken recently to improve its action capability as a security actor, the EU aims to enhance overall cooperation with Asian partners, and with India in particular. To this end, the EU will seek to establish military-to-military contacts with Indian counterparts in order to explore concrete opportunities for cooperation.

How developed is the trade and investment relationship between the EU-India?

India is an important trade partner for the EU and an emerging global economic power. India is the fastest growing large economy, with growth rates of about 7%. In 2017, the EU was India's first trading partner, while India was the EU's ninth largest trading partner, amounting to a total of €86 billion trade in goods and €29 billion trade in services.

The EU is one of the largest investors in India, with an overall stock of more than €72 billion in investments. India too is emerging as a proactive investor in the EU, with €4.9 billion in 2016.

Close to 6,000 EU companies are present in India collectively providing direct employment to 1.2 million workers and indirect employment to 5 million.

However, the potential of the [EU-India trade and investment relationship](#) is far from being reached. From this perspective, the EU aims to achieve comprehensive and balanced agreements on trade and investment with India, as well as to support trade liberalisation and to ensure fair market access and predictable investment conditions.

Why does the EU want to increase investment in India's sustainable modernisation?

The EU offers important opportunities in terms of technology-sharing and know-how, providing high-level synergies in sectors where EU companies are world leaders: this includes infrastructure, transport, telecoms and basic industry. This wealth of experience and knowledge means that the EU has much to offer India in its quest to grow and modernise, and it helps, in turn, create new business opportunities.

Furthermore, cooperation on climate change, the environment, green energy, and urbanisation helps the EU and India to meet internal objectives as well as international commitments. The EU also wants to work more with India to build inclusiveness and equality, for example via digitalisation.

The EU promotes a growing role of the [European Investment Bank](#) (EIB) in financing India's sustainable modernisation initiatives. The EIB has so far invested €2.5 billion in India in infrastructure, renewable energy and climate projects.

Why is the Joint Communication calling for a partnership on connectivity with India?

The EU has launched in [October 2018 its Strategy on Connecting Europea and Asia](#). The Strategy calls for more engagement with partners – in Europe's neighbourhood, in Asia and beyond – on enhancing connectivity and finding complementary and common solutions. The EU approach to connectivity is clearly set: connectivity must be fiscally, environmentally, socially and economically sustainable; comprehensive across sectors and financial frameworks; and rules-based.

The EU and India have agreed at the [2017 Summit](#) on a common view towards connectivity, [acknowledging](#) "that connectivity initiatives must be based on universally recognised international

norms, good governance, rule of law, openness, transparency and equality and must follow principles of financial responsibility, accountable debt financing practices, balanced ecological and environmental protection, preservation standards and social sustainability.”

Given the commonality of views, India is a priority country for the establishment of a connectivity partnership.

Why is India an important partner on research and innovation?

Both the EU and India have similar views on the role of research and innovation: supporting economic development, creating jobs and strengthening the capacity to address global societal challenges, notably ICT, health, climate change and energy, food security or smart cities.

India has important centres of excellence and a considerable talent pool, with a high potential to jointly contribute with the EU to address global challenges. The EU cooperates with India through the [Horizon 2020](#) Framework Programme for Research & Innovation. Indian researchers receive grants from the [European Research Council](#) or [Marie Skłodowska-Curie fellowship](#). A co-funding mechanism was established to fund successful Indian participants in Horizon 2020 projects.

Joint initiatives aim to foster the development of concrete solutions to common societal challenges. An example of joint cooperation is a successful flagship initiative in the area of water of €30 million.

India also has impressive start-up ecosystems. The EU promotes networking between innovators, start-ups, incubators, including via joint on line and off line platforms.

How is the EU working with India on clean energy and climate change?

Both the EU and India ratified the [Paris Agreement](#) and are committed to its implementation. Against the backdrop of a changing international landscape, India and EU have the ability to lead and uphold their Paris pledges.

The EU and India have established in 2016 a [Clean Energy and Climate Partnership](#) to work on a clean energy future for India and to implement the Paris Climate Change agreement. The Partnership delivers concrete activities on the ground among others in renewable energy, energy efficiency and smart grids. For example: technical assistance is provided to the Indian Government to develop the first off-shore wind plant in India and to implement the [Solar Parks Programme](#). The EU also finances technical assistance to implement the [Energy Conservation Building Codes](#).

The EU promotes green investments through blended financing. Projects funded under the [Asia Investment Facility](#) support sustainable urban housing and mobility. The Electrification Financing Initiative boosts private sector investments in sustainable energy through de-risking and reimbursable schemes.

How will the EU work with India at the multilateral level?

The EU and India are both strong supporters of the rules-based global order, based on multilateralism, with the UN and the WTO at its core. In the current international environment, the EU will build on this important common ground it shares with India to develop coordination at multilateral level, particularly at the UN, G20 and WTO. The main aim is to build multilateral solutions and address challenges to international security, global economic stability and growth.

What does the EU want to achieve regarding data protection cooperation?

Increased convergence between our systems could bring very significant benefits to our economies. This would, in particular, facilitate trade flows which increasingly rely on personal data transfers, while ensuring a high level of protection of the data exchanged between India and the EU.

The EU supports the progress of data protection reform in India, which will also cover foreign operators. With a new law in place, India would be joining the growing trend of global convergence in this area. As a leading world economy and the world's largest democracy, India's endorsement of a high level of data protection would constitute a critical example at a moment where there is an increasing demand for international standards on privacy.

Importantly, if adopted, the law would certainly contribute to facilitating data flows between the EU and India, and could open the way for a possible adequacy dialogue.

Further Information

[Joint Communication: Elements for an EU strategy on India](#)

[Press release: The EU shapes its ambitious strategy on India](#)

[Factsheet: A new EU strategy on India](#)

[Website: European Union Delegation to India](#)

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