

## India-EU Bilateral Brief

### India-EU Relations:

India-EU relations date to the early 1960s, with India being amongst the first countries to establish diplomatic relations with the European Economic Community. A cooperation agreement signed in 1994 took the bilateral relationship beyond trade and economic cooperation. The first India-EU Summit took place in Lisbon on 28 June 2000 and marked a watershed in the evolution of the relationship. Since then, thirteen annual Summits have been held. At the 5th India-EU Summit held at The Hague in 2004, the relationship was upgraded to a 'Strategic Partnership'. The two sides adopted a Joint Action Plan in 2005 (which was reviewed in 2008) that provided for strengthening dialogue and consultation mechanisms in the political and economic spheres, enhancing trade and investment, and bringing peoples and cultures together. India-EU relations received another boost with the 13th India-EU Summit at Brussels in March 2016 adopting the India-EU Agenda 2020, which lays down a road map for cooperation on a wide range of issues including nuclear cooperation, investments, Internet Governance, climate change, 5G communications etc.

### Political Relations:

The 13th India-EU Summit held after a gap of four years on 30 March 2016 in Brussels, was the spotlight of India-EU bilateral relations this year. Prime Minister Mr. Narendra Modi led the Indian delegation which also included Commerce Minister Ms. Nirmla Sitharaman. EU was represented by Mr. Donald Tusk, President of the European Council and Mr. Jean Claude Juncker, President of the European Commission. President of the European Parliament Mr. Martin Schulz, President of the European Investment Bank, Mr. Werner Hoyer, and EU High Representative Ms. Federica Mogherini, also attended the Summit. The Summit saw the adoption of seven outcome documents including a **Joint Statement and Agenda for Action 2020**. An India-EU Joint Declaration on the fight against terrorism, India-EU Joint Declaration on Common Agenda for Migration and Mobility, Joint Declaration on Water Partnership, Joint Declaration on Clean Energy and Climate Partnership, were also adopted at the Summit. The release of the first tranche of € 200 million of the total €450 million loan from the European Investment Bank for the Lucknow Metro project was also finalised during the Summit.

India and the EU interact regularly at the Foreign Minister level. The 23rd India-EU Ministerial Meeting took place in Brussels on 30 January 2013. The then External Affairs Minister, Shri Salman Khurshid, led the Indian delegation while the EU side was led by the EU High Representative for Foreign Affairs and Security Policy, Baroness Catherine Ashton. Bilateral relations as well as international and regional issues of mutual interest were discussed at the meeting. Minister of State for External Affairs, Gen (Dr.) V.K. Singh (Retd), led the Indian delegation at the 12<sup>th</sup> Asia-Europe Meeting (ASEM) Foreign Ministers' Meeting in Luxembourg from 4-7 November 2015. Minister of State for External Affairs, Shri M.J. Akbar, led the Indian delegation at the Brussels Conference on Afghanistan organized by the EU from October 4-5, 2016. He met EUHR, Ms. Federica Mogherini, on the sidelines of the Conference.

EU Commissioner for Environment, Maritime Affairs and Fisheries, Mr. Karmenu Vella visited India in October 2016 and signed the MoU on India-EU Water Partnership. Vice President of the European Commission for Jobs, Growth, Investment and Competitiveness, Mr. Jyrki Katainen, visited India in November 2016.

Both sides have also instituted Foreign Policy Consultations at the level of Secretaries. The first meeting took place in New Delhi on 15 November 2011, followed by a second round in Brussels on 20 July 2012. The last round of the Foreign Policy Consultations (4th) was held in Brussels on 29 February 2016, led by Ms. Sujata Mehta, Secretary (West), MEA from our side and Deputy Secretary General of the European External Action Service, Ms. Helga Maria Schmid from the EU Side.

A Security Dialogue envisaged under the Joint Action Plan has been held annually since May 2006. The Security Dialogue was merged with the Foreign Policy Consultations in 2016. A bilateral Joint Working Group on Counter-Terrorism reports to the Security Dialogue, as do dialogues on Cyber-Security and Counter-Piracy.

The last meetings of the JWG on Counter Terrorism and Cyber-Security dialogue were held in Brussels on 20 and 21 May, 2015 respectively. In 2013, both sides agreed to the institution of a dialogue on non-proliferation and disarmament under the umbrella of the Security Dialogue, and the first meeting of this dialogue took place in New Delhi in May 2014. The last meeting was held on February 29, 2016.

An annual India-EU Ad-hoc Dialogue on Human Rights is also held in New Delhi, the eighth meeting of which took place on 27 November 2013. There is also a Delhi-based Joint Working Group on Consular Issues. In addition, a High-Level Dialogue on Migration and Mobility has been instituted at Secretary Level, the third round of which took place in New Delhi on 2 July 2012.

### **Parliamentary Interaction**

A Delegation for Relations with India (D-IN) was formally constituted in the European Parliament (EP) in 2007 to follow relations with India. Following European Parliament elections in May 2014, a new D-IN was constituted consisting of 45 members drawn from various political groups in accordance with their numerical strength in the Parliament. The chairperson of the new delegation is Mr. Geoffrey Van Orden. A delegation from D-IN led by the Chairperson visited India and met the Indian political leadership in March 2015.

On invitation by European Parliament President Mr. Martin Schulz, Hon'ble Speaker of the Lok Sabha, H.E. Smt. Sumitra Mahajan led a 14 member parliamentary delegation, including 7 Members of Parliament, on an official visit from 22-26 June 2015 to the European Parliament in Brussels. Hon'ble Speaker and the delegation met President Schulz on 23 June 2015 and also interacted with the members of the Delegation for Relations with India.

### **Economic & Commercial Relations**

The EU as a bloc of 28 countries is India's largest regional trading partner while India was the EU's 9<sup>th</sup> largest trading partner in 2015. India's overall bilateral trade (in both goods and services) with the EU28 during 2015 (Jan-Dec) was € 105.2 billion (comprising trade in goods of € 77.5 billion and trade in services of €27.7 billion). In goods, India's export to the EU in 2015 stood at € 39.41 billion (\$43.73 billion) while India's imports from the EU were valued at € 38.1 billion (\$42.3 billion). In 2015, the trade balance in goods was in India's favour by €1.3 billion (\$1.44 billion).

India's bilateral trade with the EU28 during the first eight months of 2016 (Jan-Aug 2016) stood at €51.2bn with India's exports valued at €26.6bn and India's imports from the EU at €24.6bn.

India-EU bilateral trade in services was €27.7billion (\$30.75 billion) in 2015 comprising Indian exports of services to the EU worth € 13.67billion (\$15.17 billion) and Indian imports from the EU worth €14.03billion (\$15.58 billion).

Over the period April 2000 to April 2016, FDI equity flows from EU countries totaled \$73.97 billion. At 25.34% of total FDI flows to India (\$291.87billion) makes EU, India's largest source of FDI.

India and the EU are in the process of negotiating a bilateral Broad-based Trade and Investment Agreement (BTIA) since 2007. As of late, both sides are discussing the modalities of resumption of BTIA talks on a fast track.

The India-EU Joint Commission dealing with economic and commercial issues meets annually, as do its three Sub-Commissions on Trade, Economic Cooperation and Development Cooperation. The India-EU Joint Commission last met in New Delhi on 26 June 2014. The last meeting of the India-EU Sub-Commission on Trade and Economic Cooperation was held in New Delhi in October 2015.

In addition, the Joint Working Groups on Textiles and Clothing, Agriculture and Marine Products, Technical Barriers to Trade and Sanitary and Phyto-sanitary Issues, Pharmaceuticals and Biotechnology (SPS/TBT) as well as Food Processing Industries, also meet regularly to enhance sector-specific cooperation. The latest meetings of the Joint Working Groups on Textiles took place at Brussels on 13 April 2016, and that of Agriculture and Marine products, at Delhi on 7 October 2015. The latest India-EU JWG on SPS/TBT was held at Brussels from 10-11 November 2016. The JWG on Pharmaceuticals & Biotechnology met last time at Brussels on 5-6 July 2016.

A Macroeconomic Dialogue at Secretary Level along with a Dialogue on Financial Services Regulations have also been instituted and take place annually. The 8th India-EU Macro-Economic Dialogue and Dialogue on Financial Services Regulations was held in Brussels on 10 June 2016.

Cooperation in the field of Science & Technology is also moving apace. The India-EU Science and Technology Steering Committee meets annually to discuss cooperation in this field and held its tenth meeting in New Delhi on 23 November 2015. The first meeting of the India-EU Member States Group of Senior Officials was held in Brussels on 8 October 2013 via video-conferencing. The 2nd meeting of India-EU MS Group of Senior Officials thematic Group on Water-cum-Joint mid-term Review of India-EU Water RTD projects took place on 11-13 June 2014 at Brussels. A Dialogue on Information & Communications Technology has also been instituted and the last meeting of the JWG was held at Brussels on 13-14 June 2016.

India and the EU set up an Energy Panel in 2005 to enhance cooperation in the critical sector of energy and energy security. The last meeting of the Panel was held in New Delhi on 26 October 2016. Separate sub-groups have been constituted under the panel dealing with coal and clean coal conversion technologies, energy efficiency and renewable energy, etc. Another Sub group created under the Energy Panel recently- the India-EU JWG on Energy Security- met for the first time at New Delhi on 26 October 2016. The 9<sup>th</sup> India-EU Joint Working Group on Coal was held

at Potsdam (Germany) on 10-11 September 2014 along with a site visit. The JWG on Clean Coal Technology met last time at Brussels from 17-19 June 2013.

As envisaged in the Joint Action Plan, a Joint Working Group on Environment dealing with prevention of pollution, waste minimization, protection of biological diversity, sustainable forest management, environmental education, etc. has been created and held its eighth meeting in Brussels on 10-11 April 2014. An Environmental Forum which brings together academia, business and civil society of both sides to exchange views on specific environmental issues also meets annually. The Environmental Forum last met at New Delhi on 25 February 2015. An "Indo-European Water Forum" meeting jointly organised by EU delegation to India, DG Environment and India's National Water Mission took place on 23-24 Nov 2015 at New Delhi for fostering strategic partnership between India and the EU.

### **Civil Society, Cultural & Educational Contacts**

The India-EU Forum has emerged as an important Track II forum for discussion between policy analysts on both sides. It is led by the Paris-based European Union Institute for Security Studies (EUISS) and the Indian Council of World Affairs (ICWA) and includes participation from academics, think-tanks, and from the EU side, even policy makers. The sixth India-EU Forum was jointly organized by ICWA and EUISS in Brussels on 11-12 May, 2015.

The framework of India-EU cooperation in the fields of education and culture is provided by three Joint Declarations covering cooperation in the fields of Education and Training, Multilingualism and Culture. The first Senior Officials Meetings on Education and Multilingualism were held at Secretary Level in Brussels on 25 May 2011, followed by a second round in New Delhi on 17 April 2013. The Policy Dialogue on Culture was launched at Secretary Level in New Delhi on 18 April 2013.

The EU leadership also participated actively in the Europalia-India festival inaugurated in Brussels on 4 October 2013 by Hon'ble President Mr. Pranab Mukherjee and King Philippe of Belgium. The then President of the European Council, Mr. Herman Van Rompuy attended the inaugural ceremony of the festival and addressed the gathering. The then European Commission President Jose Manuel Barroso inaugurated the second major exhibition of the festival called 'Indomania' on 15 October 2013.

### **Bilateral Agreements**

Over the years, India and the EU have signed a number of bilateral agreements and MoUs, notably a Science & Technology Agreement (2001, renewed in 2007 and in 2010 and further renewal is under process), Joint Vision Statement for promoting Cooperation in the field of Information and Communications Technology (2001), Customs Cooperation Agreement (2004), Memorandum of Understanding on Cooperation in Employment and Social Affairs (2006), Horizontal Civil Aviation Agreement (2008), Joint Declaration in the field of Education & Training (2008), Joint Declaration on Multilingualism (2009), Agreement in the field of Nuclear Fusion Energy Research (2009), Joint Declaration on Culture (2010), MoU on Statistics (2012), Joint Declaration on Research and Innovation Cooperation (2012) and Joint Declaration on Enhanced Cooperation in Energy (2012). A MOU on Competition was signed between the Competition Commission of India and DG Competition on 21 November 2013 in New Delhi. Recently a new MoU between India and the EU on Water Cooperation was signed at New Delhi on 7 October 2016. Agenda for Action 2020 (2016), India-EU Joint Declaration on the fight against terrorism (2016), India-

EU Joint Declaration on a Common Agenda for Migration and Mobility(2016) Joint declaration on Water Partnership (2016) Joint Declaration on Clean Energy and Climate Partnership (2016) were adopted at the 13th India-EU Summit in 2016.

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