

EU-India relations: Time for a new boost?

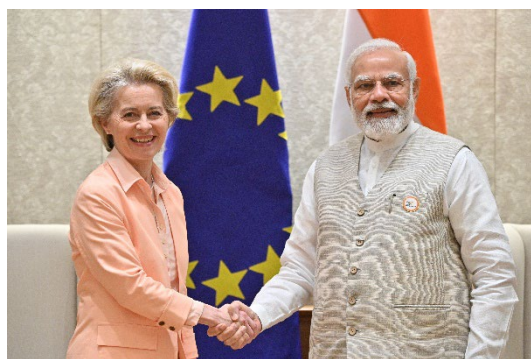
SUMMARY

The European Union (EU) is seeking to strengthen its strategic partnership with India, in place since 2004. The European Commission has given a strong signal in this direction. Commission President Ursula von der Leyen announced in Davos that the first visit of the whole College of Commissioners to a third country would be to India, on 27 and 28 February 2025. The EU-India Trade and Technology Council will also meet. A joint communication on a new strategic EU-India agenda is expected in the second quarter of 2025. An EU-India summit may take place in the last quarter of 2025.

The EU wants to develop its relationship with India, whose market and economic growth (including in green technology) represents a valuable opportunity for EU companies. India's strategic geographical position in the heart of the Indo-Pacific, where about 80 % of total global trade by volume passes, makes it a key partner for maintaining the security of the region and the freedom of navigation that are crucial to EU interests. The EU is also looking to expand its circle of key partners, against a backdrop of uncertainty over transatlantic relations. India meanwhile maintains a privileged relationship with Russia and is strengthening ties with the Trump administration.

The EU and India are currently negotiating a free trade agreement, an investment protection agreement and an agreement on geographical indications. They also cooperate on a wide range of policies, including security, climate and energy, connectivity, research and innovation, and space. However, as the European Parliament underlined in its report on EU-India relations in January 2024, the partnership has not yet reached its full potential. Meanwhile, the EU-India five-year roadmap to 2025 is coming to an end, creating an opportunity to continue building a strong relationship.

To develop their partnership, the EU and India would need to address some challenges. In particular, on trade negotiations New Delhi considers the EU carbon border adjustment mechanism and deforestation legislation to be unfair and detrimental to domestic markets. The EU is concerned about India's stance on Russia's invasion of Ukraine and about its human rights situation.



IN THIS BRIEFING

- Introduction
- EU and India: Strategic partners
- Trade
- Other policies
- European Parliament and India
- Challenges to EU-India partnership



Introduction

[India](#), the world's most populous country ([1.44 billion people](#) in 2024, with a surface area three quarters the size of the EU), is set to become the world's [third-largest economy](#) by 2030. India is a pluralistic, multi-faith, multilingual and multi-ethnic country located in south Asia, at the heart of the crucial [Indo-Pacific](#) region. India has positioned itself as the voice of the 'Global South' and its importance is growing at geopolitical level. In September 2023, Delhi chaired the [G20 Summit](#), showcasing its **growing international role** and presiding over the launch of the [India-Middle East-Europe Economic Corridor](#). India is a member of the [BRICS](#) intergovernmental organisation and the Shanghai Cooperation Organisation ([SCO](#)). It is also part of the [Quad](#) (Quadrilateral Security Dialogue in the Indo-Pacific region) and launched the [International Solar Alliance](#) together with France. India has been a nuclear power since 1974 and is now a [space power](#) too.

EU and India: Strategic partners

The EU and India celebrated 60 years of bilateral diplomatic relations in 2022. Their [cooperation agreement](#) dates back to 1994, their first summit took place in 2000, and they have been [strategic partners](#) since 2004. The EU adopted a [strategy on India](#) in 2018. The strategy proposed to reinforce the EU-India strategic partnership, cooperate more closely on global challenges, reinforce cooperation on foreign policy, security and defence, realise the untapped potential of the trade and investment relationship, invest in talent and innovation, and build on common values. The strategy suggested adopting a more joined-up and streamlined approach coordinating the work of the EU institutions and the diplomatic resources and initiatives of its Member States towards India. Clear EU branding in India with more targeted public and digital diplomacy initiatives would be developed.

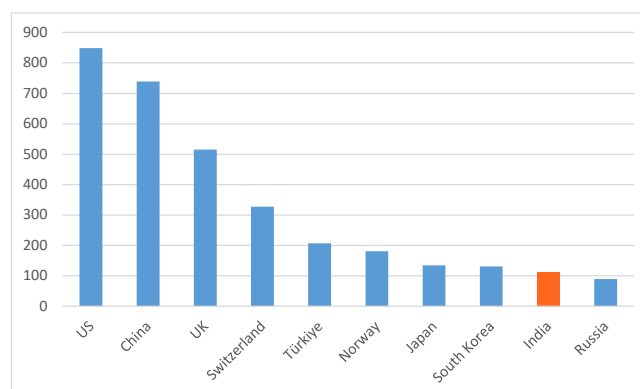
At the last EU-India Summit, held amidst the COVID-19 pandemic in July 2020 by video-conference, the leaders endorsed a common [roadmap](#) to guide joint action until 2025 and further strengthen the EU-India strategic partnership. The collaboration is also based on the EU strategy for cooperation in the [Indo-Pacific](#) and the EU [Global Gateway](#) launched in December 2021. A **Joint Communication on a new Strategic EU-India Agenda** is expected to be adopted in the second quarter of 2025.

The first-ever [EU-India leaders' meeting](#) took place in May 2021 in Porto by video-conference, with the participation of all 27 EU Member States' leaders and India's Prime Minister Narendra Modi. The leaders agreed to resume trade talks. The last formal bilateral [summit](#) – also by video-conference – took place in July 2020. Since then, EU Commissioners have maintained contacts with the Indian leadership. Both [the EU](#) and [India](#) are pursuing **strategic autonomy**. The re-election of Donald Trump as United States (US) president could create momentum for closer bilateral cooperation.

Trade

The EU is India's largest trading partner: it accounts for €123.7 billion worth of [trade in goods](#) in 2023 – 12.2 % of total Indian trade, followed by the United States (US, 10.8 %) and China (10.5 %). **The EU is the second largest destination for Indian exports** (slightly behind the US) and the third largest exporter to India – after China and Russia.¹ Since 2019, the EU has had a trade deficit with India, which amounted to €16.7 billion in 2023. The EU and India mostly trade machinery, chemicals and base metals. In addition, the EU imports

Figure 1 – Top 10 EU trading partners in 2023



Source: [European Commission](#), DG TRADE, May 2024. Data in € billion.

mineral products and textiles, while India imports transport equipment, as well as optical and photographic instruments.

Trade in goods between the EU and India has increased by 45 % since 2019. This is partly due to **Brexit**, which discontinued the role of the United Kingdom (UK) as a gateway to the EU market. However, India, with a mere 2.2 % of the EU total trade in goods in 2023, remains only the EU's ninth largest trading partner, well behind countries like Switzerland, Türkiye, Norway and South Korea (see Figure 1). Between 2019 and 2023, there was a **50 % increase in EU-India bilateral trade in services** – it reached €50.8 billion in 2023, up from €33.9 billion in [2019](#).

EU investment stock in India amounted to €108.3 billion in 2022, with a **30 % increase** since 2019 (€82.3 billion). While the EU is the top foreign investor in India, its investment is three times greater in countries like Brazil (€293.4 billion) and China (€247.5 billion). Some [4 500](#) EU companies operate in India and have created 1.7 million direct and 5 million indirect jobs there.

Negotiations for a bilateral trade and investment agreement (BTIA) began in 2007 and became deadlocked after 2013 following 12 rounds of negotiations, due to diverging ambitions between the counterparts. The July 2020 summit decided to establish a regular EU-India [High-Level Dialogue on Trade and Investment](#), which was set up in February 2021. The High-Level Dialogue aims to foster progress on the trade and investment agreements, addressing trade irritants and improving conditions for traders and investors on both sides as well as discussing supply chain linkages. This is consistent with the trade pillar of the EU strategy for India, adopted in November 2018, which specifies: the 'EU's main objective is to work towards a sound, transparent, open, non-discriminatory and predictable regulatory and business environment for European companies trading with or investing in India, including the protection of their investments and the protection and enforcement of intellectual property'. The EU and India also wanted to raise their degree of mutual trust as economic partners within a rules-based order, following the COVID-19 pandemic, which questions China's centrality in global value chains, in areas from solar panels to electronics (a further example is the EU-India Trade Sub-Commission, established under the 1994 Cooperation and Partnership Agreement).

A further step in this direction has been the launch of the [EU-India Trade and Technology Council \(TTC\)](#), announced by President von der Leyen during her first visit to India in April 2022. This is the EU's second such endeavour after the one the US launched in June 2021. The TTC – structured in three working groups – aims to increase bilateral cooperation, boost bilateral trade and investment (in the same context as the free trade agreement under negotiation between the two parties, see below), and capitalise on both parties' strengths to ensure their technological and industrial leadership while preserving their shared values. In November 2023, the EU and India signed a Memorandum of Understanding (MoU) on [semiconductors](#).

Free trade negotiations: Slow progress

The EU and India need to develop their strategic partnership against the backdrop of the **geopolitical context of the Indo-Pacific**, where [China](#) aims to change the status quo. Analysts warn that promoting stronger economic relations with India with a view to [de-risking](#) from China has to take into account the relatively modest size of the Indian economy and its share of global manufacturing. Despite New Delhi's goal to become a **manufacturing powerhouse to rival China** (including through policies like '[Make in India](#)'), the Chinese continue to dominate global and regional production ([35 %](#) of total global manufacturing output, followed by the US on 12 %), while India has a mere 3 % share. Moreover, while India (under the [Viksit Bharat](#) vision) aims to become a developed nation by 2047 – which implies an annual growth rate of [7 %](#) – its **economy is decelerating**: [IMF projections](#) have predicted a drop in India's growth rate from 7.8 % in 2023 to 6.8 % in 2024 and 6.5 % in 2025. However, a trade agreement with India would be consistent with the EU's desire to build **coalitions with like-minded countries** to counter the apparent drift towards protectionism under the new [US administration](#), which launched a plan to target countries with [new tariffs](#) in February 2025. Aiming to keep India off this policy, [Modi met US President Trump](#) in Washington in

February 2025 and offered deals on trade, energy and defence,² including the negotiation of an **India-US Bilateral Trade Agreement (BTA) by the autumn of 2025**. To facilitate EU-India trade in domains of mutual interest, analysts suggest working first on [sectoral agreements](#), to have quick results which could help build trust in order to proceed to a wider trade agreement (and continue to develop other facets of their relationship).

The May 2021 EU-India leaders' meeting agreed to [resume negotiations](#) for a 'balanced, ambitious, comprehensive and mutually beneficial' [trade agreement](#), and to launch separate negotiations on an investment protection agreement and an agreement on geographical indications (GIs). Trade negotiations would aim to find solutions to long-standing market access issues. In [January 2023](#), the **EU suspended tariff preferences for India** under the Generalised Scheme of Preferences ([GSP](#)): the **increasing Indian imports into the EU** exceeded the defined safeguard thresholds (as did [the US](#), in March 2019). At present, the only legal basis for bilateral trade and services is the WTO (World Trade Organization) most-favoured nation (MFN) principle.

Since the **resumption of negotiations in July 2022**, nine rounds have taken place. However, progress has been limited (sometimes non-existent), as the Commission [reported](#) on the ninth round (held in September 2024 in Brussels) in relation to trade in goods, rules of origin, technical regulations and conformity assessment, domestic review, technical barriers to trade (TBT), investment liberalisation, general exceptions and the security exception, and transparency. The 10th round is due to take place in March 2025 in Brussels. In February 2025, Indian External Affairs Minister Subrahmanyam Jaishankar [said](#): 'On the FTA, I think it is really time we get along with it'.

The Commission's [DG TRADE points to India's trade regime and regulatory environment as being relatively restrictive](#), and identifies issues such as TBT, sanitary and phyto-sanitary (SPS) measures, deviation from internationally-agreed standards, and discrimination based on legislative or administrative measures. In November 2024, the Commission launched a consultation on the effect that India's inconsistent – in terms of WTO rules – tariffs on ICT (information and communication technologies) goods have on the EU's economic interests and the use of the [EU Enforcement Regulation](#) to enforce India's compliance with its international obligations (the EU initiated this WTO dispute settlement case in 2019).

India has a long tradition of [protectionism](#) and import substitution, and its approach to FTAs has been variable. Under the Modi administration, there has been a slowdown in new pacts. In particular, in 2019 New Delhi abandoned negotiations for the Regional Comprehensive Economic Partnership ([RCEP](#)) signed in November 2020, which included the largest economies in Asia and the Pacific. It also never showed any interest in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ([CPTPP](#)). However, recently India has re-engaged on FTAs, signing agreements with the European Free Trade Association – [EFTA](#) – ([TEPA](#), March 2024), Australia ([ECTA](#), an interim agreement signed in April 2022; negotiations for a Comprehensive Economic Cooperation Agreement – [CECA](#) – are ongoing) and the United Arab Emirates (UAE – [CEPA](#), March 2022). India is currently negotiating an FTA and a bilateral investment treaty with the [UK](#).

At the same time, as the [World Bank](#) points out, since 2017 tariff and non-tariff barriers have increasingly impacted India's participation in international trade; **New Delhi is gradually using protectionist measures** such as industrial policies which affect trade. Furthermore, India's services trade policies are more restrictive than the OECD average. The same analysis underlines that the TEPA agreement with EFTA (the result of 16 years of negotiations) excludes key areas like digital trade, e-commerce, pharmaceuticals and MSMEs (micro, small and medium-sized enterprises). In March 2023, India issued [termination notices to 68 countries](#) for Bilateral Investment Treaties (BITs), to be renegotiated on the basis of a model agreement adopted in 2015 (so far, only Belarus, [Taiwan](#), Kyrgyzstan, Brazil, [UAE](#) and Uzbekistan have signed [BITs](#) based on this model).

India's positions within the **WTO** have raised mixed opinions. On one side, POLITICO's Camille Gijss argues that [New Delhi](#) is obstructing the [reform](#) process on several issues, as it is demanding concessions on agriculture, a critical sector: the government gives subsidised food to hundreds of

millions of people, and [farmers' protests](#) against agricultural reforms are frequent in the country. On the other side, Sangeeta Godbole, former trade negotiator for India, [challenges the narrative](#) of India as an obstructionist at WTO talks, arguing that the gains of WTO rules have accrued mainly to the developed countries, and that in the past some of the decisions on major topics have been blocked by other countries.

In October 2024, India's Minister of Commerce and Industry Piyush Goyal raised strong [objections](#) to the **EU carbon border adjustment mechanism (CBAM)**, to the **EU safeguard measures on steel until June 2026** and to the **EU regulation on deforestation (EUDR)**. As part of the EU-India High Level Trade and Investment Dialogue, in January 2025 Piyush Goyal met Commissioner for Trade and Economic Security [Maros Šefčovič](#) in Brussels. The parties set a framework for a stronger bilateral partnership and agreed to fast-track FTA talks and enhance supply chain resilience. India unveiled its [six-point plan](#) to strengthen economic ties with the EU.

Other policies

Security

Due to its geographical location and the size of the country, India faces several geopolitical challenges. New Delhi has therefore increasingly focused on developing its own [Indo-Pacific](#) strategy. **Maritime security** has acquired relevance in India's foreign policy, in response to China's growing maritime presence. India has also joined the Quadrilateral Security Dialogue ([Quad](#)) with Australia, Japan and the US. For its part, the EU is seeking to strengthen regional partnerships and to empower like-minded regional powers worldwide. In April 2021, the EU adopted its [strategy for cooperation in the Indo-Pacific](#), complemented by the [Strategic Compass](#) adopted in March 2022. In 2024, the EU signed six [security and defence partnerships](#), including with Japan and South Korea. The EU and India are therefore natural partners and are committed to strengthening security and defence ties.

Recognising the relevance of the Indo-Pacific region due to the growing interdependence of global economies and the importance of maritime supply chains, the two parties have engaged in several cooperation initiatives. They include the 2018 [ESIWA](#) project (Enhancing Security cooperation In and With Asia), the [CRIMARIO II](#) (Critical Maritime Routes in the Indo-Pacific Project) partnership, and the [EUNAVFOR](#) (European Union Naval Force) Operation [ATALANTA](#) aimed at deterring piracy and drug traffic in the Horn of Africa. Furthermore, in October 2023 the third meeting of the [EU-India Maritime Security Dialogue](#) took place, the EU and India carried out their first naval [exercise](#) in the Gulf of Guinea, and the EU joined the Indo-Pacific Oceans Initiative ([IPOI](#)). In January 2024, the EU became the 12th [dialogue partner of IORA](#) – the Indian Ocean Rim Association.

In addition to ensuring freedom of navigation in south and southeast Asia, the EU and India are also working together in the fields of [cybersecurity](#), [space security](#) and the [defence industry](#). In May 2024, the [2nd Consultations on Security and Defence](#) took place in New Delhi. The [10th Foreign Policy and Security Consultations](#) took place in November 2024 in Brussels. In December 2024, High Representative/Vice President (HR/VP) Kaja Kallas and Indian Minister of External Affairs Jaishankar agreed to hold the first EU-India [Ministerial Strategic Foreign Policy Dialogue](#).

Fighting **terrorism** has been a top priority for both the EU and India since, in the aftermath of the July 2005 suicide attacks in London, it was included in the EU-India [Joint Action Plan](#) adopted in September 2005 under the British presidency of the Council. At the March 2016 EU-India summit, held one week after the terrorist attacks in Brussels, the two sides adopted the India-EU [joint declaration](#) on the fight against terrorism. At their October 2017 summit, they adopted the India-EU [joint statement](#) on cooperation in combating terrorism. In February 2022, the EU and India held their first joint workshop on terrorism content online, building on the [Counterterrorism Dialogue](#) initiated in November 2020. The 14th Meeting of India-EU [Joint Working Group](#) on Counterterrorism took place in May 2024. In August 2024, the EU and India – in collaboration with organising partner

Global Counter-Terrorism Council (GCTC) – convened a [Track 1.5](#) high-level regional experts conference on [online radicalisation](#).

India has developed security relations with several EU countries. In particular, New Delhi has built a robust [partnership over the decades with France](#), the only³ EU Member State with territories and a permanent military presence in the Indo-Pacific. **France** was the first EU country to adopt a strategy in the Indo-Pacific in May 2019 (followed by Germany and the Netherlands). The [defence partnership](#) is characterised by land, air, and naval exercises. India has been one of France's main armaments partners for many years: this includes the €7.87 billion acquisition of [36 Rafale jets](#) in 2016, and of [26 Rafale marine fighters](#) to be signed in April 2025. Six Scorpene-class submarines were built in India with French technology (and a further three units were agreed). Through an Annual Defence Dialogue (at Defence Minister level) and the High Committee on Defence Cooperation (at State Secretary level), France and India agreed [Horizon 2047](#), a roadmap towards the centenary of their bilateral relations. [Modi visited France](#) in February 2025.

In October 2023, [Italy](#) and India (who upgraded their relations to a strategic partnership in March 2023) renewed their defence partnership. They agreed a joint strategic [action plan](#) for 2025–2029, which includes provisions to negotiate a defence industrial roadmap, and agreement on the mutual protection and exchange of classified information, as well as an agreement on cooperation in the maritime and port sector. Italy's Leonardo has supplied India with defence electronics, torpedoes and radar systems.

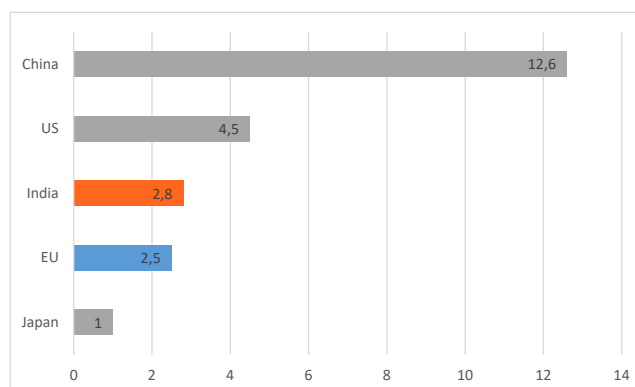
India has also started to develop defence cooperation with [Germany](#) – Germany's Thyssenkrupp will build six [submarines](#) for the Indian Navy. [Sweden](#) too is appearing as a potential defence ally of India: in November 2023 New Delhi gave its first authorisation of 100 % foreign direct investment (FDI) in the defence sector to Swedish company SAAB.

In January 2025, [India](#) became an observer to [Eurodrone](#), a programme led by Airbus Defence and involving Germany, France, Italy and Spain. An [analysis](#) by Instituto Español de Estudios Estratégicos points out the absence of a formal institutional framework at EU level as a limit to developing EU-India military collaboration, and proposes to include India in the [European Defence Fund](#), and establish a formal bilateral military partnership.

Climate and energy

India is one of the countries most severely affected by climate change: it ranked seventh in the Germanwatch 2021 [Global Climate Risk Index](#), and [IQAir](#) places the world's most polluted cities in India. According to the International Energy Agency (IEA), [fossil fuels](#) (especially coal) accounted for three quarters of the country's energy needs in 2022. In 2023, India overtook the EU as the third main emitter of CO₂ – though its per capita emissions are much lower than those of other major economies (see Figures 2 and 3). At the same time, the EU (with its [Green Deal](#)) and India are world leaders on climate action, which is one of the pillars of their bilateral relations.

Figure 2 – CO₂ total emissions by selected regions in 2023



Source: [IEA](#). Data in GtCO₂ (billion tonnes of CO₂).

At their March 2016 summit, the two sides agreed a joint declaration on a [clean energy and climate partnership](#). Both sides committed to continuing the energy dialogue established under the India-EU [Energy Panel](#); to establishing an India-EU [climate change dialogue](#); and to reinforcing cooperation in energy and climate research and innovation. They also issued a joint declaration on a [water partnership](#), and signed an [MoU](#) as a follow-up in October 2016.

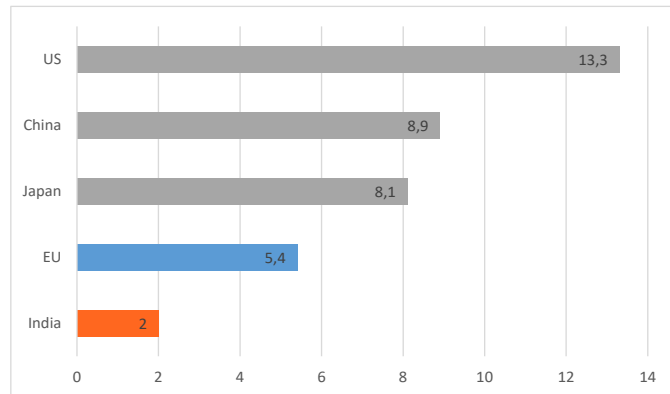
Since July 2017, the [India-EU water partnership](#) (IEWP) has been co-financed by the EU and the German Federal Ministry of Economic Cooperation and Development, and a Joint Working Group has been established. In this framework, the partners agreed to deepen cooperation in [sustainable water management](#) during the 6th EU-India Water Forum held in September 2024.

At their October 2017 summit, the EU and India bolstered their partnership by signing a joint statement on [clean energy and climate change](#) aimed at facilitating EU-India business-to-business interaction on the implementation of the two sides' commitments in the two areas. The joint declaration on a [partnership for smart and sustainable urban development](#), also signed during the summit, is the framework for EU [support for India's urbanisation challenges](#). The [EU supports several Indian projects](#) on renewable energy, including offshore wind and solar power, energy efficiency, including buildings, and smart grids.

Climate change was one of the key topics at the [15th EU-India Summit](#), held in virtual format in July 2020. In the summit conclusions, the EU and India reaffirmed their commitment to implementing the Paris Agreement on climate change and to engaging constructively in its first [global stocktake](#) in 2023. The first meeting of the EU-India High-Level Dialogue on Climate Change, held in April 2021, preceded the May 2021 leaders' meeting, where the EU and India pledged to collaborate more closely on climate action.

As the EU's ability to become a climate-neutral economy depends heavily on access to critical raw materials (CRMs), on which it is highly dependent on imports from China, in April 2024 it adopted the [Critical Raw Materials Act](#). The EU and India are members of the US-led [Minerals Security Partnership](#) (MSP), which created the [MSP Forum](#) in April 2024. [Analysts](#) point to the untapped potential for cooperation, as there is an overlap of 19 critical minerals identified by both partners (55 % of the list of 34 CRMs identified by the EU).

Figure 3 – CO₂ total emissions per capita by selected regions in 2023



Source: Source: [IEA](#). Data in tCO₂ per capita.

International Solar Alliance

India is a leader in the promotion of renewable energy: in March 2018, Prime Minister Modi, together with French President Emmanuel Macron, co-chaired the founding conference of the International Solar Alliance ([ISA](#)). ISA's mission is to unlock US\$1 trillion in solar investments by 2030 while reducing technology and financing costs. The ISA secretariat is in New Delhi and its Director-General is Ajay Mathur from India. The organisation has [104 member countries](#), including 10 EU Member States: Denmark, Germany, Spain, France, Cyprus, Greece, Italy, Hungary, the Netherlands and Sweden. Luxembourg, Malta and Romania are just signatories for the moment. With the signature of a [joint declaration](#) for cooperation in December 2018, the EU is a partner organisation to the ISA.

At the September 2019 UN Climate Action Summit, Modi launched the Coalition for Disaster Resilient Infrastructure ([CDRI](#)), a global partnership aiming to promote resilience of new and existing infrastructure systems to climate and disaster risks, whose secretariat is in New Delhi and whose Director – Amit Prothi – is Indian.

Connectivity

With a [two-pronged policy](#) on connectivity in recent years, India is both investing in national **infrastructure projects** (such as the Delhi-Mumbai Industrial Corridor), and participating in major international infrastructure projects. At the same time, the EU, with the [Joint Communication](#) on Connecting Europe and Asia – Building blocks for an EU strategy, adopted in September 2018, set out its vision on how to better connect Europe and Asia. Among the [initiatives](#) that followed the communication, in September 2019 the EU and Japan signed a [partnership on sustainable connectivity](#). In May 2021, the EU-India leaders' meeting adopted a [connectivity partnership](#) based on 'a transparent, viable, inclusive, sustainable, comprehensive, and rules-based approach', wording which seems to distinguish it from China's Belt and Road Initiative (BRI).

A further field of bilateral cooperation is [digital policy](#). The two partners' flagship initiatives – the [EU digital strategy](#) and [Digital India](#) – lay the foundation for further developments in cooperation on digital issues, to be included in the [EU's global digital cooperation strategy](#). The [EU-India Digital Policy Dialogue](#) is an initiative under the Global Gateway strategy, aiming to strengthen the EU-India partnership in sustainable digitalisation.

In April 2023, the [EU-India Aviation Summit](#) took place in New Delhi, focusing on EU-India **air transport relations** (currently, India has open skies arrangements with only six of the 27 EU Member States). During the summit, a declaration of intent was signed by the Airports Authority India with Eurocontrol and a letter of intent was signed by India's Directorate General of Civil Aviation with the EU Aviation Safety Agency for closer cooperation.

The **India-Middle East-Europe Economic Corridor (IMEC)** was announced on the sidelines of the September 2023 G20 Summit in New Delhi. Indian Prime Minister Modi, Commission President von der Leyen, US President Joe Biden and Saudi Arabia's Crown Prince and Prime Minister Mohammed Bin Salman unveiled the multilateral project. An [MOU](#) on IMEC was signed by India, the US, Saudi Arabia, UAE, the EU, Italy, France and Germany. In her State of the Union ([SOTEU](#)) [address](#) in September 2023 at the European Parliament, President von der Leyen defined the IMEC as 'the most ambitious project of our generation'. The IMEC is a transnational rail and shipping route spread across two continents, including two corridors: the eastern corridor connecting India to the Arabian Gulf, and the northern corridor connecting the Gulf to Europe. A new railway network would link the Gulf with the Mediterranean via Jordan and Israel's port of Haifa. Prospects for an IMEC have given new impetus to [India and Israel](#) moving towards advancing towards a FTA. Among the corridor's goals – supported by the US – there is the normalisation of relations between Saudi Arabia and Israel. However, events in the [Middle East](#) since October 2023 have slowed its implementation.

The corridor demonstrates **India's growing focus on engaging the Gulf region**. India's [trade with Gulf countries](#) (the six member countries of the Gulf Cooperation Council (GCC), Saudi Arabia, UAE, Oman, Kuwait, Qatar and Bahrain) together exceeds its trade with the EU: in the financial year 2023-2024 it amounted to €157.4 billion. The [GCC countries](#) are also an important region for the EU from a trade and investment point of view. EU-GCC total trade in goods in 2023 amounted to €170.1 billion, and the EU is the GCC's second biggest trade partner. (As mentioned above, EU-India bilateral trade amounted to €123.7 billion in 2023). In June 2022, the Council approved conclusions on a [strategic partnership with the Gulf](#).

Research and innovation

The basis for EU-India [cooperation in research and innovation](#) is the agreement **for scientific and technological cooperation**, first signed in 2002 and extended three times (most recently in 2020). Most topics in [Horizon Europe 2021-2027](#) are open for cooperation with India and certain topics target or encourage the participation of Indian entities.

The Commission's strategy for international cooperation is based on its May 2021 communication on a [global approach to research and innovation](#). The communication explicitly mentions several fields

of cooperation with New Delhi, including 'a joint task force on artificial intelligence with India to establish common ground for collaboration on specific use-cases and on topics such as research and innovation on ethical artificial intelligence and standardisation'. One of the initiatives launched under the TTC involves coordination within the Global Partnership on Artificial Intelligence (GPAI), a multi-stakeholder initiative launched in 2020, to bridge the gap between theory and practice on AI through research and applied activities. This enhanced coordination is happening in the context of the EU's [Artificial Intelligence Act](#) adopted in June 2024. India has [no specific regulation on AI](#); meanwhile, NITI Aayog – the Indian government's think tank – developed various frameworks related to AI, including the June 2018 [National Strategy for Artificial Intelligence](#), the February 2021 [Principles for Responsible AI](#) and the August 2021 [Operationalizing Principles for Responsible AI](#).

In line with the global approach to research and innovation is the EU-India cooperation on [health](#), which focuses on health research and innovation, public health and health security, as well as regulatory convergence.

Space

Across its space activities, India has showed the capability to perform [low-cost missions](#), including a [Moon landing](#) in August 2023 (the fourth country to achieve it). The Indian Space Research Organisation (ISRO) is sending three astronauts into space in 2025, and has announced plans for an independently owned [space station by 2035](#) and to send astronauts to the Moon by 2040. [The EU](#) increasingly regards space as a strategic priority, and it has simplified the existing EU legal framework and governance system by putting it under a single [2021–2027 space programme](#). President von der Leyen's [mission letter](#) to Commissioner for Defence and Space Andrius Kubilius includes, in particular, the task of preparing a proposal for an [EU space law](#). The Commission is to submit a proposal for a [Space Act](#) in the second quarter of 2025.

The European Space Agency (ESA, a [separate organisation](#) from the EU – whose member states only partly coincide – although they are close partners) has been [cooperating with ISRO](#) since the 1980s. In March 2018, the Commission and the Department of Space of India signed a cooperation arrangement on [Copernicus](#). In December 2024, ISRO launched EU Solar Observatory Satellite Proba-3. That month, the ESA signed an [agreement](#) to provide ground station support to the missions in ISRO's Gaganyaan human spaceflight programme. During the May 2024 2nd Consultations on Security and Defence, the EU and India agreed to explore the possibility of expanding their cooperation to [space security](#).

European Parliament and India

Recent European Parliament resolutions on India

In January 2024, Parliament adopted a [recommendation](#) on EU-India relations. MEPs underlined that the partnership had **not yet reached its full potential**. They recommended broadening and deepening EU-India relations as strategic partners, upholding the commitment to regular multi-level dialogues and summits, and making tangible advances on priority areas of the partnership, such as: climate change and green growth; digitalisation and new technologies; research and development; connectivity, trade and investment; foreign, security and defence policy; and human rights and the rule of law. They reiterated Parliament's long-standing position that any FTA with India must include a trade and sustainable development chapter, as expressed in Parliament's July 2022 [resolution](#) on EU-India future trade and investment cooperation.

MEPs expressed concern at **India's 'heavy military dependency on Russia'**, urging India to join international condemnation of Russia's invasion of Ukraine, while maintaining its political line of seeking an end to hostilities and the resumption of diplomacy and dialogue. MEPs recommended engaging with India on its **purchases of low-cost crude oil from Russia** and subsequent sale of refined oil products on international markets, as well as its involvement in the Russian diamond trade, also in the EU. MEPs asked the Council and the HR/VP to monitor India's dependency on

Russia in the nuclear energy sector, and insisted that New Delhi cease further joint military exercises and joint production of military equipment, and downgrade defence cooperation with Moscow.

With regard to **human rights and democracy**, Parliament condemned 'acts of violence, increasing nationalistic rhetoric and divisive policies and [called] on leaders to cease making inflammatory statements in order to resolve social conflicts', upholding a position already expressed in its July 2023 [resolution](#) on the situation in [Manipur](#). MEPs continued to express serious concern about India's Citizenship Amendment Act and other laws that discriminate on grounds of religion, and they encouraged India to guarantee freedom of religion. They recommended countering and condemning hate speech inciting discrimination or violence against any religious minority, and pressing the Indian authorities to end persisting caste-based discrimination. Parliament expressed concern about the situation in Indian-administered Kashmir, particularly respect for the human rights and fundamental freedoms of the Kashmiri people.

European Parliament and Indian Parliament

Relations between the European Parliament and India's *Lok Sabha* ('House of the people') go back to 1981. The [Delegation for relations with India \(D-IN\)](#), chaired by Angelika Niebler (EPP, Germany), is the European Parliament's body in charge of relations with the Indian Parliament; no institutional agreement covers relations between the European Parliament and the Indian Parliament. The *Lok Sabha* no longer has an established Friendship Group for Relations with the European Parliament that could act as a counterpart. In the recommendation concerning EU-India relations adopted in January 2024, Parliament asked to 'establish a more structured and multi-level inter-parliamentary dialogue between the European Parliament and its Indian counterparts'.

The [15th EU-India inter-parliamentary meeting](#) (IPM) took place in December 2023 in New Delhi and Mumbai. MEPs met their counterparts from the *Lok Sabha* and the *Rajya Sabha* to examine together the state of EU-India relations and invited them to consider paying an official visit to the European Parliament in 2025. The Committee on Security and Defence ([SEDE](#)) travelled to New Delhi and Mumbai at the same time and held a number of meetings with the Indian authorities. Previously, the [14th](#) EU-India IPM took place in March 2023 via remote connection. The Committee on International Trade ([INTA](#)) visited India in April 2022. In January 2021, then Parliament [President David Sassoli](#) held a virtual meeting with *Lok Sabha* Speaker Shri Om Birla and discussed the enhancement of bilateral parliamentary relations in order to realise the full potential of the India-EU relationship, particularly in trade and investment.

Challenges to EU-India partnership

The EU is [concerned with India's neutral attitude](#) towards Russia's war of aggression against Ukraine. New Delhi refrained from condemning Moscow and limited itself to calls for dialogue and diplomacy. In addition, India regularly abstained on United Nations General Assembly resolutions against Russia's invasion. New Delhi is willing to keep its '**privileged strategic partnership**' with Russia, as stated in the [joint statement](#) following Narendra Modi's visit to Russian President Vladimir Putin in July 2024⁴ – his first visit abroad after his third election as Prime Minister, which showcased the relevance of this relationship for India. As James Crabtree and Manisha Reuter say in their [analysis](#) for the European Council on Foreign Relations, 'to put it crudely, Europeans feel threatened by Russia but have often sought a balanced approach to China ... India's instinct has been precisely the opposite, feeling threatened by China but seeking continued [ties with Russia](#). Both sides share concerns about deepening ties between Beijing and Moscow, but they have generally failed to find concrete ways to cooperate on blunting these threats.' At the same time, as Amaia Sánchez-Cacicedo [wrote](#) for the Institut Montaigne, New Delhi 'has a geo-strategic interest in the end of the Ukraine War, which is likely to reduce Moscow's current dependency on Beijing for dual use military and economic support'.

India – the world's [largest arms importer](#) – conceives foreign policy as a means to protect the country's trade and energy needs to achieve developed economy status by 2047. New Delhi wants

to place itself in the middle of the global power balance between the US and its allies on one side, and Russia and China (with whom it participates in the [BRICS](#) intergovernmental organisation and in the [Shanghai Cooperation Organisation](#)) on the other. At the same time, India aims to represent and [lead](#) the 'Global South'.

On trade negotiations, India's government considers the EU legislation on [CBAM](#) and EUDR to be unfair and detrimental to domestic market costs. The Ministry of Finance [Economic Survey 2024-2025](#) noted that the share of CBAM exports in total Indian exports to the EU increased to 10.5 % in 2023 (especially iron and steel) and that the World Bank's Relative [CBAM Exposure Index](#) points to **high exposure to CBAM for India**. The Economic Survey argues that the international community must find a balance that supports both environmental sustainability and the economic development needs of developing economies. On the **EU Deforestation Regulation**, the August 2023 Global Trade Research Initiative ([GTRI](#)) brief highlights that it would hit India's agricultural exports to the EU, worth €1.25 billion. Indian exports to the EU may take a bigger hit than exports from other competing countries because of India's higher deforestation rate. India's major plantation sectors (especially rubber and coffee) were [relieved](#) when, in December 2024, the [European Parliament](#) and the Council agreed to postpone the application of the Deforestation Regulation by 12 months. The GTRI brief also points out that India's exports may be affected by the complex compliance requirements under the EU's [Foreign Subsidies Regulation](#).

Human rights represent a further cause for unease in EU-India relations. In its January 2024 report on EU-India relations, Parliament expressed concern over the situation of human rights and democracy in the country. In July 2023, Parliament had adopted a resolution on the situation in Manipur. In August 2024, five organisations – Human Rights Watch, Amnesty International, Front Line Defenders, World Organisation against Torture (OMCT), and CSW (Christian Solidarity Worldwide) – adopted a [joint statement](#) calling for the EU to press India's government 'to immediately act to end serious human rights violations in the country'. The organisations argue that the Indian government should reverse its 'abusive and discriminatory laws and policies against Muslims, Christians, and other minorities'; end restrictions on the rights to freedom of expression and peaceful assembly; and free all human rights defenders, journalists, and others detained for exercising their basic human rights. They also consider the annual EU-India human rights dialogue to be 'an ... insufficient opportunity' – the [11th](#) dialogue, originally scheduled for August 2024, was [postponed](#) to January 2025.

In his [speech](#) at the Parliament in Strasbourg during the debate on the January 2024 report on EU-India relations, former HR/VP Josep Borrell acknowledged the situation ('we are conscious of the reports about the deteriorating human rights situation and shrinking civil society space'); but he also underlined that the EU is the only external partner with whom India has a dedicated human rights dialogue.

Ahead of the Commission's visit to India on 27 and 28 February 2025 (with 23 of the 27 Commissioners expected to take part), the International Federation for Human Rights (FIDH) and 11 other non-governmental organisations [called](#) on Ursula von der Leyen and the other Commissioners to take action on urgent human rights concerns in India.

MAIN REFERENCES

D'Ambrogio, E., [India's Parliament and other political institutions](#), EPRS, European Parliament, February 2025.

D'Ambrogio, E., [India ahead of the 2024 elections](#), EPRS, European Parliament, April 2024.

Delivorias, A., [International Agreements in Progress – EU-India free trade agreement](#), EPRS, European Parliament, January 2024.

D'Ambrogio, E., [Topical Digest. EU-India relations](#), EPRS, European Parliament, January 2024.

Delivorias, A., [India's connectivity initiatives: A multi-faceted strategy](#), EPRS, European Parliament, October 2024.

ENDNOTES

- ¹ Oil dominates Russia's exports to India: New Delhi has become the [biggest buyer](#) of Russia's seaborne crude since Moscow's invasion of Ukraine in 2022 (India has historically relied on imports of crude oil to meet its energy demand). In addition, half of India's arms imports come from Moscow and [70 %](#) of its military arsenal is Russian-made. This explains why New Delhi has [never condemned Russia's invasion](#) of Ukraine. Bilateral trade between [India and Russia](#) reached a record high of US\$65.7 billion in the financial year 2023-2024 – six times higher than the pre-pandemic trade of US\$10.1 billion and with a common goal of US\$100 billion by 2030. [Analysts](#) underline India's high dependence on the Russian defence industry (according to the International Peace Research Institute (ISPRI), India absorbed 23 % of Russia's arms exports from 2016 to 2020), and New Delhi's fear Russia could fall within the Chinese sphere of influence.
- ² The Indian Prime Minister linked India's *Viksit Bharat* vision with the US 'Make America Great Again' (MAGA) slogan, introducing the term 'Make India Great Again' (MIGA). In their [statement](#), the two leaders set a goal of doubling **bilateral trade to US\$500 billion by 2030** under the 'Mission 500' initiative. (India agreed to increase its imports of [oil and gas](#) from the US.) They announced plans to negotiate the first tranche of a 'mutually beneficial, multi-sector **Bilateral Trade Agreement (BTA)** by fall of 2025'. They also announced the extension of the **US-India Major Defence Partnership** with a new 10-year framework, and launched a new initiative: the 'U.S.-India COMPACT (Catalyzing Opportunities for Military Partnership, Accelerated Commerce & Technology) for the 21st Century'. In addition, the leaders launched the US-India TRUST (Transforming the Relationship Utilizing Strategic Technology) Initiative. This initiative aims to accelerate **cooperation in defence, artificial intelligence (AI)**, semiconductors, biotechnology, energy, space, and quantum computing. The leaders also announced the launch of INDUS Innovation, a new innovation bridge modelled after the [INDUS-X](#) platform, that will advance US-India industry and academic partnerships and foster investments in space, energy, and other emerging technologies. The leaders **plan to convene partners from the IMEC** and the [I2U2](#) Group within the next 6 months in order to announce new initiatives in 2025.
- ³ Observer Research Foundation analyst Rakesh Sood noted that French President Jacques Chirac [stood with India](#) in the aftermath of its 1998 Pokhran-II nuclear weapon tests, against a backdrop of international condemnation (France conducted its last nuclear test explosion in Moruroa and Fangataufa Atoll test site in French Polynesia in 1996).
- ⁴ In August 2024 (one and a half months after his visit to Russia), Modi paid a [visit](#) to Ukrainian President Volodymyr Zelenskyy in Kyiv. Zelenskyy said he would support [India hosting a second summit on peace](#).

DISCLAIMER AND COPYRIGHT

This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament.

Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2025.

Photo credits: © European Union, 2022. Source: EC – Audiovisual Service / Christophe Licoppe.

eprs@ep.europa.eu (contact)

<https://eprs.in.ep.europa.eu> (intranet)

www.europarl.europa.eu/thinktank (internet)

<http://epthinktank.eu> (blog)