

India-EU Strategic Agenda: Trade, Technology, Defence, and Connectivity

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India-EU Strategic Agenda Latest News

- As the U.S. under President Trump disrupts long-standing global alignments, Europe is presenting itself as a stable and reliable partner for India.
- This shift is underscored by the upcoming **India-EU leaders' summit** scheduled for February 2026, which will build upon European Commission President Ursula von der Leyen's earlier visit to India.
- The EU has also released a strategic agenda outlining its vision for ties with India, anchored on five key pillars and a commitment to mutual benefit.
- This framework signals Europe's intent to position itself as India's "all-weather" friend and a counterbalance to the uncertainties in U.S. foreign policy.

Five Pillars of the New India-EU Strategic Agenda

- The India-EU Strategic Agenda is built on five core pillars:

- **Prosperity and Sustainability** – covering trade, investment, resilient supply chains, and sustainable development.
- **Technology and Innovation** – focusing on critical technologies, digital infrastructure, and joint research.
- **Security and Defence** – emphasising new agreements, regional stability, and countering traditional and hybrid threats.
- **Connectivity and Global Issues** – strengthening cooperation in third countries and global governance.
- **Enablers Across Pillars** – promoting skills mobility, mutual understanding, business linkages, research collaboration, and stronger institutional frameworks for EU-India relations.

Prosperity and Sustainability: Strengthening India-EU Economic and Trade Ties

- The **EU is India's largest trading partner**, while India is the EU's biggest partner in the Global South.
- In 2024, **bilateral trade in goods reached €120 billion** — a 90% rise over the past decade — with services adding another €60 billion.
- Nearly 6,000 European companies operate in India, directly employing 3 million people and indirectly supporting millions more.
- EU foreign direct investment has surged to €140 billion in 2023, nearly doubling in five years.
- Despite these gains, **India accounts for less than 2.5% of the EU's trade**, and Indian investment in the EU stands at only €10 billion.
- To expand ties, both sides are pushing to finalise a Free Trade Agreement (FTA) by 2025 to cut tariff and non-tariff barriers.
- They are also negotiating an Investment Protection Agreement, a bilateral macroeconomic dialogue, a Geographical Indications pact, and a comprehensive air transport agreement, all aimed at deepening economic cooperation.

India-EU Collaboration on Emerging Technologies

- India and the EU are leveraging complementary strengths to drive innovation.
- The EU offers world-class research, regulation, and green-digital expertise, while India contributes a skilled workforce, vast datasets, a thriving startup ecosystem, and frugal innovation.
- Planned initiatives include **EU-India Innovation Hubs** for key technologies and an **EU-India Startup Partnership** with the European Innovation Council and Start-up India.
- Cooperation will focus on AI, particularly large language models, multilingual datasets, and AI applications in healthcare, agriculture, and climate action.
- Both sides are working on safeguards to prevent unauthorised transfer or misuse of sensitive technologies, aligning with global stability and democratic values.
- Additionally, the Euratom-India agreement will boost collaboration in peaceful nuclear energy, including reactor safety, waste management, nuclear security, and fusion research.

India-EU Connectivity and Strategic Corridors

- The EU's **Global Gateway initiative** (€300 billion) and India's **MAHASAGAR** programme provide strong platforms for joint connectivity efforts.
- Their 2021 Connectivity Partnership has laid the foundation for cooperation in energy, transport, and digital infrastructure.
- A flagship project is the **India-Middle East-Europe Economic Corridor (IMEC)**, which integrates maritime, rail, digital, energy, and clean hydrogen networks to revive historic Eurasian trade routes.
- Within this, the **EU-Africa-India Digital Corridor** is advancing through the 11,700 km Blue Raman submarine cable system, linking Europe and India via the Mediterranean, Middle East, and East Africa.
 - This will ensure ultrafast, secure, and resilient data connectivity.
- Additionally, India and the EU are developing **Green Shipping Corridors** to promote sustainable maritime trade and reduce reliance on carbon-intensive transport routes, further boosting commercial and strategic opportunities.

Deepening India-EU Security and Defence Cooperation

- India and the EU are strengthening ties through the Strategic Dialogue on Foreign and Security Policy (2025), with thematic discussions on maritime security, cybersecurity, counterterrorism, and non-proliferation.
- A formal **EU-India Security and Defence Partnership** is under consideration.
- Both sides are negotiating a **Security of Information Agreement** to enable classified information sharing.
- Cooperation will also expand in the Indo-Pacific, with proposed arrangements between the EU Naval Force and Indian Navy to boost coordination in the western Indian Ocean.
- Joint efforts include combating terrorism, terror financing, online propaganda, drug trafficking, and risks from emerging technologies.
- On the industrial front, increased collaboration between Indian and EU defence industries aims to strengthen supply chain security, boost innovation, and expand production capabilities.
- Plans include establishing an **EU-India Defence Industry Forum** to connect businesses, share best practices, and explore cooperation opportunities.

Strengthening India-EU People-to-People Ties

- India and the EU are deepening social and cultural links.
- In 2023, 825,000 Indians lived in the EU, forming the largest group receiving Blue Cards and intra-corporate transfer permits.
- Travel has become easier, with nearly **one million Schengen visas** issued in 2024, many as multiple-entry.
- Educational exchanges are expanding through initiatives like the **Union of Skills and Erasmus**, making Europe more attractive for Indian students amid U.S. restrictions under Trump.

Source: **IE** | **ORF**

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