Finding Convergence

Seizing windows of opportunities in the EU-India strategic partnership

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Abstract

Today, the strategic partnership between the EU and India is strong and committed, even though the partners may differ in their respective capabilities, approaches and sometimes interests. This policy brief examines challenges and opportunities faced by Brussels and New Delhi in the areas of connectivity, maritime security and ocean governance, climate action and sustainable development, and digitalisation. It, further, provides a set of policy recommendations in the aforementioned policy areas. In the sphere of (1) connectivity, it suggests making people-to-people connectivity more strategic, dismantling remaining

collaborative initiatives, developing maritime capacities, and fostering blue economy joint ventures and scientific collaboration. In (3) climate action and sustainable development, a working group and joint R&I projects focused on hydrogen are suggested, as well as the establishment of a joint framework for the decarbonisation of carbon-intensive industries, joint projects on selected clean technologies, a partnership on climate-smart agriculture, and a common framework for the smart energy transition and to narrow differences concerning the CBAM. Lastly, for (4) digitalisation, recommendations are made to deepen dialogue between the TTC and the Emerging Technologies Group within the Quad Dialogue, create specialised Centres of Excellence, deploy Tech and Digital Ambassadors as bridge-builders, initiate EU-India Digital Exchange Programs, and embrace a multi-stakeholder approach in Digital Public Innovation (DPI) governance.

regulatory roadblocks, finding an EU-India approach to global connectivity governance, and better targeting opportunities in regional connectivity. For (2) maritime security and ocean governance, the establishment of an EU-India working group is recommended, along with advancing Green Shipping, conducting joint naval exercises and

Key Issues

CONNECTIVITY

India and the EU have a window of opportunity to realise their connectivity potential. Yet the partnership needs more than momentum to ensure self-sustaining, geopolitically-strategic connectivity cooperation that will match the scale and speed of investment required to tackle global challenges. The partners need to improve mutual understanding and knowledge of each other both at people-to-people level and in the context of global governance. Bringing the partners closer while leaving space for differentiated approaches to connectivity will actively work against connectivity fragmentation and weaponisation in the Indo-Pacific and beyond.

MARITIME SECURITY

The emergence of maritime security and ocean governance in the EU-India partnership offers a potential that remains significantly underexploited. Adopting a people-centred, action-oriented, and issue-based approach of maritime security cooperation, by sharing intelligence, conducting joint patrols, and coordinating response efforts, would bring a major joint contribution to regional maritime security.
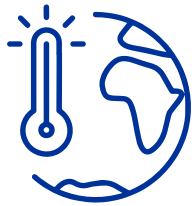
CLIMATE CHANGE

Climate change has given rise to common challenges in the form of extreme weather events, energy stress, sea-level rise, and biodiversity loss, which require concerted efforts from New Delhi and Brussels. Such efforts should be characterised by harnessing their respective strengths to promote sustainable development and achieve common policy objectives.
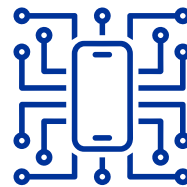
DIGITALISATION

The role of digitalisation in the global economy has become increasingly crucial as the dependency on digital technologies has surged, paving the way for a dynamic and transformative partnership between India and the European Union in the realm of digital advancement. This growing significance of digitalisation within the India-European Union partnership presents a substantial opportunity that remains largely untapped.

Mismatch In Perceptions

Structural, historical, and economic ties link the EU and India. The EU is the 2nd largest destination of India's exports and 3rd largest trading partner of India. The EU region is linguistically, culturally, and economically as diverse as India. Both the regions are similar sizes geographically as well.

The EU's perception of India seems to converge on three major dimensions, the most important being economic. Indeed, as a growing economy with a strong emerging market and a large consumer base, India represents to the EU significant trade and investment opportunities. India's being the most populous country in the world, growing middle class, and increasing incomes make it an attractive market and investment destination for the EU, providing untapped potential and economic opportunities. These also include technology cooperation. The depth of technical talent in India is immense and there is strong political will to deploy public technologies in larger parts of the digital economy.

In more strategic terms, the EU perceives India as an important and valuable partner in preserving regional stability, promoting democratic values, and addressing global challenges through shared interests, particularly in counterterrorism and climate change. Finally, the EU is particularly interested in India's expanding influence in the Indo-Pacific region which has come to occupy global attention. The EU considers India's perception of the Indo-Pacific in line with its own goal of inclusivity, fostering multilateralism, and upholding international norms.

India's perception of the EU also seems mainly economic-driven. Historically, India has mostly looked at the EU as an economic entity, rather than a political one. This has led to a strong focus on economic cooperation and an underperformance of the political dialogue. Even today, The EU provides India access to a large market with high spending capabilities for Indian companies for exports and investments, making collaboration with the EU highly beneficial for India's economic growth. The EU's robust purchasing power facilitates pathways for Indian products, services, and skilled experts, nurturing economic expansion, job proliferation, technological interchange, and knowledge exchange. Innovation is also an important dimension in this regard. The EU market is
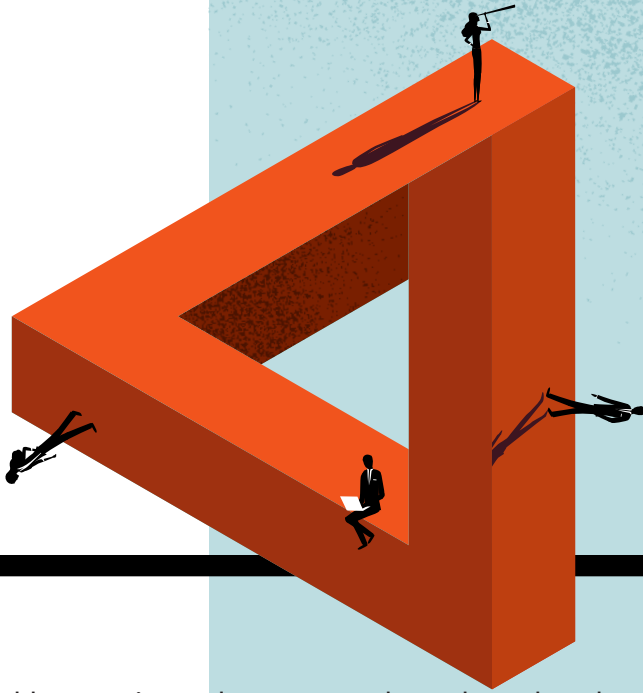
characterised by cutting edge research and development industries at the forefront of innovation especially in green technologies, biotechnology, and information technology, vital for India's development goals.

Yet there have been some major changes in how India views the EU in the past years, including a rediscovery of continental Europe, marked by more regular visits by Indian officials than before and a new effort to re-energize the EU-India matrix. Contrasting with a past focus on merely bilateral relations between India and individual EU member states, India recognises today more fully the EU as a partner in advancing its interests across international forums, especially the EU's influential role in multilateral institutions, bolstered by a common vision of a multipolar world. The EU emphasis on democratic values, human rights and multilateralism coincides with India's commitment to these values and, in principle, fosters joint EU-Indian efforts in global governance structures, like the UN.

In terms of key policy focus areas for EU-India relations, this policy brief focuses on connectivity, maritime security and ocean governance, climate change and sustainable development, as well as digitalisation. Rapid geopolitical and geoeconomic shifts in the Indo-Pacific and beyond stress the importance of strategic connectivity cooperation – to complete rather than compete. That means finding a balance between India and the EU's respective interests and economic security, their shared ambition as influential powerhouses in multilateralism, but also Paris Agreement commitments and the Sustainable Development Goals (SDGs). During the EU-India 2016 Summit, the India-EU Clean Energy and Climate Partnership was announced to explore cooperation on clean energy and implementation of the 2015 Paris agreement. On the other strand of the twin transition, the role of digitalisation in the global economy has become increasingly crucial as the dependency on digital technologies has surged – with challenges and opportunities for the EU and India as regulatory and technological powerhouses respectively. The EU-India Trade and Technology Dialogue (TTC) offers insights into key debates. Meanwhile, the somewhat recent emergence of maritime security and ocean governance – including the blue economy – in the EU-India partnership offers a potential that remains significantly underexploited.
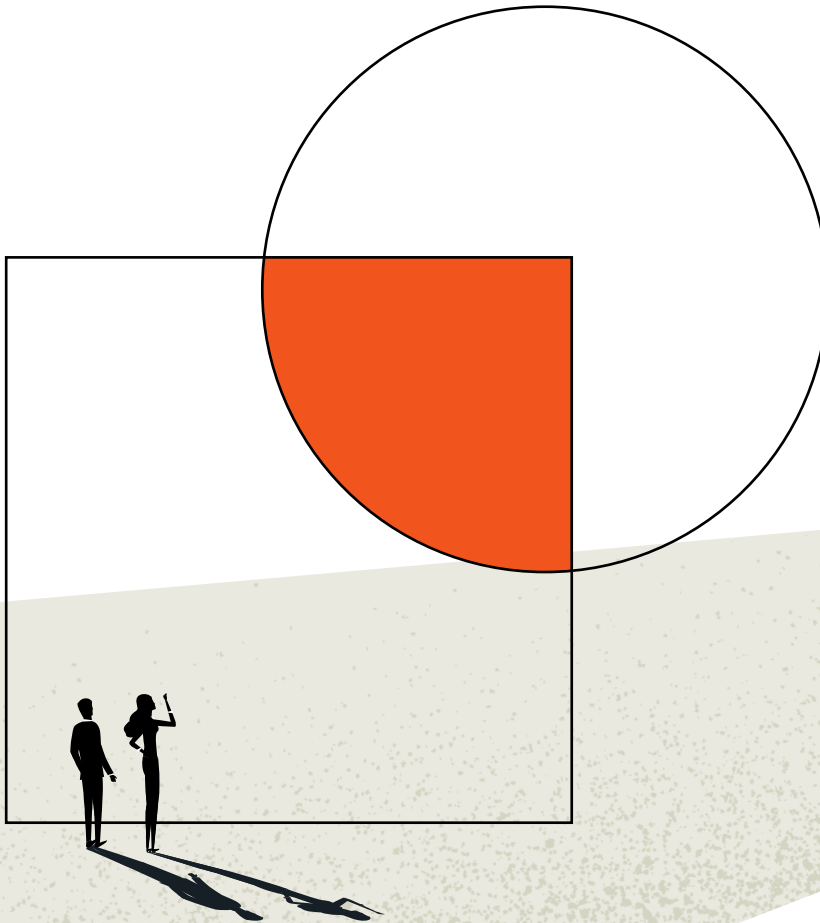
Challenges and Opportunities

01

CONNECTIVITY

India and the EU have a window of opportunity to realise their connectivity potential: (a) sectors for cooperation are identified, (b) enabling regulatory and economic cooperation dialogue is at full steam, and (c) both partners share a compatibly ambitious vision for global connectivity governance. (a) The May 2021 EU-India Connectivity Partnership and the December 2021 EU Global Gateway strategy have broadened the scope of connectivity opportunities and alignment on sectoral issues, from digital to energy, transport and people-to-people, as well as spelling out ambitions in education and research, climate and health. (b) In parallel, the partners are surfing on the momentum from progress on economic and regulatory cooperation (renewed FTA negotiations, Trade and Technology Council), which are important enablers for an efficient connectivity partnership. (c) Additionally, both India and the EU cultivate their influence in global governance, and the bilateral Roadmap to 2025 (2020) encourages – as a connectivity endeavour – a common push to promote a norm- and principle-based level-playing field for all economic players, and to find synergies in third countries.

Yet the partnership needs more than "momentum and an MoU" to ensure self-sustaining, geopolitically-strategic connectivity cooperation that will match the scale and speed of investment required to tackle global challenges. Beyond this crucial assignment, deep-rooted issues stand between the partners and their connectivity ambitions: (i) a lack of mutual trust, knowledge and understanding, (ii) a common framework

partners to underestimate each other's potential contribution to their own goals, and therefore to underperform on connectivity. Some Indian views portray the EU as a simple economic entity, lacking the political drive that is central to connectivity. Meanwhile, the EU's long-running focus on development cooperation creates the impression that India needs to be nudged and capacitated – an approach that does not resonate with post-colonial India. Global connectivity entails more than development, it is foreign policy that requires eye-level trust and cooperation. Committing to learn about each other's complexity could strengthen political trust: this has become all the more crucial following EU-India relative misalignment on positions towards Russia's invasion of Ukraine. There is an opportunity to place certain aspects of people-to-people connectivity and public diplomacy at a higher level of

for action in a world of increased connectivity fragmentation and weaponisation, and (iii) adequate finance and investments for infrastructure. There are matching opportunities (i) to enable organic policy and political convergence through people-to-

people connectivity, (ii) to enhance the mobilisation and coordination of major connectivity players for action at regional level, and (iii) to unlock the necessary resources through multilateral and private sector engagement.

Lacking mutual understanding leads the

priority, through education, engagement strategies, mobility in research and business, and broader civil society exchanges.

Though lacking public awareness, there is no shortage of added value areas between the partners. Behind the EU's complicated governance is a wealth of resources and expertise from Team Europe actors (including the EU, its Member States, their agencies and banks) ready to be unleashed in coordinated fashion – so that India has a clearer view of the EU versus bilateral engagement with Member States – for sustainable connectivity initiatives in Global Gateway areas. India's rapid urbanisation and population growth, which multiplies connectivity challenges, also provides its strengths, such as leadership in research and innovation or manufacturing capabilities – all strategic aspects to the EU's de-risking strategy.

In fact, playing to India's strengths holds the largest common opportunity:

The partnership needs more than momentum to ensure self-sustaining, geopolitically-strategic connectivity cooperation that will match the scale and speed of investment required to tackle global challenges.

bolstering regional connectivity. India sits amid key Indo-Pacific strategic connectivity corridors, which are of high-interest to the EU. In particular, newly-forming routes in the North East with Bangladesh and Myanmar are creating further opportunities in the Bay of Bengal. Whereas India's neighbourhood is increasingly competitive and subject to geopolitical tensions, the EU's Global Gateway value-driven approach of creating 'links, not dependencies' can

make it a precious ally in the region. The India – Middle East – Europe Economic Corridor (IMEC) was announced as a flagship multi-modal project of Partnership for Global Infrastructure and Investment (PGII) at the 2023 G20 Summit in New Delhi. This ambitious infrastructure-based project is also a sign of a recalibrating EU-India approach to connectivity as a tool for aggregated geopolitical power.

MARITIME SECURITY /
OCEAN GOVERNANCE

India is the country in Asia with which the EU has the strongest ongoing bilateral cooperation on maritime security, as underlined in the 'Enhancing Security Cooperation With and In Asia' document (2019). This specificity is, amongst others, backed up by a shared commitment for a free, open, and inclusive Indo-Pacific and a rules-based maritime order in the region. The narrative surrounding this convergence of views, carried by bilateral communications underlining their engagement for respect for territorial integrity and sovereignty, democracy, freedom of navigation, or the importance of UNCLOS, has taken more shape in the recent years with the establishment of the EU-India Maritime Security Dialogue in January 2021, further regularised with a second edition in February

2022, or the organisation of the India-EU Workshop on MDA and Interoperability in December 2021. A parallel Track 1.5 workshop on Maritime Security also complete the annual dialogue on the issue, the fifth edition being organised in September 2023 at the National Maritime Foundation, with support of the ESIWA project.

If these dialogues are a promising step forward, there is still a lot to be done to move from words to action – as emphasised during the above-mentioned bilateral workshop – and to give concrete substance to the partnership in the field of maritime security and ocean governance. The organisation of a maiden EU-India joint naval exercise in the Gulf of Aden in June 2021 has opened the path but is yet to be institutionalised for a credible and enhanced cooperation between the Indian Navy and

EUNAVFOR Atalanta in the Indo-Pacific (India-EU Summit, May 2021). This inaugural exercise follows some passing exercises (PASSEX) organised between the Indian Navy and the EUNAVFOR in recent years, [the first being held in October 2017](). These interactions between the two naval forces are more broadly rooted in the deployment in 2008 in the Gulf of Aden of joint counter-piracy efforts in the region. Incidentally, it is through a request from Atalanta that India, in December 2018, proceeded to its first escort of a vessel of the World Food Programme in the area. In more than ten years, since the beginning of Operation Atalanta, interactions between the Indian Navy

and the EUNAVFOR have significantly evolved, both in terms of recurrence (from punctual joint efforts to increasingly regular exercises) and of substance (from PASSEX to more advanced naval drills).

This context in mind, India's unique role in the maritime security cooperation framework of the EU in the Indo-Pacific now needs to be concretely implemented not only for the benefit of the two actors, but also, in a more outwards-oriented approach, for the sake of the entire region. Maritime security, ocean governance and blue economy are precisely interrelated and multi-dimensional issues through which EU and India could together appear as a reliable

interlocutor in the region, strengthening de facto the visibility and credibility of the EU engagement in the Indo-Pacific, while reinforcing India's ambition to become a 'preferred security partner' in the region. Indeed, while India's significant engagement in HADR is well welcomed and recognised by regional partners, the volatility of some immediate neighbouring countries in their relations to India compromise its efforts to effectively appear as a 'preferred partner' in a broader security scope, in a region where Indian-led initiatives can be seen by countries in the region as willing to maintain a certain control on the ocean bearing its name. In that sense, joint efforts with the European Union would dilute such interpretations, by providing a more open and inclusive dimension, the EU already having one of the highest levels of trust among strategic communities in other parts of the Indo-Pacific, [such as Southeast Asia]().

The synergies in these areas are many, including the sustainable blue economy, maritime trade, and maritime capacity-building for island and coastal nations, as well as countering non-traditional security threats in the maritime domain such as illegal, unregulated, and unreported fishing, piracy, and smuggling. EU's experience in fisheries management can lead to knowledge exchange and joint initiatives to combat sustainable fisheries management challenges that India faces. In return, India's naval capabilities and experience in maritime security operations can contribute to the European anti-piracy efforts, ensuring safe sea lanes and secure maritime trade routes in the region. In other domains, India's expertise in marine technology and shipbuilding complements the EU's advancements in maritime infrastructure (e.g., ports). Sharing technical know-how could enhance safety measures, develop efficient

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transportation systems, and even facilitate disaster response mechanisms to combat maritime warming.

In the field of blue economy, India's ambitious plans align with the EU focus on sustainable maritime economic activities. Collaborating on areas like marine renewable energy, aquaculture, and coastal tourism can stimulate economic growth while ensuring environmental sustainability. Finally, the EU and India are conducting individual research into very similar ways of green hydrogen generation, where

research (results) could be pooled to achieve synergies and lower research costs. The same is true for maritime/ocean governance. India's growing ocean research capabilities and the EU's existing technological expertise could converge not solely for scientific advancement but also to gain a competitive edge in the blue economy field. Here, too, discussions on sustainable practices touch upon important topics like resource use, aquaculture, and energy, but divergent economic priorities often persist.

03

CLIMATE ACTION AND SUSTAINABLE DEVELOPMENT

Climate action and sustainable development are [pressing global priorities of our times](). Even though the EU and India differ in the context of their respective capacity and capability for mitigating climate change and fostering sustainable development, the convergence of their interests along with shared values of democracy, freedom, and openness make their partnership vital. The evolving geopolitical and geoeconomic global scenarios, accompanied by weaponization of energy and trade, and disruption in supply of critical minerals that facilitate energy transition, have affected Brussels and New Delhi's core interests. Thus, the EU-India partnership on climate and sustainable development is more important than ever before.

During the 2016 EU-India Summit, the [EU-India Clean Energy and](

[Climate Partnership]() was agreed. Both the EU and India are actively involved in the pursuit of transition towards clean energy with the aim of reducing energy imports, making affordable renewable energy supplies and strengthening energy security. Green hydrogen has been emerging as a [potential area of collaboration]() between the two strategic partners and a green hydrogen forum has been inaugurated. Green hydrogen, produced through renewable energy sources, has an immense potential to reduce carbon emissions across various sectors. The cost of green hydrogen is high in India and there has been a quest for producing inexpensive green hydrogen by incentivising the production.

Similarly, combating pollution is of paramount importance for Brussels and New Delhi for achieving sustainable development.

Air, soil and water protection are fundamental to ensure peoples' health and environmental ecosystems. India faces extreme problems on these three dimensions of pollution in the form of industry spills, low air quality, and hazardous waste mismanagement, where the EU has a huge experience and expertise. Similarly, the EU and India face challenges for adoption of sustainable agriculture. In India and EU alike, there are issues like soil degradation, excessive use of harmful fertilisers and water-intensive irrigation techniques. Food security is affected negatively by unsustainable agricultural practices.

The EU possesses a distinct advantage in the field of clean technology, which India lacks. The bloc has made tremendous investments in the field, positioning as a global leader in reducing carbon emissions. Similarly, India's expertise and advantage in the Information Technology (IT) domain can

Challenges and Opportunities

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be harnessed for climate action and sustainable development. New Delhi has an immense potential in innovating digital solutions for optimising energy use and monitoring environmental data. Thus, there remains a massive potential in complementing IT and clean technology for arriving at better solutions for sustainable development.

Furthermore, as Brussels and New Delhi find themselves at opposite ends of the energy transition debate, their policies seem to diverge, often leading to conflict of approach in addressing climate change mitigation and sustainable development. For instance, the Carbon Border Adjustment Mechanism (CBAM), a policy tool by the EU, reveals diverging approaches of the EU and India concerning climate change and sustainable development. The existing mechanisms under the EU-India Strategic Partnership offer several platforms to collaborate on this important issue of climate action and sustainable development.

04

DIGITAL

In recent times, where technology has become the cornerstone of progress, the partnership between India and the European Union (EU) in the domains of connectivity and digital transition takes centre stage. These two entities bring unique strengths to the table, and their partnership has the potential to shape a digital future that is not only innovative and secure but also inclusive.

India's expansive market and technological competence, coupled with the EU's advancements in several sectors, offer a vigorous foundation for a rewarding digital partnership. The EU's approach to legislation, complemented by India's innovative strategy for digital public goods, could establish a well-rounded framework for the development of cutting-edge technologies. This framework would ensure both robust data protection and cybersecurity measures, possibly setting a global benchmark for responsible digital governance.

At the heart of this partnership lies the potential for innovation. Both India and the EU boast dynamic tech ecosystems; India's burgeoning start-up culture and the EU's research institutions provide fertile ground for transformative ideas. Collaborations between start-ups and tech companies from both regions could drive breakthroughs that address common challenges, from sustainable energy solutions to enhanced healthcare technologies. This exchange of knowledge and expertise could propel both entities to the forefront of technological advancement.

Amid India's ongoing digital transformation journey, noteworthy initiatives like Aadhaar and the Data Empowerment and Protection Architecture

Challenges and Opportunities
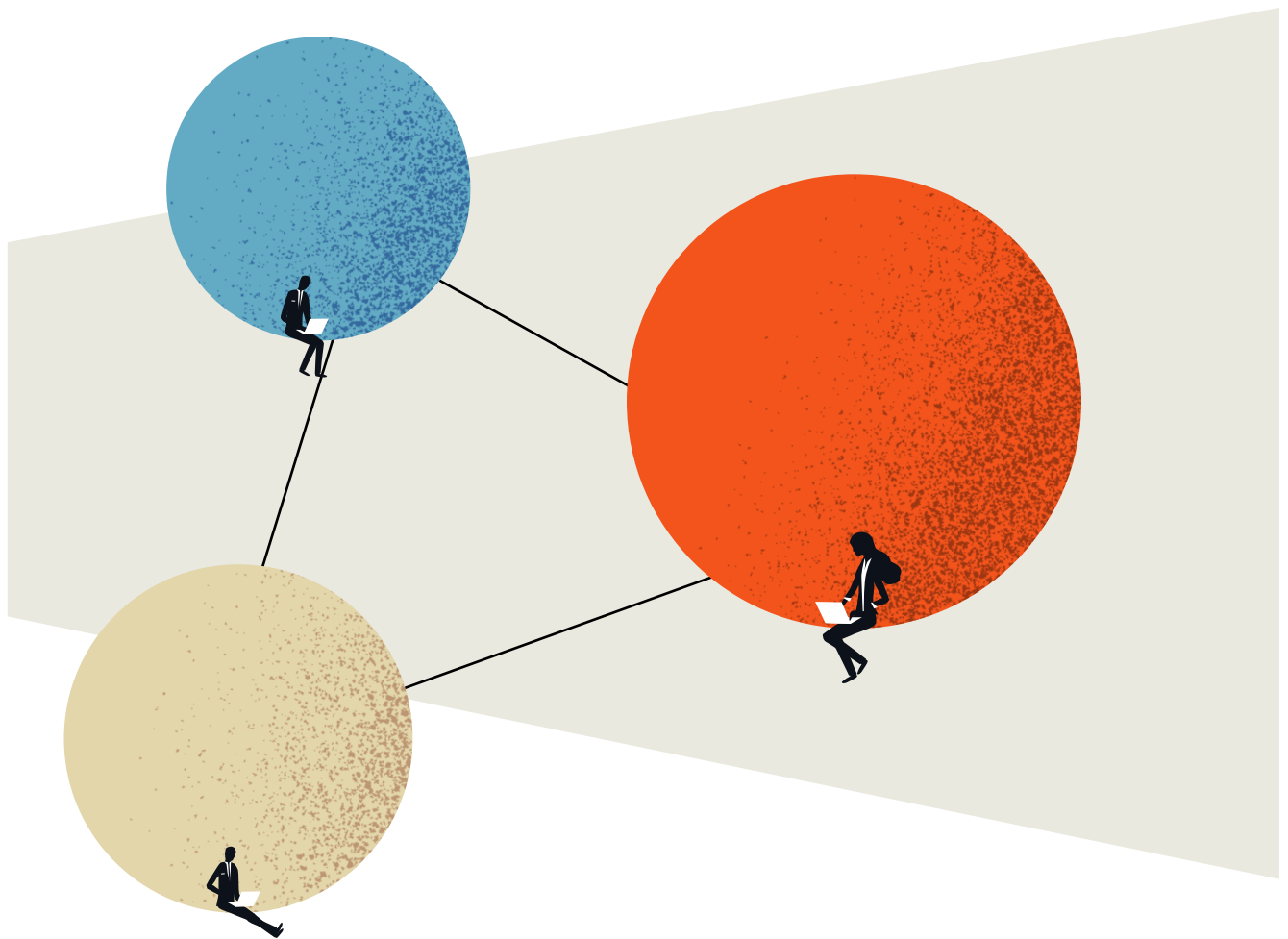
(DEPA) have come to the forefront. These initiatives highlight the importance of data protection and citizen empowerment, aligning closely with the EU's emphasis on digital rights. While differences in regulatory approaches, such as data localization and the General Data Protection Regulation (GDPR), may exist, they present opportunities for mutual learning. By engaging in dialogue and collaborative efforts, India and the EU can work towards harmonising regulations, fostering a digital landscape that respects privacy while encouraging innovation.

While urban areas in India experience growth in digital infrastructure, rural regions still grapple with limited access. This is where the EU's expertise could make a meaningful impact. By sharing insights and resources, the EU could significantly contribute to India's efforts to bridge the digital divide. Joint investments in digital infrastructure could lead to the creation of sustainable networks that empower subaltern communities, thereby fostering a more inclusive digital society.

The omnipresent threat of cyber-attacks necessitates robust cybersecurity measures. Here, the EU's experience in designing and implementing comprehensive

cybersecurity protocols can serve as a template for India. Joint initiatives focusing on information sharing, capacity building, and rapid response mechanisms could fortify both India and the EU against cyber threats, ensuring the security of critical digital assets.

Despite differences in regulatory frameworks, India and the EU share a common interest in data protection and privacy. India's innovative consent management system in DEPA could offer valuable insights into the EU's legal framework. This exchange of best practices could set the stage for the responsible management of emerging technologies.

Collaboration in connectivity and digital transition stands poised to shape the digital future for both regions and beyond. The advancement of such technological collaboration is, however, contingent upon the significant facilitation of technology transfer. A precarious impediment to this progression lies in

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the inherent inclination of states to safeguard their intellectual property (IP). Consequently, the viability of trust-based partnership agreements emerges as a salient proposition. India has been proactive in establishing such agreements with major global powers.

In cases where apprehensions related to IP infringement are raised, it becomes imperative to implement confidence-building measures as an integral component of the partnership framework. It is imperative to underscore that, for Indian policymakers, technology

transfer holds paramount importance. Thus, one can assume that in the absence of robust technology transfer mechanisms, the prospect of engaging in technology partnerships is rendered considerably less attractive.

Furthermore, by capitalising on their respective strengths, fostering innovation, and addressing challenges collaboratively, India and the EU could become pioneers in responsible digital governance, setting global benchmarks for a secure, inclusive, and innovative digital era.

Policy Recommendations

CONNECTIVITY

1. Make people-to-people connectivity strategic again:

- **Strengthen civil society exchanges to inform connectivity policy:** Enhance public diplomacy by multiplying exchange initiatives between think tanks, NGOs, university research centres to enhance mutual understanding. Increase the frequency of Track 1.5 and 2 diplomacy channels to deliver a clearer picture of political appetite for specific aspects of the connectivity agenda.
- **Engage the private sector through business matchmaking:** From multinationals to MSMEs, the private sector can incentivise its own engagement. With the help of Chambers of Commerce and industry associations, it can build links between EU and Indian business ecosystems and raise awareness of market opportunities and regulatory practices.
- **Establish and stimulate interest for new Centres of Indian studies in the EU and Centres of European Studies in India** to reinforce reciprocal understanding of each other's geopolitical positions and develop connectivity opportunities.
- **Establish more joint research and innovation projects** in strategic connectivity areas.

2. Dismantle regulatory roadblocks to unlock synergies:

- **Streamline procurement policies to fast-track quality infrastructure investments:** In 2019, India and the EU both accepted the G20 principles for Quality Infrastructure Investment (QII). Yet concerns with the costs and delays associated with compliance create barriers to their adoption by India. Meanwhile, the Make in India initiative complicates matters for the EU. More cooperation and mutual incentives are needed.
- **Continue to promote convergence in standards for**

alignment on investments: After 10 years of the Seconded European Standardization Expert for India (SESEI) project, a new strategic vision is needed for cooperation on standards, in a way that complements promising TTC work. Key areas to unlock connectivity investments include international taxation policies, intellectual property rights, and trade alignment via an FTA.

3. Find an EU-India approach to multilateralism:

- **G21, G7:** Utilise the G21 to enhance connectivity coordination, reduce fragmentation and unlock financing, and the G7 to finance India's pressing connectivity challenges such as the energy transition. Though a gamble, it would be interesting for the EU to explore if India's presence in the BRICS may find positive externalities for the EU, e.g., to spread better understanding of the EU's role in global connectivity.
- **Triangulate with like-minded Asian partners, in priority with Japan on connectivity cooperation in the Indo-Pacific.** Triangulating with Japan, a close Asian partner of India and a close like-minded partner of the EU, could present benefits with Japan's long-running investments in Indian and regional infrastructure and the EU's added value on climate and energy. While the EU-India bilateral relationship faces challenges, India's proactive connectivity role in the Indo-Pacific and the EU's interest for the region fosters political momentum for cooperation that requires a resources aggregation approach – best if anticipated with regional like-minded partners such as Japan, but also ASEAN, the Republic of Korea and Singapore.
- **Streamline Team Europe engagement:** Enhance coordination and visibility of the approach towards Indian stakeholders, emphasising the European Investment Bank's role.

4. Widen opportunities in regional connectivity:

- **Seize the North East opportunity:** India's North East as a gateway to Southeast Asia holds major opportunities to invest in cross-border connectivity in all priority sectors of the partnership, including to address the education and skills gap. This requires acknowledging regional specificities on the part of both 'mainland' Indian players and Team Europe players.

- **Engage with BBIN, BIMSTEC and with neighbouring countries of India** to enhance regional integration, for example by inviting representatives to a second edition of the EU-India Global Gateway Conference.

- **Update visions of Eurasia, the Indo-Pacific and Africa:** Launch feasibility studies and expert discussions on opportunities for EU-India cooperation in strategic regions and sub-regions that have not been sufficiently discussed.

MARITIME SECURITY/OCEAN GOVERNANCE

1. Build mechanisms for a stronger institutional partnership structure: Brussels and New Delhi should build mechanisms for a strong institutional partnership for cooperation on maritime/ocean governance. This could take the form of a formal collaborative working group set up between India's Ministry of External Affairs and the European External Action Service (EEAS), to align the Integrated Maritime Policy of the EU with India's Indo-Pacific Oceans Initiative. It should design guidelines and develop timelines for the EU and India to increase cooperation in the most pressing policy fields.

2. Advance Green Shipping: The two partners should focus on structural dialogue, exchange of technical knowledge, cooperation, and coordination on the issue of green shipping, by establishing a dedicated joint working group which can identify relevant synergies.

3. Conduct joint exercises and collaborative initiatives: Institutionalisation of the EU-India joint naval exercise should be undertaken, after the successful maiden edition of June 2021 between EUNAVFOR Atalanta and the Indian Navy. Significantly increase the participation of the EU in Indian-led initiatives and mechanisms (join IONS at least as an observer, participate in relevant pillars of the IPOI, deploying a Liaison Officer at the IFC-IOR to contribute to regional maritime domain awareness efforts). On the other hand, reinforce India's participation to EU's initiatives such as the Program to Promote Regional Maritime Security (MASE) or CRIMARIO.

4. Develop maritime capacities: The two partners should prioritise cooperation in long-term maritime capacity building for islands and coastal nations and strengthen the capacity and capability of littoral nations in the Indian Ocean, including joint efforts to train navies of small island states or developing effective mechanisms for inter-state cooperation on maritime law enforcement in domestic zones in the Indian Ocean.

5. Foster blue economy synergies: The EU and India should encourage joint ventures among European and Indian companies in the blue economy field, including fisheries, aquaculture, or renewable energy at sea, by introducing initiatives to sponsoring/subsidising joint research endeavours into relevant technologies which can then be applied in the field. This also calls for synchronising scientific collaboration and capabilities in oceanography,

marine biology, and climate studies, marine resource management, or climate resilience in coastal communities, for instance through developing early warning systems and implementing strategies to mitigate the impacts of rising sea levels and extreme weather events in warming oceans.

CLIMATE ACTION AND SUSTAINABLE DEVELOPMENT

1. Strengthen partnerships on green hydrogen: Joint research and innovation projects that focus on hydrogen storage solutions, carbon capture techniques, and effective electrolysis processes should be undertaken in order to minimise cost of production, storage and transportation of green hydrogen. The two partners should work towards policy alignments on green hydrogen by formulating a working group on the issue. Such a group should also find representation from industries and businesses from the EU and India to add market insights and expertise. Furthermore, Brussels and New Delhi should work together in formulation of international standards for green hydrogen production, storage as well as supply.

2. Combat pollution: India and the EU should establish a joint framework for decarbonisation of carbon-intensive industries. Moreover, workshops and seminars that aim to share best practices in pollution control from the grassroot/local governance level should be encouraged. This would help to bring out best practices, successful mitigation policies and regulations as well as technologies that have yielded positive outcomes. Additionally, the EU can initiate training programs for Indian wastewater treatment professionals that focus on sustainable

wastewater management and advanced treatment methods for which the EU has an expertise.

3. Facilitate synergies on clean technology and information technology: India's expertise in the field of IT and the EU's leadership in clean technology could be synergized for achieving sustainable development and mitigating climate change. In this regard, policy efforts should prioritise incentivizing and facilitating joint research and development projects like carbon footprint tracking, smart water quality monitoring, waste management optimization system, and green supply chain management system that require synergies between clean technology and information technology. These can be expanded by providing research grants, tax incentives and technology-sharing mechanisms between the EU and India. AI-driven solutions in agriculture and river monitoring should be encouraged through public-private partnerships. A common regulatory framework for responsible application of the AI for these purposes should also be initiated.
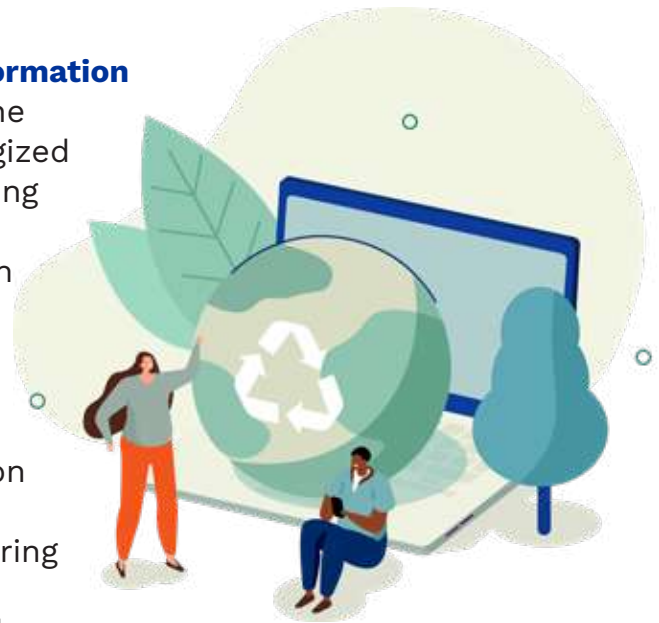
4. Partner on climate-smart agriculture: Brussels and New Delhi can collaborate on joint research programs for developing climate-resilient crop varieties that could help target sustainable soil management practices and development of heat tolerant and pest and drought resistant crops. Furthermore, the partners can collaborate on creating sustainable market access for climate-smart agricultural products. This could help facilitate environmentally friendly practices along with guaranteeing higher income for farmers. To add further value to such efforts, the EU and India can set up demonstration farms and pilot projects that showcase climate-smart agricultural practices and serve as centres of learning for farmers.

Policy
Recommendations

5. Agree on a common framework for smart energy transition: The partners should set up a joint task force for energy transition that would find representation from diverse stakeholders like policy makers, industrialists, and energy experts. They should attempt to formulate common energy transition goals with specific but differentiated timelines that are in harmony with their respective levels of development and socio-economic conditions. This would ensure understanding of each other's developmental needs and policy actions and would minimise the risks of miscommunication or misunderstanding of policy stances between the two strategic partners.

6. Bridge differing outlooks on the CBAM: There exists an understanding between Brussels and New Delhi that the CBAM is not intended to create trade barriers, but contentious issues on the Indian side like negative impact on Indian exports to the EU and competitiveness as well as high cost of compliance remain. The EU should consider an extension of transition period for countries like India, recognising the principle of 'common but differentiated responsibilities'. India should adopt Internal Carbon Pricing mechanism to accelerate and promote domestic green finance and to align with its climate objectives. Furthermore, Indian industry should find representation in the EU-India talks concerning the CBAM.

DIGITAL

1. Strengthen the Trade and Technology Council (TTC). The TTC plays a vital role in trade negotiations by allowing for a more targeted approach to pressing issues while delegating related matters to other relevant forums. Although we should exercise caution in expecting instantaneous progress in Free Trade Agreement (FTA) negotiations, given their recent resumption and the existing tensions, the TTC can function as a platform where experts can proactively address potential challenges (e.g., the European Union's Carbon Border Adjustment Mechanism and sustainability requirements) and seek compromises that can facilitate the FTA process.

Acknowledging that both the European Union (EU) and India must make significant concessions for successful negotiations, it is worth noting that they are now geopolitically much closer compared to the initial stages of negotiations, signifying untapped potential. The TTC can periodically assess the need for adjustments in the three distinct areas of FTA negotiations (geographical indications, investment protection agreements, and the trade agreement itself) based on its meetings. To ensure efficiency, the TTC should continuously review its working group structure to minimize administrative impediments.

Furthermore, the TTC can act as a catalyst for exploring collaboration in novel areas, thereby enhancing the likelihood of success in FTA negotiations by expanding the scope of engagement and strengthening the overall partnership.

2. Deepen collaboration between the TTC and the Emerging Technologies Group within the Quadrilateral Security Dialogue, which encompasses Australia, India, Japan, and
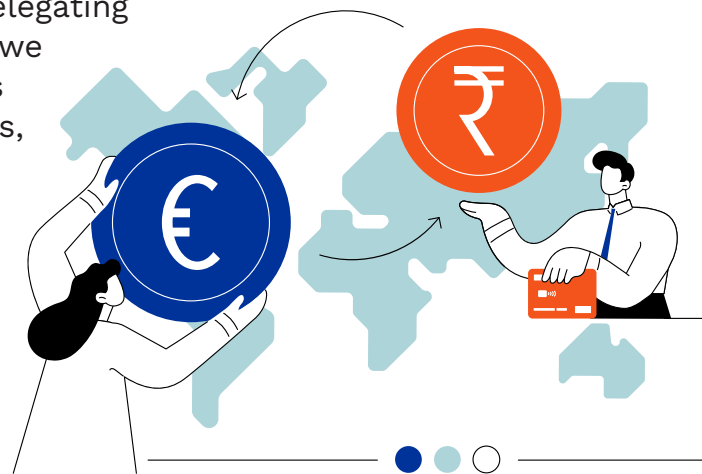
the US. Recognizing its significance, it is imperative for the TTC to proactively align its positions with the Quad, rather than operating independently. Strengthening cooperation between the EU and the Quad is essential, with the aim of integrating the Quad into the EU's overarching strategic Indo-Pacific approach.

The Quad has evolved beyond its traditional security-focused scope, now encompassing discussions on infrastructure, technology, and connectivity. This expanded purview presents an opportune avenue for EU-Quad collaboration, modeled after the Quad Plus arrangement of 2020, which included New Zealand, South Korea, and Vietnam. Such cooperation can be adapted to address specific issues, such as technology, in flexible and temporary formats.

This synergistic partnership can drive collective innovation and strategic growth. Draw insights from both EU-US TTC talks and EU-India discussions and forge a unified understanding that spans across different contexts and perspectives. Expanding the TTC's scope, reaching out to include additional countries while integrating ongoing initiatives to maximise the collective impact.

3. Establish Collaborative Initiatives. Specialized Centres of Excellence should be established as focal points for research and development. These centres should be designed to facilitate the exchange of knowledge, best practices, and innovative insights. They should be envisioned as hubs of innovation, fostering an environment where cutting-edge ideas can flourish, ultimately paving the way for collaborative breakthroughs.

Initiatives similar to the EU-India Digital Exchange Programs should be launched to stimulate partnerships between tech parks and start-ups in both regions. These programs must encourage cross-border collaboration and nurture a culture of shared innovation. Furthermore,

in recognition of the evolving digital landscape and its interconnected nature, it is imperative to bolster cybersecurity resilience through collaborative efforts. This should involve the exchange of critical information and the execution of joint cybersecurity exercises. The aim should be to harness the collective expertise of both the EU and India to safeguard digital assets against emerging threats. Through shared intelligence and coordinated responses, this collaborative approach should seek to fortify the digital infrastructure of both regions, ensuring that it remains robust and impervious to cyber threats.

4. Deploy Tech and Digital Ambassadors as bridge-builders, nurturing enhanced collaboration between the EU and India in the realm of digitalisation, promoting mutual understanding and shared goals.

5. Embrace a multi-stakeholder approach in governing Digital Public Innovation (DPI). Involve government bodies, private enterprises, civil society organizations, and academic institutions to ensure transparency, accountability, and user-centred solutions. Collaborate through joint technical groups to establish common standards and interoperability architectures for DPI. The incorporation of principles from the EU's GDPR and India's Aadhaar/UPI can ensure privacy-respecting solutions. Work towards aligning India's Digital India initiatives and Data Protection Act with the EU's digital strategy and GDPR norms, enabling the seamless flow of data while safeguarding privacy.

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