

A photograph of Ursula von der Leyen and Narendra Modi shaking hands in front of an ornate stone archway. Ursula von der Leyen is on the left, wearing a light green blazer and light pink trousers. Narendra Modi is on the right, wearing a white kurta and a dark green vest. They are both smiling and looking at each other. The background is a highly detailed stone archway with intricate carvings. The image is used as a cover for a report.

India-EU Sustainable Cooperation: From Dialogue to Action

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Executive Summary

In recent years, through successive climate cooperation initiatives, the two sides have extended to develop collaborations in energy efficiency, climate mitigation, renewable energy, transport systems and beyond.

The relations between India and the European Union (EU) have evolved over the years. In recent years, through successive climate cooperation initiatives, the two sides have extended to develop collaborations in energy efficiency, climate mitigation, renewable energy, transport systems and beyond.

Since the inception of the Clean Energy and Climate Partnership (CECP) in 2016 and the announcement of EU's 'India Strategy', the two sides, in response to improving the overall market and investment environment, indicated their commitment towards developing enhanced cooperation on sustainable development and modernisation in partnership with India. Therefore, the report attempts to analyse the India-EU sustainable technology collaboration and present a roadmap to bolster and further enhance collaboration on varied sectors associated with energy security, digital networks & transport systems, industrial development initiatives and the role of M.S.M.Es.

The key highlights of the report include:

- The importance of enhancing research and innovations in further support sectoral dialogue and initiatives on green technologies and sustainable energy systems.
- Enabling secure cross-border exchange and bolstering sustainable mobility using digital networks and present sustainable mobility infrastructure.
- Strategic partnerships and the importance of circular economic systems in advancing sustainable industrial production systems and developments.
- Importance of M.S.M.Es in enhancing trade and regulatory standards.



Development

The India-EU sustainable technology collaboration presents a roadmap to bolster and further enhance collaboration on varied sectors associated with energy security, digital networks & transport systems, industrial development initiatives and the role of M.S.M.Es.



Development of Sustainable Energy Systems

An initial cooperation agreement was established in 1994, and since 2004, both parties have been strategic partners. In 2022, India and the EU marked 60 years of bilateral diplomatic relations.

Relations between India and the EU have a long-standing history. An initial cooperation agreement was established in 1994, and since 2004, both parties have been strategic partners. In 2022, India and the EU marked 60 years of bilateral diplomatic relations.

For what concerns India-EU cooperation on sustainable technologies, it is crucial to highlight one of the most recent agreements, the EU-India Strategic Partnership: A Roadmap to 2025, endorsed during the EU-India Summit on July 15th, 2020. The program outlines key actions in research and innovation to support ongoing sectoral dialogues and enhance cooperation, particularly in health research, as well as digital and green technologies. It also aims to strengthen the innovation aspect of the partnership by fostering connections between startups.

Current EU-India climate and energy relations are coded in the India-EU Clean Energy and Climate Partnership (CECP), that was agreed upon during the EU-India Summit of 2016: reinforcing cooperation on renewable energies and the further implementation of the Paris Agreement by strengthening joint activities to adopt more climate friendly energy sources, such as solar and wind energy, is the focus of this joint project.

This partnership was reconfirmed in a mutual statement at the EU-India Summit of 2017 and during the EU-India Leaders Meeting in 2021, as well as during the above-mentioned EU-India Summit of 2020 through the Roadmap to 2025 program.



Roadmap

This partnership was reconfirmed in a mutual statement at the EU-India Summit of 2017 and during the EU-India Leaders Meeting in 2021, as well as during the above-mentioned EU-India Summit of 2020 through the Roadmap to 2025 program.



Recommendations:

- Collaboration on emissions trading systems: With a robust emissions trading system in place in the EU since 2005, India can collaborate with the EU to give thrust to its own nascent emissions trading system, which could open new possibilities, including a framework for international emissions trading.
- Tech-based solutions to sustainable development: With a plethora of emerging developments in artificial intelligence and other technologies, a comprehensive India-EU strategy must include plans towards incorporating such developments that could help achieve Sustainable Development Goals.



Artificial intelligence

With a plethora of emerging developments in artificial intelligence and other technologies, a comprehensive India-EU strategy must include plans towards incorporating such developments that could help achieve Sustainable Development Goals.



Collaboration on Digital Networks and Transport Systems

This partnership constitutes a part of the EU strategy to further connect Europe and Asia, as presented in a Joint Communication by the Commission and the High Representative in 2018.

At the EU-India Leaders' Meeting in Porto (2021), the two parties also established an agreement concerning cooperation in the digital, energy, transport and people-to-people fields: the Connectivity Partnership. This cooperation pact reaffirms a strong commitment to fostering resilient and sustainable connectivity in India, as well as in other Asian and African regions. This partnership constitutes a part of the EU strategy to further connect Europe and Asia, as presented in a Joint Communication by the Commission and the High Representative in 2018.

The Connectivity Partnership is fundamentally grounded in promoting both technological and green transitions, upholding and advancing international standards, while also reinforcing shared principles concerning social, environmental, economic, and fiscal sustainability.

Two of its main focuses are the digital and transport sectors. With concerns to technological systems, the aim is that of safeguarding PII (personally identifiable information) and privacy through data adequacy agreements, enabling secure cross-border data flows, as well as enhancing connectivity through submarine cables and satellite networks, supporting the rollout of efficient 5G infrastructure. The initiatives regarding the transport sector are focused on advancing decarbonization and digitalization, with plans for an EU-India Aviation Summit to strengthen collaboration. Key initiatives include promoting smart, sustainable mobility, investing in metro systems, exploring new air routes, and enhancing the maritime industry.



Collaboration

The initiatives regarding the transport sector are focused on advancing decarbonization and digitalization, with plans for an EU-India Aviation Summit to strengthen collaboration.



Recommendations:

- Supply chain sustainability: International trade is not just prone to changing geopolitical dynamics but also to climate change. Safe and secure supply chains that could be achieved using blockchain technology could mitigate such a risk.
- Integration with emerging trade corridors: India has been engaging with different players across the globe in establishing new trade corridors, the India-Middle East-Europe Economic Corridor being one. Given the strategic location of the two regions, such corridors could facilitate economies of cost and proximity, which could increase cooperations in trade, transportation and transfer of knowledge.



Transfer

Given the strategic location of the two regions, such corridors could facilitate economies of cost and proximity, which could increase cooperations in trade, transportation and transfer of knowledge.



India-EU Collaboration on Sustainable Industrial Production

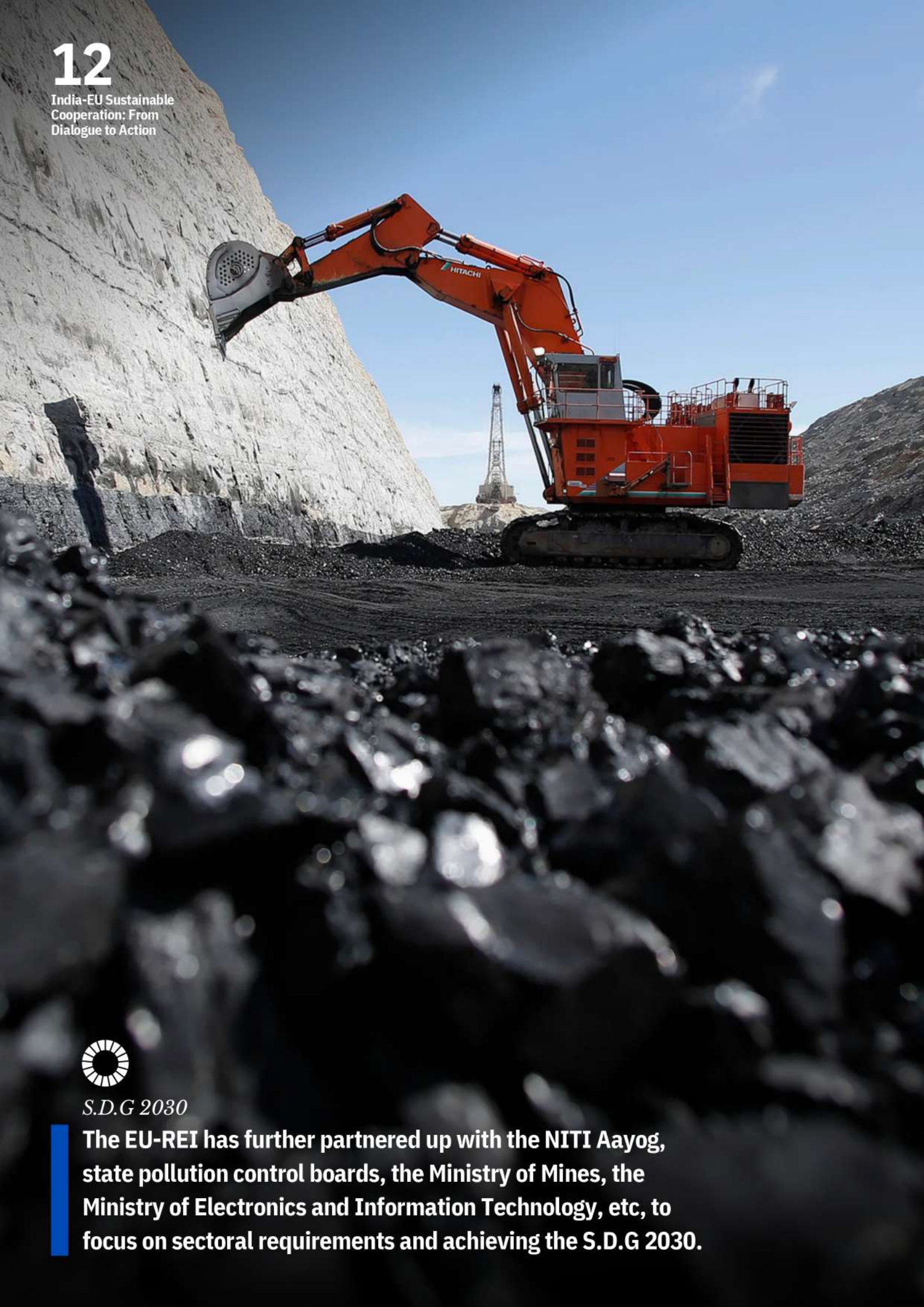
Over time, the partnership in resource efficiency has evolved to promote meaningful dialogue and involvement from all stakeholders, such as business leaders, political representatives, bureaucracy, academia, students, & research institutions.

Since India and the European Union elevated their relations to a strategic partnership in 2004, their collaboration areas have increased in number and depth. The India-EU partnership on climate action and sustainability is one such collaboration and has spearheaded the United Nations' global sustainable production and consumption agenda, especially after the adoption of the "India-EU Strategic Partnership: A Roadmap to 2025".

Elevating their shared commitment toward resource efficiency and sustainable industrial production and consumption, India and the EU established the 'EU-India Environment Forum on Resource Efficiency and Circular Economy' in 2017, which was further followed by the signing of a Joint Declaration of Intent between the two partners in 2018 for the implementation of the 'EU's Resource Efficiency Initiative for India.

Over time, the partnership in resource efficiency has evolved to promote meaningful dialogue and involvement from all stakeholders, such as business leaders, political representatives, bureaucracy, academia, students, and research institutions.

Under the aegis of the joint declaration on resource efficiency and circular economy, three major cooperation areas were drawn, including sharing each other's best practices, joint research and development programs, and constant contact through meaningful dialogues and exchange of views. The EU-REI has further partnered up with the NITI Aayog, state pollution control boards, the Ministry of Mines, the Ministry of Electronics and Information Technology, etc, to focus on sectoral requirements and move toward achieving the S.D.G 2030.



S.D.G 2030

The EU-REI has further partnered up with the NITI Aayog, state pollution control boards, the Ministry of Mines, the Ministry of Electronics and Information Technology, etc, to focus on sectoral requirements and achieving the S.D.G 2030.

Some significant projects under the EU-REI include setting up India's first Waste Recycling Plant in Rajasthan and fostering sustainable fisheries practices in Goa by collecting discarded fishing nets & other environmentally hazardous practices. The EU-REI is involved in capacity development and awareness initiatives such as resource efficiency and circular economy workshops for youth and the circular revolution podcast to drive the agenda to change mass consumption patterns to sustainable ones.



Recommendations:

Shift to no-waste alternative fuel resources: Industrial sectors in India and EEC must shift to no-waste alternative fuels such as geothermal energy, nuclear energy etc. which could aid the circular economy.



Energy

Shift to no-waste alternative fuel resources: Industrial sectors in India and EEC must shift to no-waste alternative fuels such as geothermal energy, nuclear energy etc. which could aid the circular economy.



M.S.M.Es in India-EU Trade Relations: Frameworks & Opportunities

An initial cooperation agreement was established in 1994, and since 2004, both parties have been strategic partners. In 2022, India and the EU marked 60 years of bilateral diplomatic relations.

The trade relations between India and the European Union are at €124 billion. In the existing trade framework and engagements, M.S.M.Es remain an essential contributor to boosting trade relations with India and the E.U. with additional opportunities for reduced barriers and better access to markets for products from both primary and secondary sectors.

The growing trade and the demand for greater market access to provide both the M.S.M.Es from India and the EU access to each other's market will result in the exchange of goods from textile, leather, pharmaceuticals and I.T. services. Enhanced competitiveness with reduced import duties can make products competitive to bolster innovation and exchange of technologies, resulting in new opportunities for revised regulations and standards and promoting access to funding and resources.

India's manufacturing output is supported by M.S.M.E., making 45% of the sector's contributions. Therefore, foreign direct investments in this sector will enhance the technological prowess, reputation & efficiency of M.S.M.Es with higher employment benefits and yield.



Services

The growing trade and the demand for greater market access to provide both the M.S.M.Es from India and the EU access to each other's market will result in the exchange of goods from textile, leather, pharmaceuticals and I.T. services.

Under India's Union Budget of 2023, government attempted to establish INR 100 billion fund dedicated to technology and infrastructural development in the sector. The process aimed to provide financial assistance to M.S.M.E.s for technological adoption and modernised operations. Under such circumstances, reduced trade regulations will result in increased competition with opportunities for capacity building and quality improvements, leading to increased governmental support for bolstering export readiness and capabilities. The transformative opportunity will result in the mitigation of competition and partnerships to offset compliance and challenges of competition by investing in quality, strategic alignment and abiding by global regulations and standards.



Recommendations:

Collaboration on vocational education and training: India's untapped demographic dividend can fill the labour demand of EEC in the industrial sector. Since Europe houses state-of-the-art technologies required for vocational training and education, this can come to the benefit of both regions in terms of job creation through entrepreneurship.

PLI-based programmes for M.S.M.E.s: To give boost to efficiency of M.S.M.E.s, productivity-linked incentives can act as a catalyst which could facilitate healthy competition as well as broader operations.



Efficiency

PLI-based programmes for M.S.M.E.s: To give a boost to the efficiency of M.S.M.E.s, productivity-linked incentives can act as a catalyst which could facilitate healthy competition as well as broader operations.



Conclusion

With a young population & innovation drive, India aims to be a major global economic and tech hub and, together with the EU, it has been rising increasingly in the global panorama.

To sum up, India and the European Union have surely and steadily deepened their partnerships and connections in multiple sectors over the last few years, especially in the areas of sustainable energy, digital infrastructure, and industrial growth. Through the above mentioned agreements such as the EU-India Strategic Partnership: A Roadmap to 2025, the India-EU Clean Energy and Climate Partnership (CECP), the Connectivity Partnership and the EU-India Environment Forum, among others, India has proven itself to be a great ally to the EU and it has been growing rapidly over the course of the last decades, with a strong economy, advancing tech sector, and expanding infrastructure. Its commitment to tackling challenges like poverty, inequality and environmental concerns, while focusing on sustainability are truly noteworthy. With a young population and innovation drive, India aims to be a major global economic and tech hub and, together with the EU, it has been rising increasingly in the global panorama.

The European Union, on its part, which has been one of the biggest actors in the international framework for many years now, is trying to increase welfare and create new infrastructures and economic opportunities to better support the nationals of its Member States, in order to build a stronger Union and to reinforce its position in this multipolar world. Developing strong connections which encompass different areas and matters with other countries, such as India, are crucial steps to build a better future for every citizen of the world.

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Rising

With a young population and innovation drive, India aims to be a major global economic and tech hub and, together with the EU, it has been rising increasingly in the global panorama.

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At Strata

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The Geostrata, with a commitment to fostering a comprehensive understanding of global dynamics and thereby promoting a distinctly Indian take on world affairs, has structured its expertise into distinct pillars of creation. These pillars represent a synthesis of profound research, informed perspectives, and proactive engagement in each domain.

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