

## Cutting the Gordian knot? Assessing the outcomes of the March EU-India Summit

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### ***Circumventing old obstacles, creating new opportunities***

After a four-year suspension, the 13<sup>th</sup> EU-India Summit took place in Brussels on 30 March 2016. While several deep-rooted constraints could not be overcome, the Summit's deliverables reflect a gradually changing and cautiously optimistic mood in the historically challenging interaction between Brussels and Delhi.

On paper, the world's two largest democratic entities have been strategic partners since 2004. Two Joint Action Plans, in 2005 and 2008, defined goals for cooperation on the basis of common values and principles. However, reality has fallen short of ambitions and the strategic partnership has remained shallow due to political deadlock and diplomatic rows.

First, the case of the Italian marines who allegedly killed two Indian fishermen off the coasts of Kerala in 2012 prevented deepened EU-India relations. The ensuing dispute between Italy and India, particularly over which court enjoys jurisdiction on the case, severely affected EU-India relations, even contributing to the 2015 EU-India Summit being called off. At last week's Summit, both sides successfully managed to limit the spill-over effects of this poisonous *dossier*, thanks to the ongoing international arbitration under the United Nations Convention on the Law of the Sea (UNCLOS).

The second pressing obstacle is lack of progress in negotiating the Broad-Based Trade and Investment Agreement (BTIA). Already under negotiation since 2007, talks have stalled due to markedly different positions on trade liberalization and the needs and rights of an emerging economy like India. In a nutshell, Brussels demands lower tariff barriers and increased access to public procurement, as well as stronger protection of intellectual property rights in India. Delhi would like to see greater temporary mobility for its skilled professionals in Europe and urges the EU to grant its world-class IT companies 'data security' status, thereby improving business prospects with and within Europe.

The half a day-long Summit was not expected to solve these longstanding differences, and neither the timing nor the substance of the BTIA was addressed. Instead, both sides sought to create synergies by opening up new venues for cooperation.

### ***Politics at work: key drivers and main deliverables of the EU-India Summit***

Since Narendra Modi was elected Prime Minister in May 2014, India saw a significant boost in its diplomatic relations. Up until December 2015, Modi had visited 37 countries as part of his busy travel schedule, including France, Germany and the United Kingdom. The added value of engaging with Brussels is not obvious to many partners of the EU and this holds especially true for India. Why, then, was it suddenly possible to cut the 'Gordian knot' of EU-India relations and constructively engage at the 2016 Summit?

The answer probably lies in Modi's commitment to India's socio-economic advancement, and in the EU's well-equipped toolbox for supporting this goal. The Summit's key deliverables frequently established explicit links to Modi's emblematic domestic projects like 'Skill India', 'Clean India', 'Clean Ganges' and 'Make in India'. Not only does the EU have the means to support such initiatives, but is also eager to get a bigger piece of the cake of Indian economic development. Currently, India ranks very low in the "Ease of Doing Business Index" and European companies are frustrated by the amount of red tape encountered. It is therefore not surprising that the Summit's outcomes have been far more concrete where 'win-win' cooperation is more obvious, such as in improved investment climate, environmental protection, as well as sustainable and urban development.

EU-India cooperation in foreign policy still does not come naturally and is likely to evolve into a pragmatic game of reciprocity. Examples of this approach at last week's Summit were India's light support to the EU-backed Minsk Agreements on Ukraine, and the EU's sympathetic language *vis-à-vis* India's dismay for the new Nepalese Constitution. Potential for concrete cooperation can be seen in Afghanistan, given the Europe's longstanding engagement in India's neighbouring state, and in the re-integration of Iran in the international community, as the nuclear deal put an end to sanctions that India never supported. Tellingly, these parts of the deal remained vague and necessitate further elaboration. Likewise, India has not committed itself to discussing China's role in Asia with the EU, while there is no internal consensus in the EU *vis-à-vis* the Indian plea for a seat in the UN Security Council.

Concretely, last week's EU-India Summit generated no less than six policy documents with different thematic focus. The amount and quality of these deliverables clearly show that the EU and India went beyond the minimum effort to keep up the appearance of a strategic partnership.

Firstly, a "Joint Statement" provided a high-level endorsement of renewed engagement over a number of bilateral, regional and global issues and allowed a conciliatory and mutually face-saving language on the above-mentioned, difficult subjects.

Secondly, a number of Joint Declarations were issued to spur greater EU-India cooperation on counter-terrorism, climate change, water management, as well as migration and mobility.

Thirdly, the EU and India set up an "Agenda for Action 2020" sketching a roadmap to prioritise and further steer future cooperation in four main thematic areas: foreign policy, security and human rights cooperation, trade and investment/business and the economy, global issues/sectoral policy cooperation, and people-to-people contacts. The Agenda is arguably the most important outcome if the EU-India relationship is to live up to the ambitions of a truly strategic partnership.

#### ***After the March Summit: how to advance the EU-India strategic partnership?***

Overall, the EU-India Summit was a commendable exercise of political pragmatism and diplomatic skilfulness. While the meeting could not qualify as a fully-fledged strategic boost for EU-India relations, its workable deliverables certainly go beyond a merely tactical dimension and can make the bilateral partnership more meaningful and effective.

Proper implementation of the "Agenda 2020" will require concrete timeframes and deadlines and stronger political will to keep up the current momentum. Despite its impressive emergence in the past few years, India remains beset by various governance challenges and poor administrative capacities and retains a rather selective and sovereignty-centred stance in foreign and security policy. Tangible domestic reforms and stronger international responsibilities would clearly make a tremendous service to the country's global image, with direct benefits for EU-India relations.

If the EU wishes to be perceived as a competent foreign policy actor in the Asia-Pacific, Brussels should strive to make its added value as a collective 'deal-maker' much more evident to its Indian counterparts. This implies a less bureaucratized system of external relations and stronger coordination with, and increased recognition by, its own Member States, notably those most active in India.

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