

# Explained: India-EU strategic agenda

A document issued by the European Union earlier this month, outlines its agenda for ties with India. It is based on five pillars: economy, emerging tech, security, global connectivity, and people-to-people ties

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External Affairs Minister S Jaishankar with European Commission President Ursula von der Leyen in New Delhi this February. (X/@DrSJaishankar)

At a time when the United States, under President Donald Trump, is upending old and established global alignments, Europe is positioning itself as an all-weather friend of India, a predictable alternative to the unpredictability stemming from the White House.

The India-European Union (EU) leaders' summit, which will build on the European Commission President Ursula von der Leyen's visit to India earlier this year, is set to take place next February. In the six months leading up to it, the two sides will be meeting roughly once a week to discuss cooperation in a number of areas.

Earlier this month, the EU issued a document which outlines the strategic agenda for India-EU ties ahead of the summit. This vision, based on a commitment to mutual benefit, is based on five pillars.

### **Economy & trade**

The EU is India's largest trading partner; India is the EU's largest trading partner in the Global South. In 2024, bilateral trade in goods reached EUR 120 billion, an increase of nearly 90% over the last decade. Trade in services adds another EUR 60 billion.

Around 6,000 European companies operate in India. They directly employ 3 million people and support millions more jobs indirectly, making the EU one of India's top investors. EU foreign direct investment in India reached EUR 140 billion in 2023 — almost doubling in five years.

But there is more room for the relationship to grow. India accounts for less than 2.5% of the EU's trade in goods and services, and Indian investment in the EU totals only EUR 10 billion.

The EU says that a free trade agreement (FTA) substantially reducing tariff and non-tariff barriers would unlock major trade and investment flows. Both sides aim to conclude negotiations by the end of 2025.

The EU and India are also working towards concluding an investment protection agreement (IPA), a bilateral macroeconomic dialogue, an agreement on Geographical Indications, and a comprehensive air transport agreement.

### **Global connectivity**

The EU's Global Gateway mobilises EUR 300 billion globally to support energy, digital and transport infrastructure, while India boasts initiatives such as MAHASAGAR (Mutual and Holistic Advancement for Security and Growth). In 2021, the two partners concluded the EU-India Connectivity Partnership.

Leveraging these platforms, both partners are well-positioned to cooperate on strengthening connectivity between Europe, India, and the broader region, unlocking new commercial opportunities for European and Indian businesses alike.

A flagship example of this strategic collaboration is the India-Middle East-Europe Economic Corridor (IMEC). This project seeks to revive historical Eurasian trade routes by integrating maritime, rail, digital, energy, and clean hydrogen infrastructure.

In the framework of IMEC, the EU is advancing the EU-Africa-India Digital Corridor, including the 11,700 km Blue Raman submarine cable system connecting Europe to India via the Mediterranean, the Middle East and Eastern Africa. This initiative will provide ultrahigh-speed, secure, and diversified data connectivity resilient to disruptions caused by natural disasters or acts of sabotage.

Additionally, the EU and India are collaborating to develop Green Shipping Corridors, which will strengthen sustainable maritime connectivity and reduce dependency on carbon-intensive routes.

### Emerging technologies

The EU brings world-class research and digital infrastructure, a strong industry, robust regulation, and expertise in green and digital technologies. India, on the other hand, offers a skilled workforce, vast datasets, a growing digital economy and electronics sector, a vibrant startup ecosystem, and expertise in frugal innovation. Cooperation on critical emerging technologies will bring tangible benefits to both.

The EU proposes setting up a number of EU-India Innovation Hubs: dedicated platforms on key technologies, bringing together policymakers, industry leaders, startups, investors, and experts to identify shared priorities and catalyse innovation.

It also proposes an EU-India Startup Partnership, in collaboration with the European Innovation Council, Start-up India, and member countries.

Cooperation will focus on strategic AI domains, including large language models, multilingual natural language processing datasets, AI training datasets, and AI solutions for public goods such as healthcare, agriculture, and climate action.

The EU and India are working towards robust measures to prevent the unauthorised transfer or misuse of sensitive technologies, ensuring their responsible utilisation in support of global stability, democratic values, and strategic autonomy.

With the Euratom-India agreement for research and development cooperation, both partners will also promote collaboration on the peaceful uses of nuclear energy, covering nuclear

reactor safety,radioactive waste management, nuclear security, and nuclear fusion, among other things.

## Security & defence

The EU-India security and defence cooperation has recently gained momentum through the Strategic Dialogue on Foreign and Security Policy launched in June 2025. Regular thematic dialogues between India and the EU address themes of maritime security, cybersecurity, counterterrorism, and non proliferation. The creation of an EU-India Security and Defence Partnership is now being explored.

The two sides are also launching negotiations on a Security of Information Agreement that will facilitate the exchange of classified information, and stronger cooperation in security matters.

The EU's increasing strategic engagement in the Indo-Pacific — especially its support for regional partners in comprehensive security areas — aligns closely with India's role as a key pillar of regional stability. The EU will also seek to conclude arrangements between the EU Naval Force and the Indian Navy to facilitate greater information sharing and cooperation in the western Indian Ocean.

The EU and India are working towards combating terror, terror financing, online propaganda, and the security risks posed by emerging technologies. The EU is committed to further strengthening counterterrorism cooperation through capacity-building efforts, joint projects, and law-enforcement partnerships. This cooperation could be extended to cover the drug trafficking.

Increased cooperation between the EU's and India's defence industries can help strengthen respective production and technological capabilities, bolster the security of supply chains, and stimulate innovation and competitiveness. The EU's expertise in defence research, development, and manufacturing can help India strengthen its defence industrial base and diversify reliable supply chains.

An industry-led EU-India Defence Industry Forum, which will bring together businesses from both sides, share best practices, and identify opportunities for cooperation, could be set up.

## People-to-people ties

In 2023, 825,000 Indian citizens lived in the EU, the largest group receiving EU Blue Cards and intra-corporate transfer permits. Travel has become easier, with nearly one million Schengen visas issued in India in 2024, many as multiple-entry short-stay visas.

Both partners aim to manage migration sensibly: tackling illegal flows while supporting balanced talent mobility that serves India's development priorities and the EU's economic needs.

They are also looking towards expanding exchanges of students, academics and researchers through initiatives like the Union of Skills, Erasmus. Indians already make up a significant proportion of international students in the world; the effort is to make European education more attractive to top talent. (This is particularly relevant amid Trump's attacks on American universities and research institutions).

Closer cooperation is needed to facilitate recognition of qualifications and learning periods abroad. This will support systemic collaboration in higher and vocational education, enabling joint programmes, satellite campuses, and language training in India.



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