



India and the World

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Can the EU and India create predictability in uncertain times?

In recent years, the India file has been studied with increased care and attention in the cabinets of the EU Commission in Brussels. Similarly, the EU file is rapidly climbing the priority list in the South Block on Raisina Hill in New Delhi. Now, the EU and India, two of the world's largest economies, have taken significant steps in expanding the relationship, and to move it beyond short-term summitry towards long-term partnership. The conclusion of negotiations of a Free Trade Agreement (FTA) after more than two decades is such a step, though not the only one.

The economic and geopolitical orientation of both India and Europe tends towards stability and rules-based trade. In the broader context of the 2020s, this has strengthened the two polities' structural alignment. The invasion of Ukraine, the wholesale restructuring of U.S. foreign policy under president Donald Trump, and China's display of its capacity to control supply chains and critical resources only accelerated an existing trend. Given the current turbulence in global governance, India-EU ties – steadily deepening through negotiated agreements – creates an axis of stability, and serves as an influential example of rules-based cooperation that centres compromise and mutual benefit rather than coercion. There is currently a shared understanding on the political level between the EU and India that diverging viewpoints – on, for example, relations with Russia – will persist, but can be managed in constructive ways.

The first months of this year continued the political commitment to deepening ties displayed during 2025. India's External Affairs Minister S. Jaishankar met with his counterparts in the Weimar grouping of Germany, France and Poland on January 7, and Chancellor Friedrich Merz of Germany visited Delhi January 12-13. Frank conversations between Jaishankar and Poland's Foreign Minister Sikorski then followed in Delhi on January 19. Now President of the European Commission Ursula von der Leyen, and President of the European Council António Costa have attended India's Republic Day as chief guests, and the 16th EU-India

Summit followed on January 27, with Prime Minister Modi, von der Leyen and Costa, as well as High Representative for Foreign Affairs and Security Policy Kallas and Trade Commissioner Šefcovic, in attendance. Less than a month after the summit, the President of France, Emmanuel Macron, will co-host the AI Impact Summit in New Delhi on February 19-20.

During the 16th EU-India summit a Comprehensive Joint Strategic Agenda or roadmap for cooperation till 2030 including a raft of shared commitments was adopted. The Strategic Agenda follows on the main themes and structure of the EU Joint Communication on India, published in September last year, focusing on economic cooperation and sustainability, technology and innovation, connectivity, and security and defence. Deeper interlinkages between the EU and India in future-oriented economic, technological and security domains will enhance the integration of two economic geographies that possess complementary strengths.

In connection, and more significantly, the conclusion of FTA negotiations has been announced. This likely means that the parties are in agreement in principle, with some issues remaining to iron out. Most contentious agricultural sectors appear to have been left out of the agreement. Judging by the few details currently available, India's negotiators have gone considerably further in meeting European demands than was earlier thought possible.

For example, a commitment to re-examine the nature and timeline of contentious quality control orders has been conceded by New Delhi. Sectors that, from the Indian viewpoint, are deeply controversial – including processed food and lamb – will be opened to European producers. It does not appear that the EU has conceded to Indian demands to water down its carbon border adjustment mechanism. New Delhi has also partially opened its market for high-end cars, but the magnitude of this concession is yet to be analysed. The EU has also won Indian agreement to provisions of some plurilateral and multilateral agreements New Delhi previously refused to ratify, including some on e-commerce.

The tone and structure of EU communication on this subject suggests that negotiations were continuing until the very last minute, and it is not unlikely that finalising the details will be as tough a process as anything undertaken so far. New Delhi will have noted the difficulties associated with implementing the EU's agreement with Mercosur, and that has perhaps made it more willing to listen to Brussels' concerns about the political defensibility of any deal.

Eventually, the FTA will be a compromise between two different approaches to trade agreements -- it will be more shallow than traditional agreements of the EU, but more comprehensive than any other deal India has ever signed. Additional discussions on outstanding issues, translation and legal scrubbing will then follow, before the parliamentary ratification takes place.

As an adjunct to the FTA, it was announced that negotiations on a Comprehensive Framework on Mobility have been finalised. Mobility of professionals is an increasingly important issue for both the EU and India, and there is a window of opportunity for both parties as Canada, U.S. UK and Australia are all becoming more restrictive of Indian migration. Obviously, international migration continues to be a fraught issue in EU Member States as well, and particular attention has been paid in negotiations to safeguard against irregular migration. A new mobility framework is expected to make it easier for Indian students, researchers, and highly skilled professionals to live and work in EU Member States, with more predictable visa and residence arrangements. New Delhi has in the past demonstrated its willingness to cooperate with Western capitals in receiving its nationals who have overstayed visas or otherwise broken immigration laws.

A Security and Defence Partnership was signed during the summit. Although defence industry cooperation features in the outline of the partnership, it places more emphasis on some already established areas of shared interest like maritime, cyber security and counter terrorism, and space. Interestingly negotiations on a Security of Information Agreement are said to be commencing, which would be allowing for exchange of classified information. While scepticism regarding India's close defence and security ties with Russia persists in strategic communities across Europe, the idea of cooperating where possible, if with clear guardrails, is gaining ground in European systems.

The political will shown by Brussels and capitals of Member States, as well as in New Delhi, to move this partnership forward, indicates not only that all sides are willing to invest in it, but that they have identified influential constituencies at home that could share the burden of carrying the torch for this partnership, as the thorny implementation phase eventually kicks in.



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