

## EUROPE, INDIA AND THE INDO-PACIFIC: AN ANALYSIS OF THE EU STRATEGY FOR COOPERATION IN THE INDO-PACIFIC AND THE GLOBAL GATEWAY INITIATIVE

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This Concept Paper has been prepared within the framework of the I Spain-India Dialogue on the **EU Strategy for Cooperation in the Indo-Pacific and the Global Gateway initiative** held in the headquarters of Fundación Ramón Areces, Madrid, on March 21<sup>st</sup>, 2023, in collaboration with Casa Asia. The first Spain-India Dialogue of the Spain-India Observatory's 2023 Programme was addressed by keynote speeches from the representatives of the European External Action Service **HE Richard Tibbels, EU Special Envoy for the Indo-Pacific**, and **Mr. David Ringrose, Head of Division, Connectivity and Digital Transition**. This introductory document presents the relevant elements surrounding the relationship between India and the EU, the key features of the EU Strategy and those guidelines from the Member States for the region, the scope of Global Gateway and the main pathways offered for the Indo-Spanish partnership. This Concept Paper does not intend to be exhaustive but to be accessible for all readers, as well as to provide a snapshot of the EU Strategy for Cooperation in the Indo-Pacific and the Global Gateway initiative.

\* The views and analysis expressed in this Concept Paper are those of the authors exclusively. This concept paper does not reflect any opinion or endorsement by the Spain-India Council Foundation. Original version in English.

## Intro: The role of India in Europe's future

### EU-India convergence to achieve their strategic priorities

Security and geoeconomic issues in the Indo-pacific and Europe are increasingly interrelated, where India and the European Union play respectively **central and stabilizing roles**.<sup>1</sup> In the emerging global architecture built to face the changing balance of power and the crucial transition from efficient to resilient supply chains, India and the European Union have acknowledged themselves as committed partners in **fostering a peaceful and rules-based Indo-Pacific while also attempting to rebalance their dependence** on the US and China. Both actors seek a renewed partnership with the US to face common security challenges without compromising their strategic autonomy. India and the EU's rising awareness of the China challenge have pushed them to pursue alternatives to their geoeconomic dependence on Beijing, following at the same time a non-confrontational approach and targeted cooperation with China in strategic areas. In this multipolar world that tends towards bipolarity, **the strategic priorities of the EU and India are more aligned than ever**, aiming to promote security, connectivity and growth both in Europe and the Indo-Pacific.

### All economic roads lead to an Indo-European partnership

EU and India are global economic powers very diverse in their internal features but complementary in their strengths and weaknesses (see Figure 1). In the Indo-European economic relations, **resilience, digitalization and competitiveness are more relevant than ever**, particularly when the central role that China has played in securing an efficient global supply chain has been challenged due to the recent disruptions. **India now has a pivotal role in providing an alternative to reduce the dependence on China**, as international companies and their suppliers are steadily relocating their manufacturing from China to India despite the number of challenges behind it. Europe needs India as a strategic partner to promote this diversification, and digitalization is rising as a key tool to smooth out this transition

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<sup>1</sup> See the documents prepared by the Spain-India Observatory (SIOb) on the occasion of Professor Raja Mohan's visit to Madrid to launch the SIOb and its 2023 programme. Available at: [http://www.spain-india.org/en/observatory\\_article/introduction\\_to\\_the\\_theme\\_year\\_on\\_the\\_indo\\_pacific\\_professor\\_raja\\_mohan](http://www.spain-india.org/en/observatory_article/introduction_to_the_theme_year_on_the_indo_pacific_professor_raja_mohan)

towards resilient supply chains. India's goal to becoming a technology-based manufacturing hub, including its transformation into a greater semiconductor player, requires the participation of European technology. Nonetheless, European innovation is key to improve India's competitiveness, which in turn is essential to offer an alternative to China's efficiency. Europe's commitment with a sustainable supply chain cannot be encouraged without the most populous country in the world and its increasing energy demands. Despite India's reluctance to commit itself in the United Nations Climate Change conferences, **Indian efforts to provide affordable sustainable energy** —while other South Asian countries are going back to coal— make India a key player in climate change solutions. India and the European Union, both interlinked in the fostering of a resilient supply chain to face current geoeconomic challenges, are destined to be key economic and technological partners.

2021 INDICATORS	EU	INDIA
<b>POPULATION, millions</b>	447	1,410
<b>POPULATION AGES 0-14, millions</b>	67	362
<b>LABOUR FORCE, millions</b>	217	477
<b>POPULATION GROWTH</b>	-0.1 %	0.8 %
<b>GDP NOMINAL, trillion \$</b>	17.2	3.2
<b>GDP PPP, trillion \$</b>	21.7	10.2
<b>GDP PER CAPITA, \$</b>	38,411	2,257
<b>EXPORTS OF GOODS AND SERVICES, billion \$</b>	8,650	680
<b>HIGH-TECHNOLOGY EXPORTS, billion \$</b>	701	27

**Figure 1: India and the European Union in comparative figures**

Source: World Bank

### **Strategic partnership with the lack of a trade agreement**

Europe and India signed a strategic partnership in 2005, which was strengthened in 2020 with the endorsement of the ***EU-India Strategic Partnership: A Roadmap to 2025*** in the 15th European Union-India Summit. This five-year guide for joint actions stated 118 points with no financial commitments that gathers recurrent bilateral goals, the boost of current instruments and programmes, and new areas of cooperation to be explored, by targeting fields of common concern such as climate change, security, fair trade, human rights, research or innovation. The Indo-European Roadmap has been reinforced in 2021 with the ***EU and India Connectivity Partnership***, for a comprehensive collaboration on supporting resilient and sustainable connectivity both in India and in third countries and regions, and with the recent launch of the *Trade and Technology Council (TTC)* as a bilateral forum to boost their respective strategic autonomies, technology-based cooperation and trade dialogue, the second TTC launched by the EU after the EU-US in 2021. Despite the EU being India's third largest trading partner while India is the 10<sup>th</sup> one of the EU, which shows a clear unfulfilled potential considering India's global economic weight (see Figure 2), mentions to trade and investment agreements were not particularly ambitious in the 2020 Roadmap apart from a commitment to work on a "balanced, ambitious and mutually beneficial" ones. After a 9-year gap, in June 2022 the European Union and India **relaunched negotiations for a Free Trade Agreement** and initiated separate negotiations for an Investment Protection Agreement and an Agreement on Geographical Indications. This new constructive bilateral environment and the belief that no resilient supply chain can be fostered among like-minded without trade agreements, might pave the way for a favourable scenario in comparison to the unfruitful negotiations of the last decades.

<b>INDIA'S LARGEST TRADING PARTNERS (% OF TOTAL TRADE), 2021</b>			<b>EU'S LARGEST TRADING PARTNERS (% OF TOTAL TRADE IN GOODS), 2021</b>		
<b>1</b>	<b>USA</b>	11.6 %	<b>1</b>	<b>CHINA</b>	16.2 %
<b>2</b>	<b>CHINA</b>	11.4 %	<b>2</b>	<b>USA</b>	14.7 %

<b>3</b>	<b>EU</b>	<b>10.8 %</b>	<b>3</b>	<b>UK</b>	<b>10 %</b>
			<b>10</b>	<b>INDIA</b>	<b>2.1 %</b>

<b>EU-INDIA TRADE, 2021</b>		<b>EU-INDIA INVESTMENT, 2020</b>	
<b>TRADE IN GOODS, billion \$</b>	87.9	<b>FOREIGN DIRECT INVESTMENT, billion \$</b>	93.9
<b>INDIAN GOODS EXPORTS TO THE EU, billion \$</b>	46.1	<b>INDIAN FOREIGN INVESTMENT STOCK IN THE EU, billion \$</b>	6.6
<b>EU GOODS EXPORTS TO INDIA, billion \$</b>	41.8	<b>EU FOREIGN INVESTMENT STOCK IN INDIA, billion \$</b>	87.3
<b>TRADE IN SERVICES, billion \$</b>	36.6		
<b>INDIAN SERVICE EXPORTS TO THE EU, billion \$</b>	18.5		
<b>EU SERVICE EXPORTS TO INDIA, billion \$</b>	18.1		

**Figure 2: EU-India bilateral trade and investments**

Source: European Commission

## 1. The EU Strategy for Cooperation in the Indo-Pacific: EU's vision and proposed actions in the region

### Europe's full awareness of the strategic relevance of the Indo-Pacific

In September 2021, the EU Strategy for Cooperation in the Indo-Pacific was submitted to the European Parliament and the Council of the European Union in a joint communication by the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy, following the mandate given by the Council conclusions in April 2021. This document reflects the **EU's awareness of the centrality of the Indo-Pacific in global security and prosperity**, and the necessity to increase its engagement with the region. The EU acknowledges the geostrategic and geoeconomic importance of the Indo-Pacific, the position of the Indian Ocean and the adjacent major waterways as the gateway of Europe to the region, and the intense competition and strategic tensions surrounding it, including the military build-up, that requires the reinforcement of a principled and long-term EU involvement. The Indo-Pacific and the EU are considered as **natural-partner for trade and investment**, two regions that together account for 70% of the global trade in goods and services and over 60% of FDI flows (European Commission, 2021). Furthermore, the EU presents itself as a key and reliable partner for the region in the promotion of a rules-based international order, SDGs, multilateral cooperation or the fight against climate change. The consolidation of a strong network of **partnerships with regional organizations** —giving a central place to ASEAN— and key coalitions —on issues of common interest— is in the core of the EU strategy.

### Priority areas to strengthen the engagement with the region

The EU Strategy, launched in the context of the COVID-19 pandemic, **focuses on seven priority areas** that foster a sustainable and inclusive socio-economic post-pandemic recovery (see Figure 3). If geopolitical and geostrategic lenses are used to analyse those fields of actions, **connectivity would appear to be key in the EU Strategy** and the fostering of resilient and diversified supply chains as a core dimension of it. The EU Strategy identifies different targets to achieve a stronger connectivity between both regions including the enhancement of trade, investment and digital agreements, the maintenance of maritime security and freedom of

navigation, or the promotion of green and digital alliances. In its aim to cover all dimensions of connectivity with Indo-Pacific partners, these main actions could be regrouped under **three cross-sectional approaches: sustainable, maritime and digital governances**. Many of the financial instruments are designed to confront climate change through sustainable transportation, smart mobility or clean energy transition. The EU, which positions itself as a global maritime security provider, fosters partnerships with the region in security governance, sustainable management of fisheries or maritime capacity-building. Research and innovation are recognized as key tools, beyond human security, for the digital transformation to promote sustainable innovation, enhance technology-based supply chains and face cybersecurity threats.

PRIORITY AREAS	COLLABORATION GOALS
<b>SUSTAINABLE AND INCLUSIVE PROSPERITY</b>	Reinforce value chains, strengthen and diversify trade relations, implement existing trade agreements, finalise ongoing trade negotiations, develop cooperation in strategic sectors, and strengthen rules to protect international trade against unfair practices.
<b>GREEN TRANSITION</b>	Fight, mitigate and adapt to climate change, and counter biodiversity loss, pollution and other forms of environmental degradation.
<b>OCEAN GOVERNANCE</b>	Strengthen ocean governance in the region in full compliance with international law, in particular UNCLOS, fight against IUU fishing, and implement Sustainable Fisheries Partnership Agreements.
<b>DIGITAL GOVERNANCE AND PARTNERSHIPS</b>	Expand the network of digital partnerships, explore potential new Digital Partnership Agreements, and strengthen cooperation on research and innovation under the 'Horizon Europe' programme.

<p><b>DIGITAL CONNECTIVITY</b></p>	<p>Address the digital divide and further integration into the global digital ecosystem, establish a good regulatory environment, and facilitate funding to improve connectivity on the ground between Europe and the Indo-Pacific.</p>
<p><b>SECURITY AND DEFENCE</b></p>	<p>Promote an open and rules-based regional security architecture, explore ways to ensure enhanced naval deployments by Member States in the region, and support and facilitate capacity-building to ensure maritime security and tackle cybercrime.</p>
<p><b>HUMAN SECURITY</b></p>	<p>Support healthcare systems and pandemic preparedness for the least developed countries, and reinforce the EU's disaster risk reduction and preparedness engagement.</p>

**Figure 3: Priority areas of the EU Strategy for Cooperation in the Indo-Pacific including collaboration goals**

Source: European Union External Action

### **Key initiatives and financial instruments to move to action**

The EU Strategy for Cooperation in the Indo-Pacific identifies several tools for implementing this regional agenda. **Existing bilateral, regional and multilateral dialogues** will continue to be mainstream within the EU Strategy. The EU targets a better engagement with regional partners to pursue rules, standards and regulations that are in line with the EU values and principles and with an rules-based international order. **The reinforcement of agreement and alliances** are specifically highlighted to boost the EU's network of partnerships. Among the actions proposed, the relaunching and completing of trade negotiations and *Partnership and Cooperation Agreements (PCA)*, the expansion of green and ocean governance alliances, or the strengthening of digital and connectivity partnerships are especially emphasised. The joint declaration states that **the Strategy will be financed through different initiatives** including the *Neighbourhood, Development and International Cooperation Instrument – Global Europe*, whose investment framework for external action is composed of the *External Action Guarantee and the*



*European Fund for Sustainable Development (EFSD+)*, the latter being the main financial tool to mobilise investments under the *Global Gateway* (see Section 3), complemented by other financial instruments such as the *Connecting Europe Facility* (CEF) for energy infrastructure. Furthermore, research, innovation and university programmes will be funded through *Horizon Europe* and *Erasmus+* (see Figure 4).

<b>MAIN EU GLOBAL FUNDING AND COOPERATION PROGRAMMES</b>	<b>BUDGET 2021-2027, in billion \$</b>
<b>Horizon Europe</b>	95.5
<b>Global Europe: Neighbourhood, Development and International Cooperation Instrument</b>	80.6
<b>Erasmus+</b>	26.5
<b>Connecting Europe Facility</b>	20.7
<b>Humanitarian Aid Programme</b>	11.6
<b>InvestEU</b>	10.3

**Figure 4: Main EU global funding and cooperation programmes and the budgets involved**

Source: European Commission

## 2. The network of European strategies and guidelines for the Indo-Pacific: Participation in the region within and beyond the EU Strategy

### Similarities and differences in models, definitions and approaches

Germany, France, the Netherlands and the Czech Republic are the only EU Member States that have published so far specific guidelines on their participation in the Indo-Pacific. The **diversity of approaches of cooperation within the Indo-Pacific** varies from the ambitious French strategy with a deep geopolitical and security understanding —that presents itself as an actor that aims to play a stabilizing role with significant interests in the region as an ‘Island State’— to the Czech strategy based on principles and goals, or the targeted German policy guidelines with a comprehensive mapping of policy fields. Although the Dutch guidelines are the ones focusing the most on the partnership with the European Union, all these strategies and guidelines consider themselves part of a common European vision of the Indo-Pacific. The **concept of the Indo-Pacific in the European strategies comprises the maritime continuum of both oceans** along with the consideration of the Asia-Pacific countries as the regional players (see Figure 5). However, France is the European country that most closely resembles the EU’s and India’s geographic conception of the Indo-Pacific, as it is the only EU Member State that expressly considers the Eastern shore of Africa and the Middle East as part of the region<sup>2</sup>. Interestingly and although France considers China as a core part of the Indo-Pacific, Paris excludes it from the Indo-Pacific economic figures. There are **fair similarities among all European strategies and guidelines in terms of values and fields of action**. In line with the EU strategy and with the final goal of promoting a rules-based Indo-Pacific, multilateralism, regional partnerships, and peace and security are common values and principles in all of them. At the same time, all the documents approach priority areas where common interests with like-minded regional partners are shared, including connectivity, sustainability, free trade, digital transformation or education and science.

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<sup>2</sup> In the Concept Paper prepared by the Spain-India Observatory on the occasion of Professor Raja Mohan’s visit to Spain, the interpretative differences of the concept of the Indo-Pacific were analysed, from the broader geographical Indo-Pacific, which is a spatial vision shared by the EU, India and France, to a more focused, pivotal Indo-Pacific, which is the common approach by the remaining EU countries that have formulated a strategy for the region. Available at: [http://www.spain-india.org/files/documentos/Concept\\_Paper-Ingles.pdf](http://www.spain-india.org/files/documentos/Concept_Paper-Ingles.pdf)

WHAT IS THE INDO-PACIFIC FOR EUROPE?	
<b>EUROPEAN UNION</b>	A vast region spanning from the east coast of Africa to the Pacific Island States.
<b>CZECH REPUBLIC</b>	Territory bounded by the Indian Ocean and the Pacific. The Indo-Pacific comprises 40 countries from Eastern, Southern and Southeast Asia, and Oceania and Pacific States.
<b>FRANCE</b>	A region extending from the eastern shores of Africa to the Pacific.
<b>GERMANY</b>	The entire region characterised by the Indian Ocean and the Pacific.
<b>NETHERLANDS</b>	A region that extends from Pakistan to the islands of the Pacific. The region encompasses the countries around the Indian and Pacific Oceans, including the South China and East China Seas.

**Figure 5: The concept of the Indo-Pacific in the European strategies and guidelines**

Source: Policy Guidelines for the Indo-Pacific, Federal Government of Germany; The Czech Republic's Strategy for Cooperation with The Indo-Pacific; France's Indo-Pacific Strategy; The EU strategy for cooperation in the Indo-Pacific; Indo-Pacific: Guidelines for strengthening Dutch and EU cooperation with partners in Asia, Government of the Netherlands.

### **The position of India and China within the European strategies**

The EU Strategy considers **India as a core Indo-Pacific partner** in the connectivity field —together with Japan—, and also includes specific mentions on the need for

partnership with the South Asian player on regulatory, trade or security cooperation. While the Czech Republic and France also regard India as a strategic partner—in the case of France, it even maps different areas of bilateral cooperation within the Indo-Pacific—the Netherlands and Germany acknowledge the necessity to work closely with India as an Indo-Pacific power in different fields, including multilateralism, trade or climate change. The definition of **India as a like-minded country** in the region within the European strategies is implied but not stated except in the case of the Netherlands. The EU Strategy fosters partnerships with like-minded players in different fields of common interest, where India is also recognized as a priority actor. Regarding China, it suggests a **multifaceted engagement from a non-confrontational approach**, acknowledging disagreements and stating at the same time that the EU will continue to pursue its interests and values. France focuses on the role of China in the changing balance of power in the Indo-Pacific without targeting any specific field of partnership, and the Netherlands and the Czech Republic express their concerns on China's regional role in terms of defence and security. Furthermore, Germany supports the EU's efforts to negotiate a comprehensive and ambitious investment agreement with China with special interest on applying the same rules to all parties, reducing obstacles to market access, providing protection against the forced transfer of technology and effectively safeguarding intellectual property.

### **Shared features and complementarities with the strategies of non-EU actors**

Along with the European ones, further strategies have also emerged in recent years from regional, pan-regional and extra-regional actors that are aligned with the idea of a free, open, peaceful and prosperous Indo-Pacific (see Figure 6). India is considered a priority actor in those guidelines, including the **US strategy that gives specific support to the continued rise of India's regional leadership** and considers it among its closest friends. Moreover, the US recognizes India as a like-minded partner, a leader in South Asia and the Indian Ocean, a driving force of the Quad, an engine for regional growth and development, and a key contributor to a free and open Indo-Pacific. **China is generally the great absentee in these guidelines although the elephant or "dragon" in the room at the same time.** The Republic of Korea's strategy, that acknowledges China as a key partner for achieving prosperity and peace in the region, fosters a sounder and more mature relationship with China based on mutual respect and reciprocity, and guided by international

norms and rules. These strategies also offer new prisms to look at the region from different geographical and social perspectives. **Canada's strategy contributes with a Northern Pacific vision on the importance of the Arctic.** Canada, that presents itself as an Arctic power, highlights the importance of the Arctic sovereignty and the rules-based international order on Arctic and polar affairs. The Arctic is indeed a key complementary region for the Indo-Pacific in terms of connectivity and natural resources. Furthermore, Canada's strategy gives a special prominence to civil society, where none of the other strategies has put the focus on.

<b>TIMELINE OF THE INDO-PACIFIC GUIDELINES</b>	
<b>August 2007</b>	'Confluence of the Two Seas', speech by the Japanese PM Shinzo Abe at the Indian Parliament
<b>May 2013</b>	Australia becomes the first country to define the Indo-Pacific as an area of strategic interest in its 2013 Defence White Paper
<b>August 2016</b>	PM Shinzo Abe unveils Japan's Free and Open Indo-Pacific Strategy
<b>May 2018</b>	France adopts an Indo-Pacific Strategy
<b>June 2019</b>	ASEAN presents the ASEAN Outlook on the Indo-Pacific
<b>November 2019</b>	PM Narendra Modi launches India's Indo-Pacific Oceans Initiative
<b>November 2019</b>	The Trump Administration releases 'A Free and Open Indo-Pacific' strategy
<b>September 2020</b>	Germany adopts guidelines for the Indo-Pacific
<b>November 2020</b>	The Netherlands releases an Indo-Pacific Strategy
<b>September 2021</b>	The European Commission and the High Representative of the Union for Foreign Affairs and Security Policy present a Joint Communication on

	the EU's Strategy for Cooperation in the Indo-Pacific
<b>February 2022</b>	France updates its Indo-Pacific Strategy Release of the Indo-Pacific Strategy of the Biden Administration
<b>October 2022</b>	Czech Republic releases its Indo-Pacific Strategy
<b>November 2022</b>	Canada launches an Indo-Pacific strategy
<b>December 2022</b>	South Korea releases its Indo-Pacific Strategy

**Figure 6: Timeline of the Indo-Pacific strategies**

Source: Own elaboration

### 3. Global Gateway: the key EU's investment vehicle for boosting its global presence

#### **Fostering EU's global influence, impact and visibility for achieving a stronger geopolitical role**

Global Gateway was presented in December 2021 through a joint communication by the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy. It starts with an ambitious call on the ability of democratic values to address today's global challenges. This **new branding for the EU's global presence** is very much linked to the influence of EU's values and principles in the promotion of common interests with actors of the Global South. Global Gateway offers a values-driven investment support for partner countries to meet their infrastructure development needs while adhering to EU principles, not only upholding democratic and human rights standards but also fostering transparency, accountability or financial sustainability. Since the Global Gateway is part of a **connectivity strategy that puts the EU in the lead of global sustainable infrastructure development**, it has also been seen as the European alternative to the Belt and Road Initiative. Notwithstanding the offer on major investments in infrastructure development to its global partners, the climate-neutral strategy behind Global Gateway differentiates by promoting a more resilient global economy and supply chains. Global Gateway also plays a key role in **boosting the visibility of the EU worldwide** through strategic communication. Altogether, the Global Gateway could be considered part of a comprehensive strategy to enhance Europe's strategic autonomy by strengthening its role in the world. Thus, the EU is turning itself into a geopolitical actor by reshaping its global financial presence.

#### **The scope of its priorities, budget and delivery model**

Global Gateway channels the **EU investments to close the global gap on physical infrastructure** —strengthening digital, transport and energy networks— while enabling the right environment to promote those projects —fostering business-friendly trading conditions, regulatory convergence, standardisation or supply chain integration—. Consequently, Global Gateway targets sustainable, smart, resilient, inclusive and safe transport networks; clean energy transition; digital transformation in line with European values and standards; health cooperation; and

research and education. To make that possible, up to €300 billion will be available until 2027 through **the European Fund for Sustainable Development+ (EFSD+)** — the financial arm of NDICI-Global Europe—, the European financial and investment institutions and the direct funding from the EU budget (see Figure 7). Global Gateway, that seeks to mobilise the private sector, would be delivered through a **Team Europe approach**, which brings together the EU and EU Member States along with their financial and development institutions —including the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD)—. Institutionally, a Global Gateway Board has been established to provide strategic guidance and a Global Gateway Forum will be organised periodically with main stakeholders.

GLOBAL GATEWAY	
<b>EUROPEAN FUND FOR SUSTAINABLE DEVELOPMENT PLUS (EFSD+)</b>	Up to €135 billion
<b>EUROPEAN FINANCIAL AND INVESTMENT INSTITUTIONS</b>	€145 billion
<b>EU EXTERNAL ASSISTANCE PROGRAMMES</b>	Up to €18 billion
<b>TOTAL BUDGET</b>	Up to €300 billion

**Figure 7: Global Gateway in numbers**

Source: European Commission

### Global Gateway in the Indo-Pacific region and in India

Global Gateway and the EU Strategy for Cooperation in the Indo-Pacific practically **coincide in their priorities and target fields of action**, since both are focused on enhancing sustainable and resilient digital, transport and energy connectivity. Global Gateway is indeed the main financial tool for the promotion of the EU Strategy



in the Indo-Pacific whilst the EU Strategy offers strategic policy guidelines to Global Gateway in the Indo-Pacific. **Asia-Pacific is not only one of the target regions in Global Gateway, but it also triggers a specific connectivity model**, given that Global Gateway builds on the achievements of the *2018 EU-Asia Connectivity Strategy* that has successfully concluded Connectivity Partnerships with India and Japan. Within the *Regional Multiannual Indicative Programme (RMIP) for Asia and the Pacific 2021-2027*, the multiannual action plan in favour of the Asia-Pacific region for 2022-2023 gathers several action plans that are regionally or bilaterally conceived. In the case of India, along with a couple of bilateral action documents for Climate, Energy, Trade and Innovation Support and for Strategic Communication that are aligned with the Global Gateway, there is a specific one for Global Gateway. ***The Action Document for Global Gateway: India*** provides an opportunity for the EU to bring together under one umbrella bilateral relations with India in different fields —including digitalization, resilient infrastructure, just energy transition, sustainable urbanisation, resource efficiency and circular economy, water and mobility— with an earmarked budget up to €22.5 million (see Figure 8). This Action Document could be useful to identify the target fields for upcoming landmark projects in India still to be brought forward.

<b>FIELDS OF ACTION</b>	<b>BUDGET 2022-23 (in million €)</b>
<b>Coalition of Disaster Resilient Infrastructure's (CDRI) – Infrastructure for Resilient Island States (IRIS) initiative</b>	5
<b>Just Energy Transition Partnership</b>	5
<b>Resource Efficiency &amp; Circular Economy</b>	2.5
<b>Water Partnership</b>	2.5
<b>Urbanisation Partnership</b>	1.5
<b>Digitalisation/ICT</b>	2.5
<b>Migration &amp; Mobility</b>	1.5
<b>Policy Dialogue Support Facility</b>	2

**Figure 8: Action Document for Global Gateway: India 2022-23**

Source: European Union

## Conclusion: How can Spain and India engage within the EU Strategy and the Global Gateway initiative?

### Spain's full alignment with the EU Strategy

Spain, that has participated in the drafting of the EU Strategy for Cooperation in the Indo-Pacific, considers itself an active part of the EU's vision on the Indo-Pacific, endorses its principles and values, and shares with the EU common interests within the region. The Government of Spain has expressed its satisfaction at the adoption of the EU Strategy (La Moncloa, 2022) —described by the Prime Minister Pedro Sánchez as an inclusive regional approach in seeking to pool EU efforts with other players— and has stated its support to the implementation of the Global Gateway initiative (Presidencia del Gobierno, 2022). Thus, Spain has somehow assumed the **EU Strategy as its own guideline principles for its participation in the region** and supports the EU leadership in the Indo-Pacific as an increasingly relevant actor. Moreover, the Prime Minister of Spain has shown his **commitment in making the Indo-Pacific one of the global regions within the Spanish priority action**, being aware of the interdependence between the Euro-Atlantic and the Indo-Pacific regions and of the opportunities that the Indo-Pacific offers for partnerships and cooperation (Presidencia del Gobierno, 2022). The appointment of an Ambassador-at-large for the Indo-Pacific<sup>3</sup>, who is actively participating in the ongoing conversation on the Indo-Pacific with his European counterparts, shows Spain's engagement in the formulation of the participation of the EU and the Member States in the region. **The Spanish presidency of the Council of the European Union during the second half of 2023**, offers an opportunity to explore Spain's involvement in the region, and the Indian 2023 G20 presidency enables open communication channels with this purpose.

### Indo-Spanish complementarities and synergies within the EU Strategy

Spain and India, whose bilateral relation is not burdened with irritants, are increasingly considering each other as **key partners with significant complementarities in their respective geographic priority areas**, where both

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<sup>3</sup> Ambassador Emilio de Miguel has kindly contributed to this dialogue with his vision and ideas on the EU Strategy reflected in an Expert Contribution paper.

countries have been showing a long-term commitment. Spain is acknowledged by India as an ever more important partner within the EU and a valuable collaborator in the development of partnerships and economic activities in Latin America, including through the Ibero-American Conference. Likewise, Spain and India have emphasised the need to **retain strategic focus on the Indo-Pacific region in their bilateral relations** and to promote collaborative efforts among like-minded nations (MEA India, 2022). The EU Strategy offers a favourable framework for the implementation of this partnership, both in principles and in target fields of cooperation, taking into account the EU and India concur in pursuing a peaceful, inclusive, sustainable and prosperous Indo-Pacific. **Spain and India share synergies in all the priority areas identified within the EU Strategy**, including sustainable transport, transition to clean energies or digital transformation, in which landmark projects have already been successfully implemented thanks to Indo-Spanish cooperation. Furthermore, both countries have shown innovation and technology complementarities for capacity-building partnerships, such as in the defence contract recently signed whereby Airbus Spain will supply 56 C295 aircraft to India, 40 of which would be made in India.

### **Global Gateway as a favourable financial window for promoting Indo-Spanish partnership in the Indo-Pacific**

The Indo-Spanish cooperation has always benefited from the European financial support, especially in science, technology and innovation, as shown in the previous EU financial framework; Horizon 2020.<sup>4</sup> Likewise, innovative bilateral partnerships that have suffered from financial burdens in the implementation of their projects could find in **Global Gateway the required boost to tackle new endeavours** in the development of sustainable infrastructure. The delivery model of Global Gateway through a Team Europe approach gives Spain the possibility of participating in the formulation and implementation of the Global Gateway initiative in India and in the whole region. Furthermore, Global Gateway could be an opportunity for India and Spain to **engage in technology-driven capacity-building regional partnerships**, and consequently expanding its successful bilateral cooperation to the Indo-Pacific along with like-minded regional partners. Since Global Gateway seeks the participation of the private sector, and Spanish and Indian companies have shown how successful the bilateral private partnership is in

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<sup>4</sup> See Working Paper 5, Spain-India Report 2020. Available at: [http://www.spain-india.org/en/report\\_article/working\\_paper\\_5\\_science\\_technology\\_and\\_innovation](http://www.spain-india.org/en/report_article/working_paper_5_science_technology_and_innovation)

the development of sustainable, inclusive and resilient infrastructure —including through PPP—, **a good understanding of the opportunities that Global Gateway offers and how private companies can participate in it** is key to encourage and enable the involvement of the Indo-Spanish private sector in Global Gateway projects.

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