



PM Modi's Visit to Brussels: An Assessment

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The Prime Minister of India, Narendra Modi, visited Brussels on 30 March 2016 as a part of his three nation tour of Belgium, the US and Saudi Arabia. This was the Prime Minister's first visit to Belgium since he took office in May 2014. At Brussels, he held two meetings; first with select members of the European Parliament and then with top Indologists of Belgium. Thereafter, PM Modi held a bilateral summit meeting with his Belgian counterpart, Charles Michel, and attended the 13th India-European Union (EU) Summit. He concluded his tour by addressing the Indian Diaspora in Belgium. The visit was significant in the sense that it helped to strengthen the bilateral relationship between India and Belgium on one hand and India and the EU on the other hand. For the sake of convenience, the assessment has been divided into two parts, analysing Modi's bilateral meeting with his Belgium counterpart and examining the outcomes of the EU-India Summit.

The Bilateral Meeting:

The centre point of all the discussions was the issue of terrorism. Keeping in mind the recent terror attacks in Brussels on 22 March, 2016, Prime Minister Modi began his meeting in Brussels by interacting with the Members of European Parliament (MEPs) where he condemned the terrorist attacks and offered his condolences to the families of the victims. He highlighted the possibility of a win-win partnership between India and EU as the former could boast of manpower and the latter possessed adequate resources and technology. The MEPs appreciated Modi's vision of transforming India into a more progressive nation and offered their support to the flagship

programmes of the Indian government. The Indian Prime Minister also took the opportunity to invite Foreign Direct Investment (FDI) in different sectors like defence, insurance, railways and food processing. While meeting the Indologists of Belgium, PM Modi lauded their positive contribution towards promoting a better understanding of India in the western world.

The next agenda on Modi's visit was the meeting with Belgian Prime Minister Charles Michel. It must be noted here that Belgium and India share cordial relations since 1948. Over the years, this association had been strengthened with high level visits from both the sides. In the 2010 bilateral meeting between the then Indian Prime Minister Manmohan Singh and Belgian Prime Minister Yves Leterme, the focus of the agenda was mainly on economy and commerce, though the two countries also explored the potentials of cooperation in infrastructure, energy and biotechnology. The outcomes of this bilateral meeting were limited if we compare it to the ramifications of the recent meeting between Modi and Michel. In the 2010 meeting, discussions pertained only to the few sectors mentioned above. On the other hand, in the 2016 bilateral meeting between the Prime Ministers, a Joint Statement was issued wherein discussion on a wide array of topics ranging broadly from security, economy, energy, ports and information technology were emphasised. Besides, the importance of people to people exchanges was also welcomed, particularly in the field of education and tourism. An examination of the Joint Statement becomes necessary in the current context.

The growing menace of terrorism was the spotlight of PM Modi's agenda in the meeting with Belgium's Prime Minister, Charles Michel. Terrorism, as Modi said, must be dealt with united efforts by the international community; and hence, he urged the need for the adoption of a Comprehensive Convention on International Terrorism (CCIT). The Belgian Prime Minister also underlined the requirement of a comprehensive response in the form of adoption of a CCIT and strict compliance with all relevant United Nations Security Council resolutions designating terrorists and terrorist groups. The CCIT, since it was first proposed by India in 1996 to the United Nations General Assembly has been deadlocked so far, because of the absence of a unanimously agreed definition on terrorism and the inability to delineate the scope of the convention. To promote the values of peace, tolerance and inclusion, India and Belgium recognised the growing role of civil society.

In the 2016 Joint Statement, Charles Michel endorsed India's aspiration to become a permanent member of the United Nations Security Council. He also enunciated Belgium's support for India to become a member of the four multilateral export control regimes, specifically the Nuclear Suppliers Group, Missile Technology Control Regime (MTCR), Australia Group and Wassenaar Arrangement.

Bilateral trade has always been another area of interest for both Belgium and India. In fact, Crown Prince Philippe had led a 350 members economic and trade mission to India in March 2010. During his visit, about 30 business to business Memorandum of Understanding (MoUs) was signed between the two countries. Though bilateral trade was mostly concentrated around the diamond industry, yet over the years the trade basket has been enlarged to include other areas as well. The major exports from India to Belgium in 2015 were in the sectors of gems and jewellery (1.45 billion Euros), chemicals and chemical products (370 million Euros) and textiles (315 million Euros). The major imports of India from Belgium for the same period were gems and jewellery (4.76 billion Euros), chemical and chemical products (259 million Euros), machinery and engineering products (246 million Euros), plastic and articles (228 million Euros).¹

Unfortunately, an observation of the trend of bilateral trade between Belgium and India highlights the fact that it had decreased over the years. In 2012, bilateral trade between Belgium and India was valued at 12.2 billion Euros as compared to 13.35 billion Euros in 2011, marking a decline of 9%. In 2015, this figure decreased to a 9.14 billion Euros. The 13th Economic Joint Commission Meeting (JCM) between India and Belgium-Luxembourg Economic Union (BLEU) which took place in Brussels in July, 2013 had agreed to a balanced trade target of 15 billion Euros by 2015. The proposed target could not be reached as evident, but Belgium still remains India's second largest trade partner in goods in the EU and India continues to be Belgium's second largest export destination outside the EU.² A more focussed dialogue is necessary to intensify economic cooperation.

Bilateral cooperation in the Science and Technology (S & T) sector was an area where India and Belgium had agreed to collaborate long back in 2006 when the then Belgium Prime Minister Guy Verhofstadt visited India. During his visit, an agreement on social security and an MoU on S & T were signed. Following the framework agreement, a Joint Committee on S&T was held in April 2011 between the Belgian Federal Science Policy Office (Belspo) and the Department

Science & Technology (DST). On the sidelines of the Twelfth Economic Joint Commission between the BLEU and India in New Delhi, the second meeting of this Indo-Belgian Joint Committee on Science and Technology Cooperation was held in New Delhi on April 13, 2011. The third meeting was again held in Brussels on May 27, 2013. In the Joint Statement of 2016, the leaders reinforced this partnership and took positive note of the active cooperation in Science and Technology under the intergovernmental agreement between competent authorities.

Regarding economic cooperation, the two prime ministers of Belgium and India, in their Joint Statement reiterated the importance of the role of the diamond sector in bilateral trade. It must be noted here that almost 84 per cent of the world's rough diamonds pass through Antwerp in Belgium. It is home to around 1500 diamond firms, the largest concentration in the world. Interestingly, Indians' share of the annual 26 billion dollar diamond revenues has grown to roughly 65 per cent from about 25 per cent in the past twenty years.³ The leaders recognised the ongoing cooperation in the Kimberly process and pledged to strengthen this mutually beneficial alliance. They urged to strengthen businesses and investment opportunities, especially in sectors with mutual complementarities like information technology, biotechnology, pharmaceuticals, railways, health and renewable energy. Cooperation in the urban development and water partnership was also emphasised on. In the flagship development initiatives launched by the Government of India, namely the Smart Cities and the Clean Ganga programmes, the leaders explored enhanced cooperation. Cooperation in the trade and investment sectors were emphasised as well.

In the energy sector, Belgium and India took into consideration the progress made under the Memorandum of Understanding (MoU) on renewable energy signed between the competent authorities in 2015. They welcomed the technical activation of the optical infrared telescope in Devasthal, Nainital, India, which is a joint venture of the Aryabhata Research Institute of Observational Sciences (ARIES) of India and Advanced Mechanical and Optical Systems (AMOS) of Belgium. An upcoming signature on the MoU for cooperation in biotechnology and agreement on tourism were also embraced by both the leaders. Both sides also announced their pledge to ensure easier mobility of people on both sides.

The EU-India Summit:

The 13th EU-India Summit was held in Brussels on the same day. The EU was represented by Mr.

Donald Tusk, President of the European Council and Mr. Jean-Claude Juncker, President of the European Commission. Indian Prime Minister Narendra Modi represented India. The EU High Representative of the Union for Foreign Affairs and Security Policy and Vice-President of the Commission, Ms. Federica Mogherini, and the Minister of Commerce and Industry of India, Ms. Nirmala Sitharaman also attended the Summit. Discussions in the Summit began with the Indian PM speaking about the necessity of collaborative ventures to fight terror in the context of the recent terror attacks in Belgium. The Prime Minister highlighted the fact that EU-India partnership had deepened since their announcement of strategic partnership in 2004.

The last Summit meeting was held in February, 2012 in New Delhi. The leaders in the Summit had taken note of the decision to hold Foreign Policy Consultations on an annual basis in order to strengthen political dialogue. This is considered to be a window of opportunity for leaders of both the sides to come together to discuss issues at a political level. When it came to the significant achievements of the Summit of 2012, the most notable ones were the signing of the Joint Declarations on Energy and Research and Innovation Cooperation. Apart from these, other outcomes were enhancing cooperation on antipiracy, renewing political commitment to Sustainable Development and envisaging a greater role of India in making Afghanistan stable and peaceful.

In 2012, both leaders had also expressed satisfaction in the progress in finalizing ISRO-ESA (Indian Space Research Organization and European Space Agency) for cooperation on Earth Observation and Climate Change. In line with this, in the year 2014, an agreement between ISRO and EUMETSAT (European Organisation for the Exploitation of Meteorological Satellites) for cooperation in exchange, redistribution and utilisation of data and products from meteorological and ocean satellites in support of weather analysis and forecasting was signed.

There was a gap of four years before the 13th EU-India Summit could be held. The inability of both the parties to arrive at issues like agreement on the BTIA, Italian Marine case and the issue of restriction of sale of tested Indian drugs had hindered the process of holding of the talks.

The most important outcomes of the 13th EU-India Summit were signing of the Joint Statement, endorsing the EU-India Agenda for Action – 2020 as a common roadmap to augment

the strategic partnership, signing of Joint Declarations between the two sides on Clean Energy, Climate Partnership, Water Partnership and on a Common Agenda on Migration and Mobility. The Joint Declaration on Counter Terrorism signed in 2010 was renewed as well.

On the economic front, agreement regarding the Broad-based Bilateral Trade and Investment Agreement (BTIA) was the most anticipated issue for the Indian side. No concrete agreement was reached, however, the two sides announced their intention of 're-engaging' in discussions on BTIA. The disagreement regarding concessions relating to services, data security, visa facilitation, market access to certain goods and geographical indications still persists because of which no substantial deal could be agreed upon.⁴

The recent economic momentum of India has attracted global attention.⁵ In the backdrop of the Eurozone crisis that is threatening to cripple the EU economy, the EU today finds the Indian economy to be particularly attractive. As such, the leaders in the Summit recognised the importance of trade in services, although steps to advance it were not defined. To advance economic ties, EU and India explored the opportunities of mutually beneficial cooperation through their respective national agendas. A significant outcome of economic cooperation for India was the offering of 450 million Euros for the construction of the first metro line in the city of Lucknow. This was a first sovereign loan given by the European Investment Bank (EIB) to India, indeed, one of a kind. Both the leaders acknowledged the announcement made by the EIB regarding the forthcoming establishment of its regional representation for South Asia in New Delhi.

On foreign policy, human rights and security cooperation, the leaders renewed the 2010 Joint Declaration on Counter Terrorism and decided to step up cooperation to counter violent extremism and radicalisation, the flow of foreign terrorist fighters, sources of terrorist financing and arms supply. The recent terror attacks in Brussels, Paris, Pathankot and Gurdaspur were denounced. Leaders on both sides called for 'decisive and united actions' against ISIL (Da'esh), Lashkar-e-Taiba, Jaish-e-Mohammed, Hizb-ul-Mujahideen, the Haqqani network, Al-Qaeda and its affiliates. However, the Joint Statement did not incorporate much progress with regards to adoption of the CCIT, due to complications as mentioned earlier. The leaders also reaffirmed their commitment towards working on cyber security, counter-piracy, non-proliferation and disarmament. Significant mentions were made about the necessity of ensuring gender equality

and respecting the rights of women and children. This was a noteworthy feature of the Joint Statement which had not found a place in the previous Joint Statements of 2010 or 2012. The Summit also highlighted the leaders' stand on the current developments in Nepal (regarding constitutional efforts in Nepal), North Korea's nuclear test, Iranian nuclear issue, conflict in Eastern Ukraine and situation in Middle East particularly referring to the intra-Syrian talks under the auspices of the United Nations. However, Myanmar was not discussed in the Statement.

The divergence between the EU and India regarding the Italian Marine issue could not be resolved in the Summit meeting as both the parties maintained their respective stands on the matter. The case is now under the arbitration procedure of the United Nations Convention on the Law of the Sea (UNCLOS). The EU called for an expeditious solution of the problem whereas India stressed on the need to provide due justice to the families of the two fishermen, who were killed by the two Italian marines.⁶ Both the parties are committed to the process of law and they now have to stay committed to the procedure, which has started under the international arbitration under UNCLOS in order to solve the dispute amicably. The Summit also served as an opportunity for both the sides to discuss the issue of fourteen Estonian and six UK guards sentenced to prison by an Indian court.⁷

The EU-India Agenda for Action-2020 underlined the actions to be taken jointly to bolster ties on vital issues. In this context, it must be mentioned here that the Agenda is a more concrete roadmap than the Joint Action Plan (JAP) of 2005 and the JAP of 2008 which had identified new activities to complement its predecessor. The Agenda 2020 outlines the nature of effort required to collaborate in areas of mutual cooperation for the next five years. These areas include strengthening dialogue on issues of mutual interest in Asia, Africa, Middle East and West Asia, cooperation between European Police Office (EUROPOL) and Indian agencies to counter terrorism, developing liaison on the implementation of the Paris Climate Agreement 2015 and the Agenda 2030 for Sustainable Development, research and innovation, urban development, information and communication technology, space, transport, migration and mobility and parliamentary exchanges. Besides, the Agenda endorsed continuation of the negotiations for the BTIA.

The Joint Declaration on India-EU Water Partnership was another noteworthy document which found common ground of convergence. This declaration is expected to contribute towards

exchange of best practices, regulatory approaches, governance, business solutions and research and innovation opportunities in the water sector between India and Europe which can contribute towards sustainable management of water resources in both the regions. India can acquire lessons from EU's Water Framework Directive which is the operational tool for setting the objectives for water protection and conservation in the future. The ongoing exchange of information on cooperation under major river conventions, such as the Danube and the Rhine can contribute towards conservation and management of rivers in India. The EU through this Joint Declaration on Water Partnership pledged to support the implementation of the Ganga Rejuvenation Initiative of the Government of India.

The Joint Declaration on Clean Energy and Climate Partnership recognized the need to step up efforts to build energy dialogue and cooperation between the two sides towards clean development of energy, creating finance to encounter climate-related problems and exchange of climate friendly energy technologies which will help to fortify the energy security scenario in both EU and India.

The Joint Declaration on Migration and Mobility had been signed to recognize the existing migration-related bilateral agreements and arrangements between India and EU member states and to acknowledge the possibilities of facilitating issuance of visas and return of persons residing without authorisation. Both sides agreed to address issues like exploring possibilities for attracting highly-skilled workers and fostering innovation in a reciprocal manner. Examining the prospects for enhancing the mobility of business persons, students, researchers and *bonafide* travellers and ensuring the efficient grant of visas to them has also been covered by the Declaration. India and the EU pledged to optimise the benefits derived from return migration, including through cooperation on social security issues.

However, as far as the feasibility of these visionary documents is concerned, only future action on these issues can determine their efficacy. A positive gain in the future might be envisaged in the form of MoU's signed in the future between EU and India on water partnership, clean energy and climate partnership and migration and mobility.⁸

Though the EU-India Summit did not lead to any remarkable achievement related to the BTIA, yet it cannot be denied that the two sides attained significant progress in connection with

other major issues like adoption of common actions on terrorism, climate, energy security, water partnership, migration and mobility. By looking at the regional issues, as mentioned earlier, which were covered in the Joint Statement of 2016, it can be seen that the EU envisaged a larger role for India, if we compare it with the Joint Declarations of 2010 and 2012. Furthermore, the EU has agreed to play a crucial part in helping to realise the Indian government's transformational initiatives like Digital India, Make in India and Skill India. It has pledged to create support and enhance cooperation on these fronts. Towards urban development and referring to the '100 Smart Cities' flagship programme, the EU entrusted its confidence on building regular dialogue on infrastructure, energy, sanitation and water management. However, issues regarding giving India 'data secure'⁹ status and reduction of import duties in automobiles from EU countries did not figure in the discussions.

The long pending 13th EU-India Summit was held after a gap of four years. Despite the presence of certain roadblocks centred on trade negotiations and Italian Marine case, the possibility of a strong relationship between EU and India, based on mutual interest and benefits cannot be negated. The full potential of this relationship, when realised, can lead to progress and prosperity for both EU and India.

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The views expressed are that of the Researcher and not of the Council.

Endnotes:

¹ India Belgium Relations. <http://www.indembassy.be/pages.php?id=51> accessed on 7 April, 2016.

² India Belgium Joint Statement during the visit of Prime Minister to Belgium (March 30, 2016). Ministry of External Affairs, http://www.mea.gov.in/bilateral-documents.htm?dtl/26574/IndiaBelgium_Joint_Statement_during_the_visit_of_Prime_Minister_to_Belgium_March_30_2016 accessed on 8 April, 2016.

³ Bilefsky, Dan. "Indians Unseat Antwerp's Jews as the Biggest Diamond Traders". *The Wall Street Journal*, May 27, 2003. <http://www.wsj.com/articles/SB105389295228553000> accessed on 7 April, 2016.

⁴ Sourced from the Department of Commerce and the Ministry of External Affairs, West Europe Division, Government of India.

⁵ GDP growth in India hit 7.3 per cent at the end of 2015 and will rise to as high as 7.6 per cent in 2016. See Khan, Mehreen. "Growth Star India overtakes China as world's fastest growing major economy". *The Telegraph*, 8 February, 2016 <http://www.telegraph.co.uk/finance/economics/12146579/India-overtakes-China-as-worlds-fastest-growing-major-economy.html> accessed on 8 April, 2016.

⁶Joint Statement of 13th EU-India Summit, Brussels, 30 March, 2016, http://www.mea.gov.in/Images/attach/EU_India_Joint_statement_post_VC.pdf accessed on 31 March, 2016.

⁷ EU-India Summit: A new momentum for the EU-India Strategic Partnership, EU Press Release, Brussels, 30 March, 2016, http://europa.eu/rapid/press-release_IP-16-1142_en.htm accessed on 1 April, 2016.

⁸ Abhishek Dubey, Under Secretary, Europe West Division, Ministry of External Affairs, interview by Sanghamitra Sarma, April 8, 2016.

⁹ As Nirmala Sitharaman, India's Minister of Commerce says, "Being considered 'data secure' is crucial for a number of services, especially in the IT and ITES sectors." *The Hindu*, 30 March, 2016.