



**Mr. Valdis Dombrovskis**

Executive Vice-President for an Economy that  
Works for the People  
European Commission  
Rue de la Loi 200  
1049 Brussels  
Belgium

1 March 2023

Dear Executive Vice-President,

The EU and India have deepened their relationship in recent years in light of a rapidly changing geopolitical environment, in which ties between countries including trade relations are becoming more complex, politicised and contentious.

As the world's two largest democracies, the EU and India share many of the same principles and values, and face many of the same global challenges. Until now however the relationship is far from having reached its full potential. As European companies diversify and strengthen their investments and supply chains reducing dependencies away from dominant sources, India is well placed to play an important role in these strategies.

Considering India as a strategic partner is very much welcomed by the European business community and we would like to make the following remarks regarding recent developments:

a) Launch of the EU-India Trade and Technology Council

The launch of the EU-India TTC on 6 February is well received by European businesses and highlights the strategic importance both regions attach to each other. The TTC can provide the necessary structure to coordinate approaches and advance work on critical areas of mutual interest and help consolidate the bilateral relationship.

We appreciate that priorities have been identified and the work will focus on three main key areas. The green and digital working groups can foster cooperation in crucial existing and future technologies, while we welcomed the international and global dimensions of the working group on trade, investment and resilient value chains. Cooperation in this area should also promote technology neutral regulation, the use of international standards including adherence to WTO/TBT principles and cooperation to address global geopolitical challenges.

It will be equally important for both sides to take a results-oriented approach if meaningful outcomes are to be achieved. BusinessEurope will be ready to contribute to the work of the TTC and we hope that governments will engage with business in a structured and consistent way since the start of the process.



b) The EU-India trade and investment negotiations

The negotiations for a trade agreement and a stand-alone investment protection agreement remain BusinessEurope's top priority in EU-India relations. Therefore, the TTC and the trade negotiations should remain as two separate processes and the former should not take space of the latter.

Since the start of the negotiations, BusinessEurope has supported a "balanced, ambitious, comprehensive and mutually beneficial" trade agreement that would not only reduce or eliminate tariffs but also address behind-the-border barriers for trading goods and services, encourage investment, and improve rules across the board, creating a predictable framework and delivering opportunities for businesses on both sides.

The negotiations for a binding and confidence-building trade agreement provide avenues for the near-term resolution of irritants and bilateral WTO disputes. An agreement would moreover provide a valuable platform for cooperation, building trust and shared objectives, ultimately strengthening the bilateral relationship in a multipolar world helping both sides to diversify their economic relations.

We are conscious of the difficult exercise to achieve a comprehensive agreement not least because of the tight deadline of finalising the negotiations by the end of this year. We nevertheless hope that the final agreement will substantially improve access to the Indian market and create the necessary conditions to finally tap its huge potential. As negotiations progress, a further assessment might be needed as to the level of ambition that can be reasonably achieved in the timeframe the two sides have agreed.

We hope that your services will take the views expressed in this letter into consideration.

Yours sincerely,

Markus J. Beyrer