

# Far and Wide

Every week we share selection of six news from six continents that we believe will impact our world in the near or distant future

February 2025 | Issue #81

## India-EU Push for Historic Free Trade Agreement and Strategic Ties

Welcome to the latest edition of Far and Wide, where we embark on a journey to explore intriguing stories and global developments.

European Commission President Ursula von der Leyen emphasized that the proposed India-EU Free Trade Agreement (FTA) would be the largest deal of its kind globally. She expressed full commitment to finalizing the agreement within 2025, highlighting the shared determination between India and the EU. In a think-tank address, she described the evolving global geopolitical landscape as an opportunity for both regions to deepen collaboration in trade, technology, security, and connectivity.

She stressed the need to elevate the India-EU strategic partnership, calling for pragmatic and ambitious cooperation beyond regional and global concerns. Von der Leyen also hinted at a potential security and defence pact between India and the EU, considering those with Japan and South Korea. She underscored the importance of the India-Middle East-Europe corridor, describing it as a "modern golden road" to strengthen economic connectivity.

Meanwhile, Commerce Minister Piyush Goyal met with European Commissioner for Trade and Economic Security Maros Sefcovic to discuss the FTA's progress and the Trade and Technology Council. Their meeting precedes the tenth round of negotiations scheduled for March 10-14 in Brussels. In January, Goyal had visited Brussels to assess the status of discussions.

During the ninth round of negotiations, India and the EU addressed key trade issues, including trade in goods and services, investment, government procurement, and technical regulations such as rules of origin and sanitary standards. Strengthening economic ties between India and the EU is seen as crucial, particularly considering potential higher tariffs from the U.S. under President Donald Trump.

The India-EU trade relationship has gained significant momentum in recent years, with bilateral trade surpassing €120 billion in 2022. The EU is already one of India's largest trading partners, and an FTA is expected to further unlock investment opportunities, promote job creation, and facilitate sustainable economic growth. The agreement is also anticipated to strengthen cooperation in emerging sectors such as digital trade, artificial intelligence, green energy, and critical minerals.

With strong commitments from both sides, 2025 presents a crucial window to finalize the FTA and deepen strategic cooperation, positioning the India-EU partnership for long-term growth and stability.



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## Europe

### EU President Visits India to Strengthen Ties in AI, Trade, and Defence

European Commission President Ursula von der Leyen arrived in New Delhi for a two-day visit to strengthen EU-India ties in key areas such as AI, trade, defence, and security. This is the first visit by a high-level EU College of Commissioners, including 22 of 27 EU Commissioners, since they assumed charge of office in December 2024. She was received by Union Minister of State for Health & Family Welfare, Ms. Anupriya Patel.

Defence and security cooperation, particularly in the Indo-Pacific, is a major agenda of discussion. The visit will also explore partnerships in space technology, semiconductors, clean energy, green hydrogen, sustainable urbanization, and water management. A key event is the second Ministerial Meeting of the India-EU Trade and Technology Council (TTC), focusing on strategic technology cooperation, digital public infrastructure, resilient supply chains, and investment.

Trade remains a cornerstone of EU-India relations, with the EU being India's largest trading partner. Bilateral trade in goods grew over 90% in the past decade, reaching \$135 billion in 2023-24. Services trade has amounted to \$53 billion in 2023, while EU FDI into India totaled \$117.4 billion from April 2000 to September 2024.

An official from the Ministry of External Affairs (MEA) noted the synergies between the two economies, emphasizing that European companies bring advanced technology and expertise, while India offers scale and market opportunities. The visit is expected to strengthen strategic cooperation and drive forward the EU-India partnership across multiple sectors.

Source : INDIA TODAY

<https://www.indiatoday.in/india/story/eu-commission-chief-india-visit-european-union-team-new-delhi-ai-trade-defence-2686480-2025-02-27>

## North America



### India and US Advance Joint Agenda in Research, Defence, and Energy Collaboration

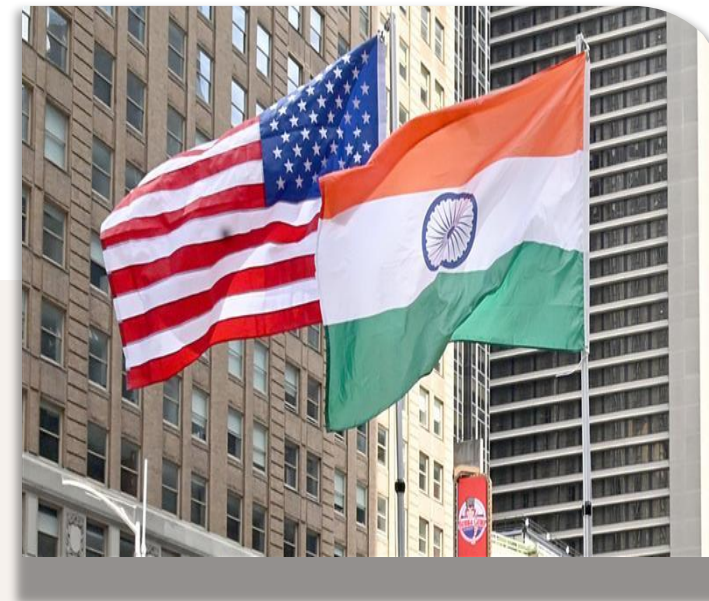
The United States has initiated discussions with leading Indian institutions across research, academia, and the private sector to explore cooperation in defence, technology, energy, and critical minerals. This effort follows the commitments made by President Donald Trump and Prime Minister Narendra Modi in a joint declaration aimed at strengthening bilateral ties.

US Consul General Mike Hankey emphasized that both nations are working towards a more prosperous future by fostering high-level engagements in government, research, and business. He highlighted that these talks will enhance commercial relationships while ensuring the Indo-Pacific remains free and open.

As part of this initiative, Tom Lograsso, Director of the Critical Materials Innovation Hub at Ames National Laboratory, is engaging with key industry and academic figures in India. He is scheduled to meet researchers from institutions such as the National Chemical Laboratory (NCL), the Indian Institute of Science Education and Research (IISER), the Indian Institute of Technology Bombay (IIT-B), and Symbiosis International University.

The collaboration reflects growing Indo-US strategic ties, focusing on innovation and economic opportunities. These discussions are expected to pave the way for future partnerships that will drive advancements in critical sectors, ultimately strengthening trade and technological cooperation between the two countries.

This initiative underscores India's increasing importance as a strategic partner for the US in critical sectors such as energy security, defence technology, and supply chain resilience for essential minerals. As both nations seek to diversify global supply chains and reduce dependence on dominant players like China, these discussions could lead to joint research projects, technology-sharing agreements, and investment opportunities.



Source: CNBC TV 18

<https://www.cnbctv18.com/business/days-after-modi-trump-meet-us-india-start-working-on-joint-agenda-19565036.htm>

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## South America

### India Strengthens Economic and Strategic Partnerships with Latin America Nations



Under its "strategic autonomy" policy, India is deepening its presence in Latin America, fostering economic and geopolitical ties. Brazil's Petrobras recently signed an agreement with India's Bharat Petroleum for the delivery of six million barrels of oil annually between 2025 and 2026, boosting trade between BRICS nations.

India's growing engagement aligns with Latin America's efforts to diversify trade beyond China. Petrobras aims to expand exports to India to 24 million barrels per year, while Argentina's state-owned YPF signed deals with Indian firms to export up to 10 million tons of LNG annually and collaborate in lithium and critical minerals.

India's approach, rooted in non-alignment and strategic autonomy, allows it to build diverse partnerships without military commitments. The country is increasingly present in Latin America's economic landscape, with trade reaching \$40 billion in 2023. Key trade partners include Brazil, Mexico, Argentina, Colombia, and Peru, with India primarily importing raw materials and exporting pharmaceuticals, automobiles, and textiles.

Source: DW

<https://www.dw.com/en/india-and-latin-america-tighten-ties-to-diversify-trade/a-71746866>

Though India's trade with the region is smaller than China's \$480 billion, it is strengthening trust due to shared democratic values. India's outreach, including aid to Cuba and diplomatic efforts in Chile, signals a long-term commitment to Latin American partnerships, fostering mutual economic and political cooperation.

## Asia



### India-China Relations Enter Recovery Phase, Focus on Dialogue and Cooperation

Chinese Ambassador to India, Xu Feihong, stated that India-China relations are entering a phase of recovery, emphasizing the need for dialogue, mutual trust, and peaceful coexistence. He acknowledged that the relationship has faced challenges in recent years, particularly after border tensions in 2020. However, he stressed that both nations should focus on stabilizing ties through diplomatic engagement and economic cooperation.

Xu highlighted the importance of high-level discussions and confidence-building measures to restore trust. He noted that China remains committed to working with India on resolving issues through constructive dialogue. The envoy also pointed out the significance of trade between the two countries, despite political tensions, underscoring that economic collaboration can serve as a bridge for improving relations.

The ambassador further mentioned that China supports regional stability and believes that India and China, as major global economies, should work together on international platforms to address global challenges such as climate change, economic uncertainties, and multilateral cooperation.

While acknowledging the complexities in the relationship, Xu expressed optimism that both sides can move forward by focusing on common interests and peaceful engagement. The statement indicates a potential shift towards normalization of diplomatic ties, though concrete steps will be required to achieve sustained progress.



Source: Tribune India

<https://www.tribuneindia.com/news/india/india-china-relations-entering-phase-of-recovery-envoy-xu/>

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## Australia

### Australia-India Trade Pact Saves \$2 Billion in Tariffs for Exporters

Australian exporters have saved approximately \$2 billion in tariffs since the implementation of the Economic Cooperation and Trade Agreement (ECTA) with India, according to Australia's High Commissioner to India, Philip Green. The trade pact, which came into effect in December 2022, has significantly boosted trade between the two nations by reducing tariff barriers on key Australian exports such as coal, wool, almonds, and wine.

India, in turn, has also gained tariff-free access for a wide range of products, including textiles, gems, and pharmaceuticals. The agreement has led to a surge in Australian exports to India, strengthening economic ties between the two countries.

Source: Business Standard

[https://www.business-standard.com/economy/news/australian-exporters-save-2-bn-in-tariffs-due-to-trade-pact-with-india-125022600853\\_1.html](https://www.business-standard.com/economy/news/australian-exporters-save-2-bn-in-tariffs-due-to-trade-pact-with-india-125022600853_1.html)

Additionally, the two nations are working on a broader Comprehensive Economic Cooperation Agreement (CECA), which aims to further liberalize trade and expand investment opportunities. The CECA negotiations focus on key sectors like services, critical minerals, and renewable energy.

As India emerges as a crucial trade partner for Australia, both countries are eager to deepen their economic engagement. The tariff reductions under ECTA have already facilitated smoother trade, and future agreements are expected to enhance market access and economic cooperation even further.

## Africa

### India Expands Critical Mineral Exploration in Congo, Zambia, Tanzania, and Australia

India is actively seeking to acquire critical mineral assets in countries like Congo, Zambia, Tanzania, and Australia to secure its supply chains for key industries, according to Mines Secretary V.L. Kantha Rao. These minerals, including lithium, cobalt, and rare earth elements, are essential for sectors such as renewable energy, electric vehicles, and high-tech manufacturing.

To facilitate these acquisitions, the Indian government is engaging in negotiations with resource-rich nations and leveraging partnerships with state-owned enterprises and private players. The move aligns with India's broader strategy of reducing dependence on China, which currently dominates the global supply of many critical minerals.

Rao emphasized that India is exploring both direct investments in overseas mines and collaborations with foreign governments to ensure steady access to these resources. Additionally, the government is considering long-term supply agreements and joint ventures to strengthen India's position in the global critical minerals market.

India has already initiated steps to secure lithium assets in Argentina, and similar efforts are underway in Africa and Australia. The government's proactive approach is expected to enhance domestic manufacturing capabilities, particularly in battery production and electronics, while supporting India's clean energy transition.

By diversifying its sources of critical minerals, India aims to bolster its economic security and technological advancement in key strategic sectors.



Source: Deccan Herald

<https://www.deccanherald.com/business/india-scouting-for-critical-mineral-assets-in-congo-zambia-tanzania-australia-mines-secretary-3424477>