

will hold the G20 presidency in 2023. The priorities of the Government of India are well aligned with the SDG agenda, and with most priorities of the European Union. India has linked the SDGs closely with its domestic development motto of “Sabka Saath Sabka Vikas” (“collective effort, inclusive development”). However, India ranks 120 out of 165 countries in the SDG index 2021, and 63rd among 190 countries in WB Ease of Doing Business index, showing mixed progress. India has also set targets under its Nationally Determined Contributions (NDC), which highlight the need to develop international technology partnerships for development and implementation of clean energy and climate friendly technologies as well as mitigation and adaptation to climate change. It is on track to achieve its 2015 climate targets, notably as regards the development of renewable energy sources, but has so far been reluctant to reassess its NDC or to adopt climate neutrality as a mid-century goal.

The European Green Deal puts **clean energy and climate action** at the top of the EU's domestic and external agenda. In these areas, the objectives of the EU and India strongly converge with both wanting to reduce their dependency on import of fossil fuels, diversify their energy supply and increase their energy efficiency and share of renewable energy. Both are strongly committed to the implementation of the Paris Agreement. With the world's fourth highest greenhouse gas emissions, and half of its grid-connected electricity generated by coal plants, India's transition towards a green and resilient future will be as much important domestically (also given its high vulnerability to climate change) as globally for its overall impact on SDGs achievement. The EU and India are currently closely cooperating on ensuring affordable, clean and secure energy and on climate adaptation and mitigation under the **India-EU Clean Energy and Climate Partnership (CECP)**. This partnership was agreed at the EU-India Summit on 30 March 2016 and later confirmed in a joint statement at the EU-India Summit on 6 October 2017. The cooperation focuses on energy efficiency, renewable energy, smart grids and electricity markets reform, sustainable cooling, financing and the implementation of the Paris Agreement. It aims at **bringing together policy makers, researchers, businesses and stakeholders from India, the EU and its Member States to exchange information, cooperate and learn from each other**. New priority cooperation areas to enable the integration of clean energy include hydrogen and electricity grid inter-connections.

The EU and India also agreed to re-launch negotiations for a free trade agreement in May 2021, providing a good opportunity to strengthen and enhance trade related engagements between the two sides. In parallel to the FTA negotiations, the Leaders agreed to launch negotiations on a stand-alone investment protection agreement and a separate agreement on geographical indications. It was also agreed that both sides would also seek to address long-standing market access issues ahead of resuming negotiations in order to create the required positive dynamic for negotiations. The conclusion of an **EU-India FTA** is a long-standing European Commission objective and priority of the EU. The Indian regulatory framework remains broadly inclined towards “import substitution”. In recent years there has been an increasing number of regulatory measures with the underlying objective of encouraging domestic manufacturing in India. Most of these measures are supposedly targeted towards China due to India's geo-political frictions with the country. However, while China may be at the origin of these protectionist trade measures, its uniform application is resulting in collateral damage to EU companies. While the size of the domestic market make India an attractive market, its tariffs on many imported products, India specific standards, non-tariff barriers and a general lack of transparency and predictability in the business environment make India a highly complex market for EU companies. The establishment of an EU Chamber of Commerce would also facilitate the EU-India FTA, GI and Investment protection negotiation processes and strengthen the capacity of EU business to speak with one voice in India including promoting human rights due diligence standards among businesses and their supply chains.

The **digital and innovation sector** also offers huge potential considering India's ambition to fully participate in shaping the global agenda on digital transformation. Support provided to trade, digital and innovation sectors will also contribute to increase incomes, growth, standards and will contribute to the equitable access of digital technologies, particularly taking into considering the participation and impact on women. The action supports the EU's strategic interests and priorities in India and the implementation of the 2020-2025 Strategic Roadmap between EU and India, the EU-India Strategy, the Indo-Pacific Strategy, the EU's multilateralism strategy, and the EU-India connectivity partnership. The action is also aligned with the 2030 Agenda and the SDGs, the Paris