

---

## POLITICAL CHALLENGES IN THE EUROPEAN UNION AND INDIA FREE TRADE AND BIOTECHNOLOGY STRATEGIC PARTNERSHIP

Nini Mumpuni Putri Pangarsi<sup>1</sup>, Sulisty Widayanto<sup>2</sup>, Irma Indrayani<sup>3</sup>

<sup>1,3</sup> International Relations Department Faculty of Social and Political Sciences  
Universitas Nasional

<sup>2</sup>Magister of Political Sciences Faculty of Social and Political Sciences  
Universitas Nasional

irma.indrayani@civitas.unas.ac.id

**Abstract:** The 15<sup>th</sup> European Union and India Summit held in 2020 indicated that there have been over 50 years of cooperation between the two international actors with their first diplomatic relations that began in 1962. From the summit, the EU – India will form a strategic partnership to carry out collective economic recovery and overcome the global pandemic through increasing trade and biotechnology cooperation. By using qualitative methods through literature studies and a liberalism paradigm approach, the results of the analysis show that there are political challenges from both parties in implementing or following up initiatives to combine free trade and biotechnology cooperation.

**Keywords:** European Union, India Summit, Biotechnology, strategic partnership

---

Submission : Nov, 13<sup>th</sup> 2023  
Revision : January 24<sup>th</sup> 2024  
Publication : February 28<sup>th</sup> 2024

---

### INTRODUCTION

The strategic partnership between European Union (EU) as developed country and India developing country deserves to be studied. Joint press statement of the fifth India-EU summit held in the Hague, November 8 2004, stated that both parties agreed to carry out a strategic partnership which included, among other things, free trade and the development of biotechnology. Integrating free trade with biotechnology cooperation between countries, especially in relation to strategic partnerships, is not easy. These two issues have basic characteristics that tend to contradict each other in order to combine them. Free trade focuses on efforts to eliminate barriers to market access and to reduce costs, while biotechnology tends to be the opposite, namely capital intensive and strict IPR provisions not to share with each other. Free trade emphasizes eliminating barriers to market access and reducing costs and tends to be inclusive. Meanwhile,

biotechnology partnerships are high-cost or capital-intensive activities that are difficult to collaborate on and there are strict provisions from each party to provide exclusivity protection of IPR. Differences in political interests regarding strategic partnerships over the issues of free trade and biotechnology are the main discussion here.

### **European Union And India Relations**

European Union and India are two international actors with strategic potential and positions. According to the report book of *"Fifty Years of Partnership"*, the cooperation between European Union and India has begun since 1962. On such year, both formally initiated their diplomatic relations, namely between European Economic Community (EEC) and India. At that time, EEC has just been established and India is the first country in Asia to recognize its existence and began cooperating. This has become interesting as on the same year, there was an exchange of letter of credentials conveyed by Ambassador India H.E. K. B. Lall to the first President of the European President Walter Hallstein (EEAS, 2013).

The cooperation between European Union (UE) and India has developed and improved along the way. The cooperation between both actors has increased with the signing of the first commercial and economic agreement which was ratified in 1981. With such development, the relationships between both international actors have increased. This could be seen from the awarding of most favoured nation status to each other (Politico, 2021). Bilateral trade between EU and India has increased due to the special treatment towards each other on the basis of complementary means.

In 1992, the industry and business sectors of Europe and India have agreed to hold Joint Business Forum to promote trade and investment. Moreover, the cooperation of EU and India has strengthened their export and import cooperation, especially with the signing of the Memorandum of Understanding that agree on the textile business activities deriving from India to be shipped to EU in 1994 (EEAS, 2013). From here, the stance and bargaining position of India has increased with the support from European Union.

As trade relations became closer, the EU and India took the initiative to hold the first summit which was held in Lisbon, Portugal on June 28, 2000 (Politico, 2021). This first summit provided great momentum for the development of broader trade cooperation between the two. In a joint press statement at the 5<sup>th</sup> summit held in Hague, Netherlands on 8 November 2004, both parties agreed to increase cooperation status becomes "EU-India Strategic Partnership".<sup>1</sup> The established

---

<sup>1</sup> "Fifth India-EU Summit The Hague, 8 November 2004. Joint Press Statement", Council of The European Union, The Hague, 8 November 2004, 14431/04 (Presse 315)

strategic partnership certainly has a positive impact on this collaboration because it simplifies the process of trade activities and export and import activities (Karishma, 2020).

A year later, at the 6th EU-India Summit held in New Delhi, both parties deepened discussions by establishing a 'Joint Action Plan' with the aim of implementing a strategic partnership to build dialogue and consultation mechanisms, facilitate cultural exchanges, strengthen economic policy dialogue and development of trade and investment between the EU and India (UPSC, 2021). Both parties agreed to create a roadmap for developing partnership cooperation. The high-level working group created will report on all possible comprehensive trade and investment agreements. The working group, through the Joint Action Plan, succeeded in liberalizing market access for up to 90 percent of total tariffs of trade in goods and several trade in services (Ankita Dutta, 2021).

The wide coverage of the political dimensions of both the EU and India provides a strong foundation for increasing bilateral trade and investment cooperation, especially in the fields of trade in goods and trade in services. Both parties have maintained good relations by keeping the volume of exports and imports of goods and services relatively stable at around 30-40 percent in 2013. Additionally, EU is one of the few countries from WTO that has offered the Generalized System of Preferences (GSP) unilaterally to India. By giving access export products that are most competitive, India has become a beneficiary from the GSP scheme with goods export of amounting to €17 billion in 2012 (EEAS, 2013). Therefore, both EU and India gained profit with the variety of goods and services products and with more competitive price being available.

### **Biotechnology**

Along with the development of advances in innovation, science has contributed to humanity in developing various aspects to make life easier. This can be seen from the emergence of various science-based innovations and creations. One aspect or study that is interesting to discuss is biotechnology. One of the sub-sciences that are experiencing rapid development is biotechnology. According to the 1992 Convention on Biological Diversity (CBD), biotechnology is defined as the use of technology utilized in biological aspects, living things or their derivatives, in the manufacture or modification of certain products or processes for certain uses (Rene Christensen, 2002).

According to Norwegian University of Science and Technology, the definition of biotechnology is a technology utilised to use the biological system, living things or

some of them, to develop or create new things (NTNU, 2020). Generally, biotechnology is defined as the use of organism or others or some of them for commercial use or purpose. One of the forms and examples of biotechnology in the modern era is genetic engineering. Genetic engineering could be performed through the transfer process of certain genes between certain micro-organism and transfer them to another organism compatible with the expected settings. For instance, it is genetic engineering crops (one of the specifications in Genetic Modified Organism). GMO or Genetic Modified Organism is utilized to create latest product and renewed with specific characteristics and types that are optimized so that it could fulfill the need of public consumptions on this journal in terms of Health (NTNU, 2020).

Additionally, according to Waseda University, biotechnology is not always about genetic engineering. Biotechnology is defined as all ways to utilize organism both biologically or the process for industrial engineering, provision of medical products, agriculture or environment (Waseda University, 2015). In this journal, the use of biotechnology in the health sector agreed by EU and India become important for each party, for those who are at EU as well Indians that could overcome this global pandemic.

### **The 15<sup>th</sup> Of European Union And India Summit**

The 15<sup>th</sup> EU and India Summit was held on 15 July 2020 through virtual meeting that were attended by numerous leaders of both parties. At the summit, both EU and India discussed the importance of developing biotechnology sector that was followed by the discussion of the COVID-19 global pandemic, where the biotechnology sector on the economic development side and also the health sector was seen as the main key for economic recovery with the cooperation of both sides thorough the involvement of related scientists such as epidemiologists and virologists, exchange of technology and information relating to the pandemic, provision of medical devices, development of drugs, vaccines, and pharmaceuticals.

On the study and discussion sector, the author will explain about the strategies of economic recovery and COVID-19 global pandemic era management through biotechnology sector at the 15<sup>th</sup> Summit of EU and India that was held at the middle of 2020. The discussion section will emphasize on the importance of the cooperation and economic recovery through the export and import activities in biotechnology recovery through the export and import in biotechnology sector, development and innovation in the provision of most of the medical components required in handling COVID-19 (related to scientists, drugs, medical devices, pharmaceuticals, and vaccines) between India and EU. The author utilized official

document sources from European Union and India as well as several additional sources to illustrate this cooperation agreement.

Based on the above description, it can hypothetically be assumed that negotiations and implementation of a strategic partnership between the EU and India will be limited by the political interests of both parties in ensuring the inclusiveness of free trade and the exclusivity of biotechnology cooperation.

### **LITERATURE REVIEW**

In accordance with the theoretical and conceptual framework, the author tries to provide an illustration of international cooperation related to the theory of international trade and economic diplomacy.

International cooperation according to Dougherty dan Pfaltzgraff is defined as a set of relations that is not based on violence or coercive means and is legitimate by law as performed by international organizations such as EU and United Nations (Dougherty & Pfaltzgraff, 1997). States as international actors cooperate through international organizations or regimes which are defined as set of agreed rules, norms, and procedures in decision making that include expectations and interests of the state actors that are within those international relations. Therefore, the main focus of the international cooperation theory is related to the fulfillment of interests where the beneficial outcomes are felt by both parties more significantly than having to perform it by themselves (Dougherty & Pfaltzgraff, 1997).

In the book "*International Politics: A Framework for Analysis*", K.J. Holsti explained that international cooperation in simple terms could be defined as a process between states that are collectively interacting and performed approaches to find solutions together to the problems that are being faced together through cooperating (Holsti, 1987). The cooperation activities are held by conducting discussions and negotiations relating to the problems that are faced together, fact-finding and supporting technical factors to determined certain solutions and strategies and performed negotiations for agreements that are appropriate in accordance with mutual understanding between parties (Holsti, 1987).

### **International Economics And Trade**

According to Huala Adolf, international trade is a process of trading goods and services based on mutual agreement that are conducted together (Adolf, 2005). Moreover, the purpose of international trade is to obtain trade benefits that could increase state revenue. Therefore, international trade will perform sales and purchase transactions between one state with another.

With interdependence of one state with another, economic diplomacy is one of the essential components in international relations study. Economic diplomacy is a

form of diplomacy utilising economic instruments to reach interests and purposes of states. Definition of economic diplomacy according to Kishan S. Rana is a process where a country concludes its problems with other countries by maximizing revenues and income of its state through economic means as well as through trade, bilaterally, regionally or multilaterally (Rana, 2007).

According to Hamilton and Langhorne, economic diplomacy in general sense is defined as the utilisation of traditional diplomatic tools such as intelligence gathering, lobbying, representatives, negotiation and advocacy to keep conducting the economic policies domestically as well as towards foreign counterparts (Hamilton & Langhorne, 1995).

Therefore, economic diplomacy is part of the general practice of diplomacy. Economic diplomacy has the same assumptions and utilised approaches with diplomacy in general with the several emphases of some aspects. One of the most leading characteristics is that economic diplomacy is very sensitive and reactive towards market development and changes (Bayne & Woolcock, 2007). Economic diplomacy focuses on the advantage so that it becomes the differentiating factor that could be offered to other states. Diplomacy could not go well when the market or other states offer another more appealing alternative. In other words, the practice of economic diplomacy is a type of diplomacy that directly faces the market forces. Economic diplomacy is also different compared to economic diplomacy as seen from the recognition towards the importance of the role of private sectors or multinational corporations in the process of negotiation and policy formulation within a state (Bayne & Woolcock, 2007).

To strengthen the thoughts regarding the discussion and analysis in this article, the author feels it is necessary to add two reference books that describe the current world political reality. One of the book is entitled *Every Nation for Itself. What Happens If Nobody Leads the World* (Ian Bremmer, 2013). The author of the book, stated that during the seven decades since World War II, for the first time the international political economy was in a Ground – 0 / G-Zero situation. The world is running without global leadership. The global economic power dominated by the US, EU and Japan is starting to decline.

G-Zero is a term for a global power vacuum resulting from the decline of Western influence and developing countries emerging as new powers, more focused on domestic affairs than global affairs. G-Zero is a situation that illustrates that no single country or group of countries has the ability and willingness to occupy a position to lead the completion of the global agenda. This condition gives rise to countries with economic and security strength as leaders or regional orbits. In addition, new and old dominant powers compete with each other to gain global influence over each other's regional areas. What is interesting about this book is

the illustration and idea that currently each country acts and stands as an individual actor in world politics.

Another book is "All Politics is Global" written by Drezner. In his book Drezner argues that globalization has not weakened the power of national governments to regulate their own economies. Globalization has not weakened the influence of international governmental and non-governmental institutions in determining the global regulatory agenda. In his book, Daniel Drezner argues that despite globalization, states – especially large states – still dominate international regulatory regimes, and state regulatory objectives are driven by their domestic interests. Drezner, points out that large powers—the United States and the European Union—are still key players in global regulatory development, and their power is determined by the size of their domestic economic markets. Only with their consent can global governance be realized effectively. Without their agreement, government will be fragmented or ineffective. And, paradoxically, the strongest sources of major powers' preferences are those elements of their economies least affected by globalization (Daniel W. Drezner, 2007, p. 5-6)

## **METHOD**

Research utilizes qualitative approach is research with the purpose of analysing as well as describing a phenomenon, stance, perception, belief, social activity, related thoughts on the topic in individual, group or institutional means (Sukmadinata, 2007). The description of the research is a process in presenting and analyzing facts and data in a systematic manner so that later those could be easily concluded and comprehended. The conclusion given at the end of research is conclusive and factual so that all of the content could be immediately developed on the data gathered (Azwar, 2004).

The data gathering technique on this journal writing utilized the secondary data research or desk research as the research strategy. According to Paul Hague, the desk research method referred to the use of secondary data gathered from several sources such as official websites, internal or official sources, associations, library reports that have been published or government agent or institutional official data (Paul Hague, 1988). In addition, there are state agencies or institutions that provide government statistics data and white papers. Also, the online database obtained from the internet could provide data that could illustrate actual information relating to the issues being studied.

The definition of secondary data analysis according to Alan Bryman could defined as an effort or process to conduct research relating to specific phenomenon that is performed on the research and moreover to identify an issue by carrying out a review from several secondary sources and investigation (Bryman, 2012).

Additionally, the definition of secondary data according to Melisa P. Johnston is a set of data gathered for the purpose of other research. The purpose of secondary analysis must be concise, transparent, considering ethical aspects in elaborating every decision taken relating to the omission so that the interpretation process of science become transparent (Johnston, 2014).

## RESULTS AND DISCUSSION

The 15<sup>th</sup> Summit of the EU and India in 2020 becomes very important and monumental as it was held online due to the COVID-19 global pandemic. Moreover, the 15<sup>th</sup> Summit of European Union-India was held on 15 July 2020 and attended by Prime Minister of India Shri Narendra Modi and President of European Council Charles Michel and President of European Commission Ursula von der Leyen (European Council, 2020). Additionally, the leaders were also accompanied by the ministerial level officers, such as EU High Representative for Foreign and Security Policy Joseph Borell, Minister of External Affairs of India Dr. S. Jaishankar as well as National Security Adviser of India Shri Ajit Doval (EOI Paris, 2020). In this meeting, both leaders recognise the importance of the strengthening the strategic partnership between European and India (EU-India Strategic Partnership) based on the values of democracy, freedom, law and respect towards human rights. This was also in line with the implementation of 2030 Agenda for *Sustainable Development Goals* (SDGs) from the UN (EOI Athens, 2020). As the two biggest democratic actors, EU and India agreed to perform all means necessary in overcoming the COVID-19 global pandemic. Both parties agreed to carry out bilateral or multilateral cooperation to protect lives and prevent socio-economic effects from the pandemic (European Council, 2020).

Therefore, this section from the leaders agreed to build a trade and investment relation that could potentially ensure the possibility of post-COVID-19 economic recovery. From here, both agreed to establish High-Level Dialogue on ministerial level to strengthen and encourage trade and innovation, that mainly includes biotechnology sector that focused on the public health (European Council, 2020). In reference to such aspect, the approach of the 15<sup>th</sup> Summit of EU and India was highly focused on humanity along with the impacts of COVID-19 pandemic. The effects towards trade, economy, social and development of technology are prominent sectors to ensure continuity of life. Thus, EU and India agreed to strengthen their cooperation, especially in the development and strengthening of biotechnology, where this sector covers health sector of various aspects such as provision of drugs, pharmaceuticals, medical devices and vaccines for the purpose of handling this pandemic (MEA India, 2020). With this pandemic, both parties emphasized the need of framework of cooperation within the Strategic



Partnership from EU and India, with the need to conduct collective cooperation and through the acceleration of the provision for the access of COVID-19-related medical devices and drugs such as vaccines, drugs and diagnostic tools where there is cooperation between EU – India. By understanding cooperation in the fields of biotechnology and pharmaceuticals, especially in the innovation and development of biotechnology and medicines, the EU and India at the 15th Summit agreed to intensify coordination and response to the ongoing global pandemic, namely by coordinating exchange of expertise and best practices, provision of product specialization, access and ease of obtaining COVID-19 handling tools for both parties (MEA India, 2020). This collaboration is very important, especially at a time when the EU and India are experiencing a surge of COVID-19 cases, so this kind of cooperation in the health sector is beneficial for both parties. In addition, the EU and India expressed the importance and full commitment to developing strategic cooperation to the next level. This can be seen from the establishment of "Strategic Partnership: Roadmap to 2025" as a platform and guide for the strategic partnership of both parties.

In relation to this journal, there are several decision points from the "Strategic Partnership: Roadmap to 2025" that become relevant for biotechnology and health sectors. On the trade and investment sector, with the circumstances by the COVID-19 global pandemic, both agreed to cooperate to fulfill a "balanced, ambitious and mutually beneficial" trade with one another. As stated above, EU and agreed to form High-Level Dialogue at the ministerial level to discuss and provide explanation bilaterally and the technicalities on trade and investment, especially that cover the main target of biotechnology in strengthening the health sector (European Council, 2020).

Furthermore, to ensure that there is a mechanism that encourages economic recovery, the EU and India focused on developing an "EU-India Trade Sub-Commission" which aims to provide assistance to MSMEs, provide discussions regarding trade barriers and provide ease of doing business and market access, especially the European market for India and vice versa. To ensure this, the EU and India established a Joint EU-India Working Group on sanitary and phytosanitary (SPS) measures and technical barriers to trade (TBT).

Both parties face problems and at the same time have the same interest in the implementation of provisions which apply to the quality and sanitation of biotechnology raw commodities from India entering the EU market. In this collaboration both parties agreed to facilitate trade and eliminate unnecessary obstacle to trade barriers related to the provisions of the SPS and TBT measures (European Council, 2020).

In relation with the medical and pharmaceutical sectors, EU and India agreed to keep resuming their bilateral cooperation and coordination relating to biotechnology, pharmaceutical and medical devices, especially relating to the establishment of “EU-India Joint Working Group on pharmaceuticals, biotechnology and medical devices” along with the efforts of aligning with the international standards and practices and to ensure the quality of the drug active resources and drugs have met the requirements (European Council, 2020).

Therefore, EU and India specifically are attempting to provide ease of open access to bilateral trade as well as market access for provision of vaccines, drugs, biotechnology and medical devices both in Indian and European markets.

Moreover, on the section of research and innovation, this section also discusses about the importance of strengthening cooperation in the research field and innovation based on the principle of mutual benefit and reciprocity as stated initially in 2001 EU-India Agreement on Science and Technology that ended in May 2020 (European Council, 2020). Both parties are committed to renew the agreement and emphasized several progress and challenges occurring. Based on such matters, to bring a beneficial cooperation, both parties also agreed to resume the innovation and research program through “Horizon Europe” on 2021-2027 that also provides room and opportunities for Indian counterparts to be involved in the research development, including biotechnology (European Council, 2020).

Other biotechnology cooperation that have been agreed by EU and India in 2020 were among others Global Research Collaboration for Infectious Disease Preparedness (GloPID-R), Global Alliance for Chronic Disease (GACD) and Coalition for Epidemic Preparedness Innovations (CEPI) (European Council, 2020). Indeed, there could be a focus on the biotechnology sector that is closely related to the health along with the effects of COVID-19 global pandemic. GloPID-R is a global collaboration research relating to the preparedness towards communicable diseases of EU and India including their memberships. GACD is a global alliance in overcoming chronic diseases of its member states namely EU and also supported by the Indian government. Next, CEPI is a coalition and innovation towards the preparedness in facing epidemic where European Union and India were involved. Such important agenda and programs were the efforts by EU and India to maintain the public health during the pandemic.

Moreover, in this meeting, a Joint Statement was agreed where agreements were ratified and there were several core issues in this 15<sup>th</sup> Summit of European Union-India that were mainly discussed the strategies for post-pandemic economic recovery and global pandemic management (MEA India, 2020). Such economic recovery strategies was initiated by the High-Level Dialogue at the ministerial level with the purpose of having more intensified and technical coordination

relating to trade (export and import activities of featured products of biotechnology and health) and also the biotechnology and pharmaceutical development in the context of fulfilling Broad Based Trade and Investment Agreement. The leaders realized the importance of the priority for economic recovery and safety aspects and humanity to obtain maximum economic potentials after the end of the COVID-19 pandemic or during the course of the pandemic. Therefore, several efforts were made by strengthening the existing cooperation as well as the intensification of modernization and involvement of sustainable development, that is also in line with the Sustainable Development Goals (SDGs) that is program from the UN (European Council, 2017).

Specifically, EU and India emphasizes on SDG target 8.4 with theme decoupling economic growth from environmental degradation (European Council, 2017). By utilizing biotechnology and other appropriate advanced technology that could bring efficiency while still preserving the environment, the agriculture sector could alleviate the environmental effects along with increasing and widening the agricultural commodities, especially for India which serves as the biggest supplier of the biotechnology sector through the agriculture sector. This surely includes the investment and development of strategic sectors such as biotechnology that include funding, technology, best practices and production capacity. Therefore, leaders from the EU and India agreed to renew the agreements relating to the EU-India Agreement on Science and Technology that could make available biotechnology and the importance of such sector in the handling of COVID-19 global pandemic (European Council, 2017).

With the above-mentioned commitments, the trade relations between EU and India have vast untapped potentials. Although there are challenges from the COVID-19 pandemic, both parties remains committed to resume intensive coordination together to overcome this pandemic (European Council, 2020). Therefore, with the efforts to support and strengthen one another, EU and India cooperates in aspects relating to the development and innovation in pharmaceuticals and biotechnology sector, including the development of vaccines and treatment as well as drugs of COVID-19 (DST India, 2020).

EU and India agreed to intensify for connectivity, aside from infrastructure for trade, commodities as well as technical aspects such as biotechnology that becomes prominent during this COVID-19 global pandemic. For this, the European Investment Bank is also involved in contributing economic assistances to facilitate recovery in economic sectors of EU and its strategic partner states including India. EU is also committed to cooperate to form supply chains for biotechnology, vaccines, drug materials where most of the productions of these agriculture commodities derive from India (Lee, et.al., 2021).

Moreover, according to Hosuk Lee-Makiyama, although EU and India did not agree on democracy and the importance of their stances on market access where India is trying obtain the market of drugs and biotechnology (Lee, et.al., 2021). In addition, India has an interest in terms of commodities to admit access to export agricultural commodities, textiles, services, pharmaceuticals, and heavy equipment industries. Such matters also relate to the importance of domestic or internal interests of European Union, each trying to protect their domestic markets along with “being open” towards trade cooperation.

### **European Union And India: Preventive Strategy Over China ‘S Domination**

The cooperation between EU and India on the 15<sup>th</sup> Summit in 2020 occurred in the middle of the pandemic, there was an urgency especially for China's role for dominance in its foreign policy. India realized that China has carried out direct confrontation by using the Line of Actual Control and EU needs stronger partnership relations with India in order to meet those multilateral objectives. For that, EU tends to assume India as a reliable partner especially in biotechnology sector in relation to the common problem in taking strategic step in overcoming the COVID-19 coronavirus pandemic in 2020.

Therefore, with the establishment of the High-Level Dialogue at the ministerial level about trade and investment, the cooperation between EU and India could be strengthened, notwithstanding of the COVID-19 pandemic, in order to alleviate the economic dependence on China and widen the strategic supply chains of goods and services commodities. EU has studies and views that the benefits and potentials from coordination and cooperation in the provision of featured products globally, mainly in biotechnology sectors could be done with India. This is then developed to reflect what has been envisioned in the comprehensive report of Roadmap 2025 at the 15<sup>th</sup> Summit of EU – India in 2020 that emphasized the importance of sectors of food security and biotechnology in the research and development as well as the provision of specialized products in the health sector such as vaccine for the public (Koestanto, 2020). Therefore, both EU – India through such Summit have agreed the best strategies in their efforts to post-pandemic economy recovery as well as the global pandemic management that has been happening in 2020 and so that both parties could be prepared better in handling other challenges ahead.

At the 15<sup>th</sup> Summit due to COVID-19 pandemic, both parties are committed to resume the implementation of Roadmap to 2025 that emphasizes on the intensification of comprehensive trade agreement sectors, one of the main aspects is biotechnology (Ankita Dutta, 2021). With the efforts to carry out EU-India Summit Annual Review, it is expected to further explain the solution relating to

the cooperation and trade in the biotechnology sector that cover the public health sector such as information sharing, routine dialogue meeting, financial assistance in ensuring the cooperation as well as it could ensure the resource mobilization and overall stakeholders' interest. By upholding the collective interests such as to balance Chinese influence, EU and India believes that there are rooms for cooperation. Moreover, with the ongoing COVID-19 pandemic, the biotechnology could develop health research and technology as well as obtaining the best based ingredients from agriculture sectors from India that becomes a comparison as well both could compete against the domination of China (UPSC India, 2021).

Through this 15<sup>th</sup> Summit, PM of India Narendra Modi emphasized the importance of cooperation in food and health export sectors. Secondly, namely India and EU could play a role to become parties that contribute to the economic recovery through the trade cooperation on agriculture sector and biotechnology. With the support through the slogan of PM of India Narendra Modi, namely "*Atmanirbhar Bharat*" or translated as "independent India" in opening themselves to the world and to integrate Indian domestic production in the global supply chain (Rajesh Mehta, 2020). As explained, due to the COVID-19 pandemic, the agriculture and biotechnology sector becomes priority sectors. Europe has the willingness to ensure the investors and suppliers that were initially from China shifts to India. Although the "*Atmanirbhar Bharat*" program requires further elaboration so that the EU could not consider such program as economic protectionist program, rather the program that could strengthen the ties between EU and India. According to the perspectives of Indian businessmen represented by Abhinav Kumar, Chief Marketing Officer from Tata Consultancy stated that Europe and India have cooperated well as both have similar views on values and philosophy of democracy (Rajesh Mehta, 2020). EU could facilitate the advancement of production for information technology and biotechnology of India to strengthen the capacity to provide components and support the biotechnology development. Moreover, with the possibility of strengthening cooperation and global supply chain dynamics, India becomes more coordinated to become the natural ally of EU. European Union's over-dependence towards China could be overcome by strengthening the production capacities in main sectors such as agriculture and biotechnology with India. In this case, Europe could transfer their expertise of innovation and technology that could bring mutual beneficial relations. Additionally, there are high quality human resources from Europe that could be integrated to strengthen the development of biotechnology industries. To alleviate the dependence on Chinese biotechnology has become the most essential aspect of the biotechnology cooperation between EU and India. In this case, India and EU could build strong domestic technological bases focusing on the exchange

of biotechnology experts, providing work permit and student exchanges, market access for business, and collaboration together for research and development (Karishma, 2020).

The need of cooperation between EU – India becomes very crucial. The trade cooperation on agriculture and biotechnology sectors becomes the ways to provide strengthening of further trade cooperation. Officially, India and EU have tried to meet the utilization and maximum economic impact including the agriculture and biotechnology sectors. At the 15<sup>th</sup> Summit of European Union-India, it was stated that the Broad-Based Trade and Investment Agreement becomes essential for India, EU is a very wide market for agriculture and biotechnology products (Ankita Dutta, 2021).

With the COVID-19 pandemic, EU realized the dependency of biotechnology and pharmaceutical products outside of Europe. The possibility of cooperation in the biotechnology could indeed be performed through diversification so that the biotechnology where it covers drugs, medical devices and pharmaceuticals could reach the EU market and could obtain the technology and expertise from Europe as the partner country (Ankita Dutta, 2021). With the dialogue and intensive discussion on the potential of cooperation in the given sector in shifting the focus of EU from China to India for this biotechnology sector could provide opportunities for both parties to pursue strong partnership.

### **Trade Related Political Challenges**

Even though the EU - India has reached an agreement to increase free trade cooperation and collaborate in the biotechnology sector, there are actually fundamental political problems that both parties face towards each other. Since the establishment of the WTO regime in 1995, global politics in the economic sector has been constitutionalities by the WTO Agreement. According to this regime, each country is positioned and treated as an individual actor in a liberal political regime. WTO members integrate and interact with each other in the field of trade in accordance with the limits of their respective economic openness. As a member of the WTO, each country has two types of rights. Both types of rights are the right to obtain prosperity from world resources. Another right is the right to secure the country from the negative excesses of international trade. On the other hand, the WTO has three world resource objects to create prosperity, each of which has different trade terms and conditions to be exchanged. The three are trade in goods, trade in services, and trade provisions related to intellectual property rights.(Sulistyo, et.al, 2023). Based on these global political conditions and associated with Bremmer's views on the individualization of countries and Drezner on the continued influence of developed countries in the globalization

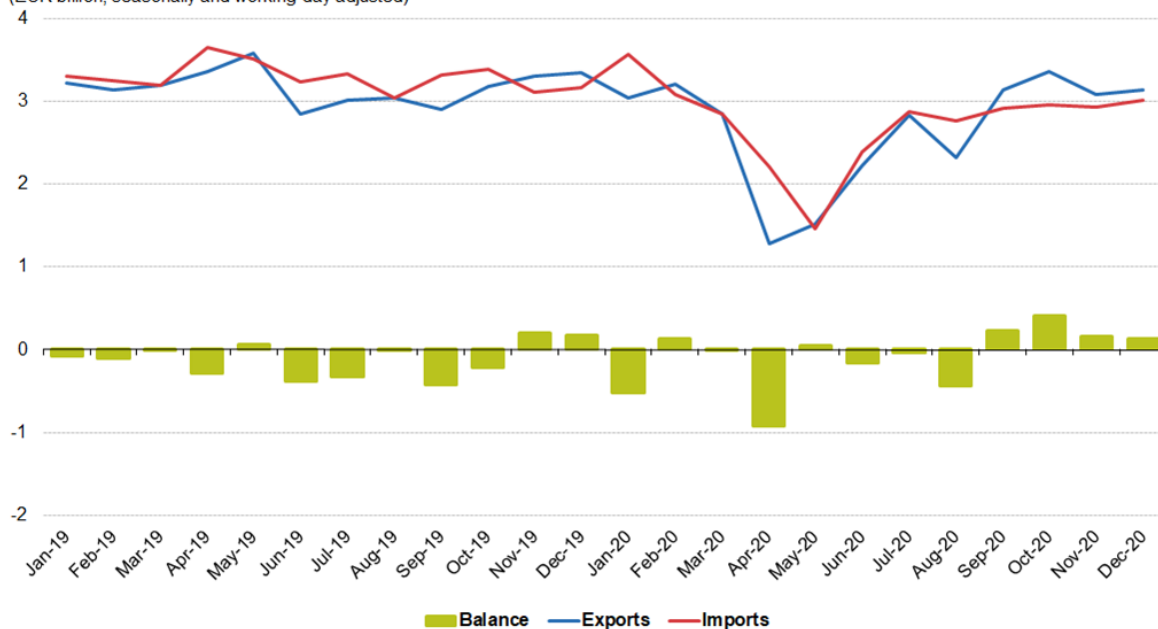
agenda, we get the view that free trade cooperation is not always in line with biotechnology collaboration.

Even though both parties, the EU and India, have reached an agreement, free trade has the potential to become an obstacle to biotechnology collaboration. In the WTO forum, the EU and India tend to have opposing views in discussing the legal provisions for intellectual property rights in the TRIPs Agreement. Until now, the EU has always rejected proposals from India and other developing countries to include 'benefit sharing issues' in amendments to the TRIPs agreement. The conflicting views between the two in the field of TRIPs are an obstacle to implementing biotechnology collaboration. Knowing that the EU really needs exported raw biotechnology raw materials, India certainly demands provisions regarding 'benefit sharing' of the commodities in question. The EU will reject India's wishes on the grounds that TRIPs is a very strict legal guideline for trade regarding IPR aspects.

### European Union And India: Official Data In Trades (Focusing On Biotechnology Sector Within Healthcare Areas), 2019-2020

#### EU trade in goods with India, 2019-2020

(EUR billion, seasonally and working-day adjusted)



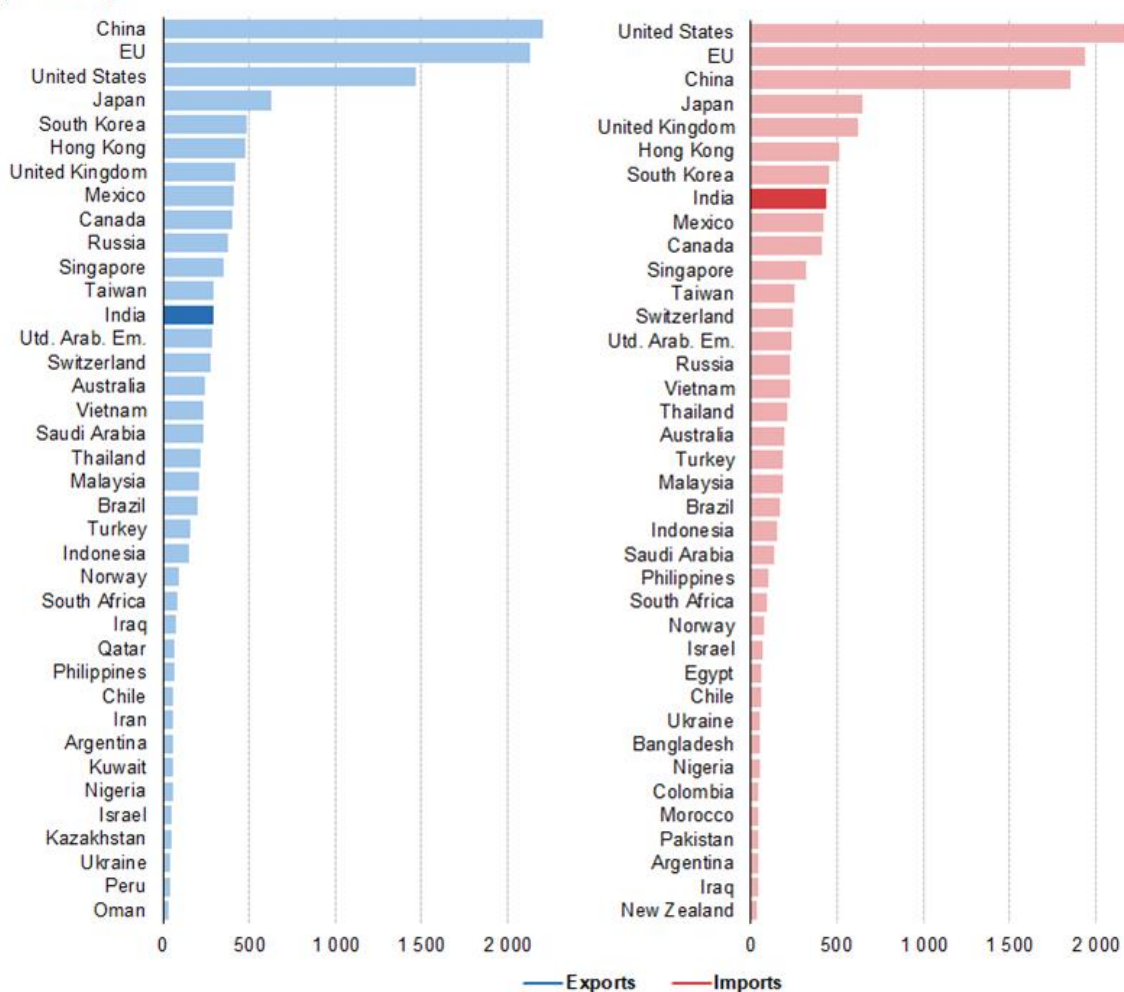
Source: Eurostat (online data code: ext\_st\_eu27\_2020sitc)

eurostat 

The above graph illustrated that the global pandemic caused by COVID-19 coronavirus caused a decline in export and import on specialization of featured products between EU and India in 2020 compared to the previous year. The export reached a minimum of 1.3 billion euros in April 2020. In December 2020, export has recovered to be 3.1 billion euros. The export reached a minimum of EUR 1.5 billion euros in May 2020. In December 2020, export has recovered to be 3.0 billion euros (European Commission. 2020).

**Top traders in goods with a focus on India, 2019**

(€ billion)



Source: Eurostat (online data code: ext\_lt\_introeu27\_2020) and UNCTAD



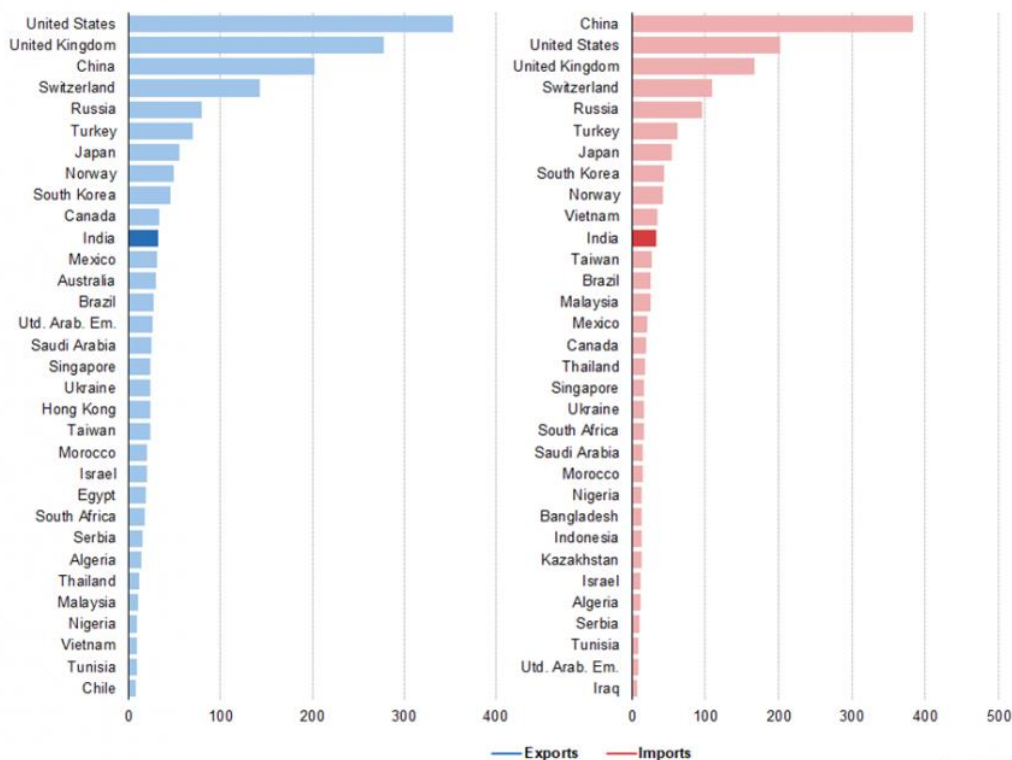
The above graph stated that in 2019, India was placed at the 13<sup>th</sup> position as top traders (biggest trading partners) of EU among other countries around the world, where India received the featured imported products from EU to India (EU



conducts exports to India as seen from the blue graphs). Moreover, India is ranked at the 8<sup>th</sup> place for the top traders of EU among other countries in the world, where India conducts export of its featured products to EU (EU receives import from India as seen from the red graphs) (European Commission, 2020).

### Top trade in goods partners of the EU with a focus on India, 2020

(€ billion)



Source: Eurostat (online data code: ext\_st\_eu27\_2020sitc and DS-018995)

eurostat

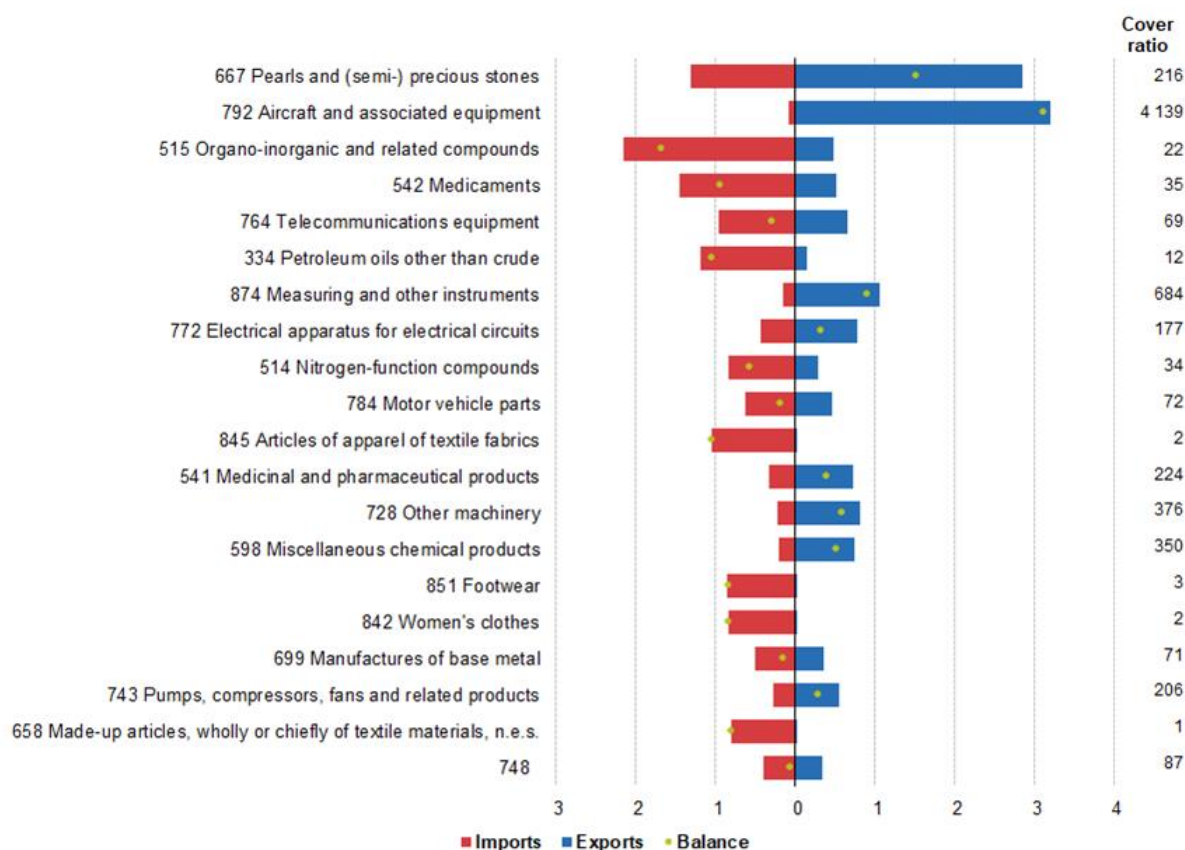
In addition, the above graph stated that in 2020, India was placed at the 11<sup>th</sup> position as top traders (biggest trading partners) of EU among other countries around the world, where India received the featured imported products from EU to India (EU conducts exports to India as seen from the blue graphs). This indicates that there is an increase of export volumes of EU to India compared to 2019 (European Commission, 2020).

Moreover, India is also ranked at the 11<sup>th</sup> place for the top traders of EU among other countries in the world, where India conducts export of its featured products to EU (EU receives import from India as seen from the red graphs). Such graph indicates that there is a small shift of EU's import volumes of EU from India compared to 2019 (European Commission, 2020).

However, overall, it could be concluded that EU and India remains trying to maintain their cooperation through international trade and economic diplomacy as one of the strategic steps for economic recovery of each party along with the global pandemic management.

**Most traded products between EU and India, 2020**

(€ billion)



Note: While the trade balance provides information on the absolute value of trading positions, the cover ratio provides a relative measure that is based on the ratio (expressed in percentage terms) between the value of exports and the value of imports; if exports are higher than imports then the cover ratio will be above 100.

Source: Eurostat (online data code: DS-018995)



The graph above explained on the featured products involved in the export and import activities between EU and India in 2020. Through such graph, the first order towards the biggest number relating to the specialization of the export and import products between EU and India is on the commodity of pearl and other

precious stones. The second biggest of the export and import volume between EU and India is the aircraft commodities and related tools. Next, the third position is based ingredients of organic-inorganic and other related components. Fourth is ranked by medicaments, where in this case, the provision of medical devices, drugs, pharmaceutical and also the development as well as provision of vaccines to overcome COVID-19 (European Commission, 2020). The graph above illustrated that the based ingredients commodities and medicaments have close correlation with the strategic steps taken by EU and India in recovering the economy from the impacts of the global pandemic, that is included in the cooperation agreement of the 15<sup>th</sup> Summit of EU-India mainly relating to the increase of biotechnology sector (European Commission, 2020). The provision of medicinal and pharmaceutical products was on the 12<sup>th</sup> position as well as the miscellaneous chemical products were at the 14<sup>th</sup> product in the volumes of the specialization of export and import products between EU and India in 2020 as well have close correlation on the strategic plans for economic recovery as well as the importance of optimizing of performance for management on COVID-19 coronavirus pandemic.

## CONCLUSION

The relations between EU and India have been conducted for more than 55 years, and such relations have been maintained by both parties that could be kept even after summit level that has resulted in several significant agreements, programs as well as agendas to enhance strategic partnership between EU and India and to build as well as develop respective region and countries.

The COVID-19 global pandemics occurring worldwide at the beginning of 2020 not only become diplomatic relations between EU and India declined. The 15<sup>th</sup> Summit of EU and India indicated that both parties as International Relations actors that both uphold the values of togetherness and democracy, could determine the economic recovery along with efforts in handling and managing the COVID-19 global pandemic mainly collective through the development of research and technology as well as the increase of biotechnology sector. The following are the forms of strategic steps taken by European Union and India relating to such matters:

- 1) The leaders agreed to build trade and investment relations that could potentially to ensure the post-COVID-19 economic recovery, through holding the “High-Level Dialogue” to strengthen and encourage trade and development of innovation, mainly to improve public health.
- 2) Both parties cooperate on “EU-India Strategic Partnership”, with the interests for mutual cooperation collectively and ways to accelerate the

provision of access to COVID-19-related medical devices and medicaments such as vaccines, pharmaceuticals and diagnostic tools.

- 3) To ensure the mechanism to encourage economic recovery, EU and India focused to develop “EU-India Trade Sub-Commission” with the purpose of providing assistance for MSMEs, providing discussion relating to the trade obstacles and providing ease of business and market access, especially European market for India and vice versa.
- 4) EU and India agreed to keep resuming their bilateral cooperation and coordination relating to biotechnology, pharmaceutical and medical devices, especially relating to the establishment of “EU-India Joint Working Group on pharmaceuticals medical devices” along with the efforts of aligning with the international standards and practices and to ensure the quality of the drug active resources and drugs have met the requirements.
- 5) Strategic steps of EU and India through the biotechnology involved in the programs: Global Research Collaboration for Infectious Disease Preparedness (GloPID-R), Global Alliance for Chronic Disease (GACD) and Coalition for Epidemic Preparedness Innovations (CEPI), to manage the post-COVID-19 impacts.
- 6) EU and India agreed to intensify in terms of connectivity, aside from infrastructure for trade, commodities as well as technical aspects such as biotechnology that becomes prominent in the middle of the COVID-19 global pandemic.
- 7) European Investment Bank provided economic assistance to facilitate recovery of economic sectors in EU and other EU strategic partner countries, one of them include India.
- 8) EU and India cooperate together to form supply chains for biotechnology, vaccines, drug materials where most of the productions of these agriculture commodities that derives from India.

The implementation of types for strategic steps that was agreed upon by EU at the 15<sup>th</sup> Summit of European Union-India to this day is still carried out in the implementation in overcoming the effects felt from the emergence of COVID-19 coronavirus pandemic that only weakened the domestic economy but international economy. Therefore, EU and India have assumptions that to conduct economic diplomacy relations is the right choice and step as both could support one another preventive efforts of negative effects from the global pandemic and focused on the solution formulations from the problems that are faced by both parties as well as carrying out strategic steps for economic recovery in the regions of EU and India.

**REFERENCES**

- Ankita Dutta. (2021). *Unpacking the India-EU economic relationship*. Accessed on 30 May 2021 from ORF (Observer Research Foundation) Online India at <https://www.orfonline.org/expert-speak/unpacking-india-eu-economic-relationship/>
- Bayne, N., S. Woolcock. (2007). *The New Economic Diplomacy: Decision-Making and Negotiations in International Economic Relations*. London: Ashgate Publishing Company.
- Benny D. Koestanto. (2020). *India Pilih Uni Eropa untuk Jajaki Kemitraan Perdagangan*. Accessed on 30 August 2022 from Kompas at <https://www.kompas.id/baca/internasional/2020/07/16/india-pilih-uni-eropa-untuk-jajaki-kemitraan-perdagangan/>
- Bremmer, Ian, (2013), *Every Nation for Itself. What Happens When No One Leads the World*, Penguin, New York.
- Drezner, Daniel W., (2007) *Theories of International Politics and Zombies*, Princeton University Press, New Jersey.
- Embassy of India in Athens. (2020). *Press Briefing - 15th India-EU Summit*. Accessed on 14 July 2021 from the Embassy of India in Athens [https://www.indianembassy.gr/newsImage/1594898104\\_7696\\_15th%20India-EU%20Summit.pdf](https://www.indianembassy.gr/newsImage/1594898104_7696_15th%20India-EU%20Summit.pdf)
- Embassy of India in Paris. (2020). *Press Briefing by Secretary (West) on 15th India-EU Summit*. Accessed on 14 July 2021 from the Embassy of India in Paris <https://www.eoiparis.gov.in/docs/1594882286India-EUSummit.pdf>
- European Commission. (2020). *India-EU – international trade in goods statistics*. Accessed on 9 September 2021 from the European Commission at [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=India-EU\\_%E2%80%93\\_international\\_trade\\_in\\_goods\\_statistics#EU-India most traded goods](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=India-EU_%E2%80%93_international_trade_in_goods_statistics#EU-India_most_traded_goods)
- European Council. (2020). *EU-India Strategic Partnership: A Roadmap to 2025*. Accessed on 14 July 2021 from the European Parliament at <https://www.consilium.europa.eu/media/45026/eu-india-roadmap-2025.pdf>
- European Council. (2017). *EU-India Joint Declaration on Resource Efficiency and Circular Economy*. Accessed on 14 July 2021 from the European Parliament at <https://www.consilium.europa.eu/media/45027/joint-declaration-with-india-on-resource-efficiency-and-circular-economy.pdf>
- European Council. (2020). *EU-India summit via video conference, 15 July 2020*. Accessed on 20 July 2021 from the European Parliament at

<https://www.consilium.europa.eu/en/meetings/international-summit/2020/07/15/>

European Council. (2020). *Joint Statement - 15th EU-India Summit, 15 July 2020*. Accessed on 14 July 2021 from the European Parliament at <https://www.consilium.europa.eu/en/press/press-releases/2020/07/15/joint-statement-15th-eu-india-summit-15-july-2020/pdf>

European Council. (2020). *Remarks by President Charles Michel after the EU-India summit via video conference*. Accessed on 14 July 2021 from the European Parliament at <https://www.consilium.europa.eu/en/press/press-releases/2020/07/15/remarks-by-president-charles-michel-after-the-eu-india-summit-via-video-conference/>

European External Action Service. (2013). *The European Union and India: Fifty Years of Partnership*. Accessed on 28 May 2021 from the European Foreign Service at [https://eeas.europa.eu/archives/delegations/india/documents/publications/the\\_eu\\_and\\_india\\_fifty\\_years\\_of\\_partnership.pdf](https://eeas.europa.eu/archives/delegations/india/documents/publications/the_eu_and_india_fifty_years_of_partnership.pdf)

Hosuk Lee, et.al. (2021). *Finding a way forward on EU-India trade negotiations*. Accessed on 20 July 2021 from East Asia Forum the Australian National University's Crawford School of Public Policy at <https://www.eastasiaforum.org/2021/06/08/finding-a-way-forward-on-eu-india-trade-negotiations/>

Huala Adolf. (2005). *Hukum Perdagangan Internasional: Persetujuan Umum Mengenai Tarif dan Perdagangan*. Jakarta: BP.IBLAM.

James E. Dougherty, Pfaltzgraff Robert L. (1997). *Contending Theories*. New York: Publisher Harper and Row Publisher.

Karishma. (2020). *India-EU Relations – Issues and Way Ahead*. Accessed on 30 May 2021 from IAS Express India at <https://www.iasexpress.net/india-eu-relations-issues-and-way-ahead/#section-2>

Melisa P. Johnston. (2014). *Secondary Data Analysis: A Method of which the Time Has Come*.

Ministry of External Affairs of Republic of India. (2020). *Transcript of Virtual Special Media Briefing on India-EU Summit by Secretary (West) (July 15, 2020)*. Accessed on 14 July 2022 from the European Parliament at <https://www.mea.gov.in/media-briefings.htm?dtl/32835/Transcript+of+Virtual+Special+Media+Briefing+on+IndiaEU+Summit+by+Secretary+West+July+15+2020>.

- Ministry of Science and Technology of Republic of India. (2020). *India-European Union Agreement on Scientific and Technological Cooperation renewed for next five years (2020-2025)*. Accessed on 20 July 2022 from Press Information Beureau India at <https://pib.gov.in/PressReleasePage.aspx?PRID=1641228#:~:text=India%20and%20European%20Union%20have,past%20in%202007%20and%202015>.
- K. Hamilton, R. Langhorne. (1995). *The Practice of Diplomacy: its evolution, theory and administration*. London: Publisher Routledge.
- Kishan S. Rana. (2007). *Economic Diplomacy: The Experience of Developing Countries*. Accessed on 27 November 2020 from Kishan Rana Diplomacy Foundation at <https://kishanrana.diplomacy.edu/wp-content/uploads/2019/12/DevCountries-EcoDip-Bayne-2007.pdf>
- K. J Holsti. (1987). *International Politics: A Framework for Analysis*. New Jersey: Publisher Prentice Hall.
- NTNU. (2020). *What is Biotechnology*. Accessed on 4 June 2021 from Norwegian University of Science and Technology at <https://www.ntnu.edu/ibt/about-us/what-is-biotechnology>
- Paul Hague. (1988). *A Practical Guide to Market Research*. Stockport: Grosvenor House Publishing.
- Politico. (2021). *EU-India Relations: a timeline*. Accessed on 29 May 2021 from Politico at <https://www.politico.eu/article/eu-india-relations-a-timeline-2/>
- Rajesh Mehta. (2020). *India-EU strategic partnership for the world*. Accessed on 30 May 2023 from Financial Express India at <https://www.financialexpress.com/defence/india-eu-strategic-partnership-for-the-world/>
- René Christensen, et.al. (2002). *Biotechnology: an overview*. Accessed on 30 June 2021 from European Investment Bank at [https://www.eib.org/attachments/pj/pjbio\\_en.pdf](https://www.eib.org/attachments/pj/pjbio_en.pdf)
- Union Public Service Commission. (2021). *India-EU Relations*. Accessed on 30 May 2021 from UPSC India Samajho Learning at <https://samajho.com/upsc/india-eu-relations/>
- Waseda University. (2015). *A History of Biotechnology*. Accessed on 4 June 2021 from Waseda University at [http://www.f.waseda.jp/sidoli/STS\\_Intro\\_10.pdf](http://www.f.waseda.jp/sidoli/STS_Intro_10.pdf)
- Widayanto, Sulisty, et.al, (2023), *Politik Perdagangan Indonesia. Problematika, Pemikiran dan Realitasnya*, Unisri Press, Surakarta.