

**EU-India relations post-Lisbon: cooperation in a changing world**  
**New Delhi, 23 June 2010**

I am delighted to be here today in New Delhi. This is my fourth visit to India, and each time I come I see more and more signs of India's incredible growth.

My aim today is to talk about the way in which our world is changing and how the European Union is changing too. And above all, what that means for our partnership with India.

We live in a world where everything is speeding up: politically, economically and technologically. The result of that is growing complexity.

There is no one narrative or template to guide us through this complexity. But, if we try to frame our world, two features stand out:

First of all, there is deep interdependence - in political, economic and security terms; Technologies, ideas, money, even diseases: everything moves on a global scale. We are connected in a way we have never been before.

Second, power is shifting. This is happening within political systems - roughly from governments to markets, media and NGOs. Power is also shifting between political systems - roughly from the old "West" to both East and South.

Growing interdependence plus a power shift means we need to bring together new, broad coalitions to tackle global problems: not just the "West" and not just governments.

This reality is the outcome of globalisation as not just an economic but also a political phenomenon.

The spectacular rise of Asia – not least of India – is a direct consequence of that globalisation.

The positive side enables billions of people to lead longer, better lives. To shape their own future. We get more open markets, more open societies.

But of course, globalisation has a dark side too. It exposes us more to shocks and has brought its own set of problems, especially for the most vulnerable.

One of the challenges we face is that security and economics are now increasingly global – perhaps the best examples are the financial crisis and climate change – but at the same time politics, and people's loyalties, often remain national.

So we really need solutions at the global level, but resources and legitimacy remain at the national level, and changes in behaviour often come from individuals. Herein lies in a sense the core problem of globalisation – and this also explains the weakness of global governance.

The EU in a way is an attempt to bridge this gap. It is a system for managing cross-border problems on a continental scale – and a building block for developing global solutions to global problems.

The EU started as a peace project for the European continent. It cemented Franco-German reconciliation. It managed coal and steel production. It was built on the idea of strong institutions in order to move away from ad-hoc bilateral co-operation. Integration was based on law, not power.

This integration was extended over time to create a single market, a single currency for many EU countries, cooperation on Justice and Home Affairs and much more besides.

Geographically, the EU expanded as well through an extraordinary enlargement that took us from 12 to 15 to 25 and now 27 countries and more than 500 million citizens.

I myself felt the strength of Europe as an economic superpower when I was European trade commissioner, negotiating agreements on behalf of those 500 million citizens.

What started as a vehicle for solving European problems has to become increasingly outward looking. We are now a serious actor on the world stage, helping to solve global problems. That is what European citizens expect.

It is also what non-Europeans are looking for. When I travel around the world – from Gaza to Haiti to the Balkans, the message is clear: what can the EU do to protect the vulnerable, promote peace, and extend opportunity?

This brings me on to the Lisbon Treaty. The work that went in, over many years, to create the Lisbon Treaty and bring it into force was in part recognition that politics needs to meet economics at the European level – not to take over the role of individual states, but to add value. To have a political strategy for 27 countries, as well as an economic strategy.

The EU is shaping up to be able to act effectively as a Union of 27 member states. And to tackle the new challenges where our citizens expect us to act.

The process we call Lisbon streamlines decision-making procedures in various areas – notably on justice and home affairs. It gives greater say to our European Parliament, and that enhances democratic scrutiny, and introduces a whole new dimension of participatory democracy – where one million citizens can invite the executive to bring forward certain legislative proposals.

The area where the Lisbon Treaty makes possibly the biggest change is in how Europe deals with the rest of the world. The watchwords here are greater coherence, more continuity and with that, we hope a greater impact for the European Union around the world.

Let me tell you some of the things that the Lisbon Treaty does, in the area of foreign policy:

First, it creates the opportunity for greater coherence by bringing together development, diplomacy and crisis management.

In a complex world we need integrated approaches that take account of internal and external security. Approaches that allow us to tackle climate change, energy security, water issues – the politics of scarcity.

The Lisbon Treaty has also mandated the creation of something called the European External Action Service. This will bring together top people from European Union institutions and our member states to work together in the same team.

People come from a wide range of backgrounds will bring a lot of experience in policy and diplomacy, development, and crisis management. They will all work together in support of a single political strategy.

Our objective is to build a service fit to tackle 21<sup>st</sup> century problems. A "one stop shop" for those dealing with us. That will be the case both in Brussels and our EU Delegations around the world, including here in New Delhi.

This new diplomatic service will enable us to forge comprehensive strategies on the big questions of our time. Issues and problems that are inter-linked, where we have to identify the connections and forge the right solutions and strategies.

Simplifying procedures and adding greater effectiveness to our external actions should also help us become a better interlocutor.

Lisbon will furthermore give greater continuity in how EU engages with rest of the world. I chair the meetings of EU Foreign Ministers, as well as those for Ministers of Development and Defence. I also will be the counterpart in dialogues and meetings with partners around the world.

My mandate is five years. At the level of Heads and State and Government there is also greater continuity through President van Rompuy, who has a two and a half year term.

So the EU is changing as the international landscape around us evolves. We are more than just a superpower in trade and economic terms. We are an important partner in political terms, and see this as of interest to India too.

When I look at my in tray, I see Iran, Gaza, Afghanistan, the fight against piracy, non-proliferation and much more. Each of these are global concerns. Each of them issues that affect all of us.

We now have people present in crisis management operations on four continents. 70.000 people have thus far taken part in more than 22 operations, including Georgia, Kosovo, Afghanistan, and a number of African missions. We are engaging globally.

But this world I have described – one of growing interdependence, global security and economic problems – is of course also your world. Your stake in the effectiveness of the global system is increasing. The world is certainly rapidly becoming multipolar. But multipolar is not the same as multilateral.

Both EU and India want a world with strong institutions, and the rule of law within and between countries; a world where rights and responsibilities to go hand in hand.

We see India playing an increasingly important role across wide range of global issues and problems. Buoyed by your strong economic growth you are engaged more and more on trade and climate change or regional and global security. I believe this is very welcome.

So the EU and India have the chance to step up our co-operation - deepening and broadening it. And above all, making it more strategic.

The world we live in demands we invest more in new forms of partnership. We have to stand together politically and economically. This is a top priority for me and one of the reasons to create the External Action Service – which is not an end in itself.

In my meetings with strategic partners such as India I want to discuss the potential for future opportunities where we can collaborate. I was extremely pleased to have been received by Prime Minister Singh yesterday, and I made this point to him when we spoke.

During this visit I have reaffirmed that piracy in the Indian Ocean is problem for both the EU and India. We also have the potential to deepen co-operation on counter-terrorism. That is why I brought people on this visit who lead the work on the EU side on these issues. They will work with their Indian counter-parts to develop new and growing areas of our co-operation.

Indeed, counter-terrorism should be a significant feature of EU-India security cooperation. I came here to assess with Minister Krishna the progress we are making on cooperation between our European Police Office (Europol) and India, and how we can give greater impetus to those discussions. We are laying the ground for greater cooperation between the EU and India on counter-terrorism.

In the area of international security, I have been discussing prospects for a framework for Indian participation in EU crisis management operations. With India's role as one of the primary contributors to UN peace-keeping activities and the EU's growing role in crisis management, increased co-operation makes a lot of sense.

In the Gulf of Aden, the EU Naval Force Atalanta is the largest naval force deployed in the region. The EU has a comparative advantage for this type of operation, as we can offer a comprehensive response to the threat of piracy with continuity, from military arrests to EU support for the subsequent legal prosecution through to the Transfer Agreements of suspected pirates signed with Kenya and the Seychelles, and hopefully with more countries in future.

In these anti-piracy operations, a working relationship has been established between the EU Naval Force and India to facilitate the programming of patrols and escorts. We think we can do more, developing this cooperation further. In doing this, we cannot forget that we must also address the root causes of these problems. The EU as the world's no. 1 aid donor is also present in Somalia to help develop the country.

We would also like to deepen the dialogue we have with India on regional issues, including on Afghanistan, Pakistan and Sri Lanka. We recognise the efforts made to have channels of communication open between India and Pakistan.

While stressing the need to develop our partnership in the security area, we must not forget our other principal priority areas, Climate change, energy and trade. Not least because these issues also affect our stability and security.

Climate change acts as a driver for migration, a catalyst for conflicts over scarce resources such as water, and as a threat to global poverty reduction. We have to work together to meet the challenge of delivering a binding post-2012 agreement. We remain committed to doing our part, with at least a 20 % decrease in greenhouse gases emissions by 2020. We are prepared to go further on this commitment, provided other partners do their share.

One key component in reaching ambitious targets is improving research and development and innovation to fight climate change.

The EU and India have agreed to pool our expertise to work together on the development of clean technologies and renewable and clean energy – for example on solar energy and on civil nuclear research. This will reduce our greenhouse gas emissions and improve our energy security at the same time.

Of course trade remains a cornerstone of our strategic partnership, as I know very well from my time as Trade Commissioner.

Bilateral trade between us has increased steadily over the past years with the EU India's most important trading partner and also the leading investor in the country. India has also emerged as a major investor in Europe having made some major company acquisitions over recent years.

There is a lot to gain in terms of economic growth, job creation and increased opportunities for our businesses.

The aim of the new trade and investment agreement we are negotiating is to set the parameters for our trading relationship not just for the next couple of years but for the next decades. We need to get it right for the long term to ensure that the final deal is a clear win-win for both sides.

I hope my main message is clear: the world around us is changing fast – and Europe is changing too to meet the challenges we face.

I decided to come to India within months of my appointment because I see India as a vital strategic partner to meet those challenges. India is one of the most

significant global powers in the 21<sup>st</sup> Century. It is the biggest democracy in the world, an economic and cultural heavyweight whose power can only increase.

The European Union as a bloc of democratic, market-oriented countries wants to work with India to promote the many values that we share.

The European Union is at the beginning of a process to make even more coherent and effective what we can do and offer to our partners. We are already moving forward and exploring. That opens up enormous opportunities for EU-India relations, in priority areas for both of us such as security, climate change and trade.

It is up to all of us to seize the new opportunities and give even greater substance to this vital strategic partnership.

Thank you.