

On cusp of historic trade deal with India: EU

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India and the European Union are on the cusp of a 'historic trade agreement' that would create a market comprising two billion people accounting for almost a quarter of global gross domestic product (GDP), European Commission President Ursula von der Leyen said on Tuesday.

President of the European Council Antonio Costa and von der Leyen will be in India from January 25 to 27 to grace the Republic Day celebrations as chief guests and hold summit talks with Prime Minister Narendra Modi. The two sides are set to announce the conclusion of negotiations on the much-awaited free trade agreement at the India-EU summit on January 27.

In an address at the World Economic Forum in Davos, von der Leyen said Europe wants to do business with the growth centres of today and the economic powerhouses of this century.

"I will travel to India. There is still work to do. But we are on the cusp of a historic trade agreement. Some call it the mother of all deals. One that would create a market of two billion



President of the European Commission Ursula von der Leyen (left) and President of the Swiss Confederation Guy Parmelin at the World Economic Forum in Davos on Tuesday

PHOTO: REUTERS

people, accounting for almost a quarter of global GDP," she said in a televised address.

"And, crucially, that would provide a first-mover advantage for Europe with one of the world's fastest growing and most dynamic continents. Europe wants to do business with the growth centres of today and the economic powerhouses of this century," von der Leyen said.

"From Latin America to the Indo-Pacific and far beyond, Europe will always choose the world. And the

world is ready to choose Europe," she said.

The European Union is India's biggest trade partner with bilateral trade in goods recording \$135 billion in the financial year 2023-24. The free trade agreement is expected to significantly enhance trade ties.

The proposed agreement is expected to bring a qualitative change in deepening the overall bilateral ties in a range of sectors as well at a time the world is witnessing trade disruptions in view of Wash-

ington's tariff policy.

Besides firming up the free-trade agreement, the two sides are likely to unveil a defence framework pact and a strategic agenda at the summit. India and the European Union have been strategic partners since 2004.

The ambitious FTA is being firmed up at a time amid increasing concerns over Washington's trade and tariff policies, which have impacted both India and 27-nation EU.

India and the EU are also expected to unveil a joint comprehensive strategic vision that will govern their relationship for the period 2026-2030.

The EU and India had first launched negotiations for the free-trade agreement in 2007, before the talks were suspended in 2013 due to a gap in ambition. The negotiations were relaunched in June 2022.

The proposed Security and Defence Partnership will facilitate deeper defence and security cooperation between the two sides. The SDP will bring interoperability in the defence domain and it will open up avenues for Indian firms to participate in the EU's Security Action for Europe programme.

Spanish foreign minister to visit India today

Spain's Minister of Foreign Affairs, European Union (EU) and Cooperation, Jose Manuel Albares, will be on a visit to New Delhi on Wednesday. The Spanish minister's visit comes in the context of the India-EU Summit next week, where the two sides are set to announce the conclusion of the negotiations of their trade deal. In recent weeks, India has hosted several European leaders, including the German chancellor, Polish and Italian deputy prime ministers, and the Dutch foreign minister.

BS REPORTER

India, Namibia hold talks on defence, critical minerals

India and Namibia concluded their two-day foreign office consultations on Tuesday, where they discussed key areas of bilateral cooperation, including trade, investment, agriculture, health and pharmaceuticals. Both sides agreed to further deepen bilateral ties in critical minerals, defence and agriculture. Prime Minister Narendra Modi had visited Namibia in July 2025, his first visit to that country and only the third by an Indian prime minister to the southern African country.

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