I arrived in New Delhi four years ago with a feeling of anticipation and excitement. India was already acknowledged as a country which, in more ways than one, would be increasingly important. Relations between the EU and India had already been upgraded to the level of a strategic partnership in 2004.

The European Union itself was on the brink of major institutional changes designed to provide coherence in external relations and flexibility in decision-making. The creation of an External Action Service, under the double-hatted High Representative for Foreign Affairs and Security Policy and Vice-President of the European Commission, was set to become the first step towards an EU Foreign Service. With the ratification of the Lisbon Treaty by all our 27 Member States, these changes became effective on 1st December 2009.

As a Delegation to India, we now have the sole responsibility for representation, coordination and negotiation on behalf of the Union. Using the wealth of experience of all my colleagues - the EU Ambassadors - to bring an EU of 500 million citizens closer to a realisation of common interests and mutual benefits with India, has been enormously challenging and interesting.

India is a growing power and I have seen that demonstrated in many ways. With its one billion plus people, high growth rate and progress towards economic openness, India is currently the 8th largest trading partner of the European Union - and the magnitude of our trade relations will be clearer if I tell you that we trade both ways to the level of €235 million per day! With its strong IT skills and scientific manpower, India is also a strategic partner in research and innovation as shown by its strong presence in the EU’s multi-billion euro 7th Framework Programme. With its multi-ethnic and multi-cultural society, it is a crucible for inclusive social development. Each of these areas - to quote but a few - has been a fertile field for our vastly expanded canvas of relations in the four years that I have had the privilege to spend in this country.

We are partners in the social sectors for many years now, covering education and health while adding environment, civil aviation, water and climate change related projects. Following our previous commitments to elementary education, we have moved into substantive programmes in vocational training as well as higher education. Indian participation in the EU’s Erasmus Mundus Programme has sent more than 2,500 students to Europe in the last five years for masters and doctoral degrees - and this figure does not include the different
Farewell Message

scholarship programmes carried out by EU Member States individually.

Joint research has involved Indian organisations in areas as diverse as environment, energy, waste management, telecommunications and biotechnology; and more projects are under way in solar energy, food and nutrition, and materials science.

To promote the interests of European Small & Medium enterprises while responding to the demands of the Indian market we have set up a European Business and Technology Centre with offices in Delhi, Mumbai, Kolkata and Bangalore. I believe that promoting industrial and research ties at the same time is essential for developing mutually beneficial opportunities especially in the sectors chosen for these centres - transport, environment, energy and biotechnology, where we are focussing on clean technologies and market access.

We have also initiated a comprehensive dialogue in the areas of environment and climate change backed by projects in waste management, water-related research, river basin management, and sustainable production and consumption in industry.

One aspect is very close to my heart: for most of the EU's projects and programmes in education, health, livelihoods and the protection of the environment, women have been at the forefront of our concerns. I have spent a good part of my time meeting women, travelling many hours by car to reach out to those in villages. I have been fascinated by the formidable dynamics of women's empowerment in India. And I have never missed an occasion to meet with the men in the same villages to listen to their side of the women's success stories!

Making sure we know each other and understand our respective evolution was very important. To support this goal, India-EU Study Centres both in Europe and in India have been established, and their first series of academic programming and events are very promising. Think tanks are also meeting more regularly, and their input is feeding into the institutional level, bringing interesting food for thought.

In parallel, and with the EU's new responsibilities under the Lisbon Treaty, cooperation and dialogue with India has acquired new dimensions in the fields of foreign policy on global and regional scale, including anti-piracy, counter-terrorism and cyber security. Europe and India have begun to understand each other's challenges and compulsions very closely and to deepen their security dialogue.

But trade and economic relations have not been taken for granted. As you may know, in June 2007 we started negotiating a broad-based trade and investment agreement for which both sides are deeply committed at the highest political level. It is an ambitious
Farewell Message

and comprehensive FTA and I have never underestimated the challenges and sensitivities on both sides. I expect trade between India and Europe to receive a significant fillip when the Free Trade Agreement is concluded – which I hope will happen soon.

Over the past four years I have seen all these initiatives – with government representatives and agencies at the central and state level, as well as with civil society which receives EU support – nurturing a partnership which now goes from the highest levels of policymaking down to grassroots cooperation at the level of villages and towns. I have enjoyed tremendously meeting my Indian counterparts in all these different contexts and circumstances. They have all contributed to my very rich experience and have supported the EU’s work in various and efficient ways.

With such a comprehensive network of ties binding our societies, supported strongly by the excellent relations our Member States bilaterally enjoy with India, the outlook for EU-India relations is bright and full of promise. The unfinished agenda, as always, will be the task for my successor. But it will also be his privilege to contribute to the further development of our strategic partnership as it has been my privilege. I am sure he will have as happy and fulfilling a stay in this wonderful country as I have had the good fortune and honour to experience.

Danièle Smadja

I expect trade between India and Europe to receive a significant fillip when the Free Trade Agreement is concluded – which I hope will happen soon.
Environment Commissioner Potocnik in India

Environment Commissioner Janez Potocnik represented the European Commission at the Ministerial Dialogue on Green Economy and Inclusive Growth in New Delhi on 3-4 October 2011. The meeting was the first preparatory ministerial for the Rio+20 Conference on Sustainable Development in Rio de Janeiro in June 2012 which will mark the 20th anniversary of the first Earth Summit in 1992.

Some 30 countries participated. He used his stay in Delhi to meet with his Indian counterparts, Minister for Environment and Forests Jayanthi Natarajan and Minister for Water Resources Pawan Kumar Bansal.

Commissioner Potocnik stressed that the transition to a green economy, including a more efficient use of finite natural resources, is the way forward to a sustainable future for the world. Sustainable use and management of natural resources will also make a crucial contribution to poverty eradication. He highlighted the main features of the recently presented European Union Strategy on Resources Efficiency which, together with the European Union’s Roadmap for Moving to a Competitive Low Carbon Economy, sets out what is needed to transform Europe’s economy into a sustainable one by 2050. Taken together, this package (see box) represents the European Union’s approach to green growth. The Commissioner announced that the European Union and its Member States will shortly present proposals and ideas for the outcome of Rio + 20, which should be regarded as the opportunity to secure a global and worldwide commitment to sustainable development and green growth. He expressed the hope that one of the operational outcomes at Rio+20 would be "a green economy roadmap that sets out specific goals, objectives and actions at international level coupled with national activities based on national priorities and preferences."

Minister Natarajan reiterated the principle of common but differentiated responsibilities agreed at Rio 1992 and said that the transition to a green economy should be facilitated by new and additional resources and support for the transfer of green technologies. She discussed with Commissioner Potocnik the preparations for next year’s Rio+20 summit as well as the biodiversity agenda, since India will host the next Conference of Parties of the Convention on Biodiversity in October 2012. Minister Bansal expressed keen interest in technical cooperation with the EU in river basin management.

Commissioner Potocnik also met with Dr. Rajendra Pachauri, Director General of TERI to review the Rio+20 process; and discussed resource efficiency with representatives of environmental NGOs and industry. Commending the role of Indian NGOs
As part of its Europe 2020 flagship Initiative for a Resource Efficient Europe*, and its objective of reducing greenhouse gas emissions by 80% of 1990 levels, the European Commission has proposed a Roadmap for Moving to a Low Carbon Economy by 2050*. Achieving this ambitious target will involve, inter alia, decarbonisation of the power sector through the greater use of renewables and investments in smart grids; sustainable mobility through increased fuel efficiency, the development of hybrid engines, fuel cells and electric vehicles, and appropriate tax and pricing signals; design and construction of zero- or low energy buildings with attractive financing options; application of advanced energy and resource-saving technologies, waste recycling and carbon capture and storage in industry; and improved agricultural practices such as greater land use efficiency and the bio-gasification of manure. These measures are estimated to require additional investment of €270 bn. per year – or 1.5% of EU GDP over and above the current investment rate of 19% - over the next 40 years. It will also require vocational training in ‘green collar’ jobs. While significant benefits will accrue as a result of these measures in terms of lower energy import bills, reduced air pollution and savings in healthcare, the EU, with a 10% share of global carbon emissions, will not be able to make a significant impact on global carbon emissions by itself. It will therefore support climate action policies and projects around the world.


and industry associations in supporting the environmental agenda, he expressed the view that the future would no longer be about protecting environment from business but using business to protect the environment.

His meetings revealed that apart from sharing experiences on policy-making, legislative processes and programme implementation, the EU and India could cooperate more closely with government and civil society on water conservation and management, waste management and chemicals management. ■

**A Resource Efficient Europe**

**Rio+20: towards the green economy and better governance**

Despite progress in many countries the EU remains concerned about developments in the 20 years since the path-breaking Earth Summit in Rio 1992: 1.4 million people around the world still live in abject poverty, and many other Millennium Development Goals such as those for sanitation remain far from being achieved; biodiversity loss and greenhouse gas emissions have increased substantially; and global problems such as water scarcity and raw material shortages threaten to undermine growth at a time when investment and jobs are already restrained. Policy and legislation to reduce energy intensity, promote resource efficiency, reduce emissions from the energy and transport sectors and support innovation in smart technologies have already been initiated in the EU and point the way to the green economy. The EU is ready to support developing countries in their own transitions to sustainable development through its support for eco-friendly regulations, market-based instruments of reform, as well as technical and financial assistance, in which the stimulation of private investments will be crucial. This is the message from the European Commission’s recent communication to the Council and Parliament in the run-up to Rio+20 next year.

The subject is topical: the EU adopted its Biodiversity Strategy to 2020 on 21 June 2011 and India will host the next Conference of Parties (COP 11) to the Biodiversity Convention in Hyderabad in October 2012. The Forum, co-chaired by Hem Pande, Joint Secretary in the Ministry of Environment and Forests and Timo Makela, Director for International Cooperation in the European Commission’s Directorate General for Environment, shared experiences of conservation policy and practice, presenting the role of public authorities as well as non-governmental organisations, discussed the economic value of biodiversity and charted the course for closer cooperation.

Congratulating India on its significant role in making the previous COP at Nagoya a success, Mr. Makela remarked that India, with its incredibly rich biodiversity, and its early initiatives on conservation, had much to offer. He was of the view that although the European context was different, there was much to be gained from a dialogue on conservation approaches. European legislation on environment began with the protection of wild bird species in 1979 and is now comprehensive in its approach to air, water, soil, and biodiversity.

Presenting the 2020 Strategy, Mr Makela said that Europe faces an enormous challenge: despite the success of programmes like Natura 2000 which have extended protection to 200 habitat types over 750,000 square kilometres comprising 18% of EU territory, one in four living species faces extinction and nearly 90% of fish stocks are overexploited or significantly depleted. To halt and reverse this loss the new Strategy incorporates greater emphasis on the integration of biodiversity into other policies such as agriculture, fisheries and land use. One of the 6 major objectives of the Strategy is a larger EU contribution to averting global biodiversity loss.

India on its side is a mega-diverse region for biodiversity, being home to 7% of known species (91,000 animal species and around 45,500 plants) on 2.4% of the world’s land area. Under the overall umbrella of the National Environment Policy 2006, which aims to achieve balance between development and conservation, its 16 biosphere reserves, 100 parks, and 515 sanctuaries cover approximately 5% of its area and are protected by the Biological Diversity Act of 2002. Among the many initiatives launched by the government, according to officials of the Government’s Ministry of Environment and Forests, are the setting up of a National Biodiversity Authority, with Boards and committees at the state and local level, and the establishment of a Traditional Knowledge Digital Library and a National Bureau of Plant Genetic Resources. A significant achievement has been the increase in India’s forest cover in recent years.

Nevertheless, biodiversity has many hotspots in India as in Europe. Joint Secretary Pande evinced great interest in the EU’s 2020 Biodiversity Strategy, and was of the firm view that both sides had much to gain by sharing their experiences of successes and failures in conservation.
The European Investment Bank (EIB) will assist projects implemented by private companies in the renewable energy sector as part of its global support for investments that contribute to the avoidance or reduction of greenhouse gas emissions. The operation will focus on electricity generation projects, especially solar photovoltaic, biomass and onshore wind, and bring economic and environmental benefits to the region through the promotion of energy from renewable resources, the displacement of imported fuel costs, the expanded use of domestic resources and the reduction of greenhouse gas emissions and other airborne pollutants. The framework loan of €200 mn. will be routed as long-term finance to projects selected by EIB and the Indian Government through ICICI Bank.

The EIB is the EU’s long-term financing institution promoting European objectives. Created in 1958, it operates in the 27 EU Member States and more than 130 other countries. Lending operations outside the EU are in line with the EU’s cooperation policy with those countries. This loan is being provided under the €4.5 bn. Energy Sustainability and Security of Supply Facility (ESF) under which the EIB can support a broad range of projects, including renewable energy, energy efficiency, carbon capture, transportation and storage as well as projects contributing substantially to security of EU energy supply. This will be the first operation structured under the ESF in India and the first EIB operation with ICICI Bank, India’s second largest commercial bank and the largest in the private sector. It is also the first loan in India from EIB’s own resources, i.e. without an EU guarantee.

To date, EIB lending to India amounts to €250 mn. The Bank has previously structured a €150 mn. framework loan with EXIM Bank of India in December 2008 to finance investments contributing to climate change mitigation or to increase the EU’s presence in India, through direct investments or transfers of technology and know-how from Europe. Under this facility 9 projects with a cumulative loan amount of €101.9 mn. have been approved until the end of March 2011.

In 2009, the EIB extended a loan of €100 mn. to Volkswagen India Private Ltd., a subsidiary of the VW Group, to part-finance a new car manufacturing facility in the state of Maharashtra, where the company produces three models of small cars adapted to the Indian market. This project introduced technologies with environmental benefits in terms of lower emissions of greenhouse gases, and contributed to the creation of jobs in VW India and its vendors.
European Union Celebrates Children’s Day in India

The European Union’s Cultural Week is back in New Delhi. This time, it brings together 19 Member States under a common cultural umbrella called the EU Sanskriti Festival 2011, taking place from November 11 to 17. The Festival, dedicated to youth and children, will bring to local audiences diverse theatre and music performances and literature shows. Among them are Lithuanian folk dances, Polish and Romanian puppet theatre, contemporary dance from Belgium and the Netherlands, and fun juggling from Luxembourg.

You can also enjoy classical music performed by the Acies Quartet from Austria or by Hungarian pianist Gergely Boganyi – or perhaps a more dynamic Masala music from Poland; as well as see an art exhibition from the Czech Republic, follow Slovenian, German and Spanish theatre performances or listen to literature stories from Poland, Sweden or UK.

Over 20 children’s films from ten European countries – Poland, Bulgaria, Estonia, Finland, France, Hungary, Lithuania, the Netherlands, Spain and Sweden – will also be screened, starting in Delhi schools and then travelling, for open screenings, to the Guwahati State Central Library Auditorium, followed by shows at the Nandan Theatre in Kolkata and the Alliance Française in Chennai.

On 11th November an EU Sanskriti Kid’s Mela for children from selected schools will host a variety of fun and educational activities including an art competition, quiz, treasure hunt and theatre shows.

The Festival is organised and coordinated by the Embassy of Poland in New Delhi, by other Embassies of the Member States of the European Union, and by the European Union Delegation in India, in collaboration with the National School of Drama, Theatre-in-Education Company, New Delhi.

For details and the full programme visit: http://eeas.europa.eu/delegations/india.

Pippi Longstocking from Sweden - a popular character in children’s literature.
The monsoon deluge, compounded by water release from dams, has destroyed homes, ruined staple crops and shattered hopes. With recurrent seasonal disasters more frequently hitting already susceptible communities, it is clear that people’s flood-coping systems are depleted – each disaster drives an impoverished village into deeper vulnerability. Kabir Sahoo, a 65 year old resident of Mangarajpur village in Orissa, says that this is the worst flood he has seen since 1982 “The flood has caused damage to numerous homes and standing crops; it is beyond my imagination.” But the European Commission’s Humanitarian aid (ECHO) funds of INR 20 crs. (€3 million) have already started to reach some of the most vulnerable people in the flood-hit areas. The main components of EU support are temporary shelter, water and sanitation, and food aid including cash for work.

Disaster risk reduction - an investment not a cost
ECHO has been focusing on community based disaster preparedness for years; building the resilience of communities faced with recurrent hazards. Simple measures using existing traditional systems such as early warning alerts, elevated homes and the provision of boats can be very effective in saving lives, homes and livestock. “In Mangarajpur village, ECHO funded flood response projects in 2007 which included the formation of Disaster Management Teams (DMT) from within the villages.” said Tapan Mahapatra, ECHO Programme Officer. “It was remarkable to see that the same DMTs, years later, had quickly disseminated flood alerts, evacuated families, rescued marooned people, transferred patients to hospitals and organised distributions of cooked food or relief items – these villages were less affected than the others.”

Similar stories were heard in other villages in Orissa, and elsewhere in India: EU-funded boats purchased in 2004 in Assam were used for search and rescue operations during the recent deluge; raised water pumps built in 2007 in Uttar Pradesh have ensured access to clean drinking water for flood survivors and plinth-raised houses and cattle shelters meant less severe damage to homesteads and livelihoods. It is estimated that mitigation and preparedness can help reduce the impact of emergencies. From a simple cost-benefit analysis, a euro spent on mitigation, saves €4-10 in the cost of recovering from disaster. Disaster risk reduction is clearly an investment, not a cost, and will be factored by ECHO into every humanitarian response.
From recurring themes of discussion, it became evident that the EU-India Strategic Partnership, at one time dominated by trade and aid, is now far more multifaceted. Major developments such as India’s rise on the global stage; the growing importance of the BRICS countries (Brazil, Russia, India, China, South Africa) and other groupings such as the G20 and IBSA (India, Brazil, South Africa); and the crisis in the euro zone troubling Europe were key areas of discussion. The major shifts taking place in political systems on both sides - from governments to markets, media and NGOs, and at geopolitical level, from the old “West” to both East and South - have a major impact on the world order; and global issues such as climate change have put all countries in the same boat.

Both India and the EU have undergone major transformations in recent years - India with its unprecedented economic growth story and social revolution of the past 20 years, and the EU with its new institutional setup, giving it the ability and the means to address the challenges of the 21st century. In response the EU-India relationship has gone beyond traditional commonalities to emphasise new cooperation possibilities including the joint tackling of non-traditional security threats such as piracy, climate change, and terrorism.

Discussion papers presented during the Forum e.g. on triangular cooperation between Europe, India and Africa, cooperation on Afghanistan; in the Indian Ocean and in the Arctic, and within the G20 show the potential of EU-India cooperation, not just bilaterally but also in multilateral fora.

Like the two preceding meetings held in 2009 in Delhi and in 2010 in Brussels, the Forum became a platform for a frank debate on the state of the EU-India relationship ahead of the 12th Summit expressing diversified and sometimes critical views about the intensity, ambition and level of EU – India cooperation. In an era of unprecedented interdependence, it is in the mutual interest to identify convergences whenever possible to make the partnership stronger. Regional integration, maritime security, the transition in Afghanistan and the reform of international institutions were proposed as avenues for furthering of cooperation.

The Forum - hosted by the Indian Council of World Affairs in partnership with the Paris-based European Institute for Security Studies with the collaboration of the Polish Institute of International Affairs - was perceived as an important initiative by the EU and India, two powers with increasing responsibilities in the international arena but also in the process of defining their own identities.
State of the Union
Commission President Barroso Outlines a Plan for Regeneration

Reflecting on the challenges facing Europe, President Jose Manuel Barroso declared that “the time for piecemeal solutions is over. We need to set our minds on global solutions, a greater ambition for Europe. Today we are at a turning point in our history - a moment when, if we do not integrate further, we risk fragmentation.” The solutions he proposed or reiterated were, inter alia, the completion of a financial union with an economic union; the issuance of Eurobonds which will ‘reward those who play by the rules’; the regulation of the financial markets such that well-capitalised and responsible banks can lend to the real economy; the adoption of a Financial Transactions Tax; implementation of the Services Directive to liberalise the services market in the EU; the adoption of a European patent which will cut the costs of patenting by 20%; and the restructuring of economies by Member States to support growth and jobs in green economy sectors such as renewable energies.

To read the full speech and related articles, see: http://ec.europa.eu/commission_2010-2014/president/state-union-2011/index_en.htm

Growth and Jobs Continue to be the First Priority in Europe

The European Council meeting of EU heads of State or Government held in Brussels on the 23rd and 26th of October 2011 has called for Member States to give priority to measures for the completion of the Single Market, especially the Services Directive; the reduction of administrative and regulatory costs of doing business in particular for small and medium enterprises; the boosting of investments by the EIB; and the closer integration and co-ordination of economic policies as delineated in the Euro Plus Pact of March 2011 and the package of 6 legislative measures – the so-called Six-Pack - agreed in September 2011.

In its relations with partner countries the EU will be guided by principles of mutual benefit and reciprocity, and place renewed emphasis on bilateral and regional agreements with countries whose markets are growing with efforts being concentrated on market access and the removal of trade barriers, investment conditions, intellectual property, public procurement, and access to raw materials.

For more information:
Partnership Summit Promotes Closer Ties with Eastern Neighbours

A Summit between the leaders of the European Union and its partners in Eastern Europe (Armenia, Azerbaijan, Georgia, Ukraine, Moldova and Belarus) was held in Warsaw at the end of September to take stock of the economic and political convergence between the two sides. The Eastern Partnership is based on the principles of liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law. Association Agreements followed by Free Trade Agreements are likely to give impetus to recent improvements in economic ties. Cooperation in the energy sector to improve energy security, efficiency and nuclear safety are on the anvil.

Closer dialogue and cooperation on international security issues is also in the offing. The deteriorating political and human rights situation in Belarus was a matter of concern for all EU leaders at the summit.


EU-India Calendar of Events – 2011

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Place</th>
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<tbody>
<tr>
<td>11-17 November</td>
<td>EU Cultural Week</td>
<td>New Delhi</td>
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<tr>
<td>13-15 November</td>
<td>Broad Foreign Policy Consultations</td>
<td>New Delhi</td>
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<tr>
<td>14-18 November</td>
<td>EBTC EU Environment Mission</td>
<td>Bangalore</td>
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<tr>
<td>17-18 November</td>
<td>EU-India Energy Panel</td>
<td>New Delhi</td>
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<tr>
<td>22 November</td>
<td>India-EU Study Centres Networking Event</td>
<td>New Delhi</td>
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<tr>
<td>24-26 November</td>
<td>Visit to India of Mrs.Neelie Kroes, Member of the European Commission responsible for the Digital Agenda</td>
<td>New Delhi</td>
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</table>