

- The second round of negotiations is scheduled to take place **in September 2022 at Brussels.**

Significance of EU for India

- **To counter China:** When it comes to **countering China's economic and political influence**, Europe has the **economic and technological heft** to be an important partner for India.
- **Economic significance:** India's bilateral trade with EU amounted to **USD 116.36 billion in 2021-22.** Despite the global disruptions, bilateral trade achieved an impressive **annual growth of 43.5% in 2021-22.**
 - Currently EU is India's **second largest trading partner** after US, and **second largest destination for Indian exports.**
 - Both sides have agreed to institute the **EU-India Trade and Technology Council** for strengthening economic and technological ties.
- **Post-Brexit scenario:** India considered the UK as a **gateway to continental Europe** and with it exiting the EU, Indian firms will lose this advantage. Post-Brexit, India recognizes that its **own economic prospects** depend on the continued growth and internal stability of EU.
- **Social transformation:** Establishment of a **green strategic partnership between India and Denmark** shows significance of Europe's smaller countries in India's technological, and social transformation.



About European Union (EU)

- It is a **political and economic union** of 27 sovereign Member States.
- The decisions are taken through a mixed of:
 - **Supranational institutions** (i.e. institutions to whom Member States have **delegated their powers**) and
 - **Intergovernmental negotiations** (which concern areas in which Member States have not delegated their power, but **make decisions together**).
- The **main European Institutions** are:
 - **European Council:** It brings together the heads of state or government of every EU country and decides on the political direction of the EU.
 - **European Commission:** It is the EU's **politically independent executive arm**. It is alone responsible for drawing up proposals for new European legislation, and it **implements the decisions of the European Parliament and the Council of the EU.**
 - **Council of the European Union:** It consists of one government minister from every member state. The Council is **part of the law making process** in the European Union.
 - **European Parliament:** It is the **only directly elected institution** of the European Union. Together with the Council of the European Union, the European Parliament has **legislative power (preparing and adopting the EU laws)** but **no power to initiate legislation.**
 - ✓ European Commission, as the executive body of the EU, is **accountable to the European Parliament.**