

Press Release

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Re-start of negotiations for EU-India Free Trade Agreement important signal in difficult times

- Negotiations between EU and India on economic agreements start today
- Chairman of the Asia-Pacific Committee of German Business (APA) Roland Busch: "An important signal, but results matter."
- APA publishes discussion paper on India at re-start of negotiations

Commenting on the talks between the EU and India on a free trade agreement, an investment protection agreement and an agreement on geographical indications, which begin today in Delhi, Roland Busch, Chairman of the Asia-Pacific Committee of German Business (APA), says:

"German business in Asia welcomes the renewed efforts to deepen and expand economic relations. India and the EU share major global economic and geopolitical interests on which the negotiating partners can and must build. At a difficult time when companies are seeking to diversify their markets, production and supply chains, the German economy is also looking particularly at India's potential. Nevertheless, the country and its economy are facing challenges. That is why the negotiations are an extraordinary opportunity that both negotiating partners should seize to enable new, sustainable growth in India and in Europe. The start of the talks is a good and important signal, but at the same time it is concrete results that matter most – that's all that counts."

On the question of how a free trade agreement and further concrete steps can help making use of the opportunities and overcoming the challenges that German companies perceive in India, the APA published a discussion paper today.

Busch pointed out that both, the content and the time frame for the negotiations must be ambitious. While both partners have committed to negotiating comprehensive agreements that include modern sustainability standards, he said that both sides will have to be willing to compromise in some sensitive areas:

"Both negotiating parties should conduct the talks with a clear understanding of the great opportunities that the agreements offer. India, for example, should be prepared to jump over hurdles in the sustainability chapters in the interest of strengthening the partnership. On the other hand, the EU should be open to offering India flexible transition periods or a gradual entry into force of individual modules. The option of concluding a treaty where not all contentious issues have been resolved should also be considered as it would promptly open up opportunities and," says Busch.

In their efforts to develop alternative locations and intensify partnerships, German businesses are currently looking at the entire Asia-Pacific region – in part to minimize the economic impact of geopolitical risks. In addition to many other markets – for example in Southeast Asia – India, due to its size and potential advantages, is also being examined. The talks offer an unprecedented opportunity for the EU to strengthen relations with a strategically important partner in Asia-Pacific. India, for its part, can improve its own attractiveness as a location for foreign investment in innovation and sustainability and strengthen its ties with Europe. The German business community therefore very much hopes that the negotiations will be successful and will accompany them constructively.

Use this [link](#) to read the APA Discussion Paper on India.

About APA

The Asia-Pacific Committee of German Business is building bridges between German companies doing business in Asia and politics in Germany as well as in our Asian partner countries. The APA pools the economic concerns of German businesses active in the Asia-Pacific region and strives for more intense cooperation with Asia-Pacific and helps promoting trade and investment in both directions. The APA is an initiative of the Federation of German Industries (BDI), the Association of German Chambers of Industry and Commerce (DIHK), the German Asia-Pacific Business Association (OAV), the Federation of German Wholesale, Foreign Trade and Services (BGA) and the Association of German Banks. Since October 2021 it is chaired by Dr. Roland Busch, President & Chief Executive Officer of Siemens AG.

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