



Perspective: Strengthening India-Spain Relations

For Prelims: [Rule of Law](#), [European Union](#), [Foreign Direct Investment \(FDI\)](#), [India-Spain Joint Commission for Economic Cooperation \(JCEC\)](#), [C-295 aircraft](#), [Made in India](#), [Cybersecurity](#), [Counter-Terrorism](#), [Military Exercises](#), [Conflicts in Ukraine](#), [Indo-Pacific](#), [Indo-Pacific Oceans Initiative \(IPOI\)](#), [United Nations](#), [UN Security Council](#), [Submarine Technology](#), [Renewable Energy](#), [Sustainable Development Goals \(SDGs\)](#).

For Mains: Significance of India-Spain Relations.

Why in News?

Recently, the **President of the Government of Spain** visited India, revitalizing **bilateral relations** by emphasizing their shared values of [democracy](#), [rule of law](#), and commitment to a **rules-based international order**.

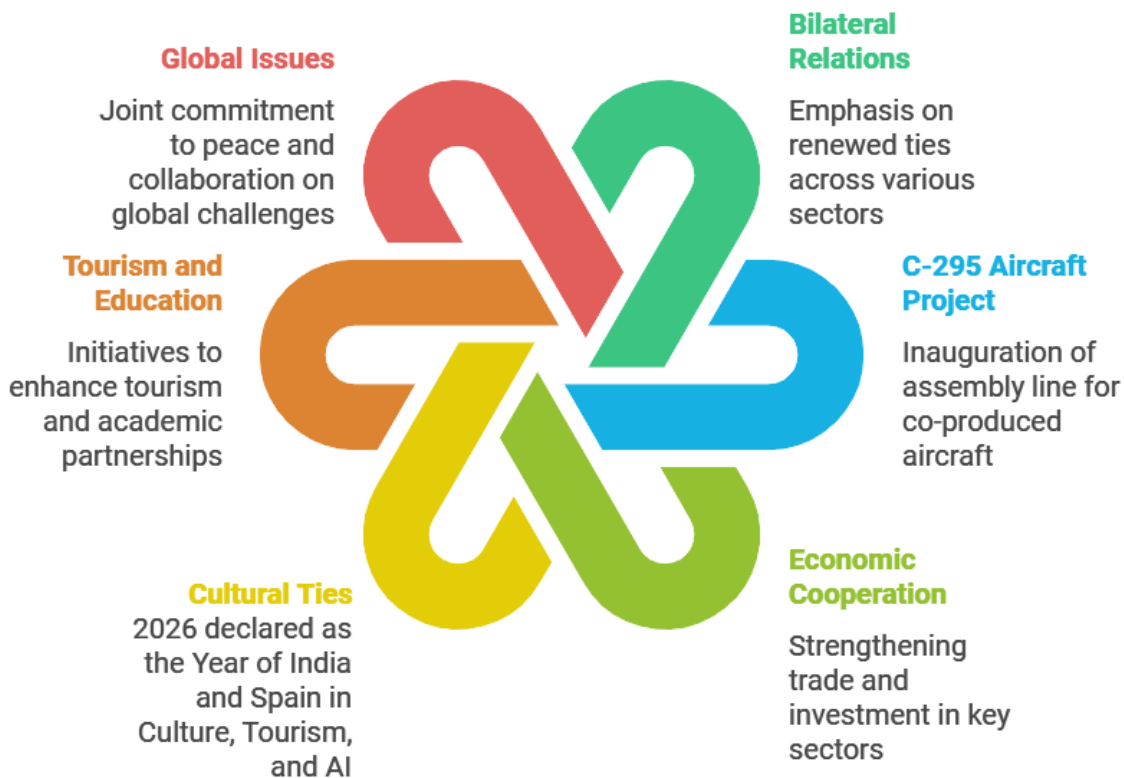
- This was the **first visit** by a President of the Government of Spain to India in 18 years.

What are the Points of Convergence in India-Spain Relation?

- **Economic Cooperation and Trade Expansion:** Economic relations form a crucial component of the India-Spain partnership. In **2023**, bilateral trade reached **USD 8.25 billion**, growing by **4.2%** from the previous year.
 - India's exports to Spain amounted to **USD 6.33 billion**, marking a **5.2% increase**, while imports were valued at **USD 1.92 billion**, growing by **1.05%**. Major Indian exports include **mineral fuels, chemical products, iron and steel, electrical machinery, and apparel**.
 - Spain is India's **6th largest trade partner** within the [European Union](#) with cumulative [Foreign Direct Investment \(FDI\)](#) stock of **USD 3.94 billion** (April 2000 - December 2023).
 - Both countries agreed to enhance bilateral investment relations, with India's investment in Spain approximating **USD 900 million**, focused mainly in **IT, pharmaceuticals, chemicals, and logistics**.
 - To facilitate trade and investment relations, both nations agreed on the establishment of a **Fast Track Mechanism**.
 - Both countries acknowledged the progress made in the **12th session of the [India-Spain Joint Commission for Economic Cooperation \(JCEC\)](#)**, held in **2023**, and decided to convene the next session in Spain in early **2025**.
- **Defense Cooperation:** The defense ties between **India and Spain** are deepening, marked by mutual interest in joint projects.
 - For instance, a key highlight of the visit was the inauguration of the **C-295 aircraft Final Assembly Line Plant** in Vadodara (the first private military transport aircraft production plant in India), co-produced by **Airbus Spain** and **Tata Advanced Systems**.
 - This facility is set to manufacture **40 C-295 aircraft**, with the first '[Made in India](#)' aircraft expected to roll out in **2026**.

- Airbus has also committed to delivering **16 aircraft** in **fly-away** condition, six of which have already been delivered to the **Indian Air Force**.
- Both countries emphasized the importance of regular dialogues to strengthen and diversify collaboration in key areas such as [cybersecurity](#), [counter-terrorism](#), **intelligence sharing** and [military exercises](#).
- **Cultural and People-to-People Exchanges:** Cultural ties were identified as vital for strengthening bilateral relations.
 - Both countries have declared **2026 as the Year of India and Spain in Culture, Tourism, and AI**. This initiative aims to enhance mutual cultural presence and promote tourism, including efforts in **music, literature, and film**.
 - Both countries welcomed the signing of a **Cultural Exchange Program**, which aims to promote exchanges in **music, dance, theatre, literature, and festivals**.
 - In academia, the establishment of **ICCR Chairs on Hindi and Indian Studies** at the **University of Valladolid** represents a significant step toward educational collaboration.
- **Commitment to Global Issues:** On global issues, both countries expressed deep concern over the ongoing [conflicts in Ukraine](#) and the **Middle East** and emphasized the need for dialogue and diplomacy to address these crises.
 - Both countries reiterated their commitment to a **free, open, and inclusive Indo-Pacific**, supporting international law and freedom of navigation.
 - They acknowledged India's invitation to Spain to participate in the [Indo-Pacific Oceans Initiative \(IPOI\)](#), promoting collaborative efforts in managing and conserving the maritime domain.
 - Spain welcomed India's application to join the **Ibero-American Conference** as an **Associate Observer**, aiming to strengthen ties with Latin American countries.
- **Enhancing International Cooperation:** Both countries agreed to enhance cooperation within the [United Nations](#) and emphasized the need for a reformed [UN Security Council](#) to reflect contemporary global dynamics.
 - India expressed support for Spain's candidacy for a UNSC term in **2031-32**, while Spain backed India's candidacy for **2028-29**.
 - Spain invited India to join the **International Drought Resilience Alliance**, launched in **2022**, which aims to promote actions to mitigate the impacts of drought through preparedness and adaptation measures.
- **Conclusion on Counter-Terrorism and Future Engagements:** Both countries unequivocally condemned **terrorism and violent extremism**, emphasizing the need for immediate action against terrorist groups.
 - Both countries called for the firm implementation of **UN resolutions related to counter-terrorism** and acknowledged Spain's multilateral initiatives supporting victims of terrorism.

India-Spain Relations Overview



What are the Strategic Significance of Cooperation Between India and Spain?

- **Defense Cooperation:** Spain is integral to India's defense modernization efforts, especially in aerospace and naval technology.
 - Involvement of Spanish companies in [submarine technology](#) transfer and military aircraft collaboration enhances India's defense capabilities.
 - Collaborations support India's **Make in India** initiative, fostering local **production and self-reliance**.
- **Counter-Terrorism:** Active cooperation in counter-terrorism efforts, focusing on sharing intelligence to address mutual security concerns.
 - Both nations recognize and respond to the threat posed by global terrorism through coordinated actions and strategies.
- **Sustainable Development and Climate Action:** Both India and Spain are dedicated to the goals of the Paris Agreement and climate action.
 - Spain's advancements in [renewable energy](#) (solar and wind) align with India's objectives to increase clean energy sources.
 - Joint initiatives aim to achieve [sustainable development goals \(SDGs\)](#), addressing environmental challenges through innovative solutions.

What are the Key Challenges of India and Spain Relations?

- **Economic Engagement Challenges:** The bilateral trade between India and Spain is significantly below potential, with insufficient utilization of economic complementarities.
 - Opportunities in renewable energy, infrastructure, and technology sectors are underexplored due to limited investments.
 - The absence of **comprehensive trade agreements** creates barriers for businesses seeking expansion in each market.
- **Geographic and Cultural Barriers:** Considerable distance hampers direct connectivity and frequent interactions.
 - Limited cultural exchange leads to a lack of mutual understanding between the

populations.

- Both countries lack **educational and cultural exchange programs** to bridge knowledge gaps.
- **Market Access Issues:** Regulatory complexities discourage potential investors and traders. These restrictions hinder the free flow of goods and services.
 - Varying product standards and certification requirements add additional trade barriers.
- **Diplomatic Priority Challenges:** Spain emphasizes its relationships within the EU and with Latin America while India focuses on major powers and immediate neighbors, leading to limited engagement with Spain.
 - High-level diplomatic visits and strategic dialogues between the countries are not frequent.

Way Forward

- **Strengthen Economic and Trade Ties:** Initiate negotiations for a **bilateral investment treaty** to ensure **stable market access** and attract Spanish **investments in India's infrastructure, renewable energy, and technology sectors**.
 - Expanding **economic engagement** will address current trade imbalances and leverage economic complementarities.
 - India and Spain can collaborate for Talgo Train Coaches as India moves forward to modernize its railways.
- **Promote Cultural and Educational Exchange:** Expand **cultural exchange programs** and create scholarships and exchange opportunities, including **language and arts programs**, to bridge cultural gaps.
 - Collaboration between Indian and Spanish universities in technology, innovation, and **Indian Studies** will foster a stronger people-to-people connection.
- **Elevate Diplomatic Engagements and UN Reform:** Establish a framework for **annual high-level meetings** to ensure frequent diplomatic dialogues and strategic planning.
 - **Support each other's candidacies** at the UN Security Council and continue working toward **UNSC reforms**, reflecting a shared commitment to a more **inclusive international order**.
- **Collaborate on Climate Action and SDGs:** Align renewable energy efforts by leveraging **Spain's advancements in solar and wind energy** to support India's **Paris Agreement goals**.
 - Jointly pursue **sustainable development projects** under the **International Drought Resilience Alliance** and **Indo-Pacific Oceans Initiative** to address environmental challenges.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims:

Q. 'Broad-based Trade and Investment Agreement (BTIA)' is sometimes seen in the news in the context of negotiations held between India and ___. (2017)

- (a) European Union
- (b) Gulf Cooperation Council
- (c) Organization for Economic Cooperation and Development
- (d) Shanghai Cooperation Organization

Ans: (a)

