Strengthening Indo-French Ties

This editorial is based on "<u>Shared understanding: On India-France ties</u>" which was published in The Hindu on 14/02/2025. The article brings into picture the deepening Indo-French partnership, highlighting key agreements in defense, nuclear energy, and AI as both nations pursue strategic autonomy while balancing ties with the US and China.

For Prelims: Indo-French partnership, Small Modular Reactors, Rafale jets, Indian Space Research Organisation, Artificial Intelligence, Unified Payments Interface, Varuna, India-Middle East-Europe Economic Corridor, International Solar Alliance, National Green Hydrogen Mission, General Data Protection Regulation.

For Mains: Key Areas of Cooperation Between India and France, Key Areas of Friction Between India and France.

The deepening Indo-French partnership, marked by their frequent high-level exchanges, reflects a strategic alignment between two powers seeking autonomous paths in an uncertain global landscape. During recent meetings in Paris and Marseille, both nations advanced crucial agreements in defense, nuclear energy, and technological cooperation, particularly in AI. As shifting geoeconomic policies reshape international dynamics, both nations are strategically positioning themselves as independent powers while maintaining constructive engagement with both the US and China.

What are the Key Areas of Cooperation Between India and France?

- **Civil Nuclear Collaboration:** India and France are strengthening nuclear energy cooperation to enhance energy security and achieve climate goals.
 - The focus has shifted from large nuclear plants like the 9,900 MW Jaitapur project to <u>Small Modular Reactors (SMRs)</u>, which offer cost-effectiveness and faster deployment.
 - France's expertise in nuclear technology makes it a key partner in India's plan to generate **100 GW of nuclear power by 2047**.
 - The **₹20,000 crore Nuclear Energy Mission** announced in the 2024-25 Budget supports research in SMRs.
- Defence and Strategic Partnership: India-France defence ties have deepened through joint military projects, technology transfer, and maritime cooperation.
 - France is a key arms supplier, supporting India's military modernisation through <u>Rafale</u> jets, Scorpene submarines, and naval cooperation in the Indo-Pacific.
 - **France** and the United States are emerging as key suppliers to India, collectively accounting for **46%** of its arms imports.
 - Also, in December 2024, the two leaders expressed their support for the launch of **FRIND-X (France-India Defence Startup Excellence) in Paris.**
- Space and Aerospace Cooperation: France has been a longstanding partner in India's space

ambitions, particularly in satellite technology, launch vehicles, and climate monitoring.

- Collaboration includes joint satellite missions like TRISHNA (Thermal Infrared Imaging Satellite for High-resolution Natural Resource Assessment) and joint research on space security.
- India's space startups are also benefiting from **France's expertise in AI-based satellite applications**.
- In 2021, the <u>Indian Space Research Organisation (ISRO)</u> and the French space agency CNES signed a new space cooperation agreement at the Human Space Flight Centre (HSFC) in Bangalore.
- Artificial Intelligence and Technology Innovation: India and France are leveraging AI for economic and strategic growth while focusing on ethical AI development.
 - Recently, the Indian Prime Minister and French President unveiled the India-France Roadmap on <u>Artificial Intelligence</u> (AI), reflecting their shared vision for developing safe, open, secure, and trustworthy AI.
 - They welcomed the participation of Indian startups at the French startup incubator Station F and acknowledged the expanded opportunities for utilizing India's real-time payment system, <u>Unified Payments Interface (UPI)</u>, in France.
- Indo-Pacific Security and Maritime Cooperation: France, with its territories in the Indo-Pacific, aligns with India's vision of a free, open, and rules-based maritime order.
 - Both nations conduct **joint naval exercises** (<u>Varuna</u>) and are developing joint projects for **climate resilience and connectivity in third countries**.
 - The India-France Indo-Pacific Triangular Cooperation aims to finance sustainable projects.
- Economic and Trade Relations: France is one of India's largest European investors, focusing on manufacturing, clean energy, and financial services.
 - India-France trade is expanding, especially in high-tech sectors and electric mobility.
 - The <u>India-Middle East-Europe Economic Corridor (IMEC)</u>, where France proposes Marseille as a hub, will boost connectivity and trade.
 - Trade relations between India and France have witnessed steady growth, with bilateral trade reaching an impressive **USD 13.38 billion in 2023-24.**
- Renewable Energy and Green Technologies: Both countries are working together on climate action, renewable energy, and <u>decarbonisation</u>.
 - France supports India's solar and hydrogen economy, particularly under the <u>International Solar Alliance (ISA)</u>.
 - Joint research on **energy storage solutions and grid modernisation** ensures efficient renewable integration.
 - France is also aiding India's **National Green Hydrogen Mission** with technical expertise.
- Education and Cultural Exchange: France is a top European destination for Indian students, with 7,344 Indian students enrolling in the 2023-24 academic year
 - The <u>Young Professionals Scheme</u> (YPS) India-France Migration and Mobility Partnership Agreement (MMPA) aims to enhance mobility, while joint cultural programs strengthen people-to-people ties.

What are the Key Areas of Friction Between India and France?

- Delays in Defence Procurement and Technology Transfer: India's defence deals with France have often faced bureaucratic delays, cost escalations, and policy hurdles.
 - Projects like Rafale jets, Scorpene submarines, and jet engine collaborations have been slowed due to contract negotiations, policy changes, and localisation demands.
 - The Scorpene submarine project under Project 75(I) has faced delays since 2017.
- Civil Nuclear Energy Roadblocks: Despite strong nuclear cooperation, projects like the Jaitapur nuclear plant (9,900 MW) face hurdles related to high costs, local protests, and legal ambiguities.
 - The <u>Civil Liability for Nuclear Damage Act, 2010</u>, places financial liability on suppliers, discouraging French nuclear firms from deeper collaboration.
 - In 2023, France stated that **nuclear liability issues** for the Jaitapur project remain

unresolved.

- Trade Imbalances and Market Access Issues: While trade between India and France is growing, barriers like high tariffs, regulatory hurdles, and localisation requirements create friction.
 - France seeks greater access for its pharmaceutical, luxury goods, and defence industries, while India demands easier entry for IT, agriculture, and generic drugs in the French market.
 - The slow progress on **India-EU Free Trade Agreement (FTA)** further complicates the trade dynamic.
- Disagreements on Global AI and Data Regulation: While India and France collaborate on AI development, differences persist over data privacy and digital regulation.
 - France supports the EU's strict <u>General Data Protection Regulation (GDPR)</u> model, while India prefers a flexible, innovation-friendly approach under its Digital Personal Data Protection Act, 2023.
 - Disagreements over open-source AI, cybersecurity norms, and digital sovereignty could limit deeper AI cooperation.
- Divergences in Indo-Pacific and Strategic Autonomy: While both nations support a free and open Indo-Pacific, their approaches differ in military alignment and strategic independence.
 - France, a <u>NATO member</u>, often aligns with Western policies, while India follows a multipolar, non-aligned strategy.
 - India's growing ties with **Russia (for energy and defence)** sometimes create tensions with France, which has strongly opposed Russia's Ukraine invasion.
 - India refused to join NATO-led sanctions on Russia after the Ukraine war, while France has been a key military backer of Ukraine.
- Immigration and Mobility Restrictions: Despite growing educational and professional ties, visa restrictions, work permit limits, and recognition of Indian qualifications remain challenges for Indian students and professionals in France.
 - India seeks **easier residency and work opportunities for** its skilled workforce, but France prioritises **EU-wide immigration policies**, limiting flexibility.
 - The Young Professionals Scheme (YPS) is launched to ease mobility, but France looks to tighten Schengen visa policies.

What Measures can India Adopt to Further Strengthen Ties with France?

- Fast-Track Defence Co-Development and Technology Sharing: India should shift from a buyer-seller relationship to joint development and production of advanced defence technologies.
 - Establishing dedicated R&D centres for jet engines, naval propulsion, and missile systems under India's Defence Industrial Roadmap with France can boost indigenisation.
 - Expediting negotiations on **Project 75(I)** submarines and Rafale-M for the Navy will strengthen maritime security cooperation.
 - To accelerate nuclear collaboration, India must revise the Civil Liability for Nuclear Damage Act, 2010, ensuring balanced supplier liability without deterring foreign investment.
 - Faster approvals for the Jaitapur Nuclear Power Plant and clarity on power purchase agreements (PPAs) will enhance investor confidence.
- Strengthening AI and Digital Sovereignty Cooperation: India should align its AI regulations with France's AI ethics framework, ensuring data sovereignty, cyber resilience, and secure AI governance.
 - Creating a **bilateral AI Innovation Fund** to support Indian and French startups in **trustworthy AI, cybersecurity, and semiconductors** will accelerate cooperation.
 - Expanding the India-France AI Roadmap to include joint AI research labs and talent exchange programs can drive leadership in ethical AI development.
- Expanding Indo-Pacific Maritime Security Collaboration: India and France should transition from joint exercises like Varuna to permanent maritime task forces for patrolling the Indian Ocean and South Pacific.

- Enhancing **intelligence sharing**, **interoperability**, **and naval logistics agreements** will strengthen deterrence against regional threats.
- Setting up a **Maritime Innovation and Security Hub** in the **Reunion Islands** with Indian participation will deepen Indo-Pacific strategic engagement.
- Accelerating Green Hydrogen and Renewable Energy Investments: India should facilitate technology transfer agreements with France for electrolyser manufacturing, hydrogen fuel cells, and energy storage systems.
 - Expanding the scope of France's investments under India's ₹19,700 crore National Green Hydrogen Mission will enhance industrial-scale deployment.
 - Establishing a **bilateral Green Energy Fund** can accelerate investments in **offshore wind, solar PV, and carbon capture technologies**.
- Deepening Infrastructure and Connectivity Collaboration: India must ensure faster implementation of the India-Middle East-Europe Economic Corridor (IMEC) by engaging France in multi-modal logistics, smart port development, and digital trade facilitation.
 - Encouraging French participation in high-speed rail, metro, and sustainable urban infrastructure projects will drive long-term investments.
 - Strengthening financial incentives for French firms under India's Production Linked Incentive (PLI) scheme will attract more foreign direct investment (FDI).
- Enhancing Space Cooperation for Strategic Autonomy: India and France should co-develop dual-use space technologies, satellite-based early warning systems, and secure communication networks for strategic resilience.
 - Expanding collaboration under the 2047 Space Cooperation Roadmap
 - Establishing a **Bilateral Space Security Forum** to counter **space weaponization and cyber threats to satellite networks** can ensure long-term cooperation.
 - Strengthening joint R&D in earth observation, space situational awareness (SSA), and lunar exploration will also elevate India-France space collaboration.
- Strengthening Trade and Investment Facilitation: India should push for sector-specific market access agreements in pharmaceuticals, agribusiness, and high-end manufacturing to balance trade asymmetries with France.
 - Encouraging France-based venture capital firms to invest in India's deep-tech, semiconductors, and AI startups will boost economic engagement.
 - Creating joint innovation clusters in Bengaluru, Pune, and Paris focusing on Al, quantum computing, cybersecurity, and semiconductor fabrication will drive technological synergies.
- Expanding Educational and Mobility Agreements: India should expand dual-degree programs with France's top universities, ensuring credit transferability and simplified visa procedures for Indian students.
 - Increasing funding for joint research grants in AI, renewable energy, and biotechnology will enhance academic ties.
 - Extending the Young Professionals Scheme (YPS) to mid-career professionals in STEM, defence, and policy sectors can deepen people-to-people engagement.

What Role can France Play In Enhancing India-Europe Ties?

- Bridging India-EU Free Trade Agreement (FTA) Negotiations: France, as a key EU member, can mediate regulatory and trade standard alignments between India and the European Union.
 - By advocating for reduced tariffs, easing market access, and harmonizing digital and environmental policies, France can accelerate FTA finalization, unlocking billions in trade potential.
- Strengthening India-Europe Connectivity via IMEC: France's strategic port of Marseille can serve as a key hub in the India-Middle East-Europe Economic Corridor (IMEC).
 - By investing in multi-modal logistics, digital trade facilitation, and supply chain diversification, France can position itself as a critical transit point between India and the EU.
- Facilitating India's Deeper Engagement with European Defence Networks: France can act as India's entry point into European defence cooperation, particularly with OCCAR (Organisation for Joint Armament Cooperation).
 - Recently, Government of India has officially become the newest Observer State in

the OCCAR-managed MALE RPAS (Eurodrone) programme

- Strengthening Climate and Energy Partnerships in Europe: France can champion India's renewable energy initiatives within Europe, encouraging more EU-based funding for India's solar, wind, and hydrogen projects.
 - By supporting **technology transfer and green finance**, France can position India as a preferred partner in **EU's Green Deal** frameworks.
- Expanding India-Europe Digital and AI Cooperation: France can help align India's data governance and AI policies with EU standards, ensuring smoother tech collaboration.
 - By integrating India's Al innovation ecosystem with European Al hubs, coordinating cybersecurity efforts, and promoting India-EU quantum computing research, France can drive a structured digital partnership.

Conclusion:

The Indo-French partnership is evolving into a comprehensive **strategic alliance, underpinned by collaboration in defense, nuclear energy, AI, and space.** As both nations navigate an uncertain global order, they are leveraging their shared vision for **multipolarity and technological sovereignty.** Strengthening Indo-Pacific security, green energy investments, and AI governance can further solidify this partnership.

Drishti Mains Question:

Amid shifting global geopolitics, India and France have deepened their strategic engagement across multiple domains. Analyze how historical ties, defense cooperation, and emerging areas of collaboration shape this partnership.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Prelims:

Q. Consider the following statements: (2016)

- 1. The International Solar Alliance was launched at the United Nations Climate Change Conference in 2015.
- 2. The Alliance includes all the member countries of the United Nations.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (a)

<u>Mains:</u>

Q. How will the I2U2 (India, Israel, UAE and USA) grouping transform India's position in global politics? (2022)

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