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Shiny Strategic Action: Reaching the Untapped Potential of Indo-European Cooperation at the International Solar Alliance

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Introduction

Following the inaugural Summit of the International Solar Alliance (ISA) in 2018, the retired Indian Ambassador Bhaswati Mukherjee noted the beginning of a “new phase in India’s partnership with France and the EU on climate change and renewable energy issues”.² A main driver for India’s co-founding lies in a quest for geopolitical influence, although the domestic renewable energy sector requires a scale-up before reaching true legitimacy as a global renewable frontrunner.³ Pointing to international solidarity, the incumbent Director General, Ajay Mathur, recently contended that ISA is “about getting all countries together to make solar a preferred option”.⁴ Thus far, 98 countries have signed the ISA Framework Agreement. The ISA is also in the spotlight of EU-India relations. The EU-India Roadmap 2025 outlined twelve action points for climate change and energy cooperation in the years ahead, including active support to the ISA. The latest EU-India Summit in May 2021 highlighted the green transition as a joint priority for the EU and India. In this paper, I

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² Mukherjee, Bhaswati. 2019. *India and EU: An Insider’s View*. Delhi: Vij Books India: 268.

³ Shidore, Sarang and Joshua W. Busby. 2019. “One more try: The International Solar Alliance and India’s search for geopolitical influence”, *Energy Strategy Reviews*, 26, 1-6.

⁴ Bhaskar, Utpal. 2021. “ISA will be delighted to have China, Paktistan as its members: Ajay Mathur”, *Mint*. 21 March 2021. Retrieved from <https://www.livemint.com/news/india/isas-goals-are-political-director-general-ajay-mathur-11616317163868.html>

explore how to reach the untapped potential of Indo-European cooperation at the ISA and gain traction.

Reaching a new phase in the EU-India climate partnership

The first joint Indo-European climate initiative was adopted in 2005. Despite the adoption of a Joint Work Program on Energy, Clean Development and Climate Change in 2008, scholars pointed to frustration and Indian resistance to diplomatic dialogue since the Indian government “viewed this bilateral relationship through the North-South prism of the multilateral negotiations” and was concerned about a foreign push to emission reductions commitments.⁵ Through adding seven new priority areas in the 2012 Joint Declaration for Enhanced Cooperation on Energy, further diplomatic craft was invested into the cooperation. Yet, there was scant action between 2005 and 2015.⁶ Nonetheless, the last five years have been eventful. In 2016, an EU-India Clean Energy and Climate Partnership was adopted at the 13th EU-India Summit. A year later, the leaders reaffirmed their cooperation through a joint statement on Climate Action and Clean Energy and the European Investment Bank (EIB) and the ISA sealed a new partnership. The ISA also signed an agreement with the EU on solar energy cooperation. Moreover, the EU’s Strategy on India and several high-level summits have pointed to the essence of climate partnership between the EU and India. The “new phase” as Mukherjee noted in 2018 has indeed been visible.

A key reason for the deepened Indo-European climate partnership derives from the experience around COP21 in Paris. By signing the Paris Agreement and actively defending it, India is closer to the EU than before.⁷ Historically, however, the strong North-South framing in the environment discourse in India and absence of European flexibility to India’s preferences have harmed the cooperation.⁸ In addition, the EU Delegation in New Delhi lacked climate experts and knowledge to cover domestic environmental policy debates accurately in the past.⁹ The EU’s complex institutional framework with institutions and member states seeking India’s attention also confused the Indian side.¹⁰ While the EU

⁵ Torney, Diarmuid. 2015. *European Climate Leadership in Question: Policies toward China and India*, Cambridge, MA: MIT Press: 169-170.

⁶ Torney, Diarmuid. 2019. “India’s relations with the European Union on environmental policy” in *Environmental Policy in India* by Natalia Ciecierska-Holmes et al. (eds.), New York: Routledge: 225-240.

⁷ Jayaram, Dhanasree. 2021. “India’s Climate Diplomacy Towards the EU: From Copenhagen to Paris and Beyond” in *EU-India Relations* by Philipp Gieg et al. (eds.), London: Springer, 201-226.

⁸ Torney 2015.

⁹ Torney 2015.

¹⁰ Wülbers, Shazia Aziz. 2010. *The Paradox of EU-India Relations: Missed Opportunities in Politics, Economics, Development Cooperation, and Culture*. Plymouth: Lexington Books.

structure still confuses Indians, the climate expert deficit has been addressed by the EU. At the same time, the actor-multiplicity in India's multilevel governance structures facilitated a more fruitful partnership.¹¹ Actors involved in both the EU and India could be connected through a future biennale on climate action, a portal, and a European Green Deal Attaché.¹² To strengthen the financial side of the EU-India climate partnership, experts have also recommended a green finance partnership.¹³ Despite these observations, little intellectual reflection has been invested into how to translate Indo-European engagement at the ISA into increased strategic action.

The challenge: avoiding a fragmented European engagement in, and with, the ISA

As a co-founder, France put itself, rather than the EU, in a leadership role at the ISA. At the same time, the EU immediately exhibited commitment by designing the logo and interacting with ISA officials since the launch in 2015. Considering the ISA's potential to scale up demand of solar energy and efforts to accelerate India's clean energy transition, the EIB and the ISA signed a partnership agreement worth 800 million EUR in 2017. A year later, the EU and ISA signed a partnership deal on the sidelines of COP24 in Katowice. However, not just EU institutions but also the member states have sought cooperation with the ISA.

With the expansion of the ISA membership to all UN-member states, the opportunity arose for individual EU member states to join the ISA. For Europeans, the partnership with ISA offered a welcomed way to talk climate action with Indians.¹⁴ Similarly, the ISA-membership has become an outreach opportunity for Indian diplomats in Europe. Thus far, eight EU member states have joined the ISA: France (2015), the Netherlands (2018), Luxembourg, Italy, Denmark, Greece, Sweden, Germany all joined in 2021. Despite the EU-ISA partnership signed in 2018, the recent trend is thus that EU member states actively attempt to engage ISA individually next to their collective, EU-voice.

The growing interest in the ISA is well-founded since it constitutes the most important climate diplomacy venue for India and the EU is viewed as a trusted partner among Indian

¹¹ Jörgensen, Kirsten and Christian Wagner. 2017. "Low Carbon Governance in Multilevel Structures: EU-India relations on energy and climate", *Environmental Policy and Governance*, 27, 137-148.

¹² Aspengren, Henrik and Axel Nordenstam. 2020. "A proposal for coordinated climate action: a multi-layered Indo-European opportunity", *EU Delegation in New Delhi*, EU-India Think Tanks Twinning Initiative 2020-2022.

¹³ Swarup Sharma, Mihir and Ria Kasliwal. 2020. "A New Climate Finance Partnership", *EU Delegation in New Delhi*, EU-India Think Tanks Twinning Initiative 2020-2022.

¹⁴ Author's interview with EU Diplomat, EU Delegation in New Delhi, July 2020.

climate experts.¹⁵ At the same time, France and India have different views of the governance of the ISA. In the words of Shidore and Busby, “the Indian vision of the organization is that of an UN-style bureaucracy, whereas the French see scope for a nimbler, flexible structure to work with the private sector and other actors”.¹⁶

Against this backdrop, EU member states have put themselves in a demanding position. On the one hand, they pursue bilateral outreach to the ISA and Indian officials to bolster their own businesses. On the other hand, they risk becoming fragmented and ununified in the discussions at the ISA. Be it discussions about a future Climate Bank, cross-continental grids and other potential groundbreaking ideas, the strategic debates at the ISA would be facilitated by a unified EU. Failing to cooperate effectively at the ISA could decrease the EU’s unified voice globally and risks harming the EU-wide strategic partnership with India.

Next steps: Policy recommendations to the EU and India

Both Europeans and Indians have compelling reasons to cooperate in the ISA. Foremost, they share the interest in energy production in X-country and energy supply in Z-country. They share the interest in building new sustainable supply chains for green energy sources. In addition, advancing the external dimension of the European Green Deal is a priority since “global climate action still falls short of what is required to achieve the long-term goals of the Paris Agreement and thus the 2030 Agenda for Sustainable Development”.¹⁷ It is also in India’s interest to invest energy and strategic thinking into the ISA. Foremost, a well-functioning ISA fits India’s ambition to become a leading, global power in the international system. Another reason for engagement is the Indian quest to revise the international order, which historically has been underpinned by energy sources. A green India would put India in the top section in the revised international order. Active Indian engagement could also bring funding to projects in India. Finally, Indian engagement in the ISA allows further championing of the principles of climate justice and equity to ensure that everyone gets access to affordable energy. Thus, both systemic and concrete reasons push the Europeans and Indians to join forces in the ISA.

Naturally, many low- and middle-income member countries in the ISA will call for European funding. The partnership between the EIB and ISA is essential to continuously

¹⁵ Nordenstam, Axel. 2021. “A Shared Understanding of India’s Climate Policy? Insights from a Survey of Indian Climate Experts”, UI Paper, no. 5 2021, *Swedish Institute of International Affairs* (UI).

¹⁶ Shidore and Busby 2019: 5.

¹⁷ Council of the European Union, “Council conclusions on Climate and Energy Diplomacy - Delivering on the external dimension of the European Green Deal”, 25 January 2021. Retrieved from:

<https://www.consilium.europa.eu/media/48057/st05263-en21.pdf>

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extend substantial financial backing. However, for the political and policy-track, the EU-wide partnership and the member states' engagement with the EU should focus on concrete projects. It would be prudent to not only formulate a mutual Indo-European understanding of the challenges ahead but also to formulate concrete projects. Shiny strategic action is just as important to jointly defend the right to energy for everyone as to build an interconnected Indo-European energy market based on common standards.

Going forward, the EU and India could conduct three next steps in the cooperation at the ISA.

1. Formulate an Indo-European Declaration

Despite the immense price-decline on renewable energy in the past years and the growing expansion of solar energy globally, fossil-fuel energy remains the main source of energy worldwide. The goal of reaching net-zero by 2050 appear distant and risks being too late. The EU and India could jointly prepare a new Declaration, drafted jointly by European and Indian officials, think tanks, and experts, in a multistakeholder approach. The mechanisms under the India-EU Clean Energy and Climate Partnership could be used, including the EU-India Energy Dialogue and the EU-India Climate Change Dialogue. The advantage with a declaration is the emergence of a common understanding of the challenges ahead, similar to the IPCC reports but shorter and presented to the ISA members.

2. Strengthen the ISA's One Sun One World One Grid-project

The visionary idea about a global ecosystem of interlinked renewable energy supply has been on the table for several years at the ISA. In theory, the solar supply system would take advantage of time zone differences. Yet, few examples exist of transporting renewable energy in long-distance grids and technology still requires further development. European lessons could be brought to the conversation, e.g., the integrated grid in Northern Europe. The EU has also long attempted to establish solar parks in Northern Africa connected to Europe. Moreover, the EU is strong in regulatory power and harmonizing legislation, at times with a global impact (e.g., GDPR). The EU could therefore contribute with know-how to the process towards regulations for this ISA-project.

3. Connect the EU-India Connectivity Partnership with the ISA's One Sun One World One Grid-project

Through linking the EU-India Connectivity Partnership with the One Sun One World One Grid-project, the future clean energy value chains could be developed. Both the EU's Indo-Pacific strategy and the EU-India Connectivity Partnership from 2021 refer to securing clean energy supply. By joining forces at ISA Summits, General Assembly, and side-events to COP in Glasgow and forthcoming COPs, the EU and India could together with ISA build the infrastructure needed for a global renewable energy boom. A suitable occasion for outreach would be the ISA's next Annual Assembly on October 20, 2021. Through joining forces, the EU, India, and the ISA would take the lead on the development of the grid.

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