Debrief Report: India-EU Dialogue on Strategic Autonomy: Energy and Minerals

A roundtable hosted by the Institute of Peace and Conflict Studies (IPCS), Clingendael Institute (CI) and the Embassy of the Kingdom of the Netherlands @New Delhi, India

Executive Summary:

- The purpose of this roundtable was to explore the potential for strategic partnerships between NL-EU-India aimed at bolstering global resilience against to backdrop of rising geopolitical tensions, ensuring sustainable energy transitions and reducing shared strategic dependencies on CRM's through aligned strategies and policies.
- Participants focused on the crucial role of India-EU collaboration in joint ventures discussing the merits, technology and expertise exchange needed to navigate the complexities of decarbonization and CRM dependencies, aiming for a secure and just energy transition.
- The roundtable discussed opportunities to align India-EU national policies to address geopolitical vulnerabilities and enhance resilience, emphasizing the need for diversified supply chains and cooperative strategies in energy and CRM security.

1. Background and Context:

On Monday, March 17th, alongside the Raisina Dialogue, we partnered with the Clingendael Institute and the Institute for Peace and Conflict Studies, to organize a roundtable on *India-EU Dialogue on Strategic Autonomy: Energy and Minerals.* The event brought together diplomats, think tank representatives, thematic experts, companies, government partnered knowledge institutes, and geopolitical analysts. The discussion focused on understanding and addressing the geopolitical challenges each faces, both individually and collectively, in order to reduce uncertainty regarding energy security and mineral dependencies. It offered a thoughtful balance between the necessary actions for securing CRM and energy supplies, and what is realistically achievable from a geopolitical standpoint.

Overall, the shared priorities of the EU and India in the areas of energy, and critical raw materials (CRM), were discussed from both green and security perspectives. Interestingly, both

perspectives share similar concerns, highlighting the potential for greater cooperation between the EU and India in securing CRM supply chains and energy supplies.

2. Global Drivers and Strategic Shifts

2.1. Clean Energy Overcapacity & Trade Tensions: single country dominance in clean-tech manufacturing, processing particularly in solar PV and batteries, has led to overcapacity and controlled global prices. Concurrently, geopolitical tensions, including trade frictions and conflicts in Ukraine and the Middle East, are introducing uncertainties in energy and mineral supply chains.

Key takeaway from the roundtable

Concerns about China's dominance in renewable energy: Participants expressed concerns about China's significant position in renewable energy supply chains, emphasizing the need for diverse collaborations to counterbalance its three decades of expertise in the field. The roundtable addressed worries about limited market access and technological competition, suggesting that EU-India cooperation in joint ventures, integration of value additions, cost-effective supply chains and diversification could create a more balanced and competitive landscape.

2.2. Key developments from 2025-present: the landscape has seen dynamic strategic moves, let alone in the past five months of this year. To name some are the US-China Economic Trade Meeting (May 2025), where both nations agreed to a 90-day tariff pause, though China retained export restrictions on *seven* rare earth elements (samarium, gadolinium, terbium, dysprosium, lutetium, scandium, yttrium) critical for defense and green technologies. The U.S. President signed an agreement with Ukraine for a Critical Minerals Deal which established a joint fund to develop Ukraine's untapped lithium, titanium, and rare earth reserves, prioritizing U.S. access amid security challenges in conflict-affected regions. India solidified its position through the UK-India FTA (May 2025), reducing tariffs on automotive and critical minerals-linked goods to leverage its vast reserves, while advancing domestic exploration via its National Critical Minerals Mission (2025) and their increasing engagement with African countries. India joined the U.S. led Minerals Security Partnership and Minerals Security Finance Network (MSFN) to catalyze public and private investment in CRM globally and foster ESG-compliant supply chains. The European Commission President Ursula von der Leyen's visit to India together with the entire College of Commissioners (the European Cabinet) earlier this year, reflect a growing recognition of the need for closer cooperation between EU-IND in areas of strategic importance, such as ensuring access to CRM and building more resilient and diversified supply chains. These developments reflect a global scramble to secure energy transition resources, balancing geopolitical competition with collaborative frameworks.

Key takeaway from the roundtable

Challenges of balancing defence spending with green tech: Participants raised considerations regarding the challenges of balancing defence expenditures with investments in green technologies and critical raw materials. Experts cautioned that, while green tech has potential defence applications, the primary focus of the defence sector will remain centred on providing security by any means possible.

2.3. Rising Demand for Critical Raw Materials (CRMs): The global push for decarbonization, electrification, advanced manufacturing and digitalization is escalating demand for CRMs. The EU's Critical Raw Materials Act (CRMA) identifies 34 CRMs, with 17 deemed strategic, essential for technologies like EVs, wind turbines, and semiconductors. India has identified 30 CRMs, with 24 included in a list for strategic importance. The list includes 17 Rare Earth Elements (REEs) and 7 Platinum Group Elements (PGEs).

2.4. EU's Strategic Autonomy Goals: The EU aims to reduce their dependency on single external suppliers, notably China, which currently exceeds the 65 per cent threshold for several CRMs.

3. EU Priorities and Strategic Outlook

3.1. Critical Raw Materials Act (CRMA): Enacted in May 2024, the CRMA establishes a framework to secure a sustainable supply of CRMs, emphasizing the development of domestic capacities and diversification of imports. It sets benchmarks for extraction (10%), processing (40%), and recycling (15%) capacities within the EU by 2030.

Key takeaway from the roundtable

Europe's pursuit of strategic stability, not autonomy: Participants explored Europe's emphasis on achieving strategic stability rather than autonomy, indicating a preference for managing interdependence through collaborative partnerships, like those with India, to ensure sustainable access to crucial resources and to maintain a stable global order.

3.2. Net-Zero Industry Act (NZIA): The NZIA complements the CRMA by aiming to scale up the manufacturing capacity of net-zero technologies within the EU. It targets the creation of favorable conditions for clean tech production (e.g., batteries, solar panels, electrolyzers), helping to reduce dependency on third-country suppliers and accelerate the green transition.

3.3. Investment Initiatives: The EU plans to allocate over €10 billion to stimulate exploration, mining, and recycling of CRMs. With private sector involvement, total investments are expected to reach €100 billion, catalyzing innovation, strategic autonomy, and job creation in the green and digital sectors.

3.4. RMIS – Raw Materials Information System: Managed by the European Commission's Joint Research Centre, RMIS serves as a knowledge platform, providing data on CRM flows, supply chain analyses, and foresight studies to support EU raw materials policy.

3.5. Strategic Projects: The EU has identified 47 strategic projects across 13 member states to enhance the production of 14 CRMs. These projects are aligned with the CRMA and contribute to securing supply chains essential for clean energy, digital infrastructure, and defense.

4. India's Priorities and Energy Security Needs

4.1. Balancing Affordability and Sustainability: India emphasizes the need for affordable and reliable energy to support its development goals, while also pursuing sustainability through renewable energy initiatives.

Key takeaway from the roundtable

India's energy security priorities – affordability and access: Discussions highlighted India's focus on ensuring affordable and accessible energy resources for its population. The discussion emphasized that India's large population and current development goals illustrate the need for a balanced approach to energy security and sustainability in collaborative efforts.

4.2. National Critical Minerals Mission and government schemes: Launched in January 2025, this mission encompasses mineral exploration, recycling, stockpiling, overseas acquisitions, research and governance, with ambitious targets such as completing 1200 domestic exploration projects and recovering 400 kilo-tonnes of recycled materials. The government has demonstrated substantial financial commitment by earmarking INR 163 billion (Indian Rupees) i.e., USD 1.9 billion for expenditure and expecting an additional INR 180 billion i.e., USD 2.1 billion investment from public sector undertakings. Besides, it aims to promote R&D in CRM processing and generate 1000 patents across the critical mineral value chains by 2031.

4.3. Reducing Import Dependency: India aims to mitigate risks associated with high import dependence for CRMs by diversifying sources and investing in domestic capabilities.

4.4. Strategic Partnerships: India is forging strategic partnerships on CRMs with countries across the Global North and South to build resilient, diversified supply chains. India is proactively collaborating with the US, Australia, Japan, and the EU through frameworks like the Minerals Security Partnership (MSP), QUAD, and IPEF. Simultaneously, India is strengthening ties with resource-rich nations such as Brazil, Chile, South Africa, Namibia, Gulf Nations, and the Democratic Republic of Congo, to boost cooperation in mineral exploration, processing, refining and recovery.

5. Shared Challenges and Synergies

5.1. Supply Chain Resilience: Both the EU and India recognize the need to build resilient and diversified supply chains for CRMs, reducing over-reliance on single sources.

5.2. Industrial Cooperation: Opportunities exist for joint ventures in upstream, midstream and downstream supply chain of CRM-related technologies and sectors, fostering mutual growth and technological exchange.

5.3. Frugal Innovation: Emphasizing cost-effective and locally adapted technologies can enhance resource efficiency and support sustainable development in both regions.

5.4. Policy Alignment: Coordinated policies and standards can facilitate smoother trade and investment flows, ensuring that both regions benefit from shared growth in the CRM sector.

Key takeaway from the roundtable

a. Questions about India-EU cooperation in specific industries: The roundtable raised questions about the scope for enhanced India-EU collaboration with industrial sectors such as defence, renewables, resource efficiency etc., specifically exploring technology/expertise exchange, joint industrial capacity building and other development initiatives.

b. The role of frugal innovation in raw materials partnerships between EU-NL and IND: The value of frugal innovation in strengthening raw materials partnerships between India and the EU/NL was discussed across the value chain viz., resource efficiency, material science, etc. Frugal innovation, which focuses on developing practical and cost-effective solutions tailored to local contexts, was discussed as one of the important pillars for developing sustainable and scalable raw material partnerships between all the parties.

6. Path Forward for CRM Potential Strategic Partnership

6.1. Leveraging Existing Frameworks: Platforms like the India–EU Trade & Technology Council (TTC) Clean Trade & Investment Partnership (CTIP), European Raw Materials Alliance (ERMA), European Partnership for responsible Minerals (EPRM), European Battery Alliance, the Netherlands Battery Competence Cluster can be instrumental in synchronizing policies, standards, and R&D agendas.

6.2. Multilateral Collaborations: Engagement in global initiatives such as the Minerals Security Partnership/Finance Network, International Energy Agency (IEA) Critical Minerals Working Group, EU Global Gateway, G20 Working Groups on Critical Minerals & Supply Chains - can mobilize joint investments in CRM projects (upstream, midstream, downstream), worldwide.

6.3. Co-Investment Strategies: Exploring trilateral partnerships (e.g., India-EU-Africa/Japan/Indonesia/Chile/Argentina etc.) in resource-rich countries located in Africa and Latin America and establishing joint funding mechanisms in mining, processing, recycling, resource efficiency, and material substitution infrastructure.

Collaboration on policy frameworks, joint R&D initiatives, and pilot projects are equally essential to validate emerging technologies at scale and accelerate their practical deployment.

Co-venturing with companies (public/private/PPP) across the value chain e.g. battery chemistry, refining, processing or any other mutually agreed business proposition.

6.4. Sustainable and Ethical Sourcing: Ensuring that CRM sourcing adheres to environmental and ethical standards is crucial. The EU emphasizes sustainability in its CRM strategy, aiming to strengthen public acceptance and attract private investment.

7. **Conclusion:** The roundtable served as a timely platform to discuss and align India-EU-NL priorities around strategic autonomy, energy security, defence engagement and sustainable critical mineral value chains. The insights shared underscore the urgency for collaborative policy, co-investments, and innovation-driven partnerships that bridge geopolitical realities with development needs. Continued engagement through bilateral and multilateral platforms will be key to translating dialogue into secure, sustainable and future-ready cooperation.