

'CANNOT ISOLATE TRADE FROM INVESTMENT, CLIMATE ISSUES'

Relevant for: International Relations | Topic: Europe, European Union (EU) and India

In tandem: Marten Van den Berg called for joint action from the public and private sectors to save the planet. PICHUMANI K.

It is not possible to isolate trade from other issues related to trade including investment and the climate while negotiating a free trade agreement (FTA), Netherlands Ambassador to India Marten Van den Berg stressed on Monday.

"We, as Europeans, think that one cannot isolate trade from other very relevant dimensions connected to trade," Mr. Van den Berg said, when asked if the European Union could not settle for a quick EU-India FTA focussed on areas of mutual agreement, with more thorny issues set aside for separate resolution. "Economics, trade and investments are very much connected – 70%-80% of global trade is connected to investments. If we invest in each other's societies, you must also have dialogues on how we address environment issues and climate challenges," he emphasised, adding it didn't make economic sense to have just a tariffs focussed pact.

"Our view is that there is a joint responsibility for the public and private sector to ultimately save our planet. So that's why we connect trade with environment but also trade with social issues," he said while on a visit to the office of *The Hindu*.

"When a company does business in a country that does not have an investment protection agreement, then the premium for insurance against risk of investment loss is higher," he observed. "Companies look for two things – certainty and transparency. An investment protection agreement gives certainty," he added, highlighting the significance of investment protection in trade negotiations.

'A year's target'

"The target [timeframe] to finalise the trade agreement is one year. If we can agree on the investment protection aspect then that would have a positive impact on investments."

Asked if India's position on the conflict in Ukraine was influenced in part by the West's response to India's border problems with China, he said: "It was never framed that way. I am not sure if that was case, but it was not framed that way."

The Dutch government was sensitive to India's concerns, the Ambassador said, adding: "We are aware of the tensions and the situation between India and China, and also of China's position on security issues in the South China Sea. We are very much aware of the maritime security tensions. Netherlands was also one of the few European nations that had a policy paper on the Indo-Pacific that was welcomed by India."

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