



# AN INDIA-MIDDLE EAST-EUROPE CORRIDOR FOR PEACE: THE EU'S ROLE IN TRANSFORMING A GRAND ANNOUNCEMENT INTO AN INCLUSIVE FORUM

**Fanny Sauvignon**

Foreign Policy Researcher, Centre for European Policy Studies (CEPS)

**Stefania Benaglia**

Head of Foreign Policy, Centre for European Policy Studies (CEPS)

## Abstract

Announced at the 2023 G20 New Delhi Summit, the India-Middle East-Europe Economic Corridor (IMEC) signalled a new momentum in global connectivity geopolitics. Less than a month later, war erupted on the Middle East's Mediterranean shores, destroying the status quo exactly where a maritime connection to Europe was planned. Despite the perceived hopelessness of the situation, shelving IMEC would be a mistake. Whereas the peace table is quasi deserted at the time of writing, IMEC provides a rare multilateral basis for dialogue. Its parties know that their shared interests – resilient and efficient supply chains – will only be within reach when political and armed violence is overcome. Redoing the diplomatic homework is therefore unavoidable.

What can IMEC do for the world?

A collective push for peace would require, beyond financial promises, a plan that makes shared futures and governance more desirable than complete diplomatic collapse. It puts the values of the European Union (EU)'s external action to the test: the conditions for good, democratic and transparent governance are currently absent from IMEC's planned northern corridor from the Arabian Gulf to Europe.

The priority is to revive IMEC into a multilateral forum, before the dust settles and before billions head to the polls in 2024. Before Spring, IMEC signatories should organise a meeting and set up a track 1.5 or track 2 dialogue. An inclusive forum would lay the foundations for sustainable peace and an improved connectivity plan.

## **A grand announcement interrupted**

### **A new momentum**

The India-Middle East-Europe Economic Corridor (IMEC)'s announcement at the 2023 G20 New Delhi Summit on 10 September 2023 was a breakthrough for many of the memorandum signatories. To India, at the height of its multilateral influence. To the United States (US), France, Germany and Italy, in the name of a lucrative deal. To the United Arab Emirates (UAE) and Saudi Arabia, reaping the benefits of a Gulf connection between the Indian Ocean and the Mediterranean. To the EU, whose geoeconomic and normative power should be strengthened by its participation, reinforced by three of its most powerful member states. To all of them, as IMEC promises to be sufficiently big to compete with China's Belt and Road influence in the region.

### **Plan, interrupted**

Shortly after the 2023 G20 summit, war erupted once more on the Middle East's Mediterranean shores, destroying the status quo exactly where a maritime connection to Europe was planned. It is a straightforward observation that IMEC design and implementation will be delayed by this reality, one that destroys, blocks and displaces, rather than building, enabling and connecting. In fact, from the US to Europe, the Gulf and India, there may be little political or economic incentive to pursue implementation for the moment, at minimum until a pathway to conflict resolution is found. Yet despite the perceived hopelessness of the situation, shelving IMEC would be a mistake.

### **A boon to multilateralism**

Whereas the peace table is quasi deserted at the time of writing, the IMEC memorandum of understanding (MoU) provides a rare and ambitious multilateral basis for dialogue and development. It works away from bloc thinking, given its diverse line-up of signatories brought together by an eye-to-eye partnership. Moreover, its realisation would impact – more or less directly – almost 2 billion people in India, Middle East, and the EU. There is no doubt that the corridor would not be welcomed by all countries, especially those bypassed by the route, such as Turkey, Iraq or China, among others. Yet it is a better prospect than perpetual war in the region, and IMEC's design is not yet set in stone – meaning that an inclusive process remains possible.

### **A chance to redo the homework**

Rather than postponing IMEC talks awaiting a temporary lull from the Indian Ocean to the Mediterranean, participating governments are presented with a rare opportunity to make connectivity a vessel for sustainable peace in the region. MoU signatories are more than the sum of their development banks and agencies, or that of their partner investors in the private sector. This particular project calls for the aggregation of participating governments' resources as an act of diplomacy, for the sake of shared geopolitical interests. These interests lie in the promise of resilient and efficient supply chains, safe from their potential weaponisation by rival powers. Yet this will only be within reach when political and armed violence around the corridor's Middle Eastern chokepoint is overcome. Redoing the diplomatic homework is therefore unavoidable. On the bright side, it is an opportunity to make sounder plans.

### **Peace and connectivity**

Labouring for peace and building connectivity systems need not be separate activities. In fact, building connectivity systems without ensuring solid foundations for peace would be counter-



## **What's between Southern Europe and the Indian Ocean?**

IMEC reinforces transatlantic relations, raises the profile of a deepening EU-India partnership, and reaffirms the EU's Indo-Pacific objectives. Yet, in the current circumstances, the question mark is on EU relations with the Middle East, where it used to market itself as an "honest broker". The EU has to review its geopolitical approach not only to the UAE and Saudi Arabia, but more crucially to Israel and Palestine, and by extension to their land and sea neighbours.

### **EU values to the test**

The Union's external action carries its own obligations, different from that of fellow IMEC participants. EU foreign policy imperatives to preserve peace and international security, to promote democracy, the rule of law, human rights and freedoms, are embedded into its external investments. "Democratic values and high standards" as well as "good governance and transparency" are among official key principles of Global Gateway. They represent not only a commitment to high due diligence, ethical and sustainability standards, but Global Gateway's very brand as a value-based offer. This offer, elevated by the Team Europe approach, will have a role to play in IMEC's design, governance and implementation – all while working together with non-democratic partner governments.

EU-financed connectivity cannot overlook war, conflicts, and humanitarian crises. Even in times of relative peace, high governance and democratic standards involve ensuring fair and inclusive processes with impacted communities and environments. As it stands, the conditions for good, democratic and transparent governance are plainly absent from IMEC's planned northern corridor connecting the Arabian Gulf to Europe. It poses complex threats to the EU's interests, including in a context of rising Chinese influence in the region.

### **EU capability undermined by disunity**

The EU is undeniably capable of enabling change through investment in its neighbourhood. In the Western Balkans, the Berlin Process has strengthened multilateralism and connectivity among EU member states and candidate Balkan countries since 2014. In Ukraine, even as war rages on, the EU is diplomatically and financially committed to the reconstruction of a "prosperous and democratic" Ukraine.

On solidarity with Ukraine and the dynamics of EU enlargement, member states may have disagreements: about their meaning, their implementation, or resources allocation. Yet there is a basic layer of consensus and political clarity on these issues, which allows for dialogue and the formulation of constructive solutions. As of December 2023, this layer is absent from EU discussions on the future of the Israel/Palestine conflict and its regional implications. In addition, the self-described "geopolitical Commission" is struggling with the contradictions of its differentiated approach to the world's major conflicts, and the result of underinvestment in the stability of its Southern Neighbourhood.

### **A collective responsibility for peace**

Aside from the EU, all IMEC actors bear a role and responsibility in peace-building. The US, despite its global diplomatic influence, may presently hold the least political clout to lead constructive peace negotiations, following a military-first approach and having antagonised the international community through its unshakeable position on Gaza.

Arab states will have one of the biggest roles to play in upcoming peace initiatives (Brown & Hamzawy, 2023), in different measures. While the UAE enjoys strong diplomatic relations with most actors involved, Saudi Arabia's normalisation talks with

Israel are held back following the events of October 2023. Differentiated approaches to the conflict, balanced by the collective necessity to stabilise a common neighbourhood, may prove to be an asset.

Although India, which is planned to host IMEC's easternmost port in Mumbai, may be further away from the Mediterranean chokepoint, its rising profile as a "Global South" leader makes it a valuable attendee at peace talks. India's recent rapprochement with Israel, including through the recent purchase of Haifa port<sup>1</sup> by Adani Group, poses challenges as it could bring India's positions closer to that of the US.

## **Proposal: transforming IMEC from a sandcastle to a timely forum**

### **What can IMEC do for the world?**

The goal is to make IMEC a forum, one whose main participants have already committed to. To harness IMEC for peace-building talks, participating governments should overcome the opinion that IMEC is "dead on arrival" due to current conflicts. This perspective, though reasonable in the world of mega infrastructure projects and risk-averse investors, is detrimental to a project led by diplomatic ambitions. Due to the sudden diplomatic cooling of October 2023, participatory governments may have given reason to IMEC detractors by not meeting within the 60-day deadline after the G20 summit (Rizvi, 2023).

This "pause and rethink" delay may not be a complete loss: perhaps a renewed, disillusioned vision of the region is necessary. For lack of viable pathways to peace negotiations, future IMEC meetings may present a new agenda. The agenda would set to use IMEC as a semi-formal discussion table to envision sustainable peace and development. The list of participants would be more inclusive, bringing to the table not only participating governments, but also "facilitator" countries that have proven their relevance, such as Jordan and Egypt.

### **The EU's ideal role: reconciling geoeconomics and peace-building**

The EU has everything to prove in the Middle East, and by extension through IMEC. Its reaction to the ongoing conflict has been criticised in many ways. For its disunity at the multilateral level, for its double standards in comparison to Russia's war on Ukraine, for its near-sighted focus on humanitarian solutions – perceived to be "implicitly operating within the framework imposed by Israeli relocation efforts for Gaza's population" (Brown & Hamzawy, 2023). More generally, for its absence of contribution to sustainable conflict resolution. The EU is also challenged to beat the "too little, too late" allegations applied both to IMEC and to Global Gateway efforts as a whole.

Through IMEC, the EU could show unity and reinvest – both diplomatically and financially – in its Southern Neighbourhood through a project not limited to the sole purpose of blocking migration flows or sourcing energy. Along with partners like India, it could challenge rising Chinese and Russian influence in the Middle East. The EU would have to prove that it is a geopolitical force to be reckoned with, not because of France, Italy and Germany's compiled geopolitical clout, but because the EU is there to coordinate a proprietary approach. This approach would need to be value-based in practice, as has

<sup>1</sup> The Port of Haifa is a candidate node for the IMEC route.

been the case for EU-supported conflict prevention and resolution, in Europe and around the world. The last thing the Middle East needs is another self-interested and self-centred actor moulding its routes. The EU can become once more the proactive face of peace, with benefits to both EU internal politics and the EU's external credibility.

### What IMEC's (northern corridor) could look like

To make the prospect of peace more desirable than diplomatic collapse, IMEC should bring forward a convincing plan for shared infrastructure and networks. At minimum, that plan would need to not be founded on unfair systems, aiming to destabilise an area and its resources to benefit another. Whilst attempting to untangle regional complexity, the discussants should leave no space for development narratives that promote the targeting of civilians and civilian infrastructure, or to destroy environmental and natural resources. This would run counter to both IMEC terms and international law.

As for the actual infrastructure plans, the IMEC MoU provides an ambitious list. First, a railway as well as ship-to-rail connections would offer foundational layers for the movement of goods and services. Second, the following activities would be enabled: cable laying for electricity and digital connectivity, and clean hydrogen pipelines – currently at feasibility study stage. What would that look like in a future peaceful Middle East?



Countries included in the initial IMEC route design (September 2023), excluding India for readability. (Created with mapchart.net). Multiple maritime and land routes are under consideration.

The first step – securing maritime, road and rail connections – may seem hard to believe. For trade, at a time when global shipping companies are halting Red Sea shipments due to Houthi attacks. For basic flows, as the every movement of the Palestinian population of Israel and the West Bank are subject to checkpoints. Destruction in the Gaza Strip raises questions on the future of its coastline. The IMEC multimodal route should be reviewed as part of multilateral peace plans. It should be assessed with regards to benefitting populations and economies that have been plainly excluded from connectivity and sustainable development prospects until now. Inclusivity is certainly the challenge but also the opportunity. The IMEC forum needs to engage with potential future spoilers – who undeniably play a vital role in the region. Exclusion in itself can lead to conflict and diplomatic dead ends.

The second group of elements, including digital, telecommunications connections and an energy pipeline, should similarly be guided by the current situation and harnessed

towards sustainable development. Basing visions for a more stable Middle East on regional and inter-regional cooperation in these transitions, for example through an integrated Euro-Mediterranean energy market (Rubino, Rawasdeh, 2023), are not new ideas. Yet in light of the new war, as well as the recent COP28 in the UAE, regional powers' tendency to pursue greenwashing politics is putting the EU's values to the test. So are digital and telecommunications censorship laws in the region, or the multiple telecom blackouts imposed on Gaza in the past months.

## Recommendations: How to revive IMEC for peace

How can the EU influence IMEC design to be rooted in democratic and good governance, in a context where it – exceptionally – put the prospect of partnership above like-mindedness? The project could then be embedded with a sustainable peace offer, opening possibilities for more inclusive governance and benefits.

1. **Meet before Spring 2024:** IMEC signatories failed to meet their initial 60-day deadline for a work meeting. The current, fast-paced crisis requires seizing existing diplomatic pathways such as IMEC. Meeting early in 2024 would also set the process in motion before the EU, India and the US go to the polls.
2. **Establish an IMEC-based track 1.5 or track 2 dialogue** to support the process through informal mediation through truly inclusive dialogue – hence also engaging with potential spoilers.
3. **Let the EU lead the Team Europe group** in these dialogues to ensure its credibility and minimise misalignment with national interests.
4. **Advocate for the inclusion of “facilitator” countries** at the table, i.e., Jordan, Egypt...
5. **Set a diplomatic goal for the 2024 G20/G21 Rio de Janeiro summit** to safeguard political momentum.

## References

- ALHASAN, H., & SOLANKI, V. (2023, November 16). Obstacles to the India–Middle East–Europe Economic Corridor. *International Institute for Strategic Studies*. <https://www.iiss.org/online-analysis/online-analysis/2023/11/obstacles-to-the-india-middle-east-europe-economic-corridor/>
- BROWN, N. J., & HAMZAWY, A. (2023). *Arab Peace Initiative II: How Arab Leadership Could Design a Peace Plan in Israel and Palestine*. Carnegie Endowment for International Peace. <https://carnegieendowment.org/2023/11/17/arab-peace-initiative-ii-how-arab-leadership-could-design-peace-plan-in-israel-and-palestine-pub-91047>
- CAFIERO, G. (2023, October 10). The Geopolitics of the India–Middle East–Europe Economic Corridor. *Arab Center Washington DC*. <https://arabcenterdc.org/resource/the-geopolitics-of-the-india-middle-east-europe-economic-corridor/>
- EUROPEAN COMMISSION. (n.d.). *Palestine*. [https://neighbourhood-enlargement.ec.europa.eu/european-neighbourhood-policy/countries-region/palestine\\_en](https://neighbourhood-enlargement.ec.europa.eu/european-neighbourhood-policy/countries-region/palestine_en)
- EUROPEAN COMMISSION. (2021, December 1). *Questions and Answers on Global Gateway*. [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_21\\_6434](https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_6434)
- HACKAJ, K., & HACKAJ, A. (2023, October 12). Making connectivity the hard wire of the European Political Community: Lessons learned from the Berlin Process. *EPC Observatory*. <https://epc-observatory.info/document/making-connectivity-the-hard-wire-of-the-european-political-community-lessons-learned-from-the-berlin-process/>
- KHAN, A. M. (2023, December 12). The India–Middle East–Europe Economic Corridor (IMEC): Too Little, Too Late? *Carnegie Endowment for International Peace*. <https://carnegieendowment.org/sada/91214>
- KUMARASWAMY, P. R. (2019). India’s new Israel policy: How the decline of the Palestinian issue and economic reorientation accelerate Indo–Israeli cooperation. *SWP Comment*, 11. <https://doi.org/10.18449/2019C11>
- RIZVI, O. (2023, December 15). From India to Europe: New Corridor Opportunities and Challenges. *Euronews*. <https://www.euronews.com/business/2023/12/15/from-india-to-europe-economic-corridor-to-offer-new-trade-opportunities>
- RUBINO, A., & RAWASDEH, T. (2023). The Need for an Integrated Energy Market in the Euro–Mediterranean Region for Stability and Economic Growth. *IEMed Mediterranean Yearbook 2023*. <https://www.iemed.org/publication/the-need-for-an-integrated-energy-market-in-the-euro-mediterranean-region-for-stability-and-economic-growth/>
- SHQAIR, M. (2023, November 16). Arab–Israeli eco-normalisation. *Transnational Institute*. <https://www.tni.org/en/article/arab-israeli-eco-normalisation>
- THE WHITE HOUSE. (2023). *Memorandum of Understanding on the Principles of an India–Middle East–Europe Economic Corridor*. <https://www.whitehouse.gov/briefing-room/statements-releases/2023/09/09/memorandum-of-understanding-on-the-principles-of-an-india-middle-east-europe-economic-corridor/>