

India, EU ink nuclear pact, to have trade treaty by 2010

India and the 27-nation European Union Friday signed a pact on an ambitious nuclear energy project and decided to conclude their long-delayed free trade treaty by next year.

The two sides also agreed to expand their cooperation in countering terrorism by accelerating negotiations between Europol, the EU's nodal criminal intelligence agency, and the Indian agencies.

Prime Minister Manmohan Singh held the 10th summit talks Friday with the EU leaders, Swedish Prime Minister Fredrik Reinfeldt and chairman of the Swedish presidency of the EU, and president of the European Commission Jose Manuel Barroso.

They discussed a broad spectrum of bilateral and global issues including the global financial crisis, energy security, climate change, trade and terrorism.

An agreement on civil nuclear energy, focusing on India's participation in the International Thermonuclear Experimental Reactor (ITER) project, was signed after the talks.

The pact was inked by Atomic Energy Commission chairman Anil Kakodkar and EU Commissioner for External Relations Benita Ferrero-Waldner, who represented the European Atomic Energy Community (Euratom).

The ITER project on fusion energy is said to be the costliest experiment of its kind pegged at 10 billion euros with the first fusion reactor expected to be operational in Cadarache, France by 2016.

'Both sides are agreed that a broad-based trade and investment pact is in mutual interest. We have expressed hope that the negotiations can be completed in one year,' Manmohan Singh said at a joint press conference with the EU leaders.

The two sides launched negotiations in 2007 for a broad-based trade and investment pact, including a free trade agreement (FTA).

But the negotiations are dragging due to differences over intellectual property rights and EU's negotiating stance to link trade with climate and other non-tariff issues like child labour.

The sharp spike in terrorism in Pakistan and Afghanistan also figured prominently in the discussions.

'India and the EU stand together in combating terrorism which is a serious threat to international peace and security,' said Reinfeldt.

The two sides have agreed to advance negotiations between Europol and the Indian authorities, he added.

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