



# POLICY BRIEF

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India-Middle East-Europe  
Economic Corridor (IMEC):  
Greece and India as extreme points  
of the artery between two worlds

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# POLICY BRIEF

Due to the growing conflicts in the world, completely new or alternative models of international cooperation are taking shape. This is mainly due to the ongoing war in Ukraine and the growing tensions in Asia between China and its neighbours. With its updated *Open Strategic Autonomy*, the European Union is moving away from energy dependence on Russia and dependence on China, particularly from a security perspective - for example, the measures taken in the field of microchip production or steps to limit Chinese influence in Europe.

This *Policy Brief* analyses how the current situation seeks to take advantage of the two countries representing the extremes of the key IMEC economic corridor between India and Europe, i.e. Greece on the European side and India on the Asian side.

In recent years, after decades of weak diplomacy, Greek relations with India have picked up not only in terms of economic but also security cooperation. The two countries together aim above all to consolidate their relations and to separate themselves from their Chinese partner, now their common rival. On the Greek side, the motivation is reinforced by the fact that the country has gone through a deep political and economic crisis in recent decades and faces growing threats from its neighbours in the Mediterranean region, especially Turkey and Libya, which threaten the security stability of the Hellenic state. The plan is not only

to cooperate on a bilateral level, but also on a multilateral level, which increases the chances of jointly forming a larger regional entity based primarily on economic cooperation.

## GREEK-INDIAN RELATIONS: SIGNIFICANT MOMENTS

With some exaggeration, it can be said that the cooperation between Greece and India dates back *de facto* to antiquity. For the present period, it is significant to mention Greek support to India in the critical year 1998, when India faced financial sanctions from the Western powers. India also found Greek support during the conflict with terrorists in Jammu and Kashmir. Moreover, Greek diplomacy supported India's bid for a permanent seat on the UN Security Council. On the other hand, India has reciprocated Greek support, for example, by diplomatically standing up for Greece on the issue of the Turkish invasion of Cyprus. The two countries also set a higher dynamic of cooperation by signing a joint *Memorandum of Understanding on defence cooperation* ([Impact and Policy Research Institute, 2023](#)).

It can also be stated that both countries have very compatible strategic interests. These include maritime security, defence, energy and economic objectives. There are also common strategic interests in the area of combating migration, where Greece and India have jointly signed a bilateral *Memorandum of Understanding on migration and*



**India as a key point in the Indo-Pacific.** *The long-standing tense ties between India and China have recently become more strained. The situation is further aggravated by India's plan to route the IMEC through Pakistan-occupied Kashmir.*

mobility. In the maritime domain, countries have been cooperating for a long time. Greece has three important roles to play in this respect: it is a member of the European Union (EU), and NATO, and also has a traditionally important strategic position in the Eastern Mediterranean ([Impact and Policy Research Institute, 2023](#)).

In the field of international relations, the two countries have warm relations with the countries of the West Asian region, in particular the *Gulf Cooperation Council*, and with the countries of North Africa, especially Egypt. In addition to the common partners, Greek-Indian cooperation is also linked to the so-called SLOC or *Sea Line of Communication* ([Impact and Policy Research Institute, 2023](#)).

Since 1998, defence cooperation has been renewed and continuously expanded, with success not only in naval cooperation but also in air cooperation, where several mutual visits of air defence commanders have taken place. In addition, India possesses war drones or its own *Brahmos* missiles ([Impact and Policy Research Institute, 2023](#)), and can thus contribute considerable know-how to this form of cooperation.

However, in contrast to the mutual support and common strategic interests of both countries, there is a significant and unnoticeable lack of high-level diplomatic visits. Two presidential visits have taken place from the Indian side in eleven

years, in the form of visits to Athens by Presidents Dr. APJ Abul Kalam in 2007 and Ram Nath Kovind in 2018 ([Ministry of External Affairs, Government of India, 2018](#)). The Indian ministerial visit was made by External Affairs Minister Dr Jaishankar in 2021 after a long eighteen years. The longest hiatus in meetings occurred at the prime ministerial level, which was only ended by the Indian side through Prime Minister Narendra Modi's visit to Athens in August 2023 ([The Hindustan Times, 2023](#)). Both the ministerial and prime ministerial visits were automatically reciprocated by the Greek side in the near term, notably by the visit of Greek Prime Minister Kyriakos Mitsotakis, during which he called India an "honourable country" and a partner for strong economic and investment cooperation ([Impact and Policy Research Institute, 2023](#)).

## **INDIA-MIDDLE EAST-EUROPE ECONOMIC CORRIDOR (IMEC)**

A new economic opportunity for Greece is the emerging *India-Middle East-Europe Economic Corridor* (IMEC) project. The project was discussed at the G-20 Summit, where the countries of India, the United Arab Emirates (UAE), and Saudi Arabia, together with the USA and some EU Member States, signed a *Memorandum of Understanding to establish the IMEC* ([The Diplomat, 2023](#)).

The IMEC corridor is intended to improve rail and shipping services, create a network of high-speed

data cables and improve energy supply interconnectivity. Alongside the IMEC project, the PGII, or *Partnership for Global Infrastructure and Investment*, is also being developed following discussions at the G20 summit. On a geographical scale, this will bring together three major world regions: Europe, the Middle East with the Arabian Peninsula and the Indo-Pacific. Geopolitically, the emerging partnership can be further divided into two parts: the northern part (i.e. Europe with the Arabian Gulf), and the southern part (the Arabian Gulf with India) ([The Diplomat, 2023](#)). Jordan is also involved in the project, including Israel, which is currently engaged in an armed conflict with the terrorist movement Hamas.

Both projects have an estimated investment of USD 20 billion and focus on four main areas: *health and health security; digital connectivity; gender equality and equity and climate and energy security*. The collaboration between the partners is aimed at facilitating their trade connectivity, which will involve key ports such as India's Mundra, Kandla and Nehru Port Trust, Abu Dhabi in the UAE and Dammam with Ras Al Khair (SA) in the Arabian Peninsula ([The Diplomat, 2023](#)).

With the IMEC corridor, Greece can become a major link between Europe and its eastern partners. There are several reasons for this conclusion: Greece's advantageous regional position concerning the Middle Eastern countries, the negotiations already underway in the UAE led by Greek Foreign Minister Nikos Dendias and the long-term strengthening of Greek-Indian relations. The Greek initiative may include two important areas of cooperation, namely trade and energy. The main commercial hub in the "interconnectedness" of the regions is the major Greek port of Piraeus, adjacent to Athens, where India has already recently expressed its investment interests ([Ankasam, 2023](#)). Greece and India are also discussing their economic interests outside the IMEC framework, very intensively in the personal presence of the Prime Ministers of both countries, Mitsotakis and Modi ([The Hindustan Times, 2023](#)).

In response to Greece's initiative on energy, European Commission President Ursula von der Leyen recently made a positive statement by saying that in return the EU can offer Greece financial subsidies to combat climate impacts, especially the annual severe flooding ([The Business](#)

[Standard, 2023](#)). It is well-known that the EU is trying to get rid of its dependence on Russia and China, not only in the energy sector, and the construction of the IMEC corridor can greatly help this effort.

For this reason, other EU Member States are also joining the IMEC Corridor project, and they also added their signature to the project itself at the G20 Summit. In particular, France and Germany have expressed their interests in the Eastern Mediterranean. Thus, in this context, Greece, for example, received French support in 2021 in the form of agreed warship deliveries in response to the tense situation between Greece and Turkey ([Eliamep, 2023](#)).

## IMEC VS BRI

However, the IMEC corridor is not just a project to ensure better relations between the three regions. As a result of the growing security threat from China, the project is also set to counterbalance China's decade-long efforts to implement the *Belt and Road Initiative* (BRI). The BRI treaty was signed in 2013 by more than 150 countries worldwide. It is thus quite clear that some states will move smoothly from participation in the BRI to building a new IMEC corridor, which is likely to escalate their relations with China, especially for European states. An example of such an escalation can also be found in India, which in the past decided to take a drastic step in international relations and become a new strategic point in the Indo-Pacific. India has not exactly had warm relations with China for a long time, which was confirmed in 2020 when the conflict between the two countries escalated in the Strait of Galwan. Furthermore, China's plan to create a BRI corridor through Pakistan occupied Kashmir is not helping matters ([The Business Standard, 2023](#)).

There has already been a reaction among the BRI signatory states to the establishment of the new IMEC corridor. In October 2023, Beijing hosted its third BRI conference, with ninety states confirming participation, representing just over half of BRI members, according to The Business Standard. China may launch the so-called BRI 2.0 project in response to the developments described above. It should not be overlooked that Beijing has already invested USD 1 trillion in the BRI, and it is estimated that the total Chinese investment in the project will grow to USD 8 trillion ([The Business Standard, 2023](#)).



**Strategic port in Chinese hands.** *One of the consequences of the prolonged crisis on the Greek peninsula was the privatisation of the key seaport of Piraeus in 2016. The port was then bought by the Chinese company COSCO Shipping.*

This puts Greece in conflict with China at the same time. The port of Piraeus is fully owned by the Chinese, the reason for which was the economic crisis after 2008, when Greece sold most of its ports to foreign companies in 2011. In 2016, Piraeus was sold as part of that sale. At that time, Greek Prime Minister Mitsotakis signed an agreement to sell the port to the Chinese trading company COSCO Shipping. The Chinese partner subsequently upgraded the entire port, making it the most important port in the eastern Mediterranean, which also brought about a situation where China has considerable economic influence in Greece ([The Diplomat, 2023](#)). The question is therefore how China will approach the strategic pivot by the EU and Greece to create a new IMEC corridor as a counterweight to the BRI, and in this framework to closely align itself with China's regional rival, India.

## IMEC AND THE EU PARTICIPATION

Due to the fact that Greece is involved in the IMEC project capable of effectively competing with China's BRI, European diplomacy is becoming interested in the project itself, in addition to individual EU member states. In this context, the EU initiative can be found in the *EU Global Gateway* project, under which the IMEC corridor is co-financed ([Global Europe, 2023](#)). Together with the efforts of individual EU Member States, the *EU Global Gateway* project is building on cooperation with Third World countries in the areas of digitalisation, green transformation, education and other areas ([European Commission](#)).

However, the EU's position on the IMEC corridor project is not yet united. Only France, Germany,

Italy and Greece are currently signatories to the initiative. Thus, not all EU Member States are yet involved in the project. Furthermore, the results of the elections taking place this year in key IMEC Corridor partners, such as the EU, where elections for the European Parliament will be held in June this year, and India, may pose a certain risk to EU involvement in the project ([POLITICO, 2023](#)).

However, at the moment the IMEC corridor project is mainly threatened by events in the Middle East, in particular the ongoing war between Israel and the terrorist movement Hamas and the related freezing of the *détente* process between Israel and Saudi Arabia, both of which are members of the IMEC initiative. It is therefore currently far from certain how the project will develop, although according to POLITICO, it can be assumed that the common interests of the signatories to the project are stronger than the particularistic national interests that may resonate in the context of the aforementioned elections in the EU or India ([POLITICO, 2023](#)). It is also currently the case that the Czech Republic does not yet have a defined official position on the IMEC corridor as such. However, the recent visit of Prime Minister Petr Fiala to India in January 2024 to promote Czech-Indian cooperation, particularly in the field of research and trade, may indicate the Czech side's interest in joining this important project as well ([ČT24, the Czech Television, 2024](#)). General support for the IMEC corridor was expressed last year by, among others, the Confederation of Industry of the Czech Republic ([The Confederation of Industry of the Czech Republic, 2023](#)).

## CONCLUSION

The IMEC and PGII projects are undoubtedly creating new dynamics of international cooperation. The overwhelming majority of BRI members are turning against their Chinese partner, creating a whole new competition for China, the existence of which could potentially further escalate the long-standing strained relations, especially in the Indo-Pacific region.

Greek relations with India, on the other hand, are moving to a higher level, which is what both countries openly promise from cooperation. There is a unique opportunity for India to push more towards Europe (especially the EU) and to make a significant investment contribution in this direction. The Indian offer also includes strong technological sophistication, which can help EU countries to move away from China more easily in this respect.

Greece has a chance to repair its international reputation and improve its position in the Eastern Mediterranean after a long period of crisis. In partnership with Egypt and Israel, Greece is seeking to counterbalance its traditional rival Turkey and its partners, especially Libya. Among other things, Greece could also earn a higher profile with the EU, as shown by the positive attitude of Ursula von der Leyen and the signals she has sent to Greece on behalf of the European Commission.

The countries of Central Europe, except Germany, have not yet fully expressed their views on the IMEC project, but Greece can help the region considerably in building on the project. It is true, moreover, that the Czech Republic has traditionally had warm relations with Greece, not least because of the Greek minority living on our territory.

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## >> PAC RECOMMENDATIONS

*The Government of the Czech Republic should further strengthen its position in bilateral and multilateral relations, i.e., in this respect, it should substantially expand its relations with India to include economic cooperation as well, and it should also take an interest in the newly emerging IMEC corridor project.*

*By including the Czech Republic in the IMEC corridor project, our country could more easily and quickly reduce its strategic dependence on Russia and China alongside other EU Member States.*

*The Czech Republic, through its representatives and participating business entities, could find new investment opportunities in the Middle East region; to this end, Czech diplomacy should seek to include the Czech Republic among the countries directly participating in the building of the IMEC corridor.*

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