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Commentaries

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IMEC AND THE NEW GEOGRAPHY OF STRATEGIC CONNECTIVITY IN THE INDO-MEDITERRANEAN

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The India-Middle East-Europe Economic Corridor (IMEC) reflects a reconfigured vision of regionalism—one shaped less by geographical contiguity and more by connectivity. Announced at the G20 Summit in New Delhi in September 2023 and formalized through an initial Memorandum of Understanding signed by the European Union (EU), France, Germany, India, Italy, Saudi Arabia, the United Arab Emirates (UAE), and the United States (US), the initiative aims to link India to Europe via the Arabian Peninsula and the eastern Mediterranean. Yet its relevance extends well beyond infrastructure. Energy grids, hydrogen networks, railways, maritime routes, and digital corridors are not merely envisioned as logistical assets; they constitute channels for geo-economic integration and strategic deepening across the Indo-Mediterranean.

IMEC's digital pillar is particularly consequential amid accelerating technological fragmentation and the growing geopolitical instrumentalization of technology. Plans to deploy high-speed fiber-optic cables, integrate cloud infrastructure, and facilitate digital trade would foster interoperable digital ecosystems and cross-border data flows from the Mediterranean to the Indian Ocean. The success of this digital integration relies on the complementary strengths of the three key nodes along the corridor: Europe, the Gulf, and India.

Gulf Arab states, particularly Saudi Arabia and the UAE, are investing tens of billions of dollars into data centers, cloud infrastructure, semiconductor development, and AI-driven applications. Abu Dhabi and Riyadh have positioned themselves as global exporters of computing power, with national champions such as the Emirati G42 and the Saudi HUMAIN securing deals with leading US firms to develop large-scale AI infrastructure. Backed by deep capital reserves, low-cost energy, competitive tax regimes, and innovation-friendly regulations, GCC states offer attractive conditions for tech investment. Their strategic location at the crossroads of Europe, Africa, and Asia further strengthens their ambition to become pivotal connectivity hubs and influential players in the global digital economy. On their side, Europeans contribute advanced industrial capacity, technological know-how, and regulatory expertise. Through the Digital Decade Policy programme 2030, the EU seeks to bolster resilience, competitiveness, and innovation by investing in secure data infrastructures, advancing digital skills, and promoting a sustainable and ethical digital transformation. India completes this structural triangle with technological dynamism and demographic scale. New Delhi has reinforced this trajectory through domestic initiatives such as the Semiconductor Mission and National Quantum Mission, and by shaping global AI governance debates, including hosting the 2026 AI Impact Summit. As the world's most populous country and one of its fastest-growing major economies, India offers a vast domestic market, a rapidly expanding digital ecosystem, and a deep pool of technology talent. The Stanford AI Index 2025 ranked

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India as second worldwide in AI skill penetration from 2015 to 2024, further evidence that the country is emerging as a global hub for advanced technologies.

Meanwhile, bilateral trade agreements among the EU, the Gulf, and India could also form the backbone for a more extensive integration promoted by IMEC. For the EU and India, a key catalyst is the Free Trade Agreement, the largest deal ever reached by either side, finalized in late January after decades of negotiations. Although still pending signature and ratification by the European and Indian parliaments, the agreement is strategically significant. Brussels is New Delhi's largest trading partner, and together they represent a combined market of around USD 25 trillion and nearly 2 billion people—close to a quarter of both the world economy and population. Beyond economics, the agreement could also provide structural support for IMEC's transportation and communication infrastructures (railways, ports, and submarine cables).

India's relations with the Gulf have intensified in parallel. Gulf Arab states now account for approximately 15 percent of India's foreign trade, reaching around USD 180 billion in 2025. Over the past decade, New Delhi has repositioned the Gulf as part of its extended neighborhood, expanding ties beyond energy and expatriate labor to include infrastructure investment, advanced technologies, logistics, and defense cooperation. Ties with the UAE have particularly deepened, propelled by minilateral formats such as the I2U2 grouping—bringing together India, Israel, the UAE, and the US—and further consolidated by the Comprehensive Economic Partnership Agreement (CEPA) entered into force in 2022. Defense cooperation has expanded as well, most recently reflected in the Letter of Intent toward a formal strategic defense partnership. Unsurprisingly, the India-UAE connection has been the most active part of the IMEC, attracting significant investments from both governments.

Europe's engagement with the Gulf has evolved over the last few years as well. Initially driven by energy security concerns following the outbreak of the war in Ukraine, European outreach to Gulf Cooperation Council (GCC) members has since diversified. Four years later, Europe-Gulf relations extend well beyond hydrocarbons, encompassing renewables, critical raw materials, AI and hi-tech, finance and fintech, and security cooperation, among others. Initiatives like the 2022 Joint Communication on a "Strategic Partnership with the Gulf" and the 2024 EU-GCC Summit have represented significant milestones. The two blocs are now working to move beyond declaratory frameworks and operationalize cooperation in priority sectors. Europe is the Gulf's second-largest trading partner after China, and Brussels is pursuing bilateral Strategic Partnership Agreements (SPAs) with individual Gulf states. The EU has already begun negotiations on an SPA with Qatar, Saudi Arabia, and the UAE, while discussions with Abu Dhabi on a bilateral free trade agreement have reportedly advanced.

Transforming these existing or negotiations-in-progress agreements into a fully integrated IMEC framework is neither automatic nor straightforward. Its success will depend on overcoming major structural challenges. Regulatory fragmentation and different trade and customs regimes hinder cross-border movement. Uneven investment in transport, energy, and digital infrastructure will also slow progress. Without addressing these gaps, the corridor's ability to operate as a cohesive economic and digital space will be limited.

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IMEC's promise should not also hide its vulnerabilities stemming from regional instability and geopolitical complexities in its central (Middle Eastern) segment. Of note, the corridor emerged from a specific geopolitical juncture shaped by the Abraham Accords and the I2U2 framework, with early momentum closely linked to expectations of Saudi–Israeli normalization. In September 2023, Saudi Crown Prince Mohammed bin Salman had stated that the prospects of normalized relations were getting closer. Since then, however, the war in Gaza and its regional spillovers –– together with what is widely perceived in both Riyadh and Amman, another pivotal actor in IMEC, as an increasingly unrestrained and militarily assertive Israeli posture — have significantly undermined US-led efforts to rebrand the corridor as "Indo-Abrahamic."

These developments underscore a key lesson: connectivity initiatives overly anchored in a particular political project risk becoming vulnerable to reversal. For IMEC to succeed, it must evolve into an open and adaptive framework, not based on a single linear route but on a multilayered network of corridors capable of adjusting to shifting political realities. Flexible routings—potentially involving actors currently not part of the project, such as Egypt (via the Strait of Tiran), Syria (through the Saudi-backed Silk Link project), and Turkey—would enhance both resilience and strategic depth. In a region defined by overlapping conflicts, competing security priorities, and enduring rivalries, exclusive architectures risk entrenching fragmentation. Conversely, advocating for a more profound diversification of routes, including the integration of even strategic competitors, can strengthen alternative options and foster incentives for de-escalation.

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