

India-Germany Bilateral Brief

Given its key role in the EU as well as the strength of our bilateral relations, Germany is one of India's most important partners in Europe. India was also among the first countries to establish diplomatic ties with the Federal Republic of Germany after the Second World War. In 2021, India and Germany marked the 70th anniversary of the establishment of diplomatic relations.

2. India and Germany have a 'Strategic Partnership' since May 2000, which has been further strengthened with the launch of Intergovernmental Consultations (IGC) in 2011 at the level of Heads of Government which allows for a comprehensive review of cooperation and identification of new areas of engagement. India is among a select group of countries with which Germany has such a dialogue mechanism. The 6th IGC was held in Berlin on 02 May 2022. As the 4th and 5th largest economies in the world respectively, Germany and India share a robust economic and developmental partnership.

3. **6th Inter-Governmental Consultations:** Prime Minister (PM) visited Berlin on 02 May 2022 to co-chair the 6th IGC with Chancellor Olaf Scholz where he was accompanied by External Affairs Minister, Finance Minister, National Security Advisor and Minister of State (I/C) for Science & Technology. Several agreements were signed in diverse fields such as migration and mobility, triangular development cooperation, agro-ecology, forest landscape restoration, renewable energy and health. Prime Minister and Chancellor also signed a Joint Declaration of Intent on a Green and Sustainable Development Partnership.

High-level Engagements

4. There are regular high-level contacts between India and Germany. PM and Chancellor meet regularly for bilateral meetings and on the sidelines of multilateral meetings. Recently, an interaction was held on the sidelines of the G7 Summit in Hiroshima in May. This was preceded by the State visit of Chancellor Scholz to India from 25-26 February 2023. Following the 6th IGC summit, Prime Minister visited Germany from 26-28 June 2022 to attend the 48th G7 Summit under German Presidency at Schloss Elmau. Prime Minister and Chancellor also interacted on the sidelines of the G20 Summit in Bali from 15-16 November 2022. On 05 January 2022, PM had a telephone call with Chancellor Scholz, which was the first engagement between the two leaders after the formation of the new Federal Government in Germany. Prior to this, the two leaders had met on the sidelines of the G20 Summit in Rome on 31 October 2021.

5. **State visit of German Chancellor to India in February 2023:** Chancellor Scholz visited India in February 2023 leading a high level business delegation comprising CEOs of major German companies. PM and Chancellor jointly addressed a Business Round table comprising top industry leaders from both sides. The visit saw the release of a common paper titled "India-Germany Vision to Enhance Cooperation in Innovation and Technology" by both sides and the

signing of a letter of intent signed between the Department of Science & Technology and Fraunhofer Institute for Solar Energy System for cooperation in green hydrogen.

Ministerial Visits

6. Before his visit to Germany for the G7 Summit and the 6th IGC, EAM attended the Munich Security Conference from 18-22 February 2022, during which he met German Foreign Minister Annalena Baerbock and German Minister for Economic Cooperation and Development, Svenja Schulze. EAM had also attended the Munich Security Conference in February 2020 and had followed it up with a Working Visit to Berlin, during which he met the German Foreign, Economic and Defence Ministers. Other Ministerial visits include the visit of Minister of Environment, Forest and Climate Change to Berlin in May 2023, to participate in the Petersberg Climate Dialogue. Chief Justice of India Dr. D.Y. Chandrachud visited Germany in June 2023 on the invitation of the President of Federal Constitutional Court of Germany. Former Chief Justices of India, Justice N.V. Ramana and Justice U.U. Lalit, also made official visits in June and October 2022 respectively.

7. From the German Side, Foreign Minister Annalena Baerbock visited India from 05-06 December 2022 for an official visit and from March 01-03, 2023 to attend the G20 Foreign Ministers' Meeting. During her visit in December 2022, an agreement was signed on a Comprehensive Migration and Mobility Partnership between India and Germany.

8. Other Ministerial visits from Germany to India at the Federal level include the visit of Minister of Defence, Boris Pistorius from June 05-08, 2023. Svenja Schulze, Federal Minister for Economic Cooperation and Development visited India from June 09-13, 2023 to attend G20 Development Ministers' Meeting in Varanasi. Visit of Hubertus Heil, German Federal Minister for Labour from July 17-22, 2023 to attend the G20 Labour Ministers' Meeting in Indore was followed by the visit of the German Vice-Chancellor and Minister for Economic Affairs and Climate Action, Robert Habeck, from July 20-23, 2023 to attend the G20 Energy Ministers' Meeting and the visit of the German Minister for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection, Steffi Lemke from July 25-28, 2023 for the G20 Environment Minister' Meeting. Earlier, Minister of State in the Federal Foreign Office, Dr Tobias Lindner, visited India to attend the 7th Raisina Dialogue in April 2022. Prior to this, Mr Christian Lindner, German Federal Finance Minister visited India from February 23-25, 2023 to participate in the G20 Finance Ministers' and Central Bank Governors' Meeting in Bengaluru.

Parliamentary Exchanges

9. On the German side, the Indo-German Parliamentary Friendship Group, established in the Bundestag in 1971, consists of representatives of all parties in the Bundestag. Members of the Parliamentary Friendship Group visited New Delhi, Kerala and Telangana from 28 January-04 February 2023. On June 22, 2021, the 50th anniversary of the Indo-German Parliamentary Friendship Group of the Bundestag was commemorated by an event at the Bundestag premises.

Institutional Cooperation Arrangements

10. Several institutional arrangements exist between India and Germany to discuss bilateral and global issues of interest, namely, Foreign Office Consultations, High Defence Committee, Indo-German Energy Forum, Indo-German Environment Forum, S&T Committee, and Joint Working Groups in various fields, including skill development, automotive, agriculture, tourism, water and waste management. A Track 1.5 Strategic Dialogue has been established to enable key stakeholders to enhance their mutual understanding of national, regional and strategic interests.

Multilateral Cooperation

11. Germany and India support each other on UNSC reforms within the framework of the G4. The last meeting of the G4 was held at the level of Foreign Ministers on the side-lines of the 77th UNGA in September 2022. Germany joined the Coalition for Disaster Resilient Infrastructure (CDRI) in February 2020 and participated in the first Governing Council meeting in March 2020. In April 2021, the German Federal Cabinet approved the signing of the amended framework agreement of the International Solar Alliance (ISA), confirming Germany's accession.

Defence Cooperation

13. **High Level Defence Visits:** German Federal Minister of Defence, Boris Pistorius visited India from 05-08 June 2023, wherein he had a bilateral meeting with the Raksha Mantri on 06 June 2023. He also visited Headquarters, Western Naval Command, Mumbai on 07 June, 2023.

14. German CHOD/CDS Gen Eberhard Zorn visited India in March 2019. Former German Naval Chief Vice Admiral Kay-Achim Schönbach visited India in January 2022. The German naval frigate *Bayern* made a port call at Mumbai on the occasion after conducting a PASSEX with INS TRIKAND on 26 January 2022 as part of its seven-month deployment in the Indo-Pacific.

Economic & Commercial Relations

15. Germany is currently the 12th largest trading partner for India in 2022-23. It was India's 11th largest trading partner for India in 2021-22 and 7th largest trading partner in 2020-21. India constitutes about 1% of Germany's total foreign trade in 2022. Germany constitutes over 2.24% of India's foreign trade in 2022-23 (2.40% in 2021-22). India's bilateral trade with Germany has experienced continuous growth until 2018-19 reaching a peak of US\$ 24 bn in 2018-19. It remained almost stagnant since then and reached US\$ 24.8 billion in 2021-22 (+14%). In 2022-23, India's bilateral trade with Germany reached US\$ 26 billion (+4.9%) with Indian exports at US\$ 10.1 billion registering an increase of 2.5%. Indian imports from Germany reached US\$ 15.9 billion registering an increase of 6.4%. The balance of trade has been in favour of Germany. (Source: DoC).

16. As per the figures from Destatis (Statistisches Bundesamt) which is the Federal Statistical Office of Germany, the trade with India touched an all-time high of US\$ 32.56 billion with exports from India at US\$ 15.99 billion (+17.74%) and imports to India from Germany at US\$ 16.57 billion (+12.67%) in 2022-23. The figures for overall trade between India and Germany as well as both exports and imports have reached the highest value recorded in 2022-23.

17. Major Indian exports to Germany include electrical products and automobiles/auto components, textile and garments, chemicals, pharma, metal/metal products, food/beverages and tobacco and leather/leather goods. Major exports to India include machinery automobiles/auto components, chemicals, data processing equipment, and electric equipment.

Investments

18. Germany is the 9th largest foreign direct investor in India (8th largest in 2021-22) with a cumulative FDI in India of US\$ 14.1 bn. from April 2000 to March 2023. German investments in India in FY 2022-23 were \$ 547 million (US \$ 728 mn in FY 2021-22). As per Indo-German Chamber of Commerce, there are more than 2000 German companies active in India. German investments in India have been mainly in sectors of transportation, electrical equipment, metallurgical industries, services sector (particularly insurance), chemicals, construction activity, trading and automobiles.

19. German Mittelstand (SME) companies comprising of over 90% of the German manufacturing sector are known as the backbone of the German economy. Through the Embassy's Make in India Mittelstand (MIIM) Program, high potential Mittelstand companies with medium to long term potential for manufacturing in India are supported in market entry. Currently 174 companies are being facilitated through this MIIM programme with a declared investment of over 1.5 billion Euros. Many of the companies (over 30) are hidden champions, which are world market leaders in niche products/technologies.

20. Indian investments in Germany have shown an increase in the last few years particularly in value chain activities like manufacturing goods and services locally as well engaging in R&D activities, in addition to trading. There are more than 215 Indian companies operating in Germany in sectors such as IT, automotives, pharma, biotech and manufacturing.

Bilateral Cooperation

21. Important bilateral agreements between India and Germany are the Agreement on Avoidance of Double Taxation (DTAA), which came into force in 1996, and the Comprehensive Agreement on Social Security, which entered into force from May 2017.

22. There are several Joint Working Groups (JWGs) between India and Germany in different sectors including Agriculture, Automotive, Energy, Coal, Tourism, Vocational Education, Standardisation/Product Safety, Environment, Water & Waste Management, Urban Development, Climate Change, Health, Traditional Medicine, Biodiversity and Railways.

23. The Indo-German Energy Forum (IGEF) has been promoting cooperation in the priority areas of energy security, energy efficiency, renewable energy, investment in energy projects and collaborations in R&D, taking in to account the environmental challenges of sustainable development.

24. During the 6th IGC in 2022 in Berlin, a Joint Declaration of Intent (JDI) on 'Indo-German Green Hydrogen Task Force' was signed between the Ministry for Economic Affairs and Climate Action (BMWK), Germany and the Ministry of New and Renewable Energy (MNRE), India to strengthen cooperation in production, utilization, storage and distribution of Green Hydrogen.

25. In vocational education & training, India and Germany are working on the areas for cooperation identified at the 12th Session of the Indo-German Joint Working Group held on 7 December 2022 in New Delhi including setting up cluster-oriented structures in India; strengthening of industry-oriented approaches for dual VET, Indo-German initiative for technical education together jointly with MSDE/BMZ/Siemens, and development of demand-oriented VET model for India. The 13th JWG meeting took place in Berlin on July 27 2023, further exploring possibilities of enhancing skilled labour migration from India to Germany.

26. India and Germany are cooperating in the fields of agriculture, application of artificial intelligence and digital technologies, urban mobility, sustainable development and interaction between Start-Ups. During the 6th IGC held on 2 May 2022, India signed several Government-to-Government agreements with Germany focusing on green and sustainable development. In addition, six cooperation agreements were signed during the sidelines between Indian and German institutions.

27. The next meeting of the Asia Pacific Conference of German Business (APK) shall be held in India in October 2024.

Development Cooperation

28. Germany engages with India on development cooperation, both of a technical and financial nature, mainly as soft loans, composite loans (soft loan combined with commercial loan) as well as grants routed through KfW, the German Government's Development Bank. Some examples of the fruitful collaboration include Nagpur Metro Rail project, Green Energy Corridor Projects in various states (such as Gujarat, Rajasthan, Maharashtra, Andhra Pradesh & Tamil Nadu), and Urban Mobility Integrated Water Transport in Kochi. Indo-German partnership on Green Urban Mobility is also an important flagship programme to finance projects for efficient public transport systems.

International Trade Fairs

29. Indian companies are regular participants in some of the major trade fairs. In recent years, India is the only country to have been selected twice as a partner for the Hannover Messe,

which is one of Europe's largest industry and innovation expos. India was the Partner Country of the Hannover Messe in 2015 during PM's visit to Germany where the Make in India was launched for the global audience.

Railways

30. Siemens Mobility has been recently awarded a Euro 3 billion project in India for delivering 1,200 electric locomotives and providing 35 years of full service maintenance. Deutsche Bahn International Operations has been awarded a contract to manage the operation and maintenance of India's first regional rapid transit system by National Capital Territory Transport Corporation in July 2022.

Science & Technology

31. Bilateral Science and Technology cooperation is implemented under an Inter-Governmental Agreement on 'Cooperation in Scientific Research and Technological Development' signed in May 1974 coordinated by the Department of Science and Technology (DST) and the German Federal Ministry for Education and Research (BMBF). The Indo-German Committee on S&T, established in 1994 coordinates the implementation and reviews joint activities.

32. India has invested in major science projects in Germany such as the Facility for Anti-Proton and Ion Research (FAIR) at Darmstadt and the Deutsche Elektronen Synchrotron (DESY) for experiments in advanced materials and particle physics. The Indian Minister of Science and Technology inaugurated the India-centric PETRA-III beamline at DESY in September 2016. So far, more than 750 scientists from India have visited DESY for experiments (including multiple visits) from 50 different institutes, yielding several experiments and publications.

33. The jointly funded Indo-German Science and Technology Centre (IGSTC) was set up in Gurugram in September 2008. A Joint Declaration was signed during the 3rd IGC in 2015 to extend the tenure of the IGSTC with increased funding for projects on themes of national priority areas such as Advanced Manufacturing (Make in India), ICT (Digital India), Smart Cities, etc.

34. IGSTC has launched new funding programmes like Women Involvement in Science and Engineering Research (WISER, to facilitate lateral entry for women in ongoing S&T projects), Paired Early Career Fellowship in Applied Research (PECFAR, to create avenues for a two-way exchange of young researchers in pairs) and Industrial fellowship program to encourage young Indian researchers towards German industrial ecosystems.

35. There are several collaborations between Indian and German research institutes: -.

- a) Department of Biotechnology is an Associate member of the European Molecular Biology Conference (EMBC) which provides postdoctoral fellowship, and funds conferences, symposia and workshops.

- b) MPG, through its Partner Group Programmes, has as MoU with IISER to facilitate dissertation work at various Max Plank Institutes in Germany.
- c) In 2022, DST and the German Research Foundation (DFG) jointly launched the International Research Training Group (IRTG) program to promote top-level research cooperation and support the mobility of early career researchers.
- d) MoU for cooperation in the field of Medical Science and Health Research between ICMR & German Research Foundation (DFG).
- e) DAAD supports Indian students' mobility through Combined Study and Practice Stays for Engineers from Developing Countries (KOSPIE), Working Internships in Science and Engineering (WISE) program and Research Grant program for doctoral study. DST and DAAD are also jointly supporting an Indo-German Centre on Sustainability at the Indian Institute of Technology (IIT) Madras. DAAD is also funding “Global Water and Climate Adaptation Center” for scientific training of future environmental leaders.
- f) Under the Indo-German Science & Technology Cooperation Programme, the DST along with the Alexander von Humboldt Foundation, Germany organizes “Indo-German Frontiers of Engineering, INDOGFOE” Symposium.
- g) An MoU between the CSIR labs and the Fraunhofer Gesellschaft through the German Federal Ministry for Education and Research (BMBF) for technological cooperation.
- h) The Indian Ministry of Earth Sciences collaborates with the Leibniz association in the area of Marine research.

Sister State/City Arrangements

36. The States of Karnataka and Bavaria, Maharashtra and Baden-Wuerttemberg, and the cities of Mumbai and Stuttgart have twinning arrangements. The city of Aurangabad and Ingolstadt (Bavaria) signed a Letter of Intent for a Sister City Partnership in April 2022. Twin city relations between Coimbatore and Esslingen were established in 2016. The States of Bavaria and Hamburg have representative offices in Mumbai and Bengaluru.

Culture

37. The longstanding cultural relations between India and Germany are strengthened by the cultural and intellectual exchanges between the two countries. The study of Indian literature, especially Vedas and Upanishads, and also translation of famous works from Sanskrit to German language significantly contributed to the better understanding of India. The translation of Kalidasa’s ‘Shakuntala’ in 1791 initiated institution-based scientific research on sacred Indian texts. Max Mueller was the first scholar of Indo-European languages to translate and publish Upanishads and Rigveda. The Max Mueller Bhavan (Goethe Institute) imparts German language training Indian cities.

38. The visit of Nobel Laureate Gurudev Rabindranath Tagore to Germany in 1921, 1926 and 1930 bridged cultural and intellectual exchange between India and Germany, further supported by established networks in socio-cultural fields. The Indo-German Society (DIG) promotes inter-cultural understanding. The Gisela Bonn Award, administered by the DIG,

awarded to a German national for promotion of Indo-German friendship was presented to Prof. Dr. Hans Harder in 2021.

39. The popularity of Indian films in Germany, traced back to the unique collaboration between Himanshu Rai and Director Franz Osten on the film 'The Light of Asia' in 1924, has increased recently seen in the huge turnouts for the exclusive Indian Film Festival, Stuttgart and Indo-German Film Week in Berlin. There is immense interest in contemporary Indian theatre and literature with works frequently translated and published by German publishers.

40. Several research institutions in Germany have been contributing to the increasing acknowledgement of Ayurveda as a complementary system of medicine in Germany through international exchanges and research projects. The presence of Yoga schools in almost all the cities of Germany has made Yoga accessible to the people. The International Day of Yoga 2023 was organized in Hannover, and witnessed a huge footfall of yoga enthusiasts from the region.

41. The nearly life-sized replica (10m high and around 6m wide) of the East Gate of the Sanchi Stupa outside the prestigious Humboldt Forum in the historic heart of Berlin was inaugurated on November 17, 2022.

Higher Education

42. There are approximately 43,000 (2023, Source: DAAD) Indian students studying in Germany, a number which is rising each year. The German Academic Exchange Service (DAAD) facilitates joint research, training and exchange of young scientists/research scholars. Indo-German Partnership in Higher Education was signed between Ministry of Education (MoE) and Germany's Federal Ministry for Education and Research (BMBF) with UGC and DAAD as implementing partners at the 3rd IGC, followed by MoUs on the sidelines of the 5th IGC.

43. The GIAN (Global Initiative of Academic Networks) initiative of MoE has been well received in Germany. Visiting Advanced Joint Research (VAJRA) from DST and Scheme for Promotion of Academic and Research Collaboration (SPARC) from MoE and New Passage to India (from the German side) are instruments of faculty exchange and student mobility.

Indian Diaspora

44. There are around 2.20 lakh (December 2022) Indian passport holders and Indian-origin people in Germany. The Indian diaspora mainly consists of professionals, researchers and scientists, businessmen, nurses and students. There has been a significant increase in the number of qualified and highly skilled Indian professionals in the fields of IT, banking, finance, etc.
