



7th India-Germany Intergovernmental Consultations

For Prelims: [India-Germany Intergovernmental Consultations](#), [Sustainable Development Goals](#), [Indo-German Digital Dialogue](#), [Emerging Digital Technologies](#), [Digital Agriculture](#), [AI, IoT](#), [Indian National Centre for Ocean Information Services \(INCOIS\)](#), [National Centre for Polar and Ocean Research \(NCPOR\)](#), [New Space India Ltd](#), [New Collective Quantified Goal](#), [UNFCCC COP21 Paris](#), [India-EU Trade and Technology Council](#), [India-Middle East-Europe Economic Corridor](#), [FDI](#), [India-EU Free Trade Agreement](#), [Investment Protection Agreement](#), [P-75I Submarine](#).

For Mains: Significance of India-Germany relations in changing geopolitical scenario.

Source: [PIB](#)

Why in News?

Recently, India's Prime Minister and Germany's Federal Chancellor co-chaired the [7th round of India-Germany Intergovernmental Consultations \(7th IGC\)](#) in New Delhi.

- Under the motto **"Growing Together with Innovation, Mobility and Sustainability,"** it focused on **technology, innovation, climate action, and strategic cooperation.**
- Earlier, Germany has accorded a **special status** to India, which will allow for **quicker approvals for military purchases.**

What are the Key Highlights of the India-Germany Meeting?

- **Germany's "Focus on India" Document:** It outlines a **blueprint** for how India and Germany can **collaborate** to become a **"Force for Global Good"** e.g., partnership on **innovation and technology leadership**, [Sustainable Development Goals](#) etc.
- **Visas for Skilled Indians:** Germany has decided to increase **visas for the skilled Indian** workforce from 20,000 to **90,000.**
- **Digital and Technology Partnerships:** Both countries finalised a work plan for internet governance, tech regulations, [digital transformation](#) of the economy, [emerging digital technologies](#), [Digital Agriculture](#), [AI and IoT](#) to foster innovation.
- **Critical and Emerging Technologies:** Both reaffirmed the priorities outlined in the [Innovation and Technology Partnership Roadmap](#) in critical and emerging technologies, innovation, and skill development.
- **Disaster Mitigation:** MoUs were signed between the [Indian National Centre for Ocean Information Services \(INCOIS\)](#) and [National Centre for Polar and Ocean Research \(NCPOR\)](#) to enhance research in disaster mitigation and related fields.
- **Space Cooperation:** [New Space India Ltd](#) and [GAF AG](#) (Germany based remote sensing company) agreed for upgrading the **international ground station** in Neustrelitz, Germany for processing of data from [OceanSat - 3](#) and [RISAT - 1A satellites](#).
- **Green and Sustainable Future:** Both sides stressed the need to work jointly on the [New Collective Quantified Goal \(NCOG\)](#) which calls for **at least USD 100 billion per year** for

developing countries.

- Both sides launched the [Indo-German Green Hydrogen Roadmap](#) and promotion of **sustainable urban mobility** in India.
- **India-EU Strategic Partnership:** Both supported the [India-EU Trade and Technology Council](#) and coordinated efforts to advance **connectivity initiatives**, including the [India-Middle East-Europe Economic Corridor](#).
- **Track 1.5 Dialogue:** The leaders emphasised the importance of the **India-Germany Track 1.5 dialogue** involving think tanks and experts to foster a **deeper understanding** of mutual perspectives.
- **Triangular Development Cooperation (TDC):** The leaders agreed to upscale successful pilot projects in **Cameroon, Ghana, and Malawi**, while launching new projects related to millet in **Ethiopia and Madagascar**.
 - **TDC** involves partnerships between **two or more developing countries** supported by a **developed country(ies)/or multilateral organisation(s)** to implement development projects.
- **Mutual Legal Assistance Treaty (MLAT):** India and Germany concluded the **MLAT in criminal matters** aims to bolster cooperation on **legal issues**, enhancing India and Germany's ability to **jointly address security challenges**.



Why are Germany and India Important for Each Other?

- **Trade Relations:** Germany is India's **largest trading partner in Europe**.
 - In **FY 2022-23**, bilateral trade amounted to **USD 26 billion**, reflecting a robust trade relationship.
- **Foreign Direct Investment (FDI):** Germany ranks as the **ninth-largest source of FDI for India**, with over **USD 14.37 billion** invested from **April 2000 to September 2023**.
 - As Germany seeks to **reduce its economic dependency on China**, India is positioned as a key partner for **diversifying trade relations** in Asia.
- **Innovative Collaborations:** German investments include **automotive technology and manufacturing plants**, emphasising collaboration in advanced sectors like connected and autonomous technologies.
 - Such partnerships foster **innovation and skills development** in India.
- **Market Entry Support:** Initiatives like the "**Make in India Mittelstand**" program assist **German SMEs** in entering the Indian market, promoting mutual growth.
- **Financial Support:** Germany's assistance, primarily through **soft loans and technical support**, strengthens India's infrastructure and sustainable development efforts.
- **Free Trade Agreements:** Both nations are committed to progressing towards an **India-EU Free Trade Agreement** and an **Investment Protection Agreement**, which could further enhance trade and investment flows.
- **Indian Investments in Germany:** More than **213 Indian companies** operate in **Germany**, primarily in **IT and automotive sectors**, showcasing the growing bilateral economic interdependence.
- **Shared Security Concerns:** Both nations recognize the threats posed by **China** in the **Indo-Pacific region**.
 - India is actively seeking to **reduce its dependence on arms imports** in which Germany helps through **arms co-production and innovation** in defence e.g., proposed joint development of **P-75I submarine**.
- **Joint Initiatives on Climate:** The partnership is characterised by cooperation on **climate change**, particularly through the **Agenda for Green and Sustainable Development**, which has led to numerous agreements focusing on green hydrogen and energy security.
- **People-to-People Connections:** Young educated Indians are **seeking jobs**, while Germany has a high demand for **skilled workers**, creating a potential '**win-win-win**' situation for both countries and their youth.

What are the Challenges in India-Germany Relations?

- **Lack of Depth in Partnership:** Although India and Germany have been **strategic partners since 2000**, the relationship has often been described as **underwhelming**.
 - Compared to the warmth in the **Indo-French relationship**, India and Germany's partnership has not achieved the same level of engagement and collaboration.
 - The absence of a **standalone Bilateral Investment Treaty (BIT)** between **India and Germany** limits investor **confidence and protections**.
 - It hinders **deeper economic engagement** as Germany relies on the **EU's BTIA with India** to address concerns related to investment.
- **Sniping on Democratic Values:** Germany's tendency to voice concerns about India's **democratic practices** has created friction.
 - Incidents, such as Germany's comments on **political arrests** in India, led to resentment in New Delhi.
- **Divergence on Russia:** India's reluctance to condemn **Russia's invasion of Ukraine** has led to disappointment in Germany, which in turn has strained India's perception of Germany as a **reliable partner**.
- **Limited Defence Cooperation:** Germany's **historical reluctance** to engage in defence cooperation with India has been a **barrier to deeper collaboration**.
- **Public Engagement and Awareness:** There has been a **greater interest in China** compared to India within Germany, reflected in **funding allocations and media coverage**.
- **Paternalistic Attitudes:** Dismissive language regarding the **Global South** reflects a **lack of appreciation for India's position** and contributions on the global stage.
 - Such attitudes can undermine mutual respect and cooperation.

Way Forward

- **Enhance Democratic Engagement:** Establish a schedule for **regular high-level meetings** to foster ongoing political dialogue.
 - Expand the **Track 1.5 dialogue** to include more stakeholders, including **business leaders, academics, and civil society** representatives.
- **Boost Defence Ties:** Develop a structured framework for **defence cooperation**, including **co-production agreements**, technology transfers, and joint military exercises.
- **Respect for Sovereignty:** Acknowledge and **respect India's sovereignty** in its internal affairs to prevent friction caused by external criticism.
 - Germany can adopt a **more supportive tone** in discussions, recognizing India's context while addressing concerns.
- **Global Collaboration:** Work together on global challenges such as **health, security, and climate change**, reinforcing their roles as responsible global powers.

Drishti Mains Question:

Evaluate the strategic partnership between India and Germany in the context of evolving global geopolitics.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims

Q. 'Broad-based Trade and Investment Agreement (BTIA)' is sometimes seen in the news in the context of negotiations held between India and (2017)

- (a) European Union
- (b) Gulf Cooperation Council
- (c) Organization for Economic Cooperation and Development
- (d) Shanghai Cooperation Organization

Ans: (a)

Mains

Q. "Africa was chopped into states artificially created by accident of European competition". Analyze. (2013)

Q. To what extent can Germany be held responsible for causing the two World Wars? Discuss critically (2015)