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Brief on India - Germany Relations for MEA Website

Political Relations

India is one of the first countries to end the state of war with post-war Germany in 1951 and amongst the first countries to recognize the Federal Republic of Germany (FRG). The relationship, based on common values of democracy and rule of law has strengthened significantly in the 1990s following India's economic liberalization and the end of Cold War. In the last decade, both political and economic interaction between India and Germany has enhanced significantly. Today, Germany is amongst India's most important partners both bilaterally and in the global context.

The course of the bilateral relationship was set by the two visits of Prime Minister Jawaharlal Nehru to Germany in 1956 and 1960. There are regular bilateral exchanges, including at the highest level. In recent years, there have been regular high level visits from both sides. Former PM Dr. Manmohan Singh visited Germany in 2006, 2010 and 2013. Hon'ble PM Shri Narendra Modi paid an official visit to Germany in April 2015 on the occasion of participation of India as Partner Country in the Hannover Messe-2015. External Affairs Minister Smt. Sushma Swaraj visited Germany in August 2015. From the German side, German President Joachim Gauck paid a State visit to India in February 2014. Chancellor Angela Merkel visited India in 2007, 2011 and again in October 2015 for the 3rd Intergovernmental Consultations. A total of 18 bilateral MoUs and Agreements were signed during the visit, including on Security Cooperation, Aviation Security, Disaster Management and Skill Development among others.

Among other important visits, Shri Ananth Kumar Minister of Chemicals, Fertilizers & Parliamentary Affairs visited Germany on October 19-20, 2016 to inaugurate India Pavilion at the 'K 2016', the world's largest trade fair for plastics, rubber and plastics processing at Dusseldorf. Shri Shripad Yesso Naik, Minister of State (IC), AYUSH, visited Germany on October 14-20, 2016 to promote Ayurveda and to attend the 2nd World Ayurveda Conference, held in Koblenz on October 15-16, 2016. Shri M. Venkaiah Naidu, Minister of Urban Development, Housing & Urban Poverty Alleviation visited Germany on May 30-June 02, 2016 to further enhance cooperation in the area of Smart Cities. Minister of Railway, Shri Suresh Prabhu visited Germany on April 12-15, 2016 to further collaboration in High Speed Railway (HSR) networks and other related sectors. From the German side, Parliamentary State Secretary of Federal Ministry of Economic Affairs & Energy Mr. Uwe Beckmeyer attended 'Make in India Week' in Mumbai in February 2016. He again visited India from Dec. 05-07, accompanied by a delegation of defence manufacturing companies. Mr. Gunther Adler, State Secretary of Federal Ministry of Environment visited India in March 2016 and Mr. Michael Odenwald, State Secretary of Federal Ministry of Transport & Digital Infrastructure in May 2016. Federal Minister of Transport and Digital Infrastructure, Mr. Alexander Dobrindt visited India on October 12-15, 2016 to further cooperation in Railways.

India and Germany have a 'Strategic Partnership' since 2000, which has been further strengthened with three rounds of Intergovernmental Consultations (IGC): 1st IGC

in New Delhi in May 2011; 2nd IGC in Berlin in April 2013; 3rd IGC was held in New Delhi in October 2015. The two countries have several institutionalized arrangements to discuss bilateral and global issues of interest viz. Strategic Dialogue, Foreign Office Consultations (FOCs), Joint Commission on Industrial and Economic Cooperation, High Technology Partnership Group (HTPG), High Defence Committee, Joint Working Group on Counter-Terrorism, Indo-German Energy Forum, Indo-German Environment Forum, Indo-German Consultative Group, etc. Germany and India cooperate closely on the issue of UN Security Council expansion within the framework of G-4. Both sides have regular consultations on foreign policy issues such as East Asia, Central Asia, UN issues, Disarmament & Non-proliferation, etc. The first Policy Planning Dialogue between the two sides was held in New Delhi in February 2015. The latest FOC and HTPG were held in Berlin during the visit of Foreign Secretary on November 29-30, 2016.

There have been regular interactions between Parliamentarians of the two countries. The Indo-German Parliamentary Group in the Bundestag (German Parliament), established in 1971, has contributed to strengthening links between the two Parliaments. A 16-member India-Germany Parliamentary Friendship Group has been constituted in the 18th Bundestag under the Chairmanship of Mr Ralph Brinkhaus, an MP from the CDU. A group of MPs led by Mr Brinkhaus visited India in February 2015. Vice President of the Bundestag Ms Claudia Roth visited India in March 2015. Several other Parliamentarians from both sides have exchanged visits in recent times. Shri M. Venkaiah Naidu, Minister of Parliamentary Affairs met Ms. Ulla Schmidt, Vice President of the Bundestag and interacted with members of Germany-India Parliamentary Group in June 2016.

In the field of defence, bilateral Defence Cooperation Agreement was signed in 2006 which provides a framework for annual consultations. High Defence Committee (HDC) meetings at the Defence Secretary level take place annually, alternately in New Delhi and Berlin. During the visit of German Defence Minister Ursula von der Leyen to India in May 2015, she called on PM Modi and had a meeting with Raksha Mantri Shri Manohar Parrikar, for a detailed discussion on defence cooperation. Chief of German Navy Admiral Andreas Krause participated in the International Fleet Review held in Vishakhapatnam in February 2016. Several German companies participated in DEFEXPO-2016. Defence Secretary Shri G. Mohan Kumar visited Germany in June 2016 for the 8th Indo-Germany High Defence Committee Meeting. Delegations of the National Defence College (NDC) and College of Defence Management (CDM) have visited Germany during the year.

Some of the States and Cities of both countries have entered into twinning arrangements. Karnataka and Bavaria (Germany) have Sister States arrangement since 2007. Similarly, Mumbai and Stuttgart (Germany) are sister cities since 1968. In January 2015, Maharashtra and Baden-Wurttemberg (Germany) have signed an MoU to establish a Sister State relationship.

Economic and Commercial Relations

Economic and commercial relations between India and Germany date back to early 16th century when German trading companies from Augsburg and Nuremberg, developed new sea route around Africa, as they sailed in search of precious stones and spices. Thereafter, a number of German companies were established with the purpose of trading with India and other Asian countries in the 16th and 18th centuries. Werner Von Siemens, founder of Siemens, personally supervised the laying of

telegraph line between Kolkata and London, which was completed in 1870. The first wholly - owned subsidiary of Bayer in Asia “Farbenfabriken Bayer and Co. Ltd.” was setup in Mumbai in 1896.

The economic relationship has expanded significantly over the years. India's current priorities in most areas match with German expertise, such as Renewable Energy, Skills Development, Smart City, Water and Waste Management, Cleaning of rivers, Railways, etc. There is tangible progress in some areas like Smart Cities and Railways whereas efforts are underway in other areas. In 2016 Germany partnered with India to develop Kochi, Coimbatore and Bhubaneswar as Smart Cities.

Germany is India's largest trading partner in Europe. Germany has consistently been among India's top ten global trading partners. However, bilateral trade has stagnated in last few years due to various domestic and international factors. It was valued at Euro 17.33 billion in 2015. India was ranked 25th in Germany's global trade during 2015 accounting for about 1% of total German trade. The trade figure for the period January-September 2016 stood at Euro 13.05 billion. Garments and textile products, chemical products, leather & leather goods, iron, steel and metal goods, electronic components, electrical components, pharmaceutical products, and auto components are major items of exports from India to Germany. The key German exports to India include electrical generation equipment, auto equipment, complete fabrication plants, bearings, gear equipment, measurement and control equipment, primary chemical products, synthetic material, machine tools, aircrafts and iron and steel sheets, etc.

Germany is the 7th largest foreign direct investor in India since 2000. German FDI in India during the period April 2000 - September 2016, was valued at Euros 9.22 billion. German FDI in India in 2015 was to the tune of US\$ 1.14 billion. There are more than 1600 Indo-German collaborations and over 600 Indo-German joint ventures in operation. German investments in India are mainly in the sectors of transportation, electrical equipment, metallurgical industries, services sector (particularly insurance), chemicals, construction activity, trading and automobiles. Most of the major German companies have already entered the Indian market. German automobile giants such as Daimler, Volkswagen, BMW and Audi have established manufacturing facilities/ assembly plants in India. Other major German companies that have significant operations in India include Siemens, ThyssenKrupp, Bosch, Bayer, BASF, SAP, Deutsche Bank, Metro, Lufthansa, Merck, Munich Re etc. Besides large companies, German Medium Sized Enterprises (Mittelstand) are also showing greater interest in India. A Fast-Track System for German companies set up in DIPP, as agreed between the two sides at the 3rd IGC, has been working effectively. The Make in India Mittelstand (MIIM) Programme launched by the Mission in September 2015 to facilitate the German Mittelstand (SMEs) to India has proved to be an important tool to attract German investment in India. So far it has facilitated 60 companies and an investment of Euros 0.5 billion in India.

There are several important trade fairs being held in Germany in which Indian companies regularly participate to promote their products and technology. India was the partner country in Hannover Messe-2015. The German Indian Roundtable (GIRT), established in 2001 has the objective of spreading information about India and facilitation of Indo-German business ties. There are 18 chapters of GIRT in Germany which are engaged in promoting Indo-German business as well as cultural relations through the regular ‘Stammtisch’ meetings.

Indian investments in Germany have also shown a remarkable increase in the last few years. Indian corporate entities have invested over US\$ 6 billion in Germany.

There are more than 215 Indian companies operating in Germany. Sectors of IT, automotive, pharma and biotech have received a chunk of Indian Investments. The penetration of Indian software companies in German market is growing and major Indian software providers like Infosys, WIPRO and TCS have operations in Germany. Companies like Bharat Forge Limited, Ranbaxy, Piramal, Samtel, Hexaware Technologies, NIIT, Graphite India Limited, Hinduja Group, Dr. Reddy's Laboratories, Biocon, Hindustan National Glass, Mahindra and others have either acquired German companies or started their own subsidiaries.

Indo-German Science & Technology cooperation started with the signing of the Intergovernmental S&T Cooperation Agreement in 1971 and 1974. Today, Germany is the 2nd largest global partners of India for S&T cooperation. There are more than 150 joint S&T research projects and 70 direct partnerships between the Universities of both countries. India's scientific establishments have close partnerships with premier German R&D institutions, including the Max Planck Society, Fraunhofer Laboratories and Alexander von Humboldt Foundation. The jointly funded Indo-German Science & Technology Centre was set up in 2008 in New Delhi with an annual contribution of €1 million from each side. The mandate of the Centre has been extended till 2022 at the 3rd IGC with an annual contribution of Euro 4 million by each side.

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. Indian Space Research Organization (ISRO) has launched 10 German satellites since 1999, most recently in June 2016. To further cooperation in S & T, Dr. Harsh Vardhan, Minister of Science & Technology and Earth Sciences visited Germany on September 12-14, 2016 and inaugurated India-centric Petra III Beamline at DESY, Hamburg.

Germany has also been an important development cooperation partner for several decades. Total bilateral Technical and Financial Cooperation since cooperation began in 1958 amounts to €13.1 billion. Energy, sustainable economic development and environment & management of natural resources are priority areas under development cooperation. Financial Assistance from Germany has been provided mainly as soft loan, composite loans as well as grants routed through KfW, the German Government's Development Bank. The technical assistance is provided through GIZ- the development agency of German Government. An MoU on Development Cooperation regarding the Indo-German Solar Energy Partnership was signed at the 3rd IGC under which Germany is providing concessional loan of Euro 1 billion over the next 5 years.

Cultural Relations

India and Germany have a long tradition of academic and cultural exchanges. Max Mueller was the first scholar of Indo-European languages who translated and published Upanishads and Rigveda. There has been growing interest in Indian dance, music and literature as well as motion picture and TV industry, in particular Bollywood. Indian films and artists are regular feature not only at the reputable Berlin International Film Festival but also at other festivals all over Germany. Bollywood films find regular release here and dubbed versions are telecast on television networks. Indian cuisines are very popular in Germany. Chancellor Merkel handed over the stolen Statue of Durga Mahishasurmardini to Hon'ble PM at the 3rd IGC as a goodwill gesture.

The Tagore Centre, set up by Indian Council for Cultural Relations (ICCR) in Berlin in 1994, regularly organizes programmes to showcase the Indian heritage and

diversity of its culture, through a broad spectrum of dance, music, literary events, films, talks, seminars and exhibition events. It organized a Yoga performance in Berlin on the eve of International Yoga Day on June 21, 2016. The Deutsch-Indische Gesellschaft (Indo-German Society) is engaged in promoting intercultural understanding by bringing together people of both countries and conveying information about modern India to the German public. There are 33 independent affiliates of the Society in Germany with around 3,500 members engaged in various socio-cultural activities.

German interest in the Indian philosophy and languages resulted in the first Chair of Indology at the University of Bonn in 1818. The Government of India has funded several rotating chairs of Indian studies in German Universities. There have been 31 rotating chairs in various German Universities till date. In addition, ICCR supports both long-term and short-term Chairs of Indian studies in Germany. In 2015, ICCR set up two short-term Chairs in Germany: at Humboldt University, Berlin and at Leibniz University of Hannover which have been operationalized in the Autumn-Winter term 2016-17. In summer term 2016, ICCR set up one Short-term Chair University of Tuebingen. A Joint Declaration of Intent on Promotion of German Language in India and Modern Indian Languages in Germany was signed at the 3rd IGC. Dr. Annette Schmiedchen, a Sanskrit Scholar and Indologist from Germany, was conferred with the Padma Shri by Government of India in 2015.

More than 12,000 Indian students are pursuing various courses in Germany, while around 800 German students are studying or doing their internships in India. Many Indian students are opting for Engineering and Management courses in German Universities. Some German companies also offer scholarships for Indian students to undertake postgraduate courses in German Universities. 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 DAAD and UGC at the 3rd IGC by opening up new and innovative areas of cooperation. Both sides will fund Euro 3.5 million for a period of 4 years from 2016-2020 to this endeavour. The GIAN Initiative of India has been well-received in Germany and so far about 40 German Academicians have been selected for teaching in higher educational institutes of India. Some of them have completed their courses. In addition, Central Council for Research in Ayurveda and Siddha is supporting research in Ayurveda by Charité Medical University, Berlin on Osteoarthritis of the knee, which is the first systematic clinical trial for use of Ayurveda in Europe. Indian Community.

According to the figures of the German Government, there are approximately 1,43,000 people of Indian origin in Germany including both Indian and German passport holders. The Indian diaspora mainly comprises of technocrats, businessmen/traders and nurses. There are a number of Indian organizations and associations active on business/cultural front, cementing ties between India and Germany at the people-to-people level.

Useful Resources:

- Embassy of India, Berlin Website: www.indianembassy.de
- Facebook Page: <https://www.facebook.com/IndiaInGermany/>
- Mission's Twitter: <https://twitter.com/eoiberlin>