

## **India-Germany Relations**

### **Political Relations**

India was 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. Germany and India cooperate closely on the issue of UNSC expansion within the framework of G-4.

India and Germany have a 'strategic partnership' since 2001, which has been further strengthened with two rounds of Intergovernmental Consultations (IGC) in New Delhi in May 2011, as well as in Berlin in April 2013. The two countries have several institutionalized arrangements to discuss bilateral and global issues of interest viz. Strategic Dialogue, Foreign Office Consultations, Joint Commission on Industrial and Economic Cooperation, High Technology Partnership Group, High Defence Committee and Joint Working Group on Counter-Terrorism, Indo-German Consultative Group, etc.

The course of the future 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 Atal Bihari Vajpayee visited Germany in May 2003. Former PM Manmohan Singh visited Germany in 2006, 2010 and 2013. From German side, Chancellor Gerhard Schroeder visited India in 2001 and 2004. Chancellor Merkel visited India in 2007 and again in 2011 for the first Intergovernmental Consultations. German President Joachim Gauck paid a state visit to India in February 2014.

### **Economic and Commercial Relations**

Economic and commercial relations between India and Germany date back to early 16<sup>th</sup> 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 express purpose of trading with India and other Asian countries in the 16<sup>th</sup> and 18<sup>th</sup> 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 set-up in Mumbai in 1896. Indo-German cooperation in trade and technology is one of the most dynamic facets of the bilateral partnership. Joint Commission on Industrial and Economic Cooperation is led by the Finance Minister from the Indian side, and the Economics Minister from the German side. In addition, there are seven Joint Working Groups in the fields of agriculture, automobile sector, infrastructure, coal, tourism, standardization and vocational education. The Indo-German Energy Forum focuses on renewable energy, alternative fuels, energy efficient technologies and power sector.

The economic relationship has expanded significantly in the recent times. Bilateral trade during 2011 was €18.37 billion – a growth of 18.37% over 2010.

However, global economic slowdown meant that we were not able to achieve target of 20 billion trade in 2012; it contracted by 5.51% to € 17.37 billion in 2012. The trend has continued in 2013 with bilateral trade declining by 7.46% to € 16.08 billion. During January-April 2014, bilateral trade was valued at Euro 5.20 billion, including exports to Germany worth Euro 2.43 billion and imports from Germany worth Euro 2.77 billion. There are more than 1600 Indo-German collaborations and over 600 Indo-German joint ventures in operation. Indian investments in Germany have also shown a remarkable increase in the last few years. A number of Indian companies such as Suzlon, Bharat Forge, Samtel, Mahindra & Mahindra etc. have made substantial investments in Germany.

Germany is India's largest trading partner in Europe and 2<sup>nd</sup> most important partner in terms of technological collaborations. Germany has been the 8<sup>th</sup> largest foreign direct investor in India since 1991. German FDI in India in 2013 was to the tune of US\$ 1.014 mn; and during the period 1991-March 2014, the FDI was valued at US\$ 7.68 billion.

While India is growing in significance as a trading partner for Germany there is clearly a great deal of potential to be realized. Apart from traditional sectors, knowledge-driven sectors hold good potential for collaboration in the fields of IT, ITES, biotechnology, auto components, renewable energy, green technology, urban mobility & development and the entertainment industry. There are several important Trade Fairs held in Germany, in which Indian companies regularly participate to promote their products and technology

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.

A highly skilled labour force is fundamental strength of German industry. Special importance is thus given to Indo-German co-operation in the field of vocational education and training to create industry-institute linkages and provide skilled manpower for various sectors in the Indian economy.

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 14 chapters of GIRT in Germany which are engaged in promoting Indo-German business as well as cultural relations through the regular 'Stammtisch' meetings.

Intergovernmental S&T Cooperation Agreements were signed in 1971 and 1974. Indo-German co-operation in this area is significant. There are presently more than 150 joint S&T research projects and 70 direct partnerships between Indian and German universities. In the last few years, there have been several new initiatives with

Indian involvement in mega- projects such as the Beam Line Facility at DESY, Hamburg and FAIR project at Darmstadt.

## **Cultural Relations**

German scholarly tradition has played a stellar role in introducing Indian art, culture, literature and philosophy to the wider world. The Tagore Centre, set up by 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.

In order to mark the 60<sup>th</sup> anniversary of the establishment of the diplomatic relations between India and Germany, the two governments celebrated Festivals with various cultural, economic and commercial events. The Year of Germany in India was launched in May, 2011 with the theme “Urban Spaces”. It ended in January, 2013. The Days of India in Germany was inaugurated with four themes ‘Connecting Cultures’, ‘Connecting Ideas’, ‘Connecting Capabilities’ and ‘Connecting Minds’. It was formally closed during the presence of Hon'ble Prime Minister on 11th April 2013 in a grand closing ceremony in Berlin.

The Government of India has funded several rotating chairs of Indian studies in German Universities. There have been 24 rotating chairs in various German universities till date. A long-term Chair named Heinrich-Zimmer Chair of Indian Philosophy & Intellectual History has been set up at South Asia Institute, Heidelberg University since May 2010. A long-term Chair of Corporate Responsibility and Governance at Leipzig Graduate School of Management was operationalized in October, 2012.

An MoU to establish ICCR sponsored Tagore Chair of Bengali Language and Culture was signed between ICCR and Georg-August University of Goettingen in September 2012 in consequence of which a professor from India took up the Chair in October 2013. Two short-term Chairs at German Universities were operationalized in the summer term 2013- at Johannes Gutenberg University of Mainz and Eberhard Karls University of Tuebingen. The 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.

More than 9,000 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.

There is a significant interest in Indian dance, music and literature as well as motion picture and TV industry, in particular Bollywood. Bollywood movies and short movies/documentaries by young Indian artists occupy an important place in the Berlin International Film Festival. The ‘Bollywood and Beyond’ film festival held at Stuttgart and International Film Festival Munich which showcase Indian films to German audience. Several cities, including Cologne and Hamburg, organize ‘India Week’ focussing on Indo-German cooperation in various fields including trade, education and culture.

The Deutsch-Indische Gesellschaft (Indo-German Society) is engaged in promoting inter-cultural understanding by bringing together people of both countries and conveying information about modern India to the German public. There are 33 independent affiliates of DIGs in Germany with around 3500 members engaged in various socio-cultural activities.

## **IndianCommunity**

There are about 110,000 people of Indian origin in Germany of which approximately 40% hold Indian passports. 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**

For more information and latest updates please visit

Embassy of India, Berlin website:

<http://www.indianembassy.de/>

Embassy of India, Berlin Facebook page:

<https://www.facebook.com/pages/Embassy-of-India-Berlin/147693765304239>

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