

Indo-German Partnership for Indo-Pacific

This editorial is based on <u>"Setting Sail For A Powerful India-German Partnership"</u> which was published in The Hindu on 22/01/2022. It talks about the significance of the Indo-Pacific region from Germany's point of view and how India can prove as a key strategic partner for Germany in this field.

For Prelims: India-Germany Relations, India-EU BTIA, G7 countries, G20 countries, Indo-Pacific Region, European Union

For Mains: India-Germany Relations, Significance of Indo-Pacific region for India and Germany, Scopes of Cooperation between India and Germany.

Germany has realised that the world's political and economic centre of gravity is, to a large degree, shifting to the <u>Indo-Pacific region</u>, with India as a key player, strategic partner and long-standing democratic friend at the hub.

After having visited Japan, Australia, Vietnam, Singapore and other countries in the Indo-Pacific region, the German Navy frigate **Bayern** recently landed in Mumbai. On close inspection, this marks a **remarkable step for Indo-German relations.** The visit of Beyern signifies a concrete outcome of the Indo-Pacific Policy Guidelines that Germany adopted in 2020.

India, Germany and Indo-Pacific Region

- Indo-German Ties: The <u>bilateral relations between India and Germany</u> are founded on common democratic principles. India was amongst the first countries to establish diplomatic ties with the Federal Republic of Germany after the <u>Second World War</u>.
 - Germany cooperates with India to the tune of 1.3 billion Euros a year in development projects, 90% of which serves the purpose of fighting climate change, saving natural resources as well as promoting clean and green energy.
 - Germany has also been supporting the **construction of a huge solar plant in Maharashtra** with a capacity of 125 Megawatt which generates annual CO2 savings of 155,000 tons.
 - After the appointment of new Chancellor of germany in December 2021, India and Germany agreed that as major democracies and strategic partners, they will step up their cooperation to tackle common challenges, with climate change on top of the agenda.
- Economic Cooperation A Challenge: There is a problem of the lack of a separate bilateral investment treaty between the two countries. Germany has a Bilateral Trade and Investment Agreement (BTIA) with India via EU, it does not have the competence to negotiate it separately.
 - Also, Germany is particularly sceptical about India's trade liberalization measures, it batst for more liberal labour regulations.

- Indo-Pacific Region Significance: The Indo-Pacific, with India as its centrepiece, looms large in Germany's and the <u>European Union's</u> foreign policy.
 - The Indo-Pacific region is home to around 65% of the global population and 20 of the world's 33 megacities.
 - The region accounts for 62% of global GDP and 46% of the world's merchandise trade.
 - It is also the source of more than half of all global carbon emissions which makes the region's countries key partners in tackling global challenges such as climate change and sustainable energy production and consumption.
- **Germany and Indo-Pacific:** Germany is determined to contribute to buttressing the rules-based international order.
 - Within the German Indo-Pacific guidelines, India is mentioned for the enhancement of engagement and fulfilment of objectives. India should now be an important node while discussing issues relating to international security.
 - **India is a maritime powerhouse** and a strong advocate for free and inclusive trade and, therefore, **a primary partner for Germany** (eventually the EU) on this mission.

Way Forward

- Strengthening Indo-German Relations: Germany views India as an important partner for resolving global issues, including climate change, food security, energy and international peace and security.
 - Also, the **new coalition government formed in Germany** offers an opportunity for India to strengthen the strategic partnership between the two.
 - Germany is keen to implement connectivity projects, through the European Union, to counter China. The coalition sees the conclusion of an India-EU BTIA as an important aspect that will help develop relations.
- Scope of Economic Cooperation: India and Germany must realise the cooperative goals of the Intellectual Property guidelines and must involve businesses.
 - German companies must be encouraged to use the liberalised PLI scheme to establish manufacturing hubs in India.
 - Germany has committed 250 million euro in loans to Africa for a vaccine production facility, if implemented with India such a facility can be established in the underserved East African region.
- Sharing Responsibilities in the Indo-Pacific Region: As much as India, Germany is a trading nation. More than 20% of German trade is conducted in the Indo-Pacific neighbourhood.
 - This is why Germany and India share a responsibility to maintain and support stability, prosperity and freedom in this part of the world. Both India and Europe's key interests are at stake when championing a free and open Indo-Pacific.
- An Opportunity to Coordinate: Germany recognises that no global problem can be solved without India's active involvement.
 - In 2022, Germany will hold the G7 Presidency, and from December 2022, India will also assume the same role for the G20. This is an opportunity for joint and coordinated action.
- **Together Towards Sustainable Development:** No country receives more financial support from Germany in tackling climate change than India.
 - What world leaders agreed upon at <u>COP26 in Glasgow</u>, Germany and India are putting into practice.
 - Together the two countries can work on a sustainable path for India's growth that will benefit both of them.

Conclusion

India and Germany are setting sail for a powerful partnership, in calm waters and heavy seas alike. The two must think afresh to engage more closely in areas of complementarity.

Drishti Mains Question

Discuss how Indo-German collaboration can create a win-win situation for both the countries in fulfilling

their respective visions for the Indo-Pacific region.
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