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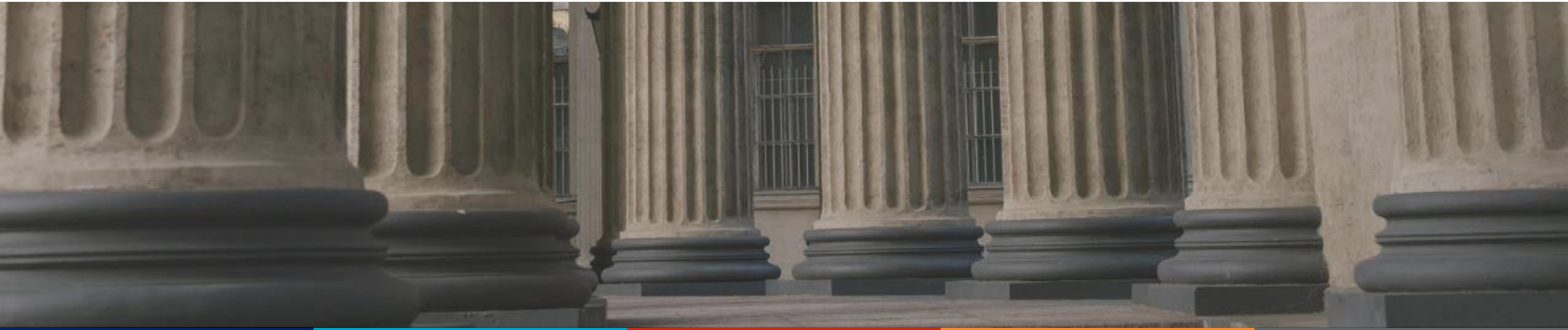
COUNTRY DOSSIER

Germany

September 2022

Country Dossier – Germany

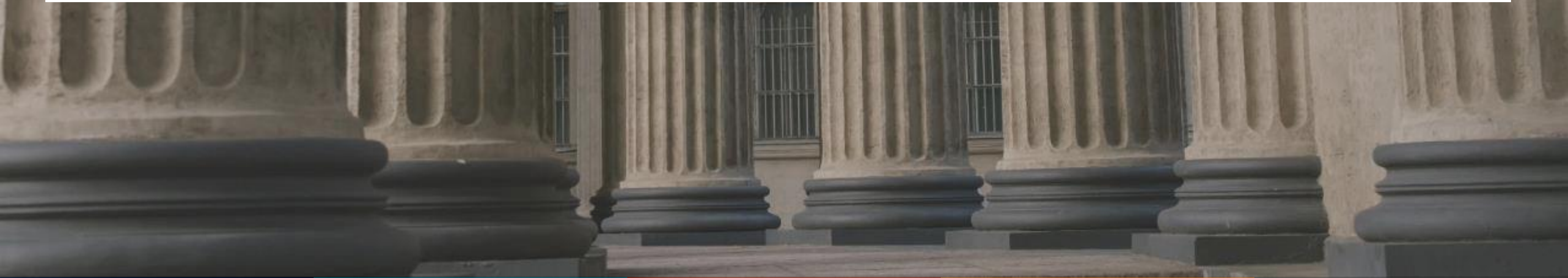
Germany has been an early investor in India and has cumulatively invested over USD 13.6 billion between 2000 and 2022. The key areas of investments have been in transportation, electrical equipment, metals and manufacturing industries, services sector (particularly insurance), chemicals, construction trading and automobiles. There are over 1,600 Indo-German collaborations and 600 joint ventures operating in India and have created over 400,000 jobs locally. At the same time, more than 200 Indian companies have registered offices in Germany and have invested more than Euro 6.5 billion in the country. The Indian market continues offers significant prospects for cooperation with Germany in infrastructure, energy, and environmental and technology.



Country Dossier – Germany

G2G Initiatives

- India and Germany inked several agreements focused on sustainable development under which India would receive USD 10.5 billion assistance by 2030, mainly to boost clean energy. Prime Minister Narendra Modi and Chancellor Olaf Scholz signed the Joint Declaration of Intent (JDI) establishing the green and sustainable development partnership.
- Both countries also signed a declaration to set up an Indo-German Green Hydrogen Task Force to strengthen mutual cooperation in production, utilisation, storage and distribution of green hydrogen through building enabling frameworks for projects, regulations and standards, trade and joint research projects. Creating innovation clusters and hydrogen hubs, encouraging trading in green hydrogen would form the cornerstone of the collaboration.
- India's Science and Technology Minister Jitendra Singh and German Education and Research Minister, Bettina Stark-Watzinger have agreed to work together with focus on Artificial Intelligence (AI) startups as well as AI research and its application in sustainability and health care.
- India and Germany have signed a work plan to strengthen quality infrastructure, reduce technical barriers to trade, enhance product safety and strengthen consumer protection. The areas identified for collaboration include mobility, energy, circular economy, smart farming/ and agriculture. Germany will provide Euro 300 million loans to India by 2025 for agro-ecology and sustainable management of natural resources in the agriculture sector.
- Germany will invest Euros 500,000 in India to promote tourism. The German National Tourist Office observed that there was a year-on-year increase of 214% in its business from India in the first half of 2022.



Sectoral Synergies

Energy

- Thyssenkrupp Industrial Solutions India announced that it has received a USD 75 million contract from Indian Oil Corporation (IOCL). Thyssenkrupp has been awarded the EPC contract by IOCL for a 270 KTPA Catalytic Dewaxing Unit (CDWU) for their Baroda Refinery in Gujarat, India.
- Thyssenkrupp is also betting big on producing green hydrogen through its proprietary electrolyser technology in India at a time when plans are afoot at the headquarters to spin off its hydrogen business and take it to the bourses soon.
- Axitec Energy, a German solar module brand is keen to be a part of India's solar growth potential and is exploring ways to collaborate with existing Indian manufacturers.
- Enercon GmbH, one of the top onshore wind turbine makers in the world, is making a comeback to India and plans to make the country a hub for global exports. The company has signed contract manufacturing agreements with three Indian MSMEs.

Retail

- Reliance Retail has submitted a non-binding bid of about INR 56 billion to acquire Metro Cash and Carry's operations in India which is up for sale. Reliance Retail is in the race with Thailand's largest conglomerate, Charoen Pokphand (CP) Group, and PE firm Lightspeed Venture Partners. JP Morgan and Goldman Sachs are the merchant bankers of Metro Cash and Carry India, which has valued the business at about USD 1 billion.

Healthcare

- Bayer is setting up 27 telemedicine centres in 12 districts across eight states in India over the next two years through Bayer Foundation India. The company has identified the states of Bihar, Chhattisgarh, Jharkhand, Karnataka, Gujarat, Uttar Pradesh, Maharashtra, and Madhya Pradesh to launch telemedicine facilities that will provide healthcare via telehealth.

Auto components

- Bosch Ltd will invest over INR 2 billion in India in the next five years in advanced automotive technologies and digital mobility space.
- Bosch India and mobility and logistics software company, PTV Group, announced their partnership to advance the future of connected mobility in India. As part of this engagement, PTV Group and Bosch India will execute their shared vision of building digital solutions for a sustainable, eco-friendly, and greener future.

Automobile

- By 2033, German luxury car maker Audi would be focusing on producing only electric vehicles especially for India, and would stop making cars run on internal combustion engines (ICE).

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