

# **FREE AND OPEN INDO-PACIFIC**

Shared Challenges  
and Opportunities  
for Cooperation

# Background

The Indo-Pacific has gained currency in India's, in Germany's and in the EU's policy approaches: in India through its Indo-Pacific vision and Indo-Pacific Oceans' Initiative; in Germany with the release of the Policy Guidelines for the Indo-Pacific; and the EU in April 2021 adopted the 'EU Strategy for Cooperation in the Indo-Pacific' and the Global Gateway plan in December 2021. Ensuring a free, open and a rules-based order in the Indo-Pacific has become a major policy priority for countries of the region. The Indo-Pacific region generates 60 per cent of the global gross domestic product and is linked to Europe through transregional production networks and supply chains. With an economy slated to be the world's third largest by 2030, with the world's largest population and two strategic coastlines at the heart of the Indian Ocean, India holds the potential to be the European Union's most important partner as Europe seeks to balance its relations with China while expanding its engagement in the countries of the Indo-Pacific. India will also play a vital role in reconfiguring global supply chains and investment flows to reduce its over-reliance on China. With the world's seventh most powerful navy located in the strategic heart of the Indo-Pacific, India is an essential partner for the European Union, whose common foreign and security policy is increasingly dedicated to preserving the security of the Indo-Pacific as an international, maritime commons. Despite China being a major trading partner for the EU, the Union has also identified China as an economic competitor and a systemic rival. The EU aims to align with third countries for mutual benefit, enhancing its presence in existing multilateral platforms. The EU-India Strategic Partnership is to be seen in this geopolitical context as well as in Europe's and India's shared political vision of a free and open Indo-Pacific.

Both Germany and the EU's Indo-Pacific policy document acknowledges that the region is increasingly characterized by and consequently is susceptible to shifts in power equations with there being divergent interests and aspirations of countries comprising it. As an advocate of the rules-based international order, their interests lie in its participation in the region's growth and the protection of regional structures. The need for the maintenance of freedom of navigation and territorial sovereignty has been underlined as well. Towards this end, for instance, the navies of India and Germany carried out a joint exercise in the Gulf of Aden near Yemen in August 2021, and early last year, in January 2022, a German frigate FGS Bayern made a port call to Mumbai as part of its seven-month deployment to the Indo-Pacific region. India has similar interests as Germany and the EU, namely a free and open Indo-Pacific and securing its maritime trading routes. Therefore, how does the German and the EU Indo-Pacific policies stand to impact the dynamics of the Indo-Pacific region? What are the potential areas that India and Germany alongside the EU can work together to ensure a stable and rules-based order in the Indo-Pacific? How would they gain from this cooperative arrangement?

Keeping these critical questions in mind, the Observer Research Foundation in partnership with the India Office of the Konrad-Adenauer-Stiftung (KAS) proposed a series of high-level roundtable discussions focusing on critical aspects and areas of cooperation for enhancing partnerships in the Indo-Pacific. The primary themes to be covered in the roundtable discussions will focus on: a) prospects for boosting infrastructure development in the Indo-Pacific; b) ensuring a secure and stable order in the Indo-Pacific. What role can India and Germany alongside the EU play in the above mentioned areas? The discussions analysed the benefits as well as challenges to development of an India-Germany and the India-EU partnerships in the areas of infrastructure development, connectivity as well as security; identified constructive steps that can be taken to promote Indian and European priorities and standards across the Indo-Pacific. Two primary policy pillars were deliberated upon to enhance EU-India collaboration to foster an Indo-Pacific connectivity: Green energy transition; Maritime security cooperation and capacity building.

## WEBINAR 1

# Potentials and Opportunities for Maritime Cooperation in the Indo-Pacific between India, Germany and the EU

(September 21, 2022, 1500-17:15 IST)

### Programme Overview

**E**nsuring a free, open and a rules-based order in the Indo-Pacific has become a major policy priority for countries of the region. The Indo-Pacific region generates 60 per cent of the global gross domestic product and is linked to Europe through transregional production networks and supply chains. While the Indo-Pacific is not a region of immediate geopolitical relevance to Germany, the interconnected nature of global commerce ties it inevitably to geopolitical concerns with any disruption of the latter directly impacting the former. The German government has billed the guidelines as a coherent effort to reorient its foreign and security policy approach to the strategically important region that has become increasingly vital to the country's national interests. As Germany's former Minister for Foreign Affairs Heiko Maas put it "The Himalayas and the Strait of Malacca may seem far

away. But our prosperity and geopolitical influence in the coming decades are also based on how we work with the states of the Indo-Pacific.”

Both Germany’s and the EU’s Indo-Pacific policy documents acknowledge that the region is increasingly characterized by and consequently, susceptible to shifts in power equations with there being divergent interests and aspirations of the countries comprising it. As an advocate of the rules-based international order, their interests lie in its participation in the region’s growth and the protection of regional structures. The need for the maintenance of freedom of navigation, territorial sovereignty has been underlined as well. India has similar interests like Germany and the EU in a free and open Indo-Pacific and security of its maritime trading routes. Therefore, how do the German and the EU Indo-Pacific policies impact the dynamics of the Indo-Pacific region? What are the potential areas that India and Germany alongside the EU can work together to ensure a stable and rules-based order in the Indo-Pacific? How would they gain from this cooperative arrangement?

Against this background, the Observer Research Foundation, New Delhi in collaboration with the India Office of the Konrad-Adenauer-Stiftung is holding a series of roundtables. The first in the series will look into the potential areas of cooperation between India, Germany and also the EU in the maritime domain to ensure a stable, free, open and a rules-based Indo-Pacific. The Indo-Pacific is essentially a maritime geography, and hence there is great potential for countries to work together in the maritime sector. Some of the areas where collaboration can take place are maritime domain awareness, marine economy, capacity building in third countries or regions like Southeast Asia, helping island nations of the Western Indian Ocean in preparing for natural disasters and humanitarian assistance. Experts from India, Germany, and other EU countries as well as ASEAN will come together to discuss the above mentioned possibilities as well as how both India, Germany and the EU may benefit from this partnership and reap strategic advantage in the Indo-Pacific region.

# Programme

**3:00 PM – 3:15 PM | Opening Remarks | Abhijit Singh and Pankaj Madan**

**3:15 PM – 4:15 PM | Session 1: Safeguarding the marine environment in the Indo-Pacific**

## **Speakers**

**Abhijit Singh**, Senior Fellow and Head of Maritime Initiative, Observer Research Foundation

**Dr. Eva Pejsova**, Senior Japan Fellow, Brussels School of Governance

**Stefania Benaglia**, Associate Researcher Centre for European Policy Studies (CEPS) and Senior Expert, Public Diplomacy Project, European Union Delegation to India

**Dr. Kapil Narula**, Honorary Adjunct Fellow, National Maritime Foundation

**Céline Pajon** (Moderator), Research Fellow, Head of Japan Research, Coordinator of the Program on Pacific Islands, Center for Asian Studies, French Institute of International Relations (IFRI)

The marine environment or the marine economy is also another very important area of interest and concern for countries of the Indo-Pacific. Often news of illegal and unreported fishing, over-exploitation of fishing resources, dumping of marine plastic debris circle around us. What can India, Germany and the EU do in this regard? What are the potential and particular areas of cooperation under Blue Economy? Can Germany be a viable partner for India in its Indo-Pacific Oceans Initiative which, in one of its pillars, focuses on marine economy and Blue Economy?

**4:15 PM – 5:15 PM | Session 2: Maritime Domain Awareness and Capacity building in the Indo-Pacific**

**Speakers**

**Sarabjeet Parmar**, Senior Fellow, National Maritime Foundation

**Marianne Péron-Doise**, Associate Research Fellow, French Institute for International and Strategic Affairs (IRIS)

**Dr. Christian Wirth**, Research Fellow, German Institute for Global and Area Studies (GIGA)

**Ankita Dutta**, Fellow, Observer Research Foundation

**Admiral Girish Luthra** (Moderator), Distinguished Fellow, Observer Research Foundation

This session will look at what India, Germany along with the EU can do in these two potential areas? Can the three work towards helping in the capacity building of countries in Southeast Asia and the littorals of the Western Indian Ocean like Sri- Lanka, Maldives, Seychelles? Can we expect Germany to soon place a liaison officer in India's IFC-IOR like France? While France has been a long-time trustworthy partner of India and has a lot of assets and presence in the Western Indian Ocean, what can Germany bring to the plate? How are Germany and the EU planning to implement the objectives laid forward in their respective Indo-Pacific strategies?

# Glimpses



**Marianne Péron-Doise**



**Dr. Christian Wirth**



**Girish Parna**



**Sarabjeet Parmar**



**Dr. Eva Pajsova**



**Céline Pajon**



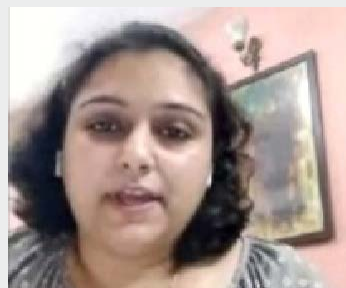
**Stefania Benaglia**



**Abhijit Singh**



**Dr. Kapil Narula**



**Dr. Ankita Dutta**



# Key Takeaways

**E**ver since Germany has released its guidelines on the Indo-Pacific in 2020, there has been optimism in India. The guidelines mention India quite a few number of times and also underscore the need for a bilateral partnership between India and Germany in the Indo-Pacific region. Though India and Germany possess the same political mindset, there need to be discussions regarding whether the two countries can come together for operational collaboration and a sustainability agenda in the maritime domain especially in the Indian Ocean. Can Germany be a strong catalyst in boosting the India-EU partnership? Against the backdrop of the Ukraine war, will Germany have the wherewithal to invest in the Indo-Pacific Ocean Region (IPOR)? The rules-based order is currently under threat. The Indo-Pacific region is a hub of trade and an area of opportunity for multilateral cooperation among like-minded countries.

Both Germany and the EU's Indo-Pacific policy documents acknowledge that the region is increasingly characterized by and consequently is susceptible to shifts in power equations with there being divergent interests and aspirations of countries comprising it. As an advocate of the rules-based international order, their interests lie in its participation in the region's growth and the protection of regional structures. The need for the maintenance of freedom of navigation and territorial sovereignty has been underlined as well.

Against this background, the Observer Research Foundation, New Delhi in collaboration with the India Office of the Konrad-Adenauer-Stiftung hosted a webinar on September 21, 2022 where experts from India and the EU countries shared their views and observations on the prospects and potential of maritime cooperation in areas like marine governance, maritime domain awareness and capacity building between India, Germany and the EU. The webinar had two sessions focusing on 'Safeguarding the Marine Environment in the Indo-Pacific Region' and 'Maritime Domain Awareness and Capacity Building in the Indo-Pacific'.

The section below lists out the key issues and points brought up in the two panels. The summary mainly points out the ongoing measures or initiatives that are being taken in the areas of marine governance, maritime domain awareness and capacity building by India, Germany and the EU; the challenges they face and concludes with a share of policy recommendations.

## **Safeguarding the Marine Environment in the Indo-Pacific Region**

When there is talk of maritime governance, there are three issues that need to be discussed: transnational challenges, management of the commons (regulatory gridlock), blue economy and sustainability. There is a shift in priority being accorded to marine governance. Initially discussions on maritime security used to circle around China, the rise of China, its actions in the South China Sea and the East China Sea; but now issues of marine governance, blue economy, sustainable use of marine resources are being accorded equal importance as well.

The developments in the Indo-Pacific region in 2021 were dominated by a combination of geostrategic and geo-economic interests. The importance of ocean governance in the domains of security, economic development, environment, resource resilience, and ecology, with specific reference to the Indo-Pacific, was stressed upon at various fora, given that some states have continued to push to increase their spheres of influence in and around the oceans. The EU's Indo-Pacific strategy outlined ocean governance as one of the seven priority areas. India's Indo-Pacific Oceans Initiative (IPOI), with its seven pillars, gained resonance and support from some key players, including Australia, Japan, France, Vietnam, and the Philippines. Emphasis was put on using existing institutions and frameworks for strengthening ocean governance instead of creating new ones. At the same time, it was recognized that extant

frameworks and institutions have shown limitations in taking the ocean governance agenda forward. As seen in the recent past, unexpected developments and actions may continue to cause disruptions. Against this backdrop, it will require special effort to accord the much-needed priority to ocean governance. A new thrust on ocean governance, with an appropriate and inclusive framework for cooperation, can itself be a major contributor to enhancing stability, safety, security, development, and well-being in the region and beyond.

### **Challenges**

- While governments are doing well in constabulary challenges and other issues, there is very little movement regarding the aspect of governance given that there are a lot of challenges. Firstly, the United Nations Convention on the Law of the Seas (UNCLOS) is not a pertinent tool to deal with a number of issues particularly in the Exclusive Economic Zone (EEZs). The UNCLOS does little to resolve the disputes in the EEZs. Though UNCLOS does talk about marine governance, part 12 of the UNCLOS<sup>1</sup> specially discusses this, but UNCLOS is effective only when it comes to national jurisdiction and not in the high seas. It is true that UNCLOS does set out a framework for ocean governance, but as mentioned above, there is no implementing mechanism, especially for issues relating to the high seas. Many countries have not aligned their domestic policies along the lines of the rules laid out in the UNCLOS and India is also a case in point.
- Secondly, there are resource constraints, capacity constraints, and, even more importantly, the lack of investments in the blue economy. The know-how and political will is there, but this is also the area which demands the most resources and technologies.
- The Indian Ocean is most impacted by marine environmental degradation and is also more prone to natural disasters. The Indian Ocean warms up faster, it creates deoxygenation, and the impact of sea-level rise is increasingly being seen, for instance in wave driven floods and climate driven migration, among others. The battle against global warming is already underway in the Indo-Pacific. The area is frequently assaulted by violent weather events, leaving numerous fatalities in their wake. According to the International Federation of the

---

<sup>1</sup> The Part XII of UNCLOS is expressly concerned with "all sources of pollution of the marine environment" and states are directed to take all measures necessary to "prevent, reduce and control pollution of the marine environment from any source."

Red Cross and Red Crescent, in 2021 alone, over 57 million people were affected by climate disasters in the Asia-Pacific region.

- Additionally, the aspect of maritime safety, especially the safety of fishing and shipping, is sometimes neglected when one speaks of the Indian Ocean. This is an area where India, Germany and the EU can work together.

### **Policy Recommendations**

- In the marine environment and the non-traditional security threat area Europe has enough experience and can make substantial contributions and already a lot is being done by individual EU countries as well to maintain environmental standards.
- There is a need for a shared vision in terms of what is perceived as biodiversity and sustainability in the maritime domain. There is agreement on what constitutes maritime security, but there is not much agreement on what constitutes a marine environment. There needs to be a policy focused discussion, and capacity building in marine governance, working together in the EEZs. We need to look at the transfer of technology in the blue economy sector. India and Germany need to work together on climate change and climate induced challenges in the maritime domain. A comprehensive management framework for marine conservation is needed. Europe has marine conservation spatial zones, which South Asia lacks.
- There is a need to address the knowledge gap, ocean literacy, involve the younger generation and enhance scientific understanding especially on deep sea mining, and ocean geo-engineering. There is a need to bring in donors and private investors. The message that needs to go out is that the blue economy can be made profitable for the industry and all infrastructure concerned should be climate-proof. There are successful examples as well like blue

financing for ocean protection, Blue Bonds in Seychelles, or the usage of insurance tools<sup>2</sup> for protecting Mexico's coral reefs.

- There is a great degree of convergence between the EU's Indo-Pacific strategy and India's Indo-Pacific Oceans' Initiative on Blue Economy. There is a need for joint action.

The Indo-Pacific Ministerial Meeting held in February 2022 was a great first step and this should be continued to address joint concerns and for coming up with plans as well as actions for implementation. There is also the Maritime Security Dialogue. Therefore, platforms already exist and the importance of the Indo-Pacific is being acknowledged. Other initiatives like the Indo-Pacific Regional Information Sharing Platform (IORIS) under the Critical Maritime Routes Indian Ocean (CRIMARIO)<sup>3</sup> project are also important. A lot can be done at a bilateral level and also at a trilateral level, involving Japan for instance, which is doing a lot of projects under the BIMSTEC. We have to involve organisations and go beyond the state level, also including NGOs.

- There is no need for creating new platforms, instead, the existing information should be centralized in order to create awareness, identify the projects and strategic areas where the efforts should be focused on. Also, there is a greater need to coordinate and enhance information sharing. Partnerships can lead to mutually beneficial outcomes and in this context the existing platforms are important, but the emphasis should be on actionable programs and measuring their outcomes and this is where the challenge lies. The most important threat to the maritime environment is coming from global climate change.
- Connectivity in terms of maritime connectivity through building of ports appears to be the area where most potential exists for collaboration. It is an area where investment can be attracted, the public and the private sectors can also work together. There is also the scope for triangular cooperation, that is cooperating with a third country. EU has bilateral partnerships with countries like Japan and now India on connectivity. Additionally, there is the Global Gateway initiative launched in 2021, which provides the opportunity and platform of bringing in other countries and talk of triangular cooperation. Connectivity is a great tool to enhance cooperation, as it depends mostly on private funds rather than public. But at the same time, it targets the required strategic areas which are of interest to the government and the public.

---

<sup>2</sup> Coral Reef Insurance is an innovative financial solution that promotes the recovery of local coral reef activities in face of devastating disasters. Coral Reef Insurance is a parametric insurance, which is designed to automatically pay out when the specified conditions are met at a designated location.

<sup>3</sup> The Critical Maritime Routes (CMR) program launched the EU CRIMARIO project, in order to increase awareness about potential risks or threats in the Indian Ocean (known as maritime situational awareness-MSA), together with capacity building, information data sharing, and improvement of maritime governance. The project will support the coastal countries of the Indian Ocean rim in putting together data from various maritime sources such as national and international agencies, the maritime industry, and non-governmental organisations, to achieve a global understanding of the maritime domain, therefore increasing maritime security.

- There is a need for funding commitment from India, the EU and Germany. There is much being conceptualized in theory with regard to the Quad, the IPOI, but it is not clear as to what is actually happening on the ground. There is a need to make environmental solutions attractive and that is where the blue economy comes into play. Additionally, the need for accountability and law enforcement is very important, too.
- Lastly, it is necessary to look beyond the EU's Indo-Pacific Strategy. India needs to engage directly with the agencies in Europe that deal with marine governance related to fisheries, marine safety and marine pollution. Thus, an inclusive dialogue would be a good way forward. Also, the private sector should be brought into these discussions.

## **Maritime Domain Awareness and Capacity building in the Indo-Pacific**

2021 has been a watershed year for the Indo-Pacific region, with major policy and framework adaptations made by many countries and regional groupings, both within and outside the region. With clear recognition of the all-round importance of the region in the coming decades, the hardening of big power rivalry and competition, and the emergence of new approaches tailored for the post-pandemic world, many new formal and informal partnerships and arrangements were initiated. In order to ensure maritime security, nations are required to drive engagements that are well informed. To harness such actionable information, countries collaborate in sharing intelligence and technology. At the Quad Leaders' Summit in Tokyo in May 2022, the Indo Pacific Maritime Domain Awareness Initiative (IPMDA) was announced. Through this initiative, the Quad nations will enhance their maritime surveillance and information sharing across the Indo-Pacific and will allow the partner nations to monitor the waters to ensure a free and open Indo-Pacific. For this, the partner nations will have to pool their information and jointly develop and deploy their existing and emerging technologies to provide a "common operating picture which will integrate three critical regions – the Pacific Islands, Southeast Asia, and the Indian Ocean Region – in the Indo-Pacific".

The implementation documents released by Germany focus on ASEAN, Australia and Japan and also consider setting up a new information fusion centre in Singapore. The India-EU Maritime Security Dialogue does talk about maritime domain awareness, capacity building among the focus pillars. The port call by the German frigate 'Bayern' has opened potential doors for enhanced cooperation between New Delhi and Berlin. The fourth pillar of the IPOI covers capacity building and this is also covered in the EU strategy. India has been very active in capacity building and capability development, both in the Eastern and the Western Indian Ocean, and the EU has been active in this sphere, particularly in the Western Indian Ocean. In all the Indo-Pacific strategy documents that have been released by Germany, the EU has listed India as a priority partner and looks at the Indian Ocean as a gateway to the Indo-Pacific. A new initiative started by the EU-Coordinated Maritime Presences (CMP) in the Indian Ocean uses existing EU states' naval and other assets to enhance the EU's image as a maritime security contributor.

### **Challenges**

- To the German government, when it comes to the Indo-Pacific, the question of China is very central. Given that China is a concern, the area east to the Strait of Malacca should be prioritised. The biggest challenge will arise when Germany will have to look to the East of Malacca, namely to the South China Sea, East China Sea and the South Pacific.
- The EU's Indo-Pacific strategy is mostly dependent on the presence and resources deployed by France. How much Germany and other European countries will contribute to the Indo-Pacific to strengthen their own presence as well as France's remains to be seen. The EU Indo-Pacific Strategy was released before the Russia-Ukraine War and now, due to the war and the resultant resource crunch, whether the EU will be able to focus its attention to the Indo-Pacific remains to be seen as well.

## Policy Recommendations

- Minilateralism seems to be a more fruitful mode of cooperation, for instance the Quad which is being projected essentially as a non-security grouping, looks at involving the ASEAN in various initiatives it is taking and therefore here, given the EU and Germany's enthusiasm to work with the ASEAN, the Quad seems like a credible platform to come together on and work with the ASEAN countries. Germany also needs to come on board in the IPOI as there is ample scope.
- The expansion of the focus area of CRIMARIO 2 to Southeast Asia and South Pacific provides greater opportunity for collaboration. These are the priority areas underlined by India as well.
- India's initiative called the Coalition for Disaster Resilient Infrastructure (CDRI) can be a future area of cooperation with respect to the Indian Ocean being very prone to natural disasters.
- There are different threats that countries face and there is a need to remember that cooperation in the Indo-Pacific needs to happen in segments as there are small and big nations involved and the small nations are, most of the times, intimidated by bigger powers. So, the interests of the smaller nations also have to be kept in mind.
- There has to be a common agenda when it comes to MDA. Germany has to look at the Indo-Pacific as an Indo-Pacific power and move more quickly than the EU. France has an advantage here as it has been present in the region for long and their understanding of the Indo-Pacific is different from that of other European nations.



# Participant Profiles



## **Abhijit Singh**

A former naval officer, Abhijit Singh, Senior Fellow, heads the Maritime Policy Initiative at ORF. A maritime professional with specialist and command experience in front-line Indian naval ships, he has been involved in the writing of India's maritime strategy (2007). He is a keen commentator on maritime matters and has written extensively on security and governance issues in the Indian Ocean and Pacific littorals. His articles and commentaries have been published in the Asian Bureau for Asian Research (NBR), the Lowy Interpreter, the World Politics Review, the Diplomat and CSIS Pacific Forum.



**Dr. Eva Pejsova**

Dr. Eva Pejsova is the Japan Chair at the Centre for Security, Diplomacy and Strategy (CSDS) of the Brussels School of Governance (BSoG-VUB) and an Associate Fellow at the French “Fondation pour la Recherche Strategique” (FRS). Previously, Dr. Pejsova was in charge of the Asia portfolio at the European Union Institute for Security Studies (EUISS), the EU’s agency for foreign and security policy research and analysis. She holds a PhD in Strategic Studies from the S. Rajaratnam School of International Studies (RSIS) in Singapore and has previously worked with the Czech Ministry of Foreign Affairs, the French Prime Minister’s Office, the OECD and the Asia-Europe Foundation (ASEF).

Dr. Pejsova leads the Japan Chair and runs a course on Japan’s Foreign and Security Policy. She also lectures at Sciences Po (Paris School of International Affairs) in Paris, the Geneva Centre for Security Studies (GCSP), as well as briefs the Members of the European Parliament. Her research focuses on security issues within the broader Indo-Pacific region, notably related to maritime security, sovereignty disputes, regional cooperative mechanism and good ocean governance. She is also interested in the role of the EU as a foreign and security policy actor.



### **Stefania Benaglia**

Stefania Benaglia is the Head of the Global Connectivity Programme at Centre for European Policy Studies (CEPS). Her research focuses on Connectivity and EU relations in the Indo-Pacific, where she also consults in Senior/Team Leader roles. Ms. Benaglia is a frequent commentator at leading media and regularly briefs senior policymakers – including the European Parliament and various European Prime Minister’s offices. Ms. Benaglia is also an experienced Public Diplomacy expert and has worked extensively in Track 2 and Track 1,5 formats, mostly – though not exclusively – between the EU and third countries. Between 2014 and 2017, she lived in India, working on EU-India defence cooperation for Istituto Affari Internazionali (IAI) and Friedrich Ebert Stiftung (FES). Previously, Ms. Benaglia worked at the European Commission Political & Security Committee team and then represented the EC at the Politico-Military Group and the NATO Parliamentary Assembly.

Ms. Benaglia worked and studied also in Israel (at the International Institute of Counter-Terrorism), the United States (at the Italian Embassy, at SAIS and at San Francisco State University), France (at Science Po Grenoble) and Spain (Leonardoda Vinci programme).



**Dr. Kapil Narula**

Dr. Kapil Narula is a Senior Researcher at the Chair for Energy Efficiency within the Institute for Environmental Sciences (ISE), University of Geneva. He is an electrical engineer, development economist, and an energy and sustainability professional. Dr. Kapil holds a Ph.D. in Development Studies with a focus on energy policy. His work is interdisciplinary in nature and falls within the domain of the Swiss Competence Center for Energy Research (SCCER) - Centre for Research in Energy, Society and Transition. He co-teaches a course on 'Cities in Transition' and 'Energy Efficiency'. Dr. Kapil has earlier worked onboard ships, as a faculty at academic institutes, and in think tanks. He is the co-editor/co-author of six books and his latest book titled 'The Maritime Dimension of Sustainable Energy Security' was published by Springer (Singapore) in 2019.



### **Sarabjeet Parmar**

An alumnus of National Defence Academy (NDA) Kharakwasla and Defence Services Staff College (DSSC) Wellington, Capt. Parmar was commissioned into the Indian Navy in 1987. The officer is a Seaking pilot who has commanded INS Bedi, INS Sharda and INAS 330. He was a member of the XI Indian Antarctic Summer Expedition in 1991 and has attended the South Asia Regional Governance and Management Defence Course Conducted by the British Government at Colombo in 2005. He represented the Indian Navy in the first international HOSTAC (helicopter operations from ships other than aircraft carriers) conference held at Norfolk, USA in 2008. He has served as Joint Director Naval Plans in Directorate of Naval Planning at IHQ MoD (Navy) and also been the Directing Staff at the Defence Services Staff College (DSSC), Wellington. As a Research Fellow at the Institute for Defence Studies and Analyses (IDSA), New Delhi from September 2010 to July 2014, he has written on maritime security aspects and presented papers at various national and international conferences. Post IDSA he was Director (Strategy) in the Directorate of Strategy Concepts and Transformation at the Indian Navy IHQ MoD (Navy) from July 2014 to April 2016, where he revised the Indian Navy's unclassified maritime security strategy document and doctrine. From April 2016 to April 2018, he carried out regional maritime assessments and completed the doctrine development plan as Director of Strategic Maritime Assessment and Doctrine Development. He has written extensively on maritime security issues and is pursuing a PhD at Mumbai University. His thesis will examine the evolving maritime security architecture templates of the Indian Ocean and Western Pacific region. He joined the NMF in April 2018 as Senior Fellow and was the Executive Director from 04 June 2019 to 31 January 2022. He is presently a Senior Fellow at the NMF.



### **Marianne Péron-Doise**

Marianne Péron-Doise is an Associate Research Fellow at the French Institute for International and Strategic Affairs (IRIS). She heads the Indo-Pacific Geopolitical Observatory. The graduate from the Institute of Political Studies of Aix-en-Provence and the Ecole Pratique des Hautes Etudes, Marianne Péron-Doise used to be a Senior Research Fellow at the Institute for Strategic Research at Military School (IRSEM) from 2015 to 2022.

Her research interests include Indo-Pacific geopolitical issues with a specific expertise on security and defense policies in Northeast Asia (with Japan and the Korean Peninsula as her focus areas), global maritime security topics as emerging naval forces and key maritime theatres, such as the Horn of Africa, Indian Ocean, South and East China Sea and the South Pacific. She was a visiting Research Fellow at the Japan Institute for International Affairs and the National Institute for Defense studies (Tokyo). Also, she teaches classes in Maritime Security at Sciences-po Paris and the Lille Catholic University and works as a consultant for diverse EU maritime capacity building projects since 2015.



**Dr. Christian Wirth**

Dr. Christian Wirth is a Research Fellow at the German Institute for Global and Area Studies (GIGA) and Institute for Asian Studies, Hamburg. Previous to that, he was a Adjunct Research Fellow at the Asia Institute at Griffith University, Brisbane from 2015-2021 and held further postings as University Lecturer at the Leiden University for Area Studies (2017) and as Visiting Associate Professor at the School of Law at the Japanese Tohoku University, Sendai (2015-2016).



**Dr. Ankita Dutta**

Dr. Ankita Dutta is a Fellow with ORF's Strategic Studies Programme. Her research interests include European Affairs and Politics, European Union and International Affairs and Indian foreign policy. Dr. Dutta has acquired her Ph.D in European Studies from the Centre for European Studies, School of International Relations, Jawaharlal Nehru University, New Delhi.



## WEBINAR 2

# Enhancing the India-Germany and EU Green Energy Partnership in the Indo-Pacific

(November 15, 2022, 15:00 to 17:15 IST)

### Programme Overview

**G**reen energy transition presents significant opportunities for the Europe-India cooperation. In the 15th India-European Summit in July 2020, the leaders endorsed the “India-EU Strategic Partnership: A Roadmap to 2025” as a blueprint for strengthening future avenues. The common goals focused on security, economic welfare and sustainable development and broad themes included the focus towards cooperating for a greener, cleaner and sustainable future. Further, the EU-India Leaders’ meeting held in May 2021 (16th India-European Summit) again brought attention to address the problem of climate change and the subsequent need for actions concerning the deployment of renewable energy, efficient use of energy and a need for a step towards a smart electricity grid as well as storage technology with the modernisation of the electricity market under the 2016 project of the Clean Energy and Climate Partnership. In 2018, India joined hands with the International Solar Alliance, which the European Investment Bank has assisted with financial loans. The EU and India have set ambitious targets for a wider adoption of green hydrogen. While India announced its National Hydrogen Mission last year, the EU launched the European Hydrogen Strategy in 2020. India has also initiated discussions

on creating the EU-India Green Hydrogen Forum for the next EU-India Energy Panel in 2022. Recently, Ugo Astuto, Ambassador of the European Union to India and Bhutan, said that both India and the EU need to work together for a green future. He further mentioned that “India’s role in green hydrogen is very important. We need to work together for a green future. We are both massively investing in renewables. It’s already happening and it’ll be fast.”

In this context, the G20 can be a critical catalyst for cooperation on energy transition and climate action. The G20 grouping represents about 60% of the world’s population and 80% of the global GDP and are also responsible for 81 % of energy-related CO2 emissions and 77 % of the global energy consumption. Changes in energy consumption patterns in these countries have a significant impact on global energy markets as well as on the evolution of different technologies. COP26 saw India scale up its ambition with its updated goal of achieving 500 GW of renewable capacity by 2030 and ensuring carbon neutrality by 2070. Yet a lot remains to be achieved if India is to embed green priorities in its domestic policy and international outreach. India’s G20 presidency in 2023 provides an ideal platform to mainstream the green transition in India’s policy priorities, and to ensure that the climate-related needs of the emerging economies of the Global South shape the agenda at the leading forum for global governance. This is significant in the current context. A struggling economic recovery post the COVID-19 pandemic, a new war in Europe, and the paralysis of multilateral institutions like the UN and WTO is revealing the limits of the post-World War II multilateral architecture. The G20 therefore has a unique convening power in these uncertain times.

Against this background, the Observer Research Foundation, New Delhi in collaboration with the India Office of the Konrad-Adenauer-Stiftung is hosting a webinar on Green Energy Transmission in the Indo-Pacific and Potential for Partnership between India-Germany and the EU. The webinar is titled, **‘Enhancing the India-Germany and EU Green Energy Partnership in the Indo-Pacific’**. For the purpose of the webinar the focus will be on India-Germany and EU potential for cooperation as well as the challenges this partnership faces. Given that India is set to take over the G20 presidency in 2023, this webinar will also explore how the India-Germany and EU partnership can help India in meeting its own targets, as well as how this partnership can leverage the goals and policy targets with regards to green transition of other G20 member countries.

# Programme

## **3.00 PM – 3.10 PM | Opening Remarks**

**Mihir Swarup Sharma**, Director, Centre for Economy and Growth, ORF, India

**Pankaj Madan**, Deputy Head – India Office, Konrad-Adenauer-Stiftung

## **3.15 PM – 4.15 PM | Session 1: Potential for Green Energy Partnership in the Indo-Pacific**

### **Speakers**

**Dr. Garima Mohan**, Senior Fellow, Asia Program, German Marshall Fund, Germany

**Lydia Powell**, Distinguished Fellow, ORF Centre for Resource Management, India

**Mannat Jaspal**, Associate Fellow, ORF, India

**Jens Marquardt**, Research Associate, Technical University of Darmstadt, Institute of Political Science, Germany

Moderator: **Mihir Swarup Sharma**, Director, Centre for Economy and Growth, ORF, India

**4.15 PM – 5.15 PM | Session 2: India’s G20 Presidency: A Catalyst to Boost Clean Energy and Climate Partnership in the Indo-Pacific**

Speakers

**Neha Kumar**, Programme Manager, Climate Bond Initiative, India

**Promit Mookherjee**, Associate Fellow ORF, India

**Sylvia Elisabeth Beyer**, Senior Energy Policy Analyst, Energy Policy and Security Division, International Energy Agency, France

Moderator: **Lydia Powell**, Distinguished Fellow, ORF, India

# Glimpses



**Mihir Sharma**



**Pankaj Madan**



**Dr. Garima Mohan**



**Lydia Powell**



**Mannat Jaspal**



**Jens Marquardt**



**Neha Kumar**



**Promit Mookherjee**



**Sylvia Elisabeth Beyer**

# Key Takeaways

**I**ndia-Europe relations have been revitalized in the last decade. India now has figured out the role Europe can play in building its domestic capacity and resilience, particularly in the fields of climate change, new and emerging technologies, and energy transition. For instance, India has signed the Green Strategic Partnership with Denmark on September 28, 2020 and the Blue Strategic partnership with the Netherlands in April 2021. With the new government in Germany, there is some momentum and also political will to strengthen engagement with India and consider India as a strategic partner. Germany's Indo-Pacific Guidelines focus a lot on issues such as climate change and energy transition. India and Germany are already working together on these areas as can be seen from the work of the India-Germany inter-governmental consultations (IGC) launched in 2011 focusing on a just energy transition. An Energy Forum was launched in 2006 between India and Germany which looks into deepening the green energy partnership between the two countries by formulating concrete projects in this direction and also looking for ways to get the private sector of the two countries involved as well. These issues will form an important crux of the political debate in Germany.

Germany has been an important partner for India since the last fifteen years in helping the country to improve its energy efficiency standards. A case in point is the Bureau of Energy Efficiency (BEE) which was initially set by the US Agency for International Development (USAID) but Germany took it further. The German experts at the BEE systematically categorized industries and provided a complete blue print to India for improving its energy efficiency and carbon efficiency (One of the key commitments of India at the Paris Agreement is that it will improve the carbon emissions intensity by 45% by 2030).

In terms of finance, there has been a lot of commitment from the EU and particularly Germany in terms of infrastructure and green financing to India, but it is of great importance that the conditions attached to this financial support are being evaluated. India and Germany signed an additional 10 billion package for climate action which will increase R&D and Private sector investments. Currently, to a great extent support and focus have been derived from sectors such as renewable energy, energy efficiency and green mobility, with very little focus on adaptation and resilience sectors which is what a lot of developing countries, including India, desperately need. Both the EU and Germany in particular have expressed their intention to provide India with technical assistance particularly with respect to the implementation of the hydrogen initiative. The objective of these financial and technological arrangements should be to make India more self-sufficient, strengthen energy security and promote energy access.

On energy transition, the questions of energy access, energy distribution, and energy security in particular will be on top of the agenda when India takes over the G20 presidency. Against this background, there is an ideal task – if the G20 can lead the discussion around building consensus on a roadmap for phasing out fossil fuels. Last year we have seen that if there is an energy crisis, much of the developed world starts falling back on coal or other fossil fuels whereas, looking at COP27 last year, many Western countries were trying to push a deal on phasing out coal in India. One of the key demands of India at this year's COP is that phasing out fossil fuels must include all kinds of fossil fuels. Can the G20 push the needle in this discussion? Can the G20 define the role of oil and natural gas going forward? These would be some of the key issues the G20 could focus on building a consensus around. The second aspect which will be part of India's G20 agenda is accelerating renewable technologies and, in case there are some obvious areas of collaboration such as green hydrogen, battery storage and second generation bio-fuels, India has a lot of opportunities to collaborate with countries in the EU.

## Challenges

- Within the ministries and agencies in Germany that are involved in building cooperation with India, there is a certain amount of skepticism about the targets that are sometimes set during the discussions, meetings and agreements signed between the two countries. It remains questionable as to whether these are just to garner political attention and votes or are they actually achievable and can be translated into proper implementable projects.
- Currently also German debates are centred on as to what is India's position in the ongoing Russia-Ukraine War and a lot of attention is being taken away by the ongoing war and how it is impacting the energy market, food security among other concerns.
- The problem lies in a bigger overall narrative and overall partnership picture, that is, the lack of awareness as to who are the addresses in the ministries and bodies in both the countries to contact with regard to these issues. If one talks to the German Federal Ministry of Economic Cooperation (BMZ) the view might be different from the Foreign Ministry. Therefore, how have the dynamics in Berlin changed with the new coalition government? Which role is the Ministry for Economics and Climate Change playing? What can be the relationship with the foreign office? These are the questions that need to be addressed. So, a better understanding of the key actors in Berlin and how India may work with them is needed.
- As for the use of natural gas, the current geopolitical crisis has put Germany and India on opposite sides. India wants Liquefied Natural Gas (LNG) at affordable prices. Therefore, natural gas is an issue, where both the countries have not been on the same page.
- When we start developing partnerships, we also have to think about the difference in per capita income. The solutions that work for Germany in terms of energy transition may not work for India and this difference needs to be kept in mind.



## Policy Recommendations

- The inter-governmental consultation is a unique mechanism and India has this with few countries including Germany. This brings together all the key actors on the table. The IGC is an important instrument and can be utilised in a better manner in the future.
- Another partnership which has been very successful is the partnership of Germany and China with regards to solar energy. With India too, there is the Indo-German Partnership in the framework of the Indo-German Solar Energy Partnership (IGSP) 2017-202. It is time now, to make a similar agreement with India in the field of hydrogen. There are a lot of possibilities of not only G2G collaboration but also B2B collaboration. While on India's part these existing opportunities need to be amplified, on the German side, it much more focused depth is required in the partnership.
- Another arena where Germany and EU could assist India is in clarifying what exactly green finance is. At the COP27 one of the issues that India highlighted is the issue of finance. The EU could also play a role in this.
- The success of India's partnership with Germany and later with the European Union have depended on how they enrich India's growth story without comprising its domestic values, which are: (a) self-reliance or strategic autonomy, (b) economic wealth maximization from material power projection, and (c) social justice for the provision of affordable energy.
- There are three reflections on enhancing green energy partnerships, namely a) to institutionalize partnerships (from early on, any partnership needs to build on and further develop a solid institutional arrangement to become resilient to social, economic and political disruptions),

b) decentralize partnerships (subnational entities are critical when it comes to policy implementation and innovation. Particularly, federal states should be embraced for any cross – national partnerships. They play a crucial role in federalist countries like Germany and India),

c) politicize partnerships (Green energy technologies should not be separated from socio-political contexts in which they are embedded. Political questions should therefore be raised when fostering green energy partnerships. Decentralization of partnerships is very crucial for both Germany and India as they can be a catalyst when it comes to the implementation of national programs but they can also delay the process. What we need to understand is in how far can we mobilize sub-state actors through these national and cross-national partnerships).

- The EU has a growing sustainable financial ecosystem and it can expand its efforts in providing capacity building support to India. We need to ensure that the language of policy, of technology, of green definitions are more uniform across regions in order to catalyse the flow of financial capital between borders.
- Creating and helping India build its capacity in fields like carbon markets and creating a green ecosystem. Thus, sharing best practices and learnings to help India design its own policies will be very useful. While the green transition is important and imperative, it is also important that we expand the green transition to also include other aspects such as biodiversity and conservation, among others.

- In terms of finance and investments, India is looking at three major pillars in the context of Indo- German cooperation. It is looking at dedicated climate funds. It is looking at harnessing and perpetually unlocking an international investment base (which resides primarily in the EU and other developed economies) and it is looking increasingly at the role the private sector plays.
- 72% of climate financing globally is in the form of loans but there is a need to unleash all sources of finance. This would include grants, debts, equity and multi-lateral concessional financing. The German KfW Development Bank is one of the largest capitalised banks and it is giving a concessional credit line of around 200 million USD in loans on low interest rate for 200 MW of new energy capacity.
- The three technologies that we should focus on and have either a forum or a specific kind of hub for these discussions are green hydrogen, battery storage and second generation bio-fuels. There is a lot of excitement around green hydrogen, particularly in EU there are quite a few programs supporting green hydrogen. There is a lot of momentum particularly because it aids the industrial decarbonization. India is coming up with its own battery storage policy. However, there is a need for more conversation. There is need of consensus between like-minded countries like the G20-members to develop that consensus rather than get stuck in supply chain issues which may not be necessarily equitable. Another area of collaboration is nuclear energy. India's recent announcement of a long-term low emission plan included to triple their nuclear capacity by 2032. In this case multiple countries of the EU could help and the G20 itself can be of support to develop a consensus around what the role of nuclear is.
- Private sectors must be involved in these discussions and India is well placed to assist the private sector not just in India but also in EU and Indo-pacific in general. If we can have inclusive platform for these technologies, the G20 itself on India's side could be catalyst.

- On the issue of finance, from an Indian perspective there are a few issues such as – How do existing DFI or multilateral funding institutions focus more on crowding private capital and in particular what is the role of MDB's in doing this because that is where the G20 has been good in catalyzing change. One of the clear issue that will come up in the agenda is how do you separate sustainable finance (financing for the SDG's) from financing for climate? So, these are the clear goals if we outline the taxonomy or a definition of these two kinds of areas of finance, what kind of instruments are required for both of these and where the synergies exist and that would be another big achievement for the Indian G20 presidency.
- Supply chains are another new topic where India can show leadership. India is setting the stage for creating new opportunities not only on industrial decarbonization but also manufacturing opportunities. These are very important discussion points in the context of the global supply chain disruptions, especially in the context of the evolving dynamics of the Indo-Pacific.

# Participant Profiles



**Mihir Sharma**, Director, Centre for Economy and Growth Programme, Observer Research Foundation

Mihir Swarup Sharma was trained as an economist and political scientist in Delhi and Boston. His book “Restart: The Last Chance for the Indian Economy” was published in 2015; it won the Tata LitLive Best Business Book of the Year and was longlisted for the Financial Times–McKinsey Business Book of the Year. In 2019, Mr. Sharma co-edited “What the Economy Needs Now” with Abhijit Banerjee, Gita Gopinath and Raghuram Rajan. He is also the India columnist for Bloomberg Opinion, on the Editorial Board of the Business Standard newspaper in New Delhi, and an Aspen Fellow.



## **Pankaj Madan**

As the Team Leader of Programme Coordination, Pankaj Madan has been active with the Konrad-Adenauer-Stiftung, India since February 1991. During his long experience with KAS he has been responsible for building, maintaining and enhancing old partnerships while forming new ones with political parties, think tanks, institutions and personages of repute.



**Dr. Garima Mohan**

Dr. Garima Mohan is a senior fellow in the Indo-Pacific program, where she leads the work on India and heads the India Trilateral Forum. Based in German Marshall Fund's (GMF) office in Berlin, her research focuses on Europe-India ties, the EU's foreign policy in Asia, and security in the Indo-Pacific. Prior to joining GMF, she was the acting team leader and coordinator for the EU's Asia-Pacific Research and Advice Network (APRAN), which supports EU policymakers on issues concerning the Asia-Pacific. She also led the Global Orders program at the Global Public Policy Institute in Berlin.



**Lydia Powell**

Ms. Powell has been with the ORF Centre for Resources Management for over eight years working on policy issues in the fields of energy and climate change. She edits the ORF Energy News Monitor which is in its seventh year of publication and routinely contributes articles on energy policy, energy pricing and regulation, climate and equity. She has represented the ORF at a number of conferences on India's Energy Policy and Climate Change and also authored a number of reports on the same topics. Her current interests include energy poverty, energy security, the energy security index for India, resource based conflict with particular reference to energy and water, commercially viable renewable energy pricing policies and pricing & regulatory issues in nuclear energy.





### **Mannat Jaspal**

Mannat Jaspal is an Associate Fellow with the Geoeconomics Studies Programme at ORF. Ms. Jaspal is deeply interested in exploring matters on sustainability and development – particularly around green innovation & technology, global climate change policies, energy transition and sustainable finance. Ms. Jaspal was previously associated with a private multinational consulting firm, responsible for building a “Social Impact Measurement and Management” vertical. Prior to that, Ms. Jaspal worked with the UNDP on a project titled, “Disha: Creating employment and entrepreneurship opportunities for women in India”. Her expertise lies in the fields of education, health & well-being, livelihood generation and gender.

Ms. Jaspal is an India-Warwick scholar and was awarded a full scholarship for her Masters in Economics and International Finance at the University of Warwick.



### **Jens Marquardt**

Jens Marquardt is a political scientist who works on environmental governance, climate politics and development. He is particularly interested in the political dimension of sustainable energy transitions and investigates the role of power in multi-level governance systems. Having investigated how power shapes energy transitions in Southeast Asia, Jens received his PhD in Political Science at the Environmental Policy Research Centre at the Free University Berlin in 2015. Mr. Marquardt teaches about sustainability transitions around the world at the Freie Universität Berlin and the University of Halle Wittenberg. He was previously employed at the Centre for Sustainability Management in Lüneburg.. His dissertation was funded by the German Federal Environmental Foundation (DBU).



### **Neha Kumar**

Neha Kumar has joined Climate Bonds as the Programme Manager for India and is based in Delhi. Ms. Kumar will drive policy and partner programmes in the country to scale up the green bonds market and take on active advocacy with the media, issuers and investors and the government. She will also contribute to business development for Climate Bonds.

Ms. Kumar has over fourteen years of experience working on public policy and industry action in India on sustainability and responsible financing. In her stint at GIZ India (German Development Agency) she steered projects that led to a regulation on ESG disclosures by the Indian market regulator, Securities and Exchange Board of India; and the development of financial sector-led Responsible Financing Guidelines. She was also responsible for conceptualising and over-seeing successful Indo-German public-private alliances, EU co-financing grants and building multi-stakeholder alliances on mainstreaming sustainability practices in large and small businesses. Prior to that, she consulted national and international businesses on environmental and political risks in extractive and infrastructure sectors with operations and investments spread across India. She has served in national and international standard setting bodies like the Bureau of Indian Standards and the Global Reporting

Initiative where she vice-chaired its Stakeholder Council. She speaks frequently on sustainability, responsible financing, reporting and disclosures, and has edited and published journals and articles on these topics. Currently, she is part of a core group of policy advisors and practitioners on the future of jobs and green economy hosted by Friedrich-Ebert-Stiftung, India and an active alumna of Young Global Leaders chosen by the Zeit Foundation of Germany.

She holds Masters and M.Phil in International Politics and Diplomacy from Jawaharlal Nehru University, New Delhi.



**Sylvia Elisabeth Beyer**

Sylvia Elisabeth Beyer, a German national, is a senior energy policy analyst in the Energy Policy and Security Division, International Energy Agency (IEA) Energy Policy and Security Division. Since June 2012, she has been managing the country reviews and bilateral collaboration with IEA member, partner and accession countries, including Lithuania. She is also the coordinator of the IEA multilateral collaboration with the G20 and G7.

Prior to the IEA, she has served as a policy officer at the European Commission DG Energy with a focus on gas security, energy infrastructure, EU budget and the Connecting Europe Facility. She was strongly involved in the development of a genuine EU energy policy.

From 2006 to 2009, Ms. Beyer worked as consultant, advising telecom and energy network operators at APCO Worldwide and as a project assistant at the Union of Electricity Industry (Eurelectric) in Brussels in the project 'Role of Electricity'.

Ms. Beyer holds a diploma in economics, a diploma in culture and business administration (Diplom-Kulturwirtin, Diplom-Volkswirtin) from the University of Passau in Germany and a postgraduate master in European Studies from the College of Europe, Belgium.



**Promit Mukherjee**

Promit Mookherjee is an Associate Fellow at the Centre for Economy and Growth in Delhi. His primary research interests include sustainable mobility, techno-economics of low carbon energy transitions and climate finance. He has worked extensively on technical and policy issues related to low carbon mobility, including electric mobility, public transport, and railways.

Mr. Mukherjee holds a Master's degree in Environmental and Resource Economics and has prior experience in modeling energy systems and non-market valuation of environmental goods. He has also written regularly for various news media on issues related to sustainable mobility.

# The Way Forward

**T**his section draws up some key afterthoughts gathered from the discussions in the two webinars. This concluding segment helps lay out the pertinent or the most desirable areas of collaboration to further strengthen the India-Germany, India-EU and the India-Germany-EU cooperation in the Indo-Pacific. These like-minded partners coming together will also contribute to creating a cooperative environment in the Indo-Pacific and to achieve the targets/implementing the policies set out in the Indo-Pacific strategies of both Germany and the EU and also India fulfilling its aims set out in its Indo-Pacific vision.

Germany's 2020 Indo-Pacific guidelines identified India as one of its most important partners in the region. India's Prime Minister Narendra Modi was the second head of government from Asia with whom German Chancellor Olaf Scholz met at the International Growth Centre (IGC) in May 2022. Germany also invited India to the G7 summit in June 2022, underscoring its appreciation of India's role in global governance institutions. But still, it is often lamented in policy circles that India-Germany relations have yet to achieve their full potential. One of the reasons for this, possibly, is the mutual lack of understanding of one another's strategic cultures and Germany's strong past focus on China. But this is changing, Germany aims to diversify its relations with other Asian powers away from China, as illustrated in Chancellor Scholz's decision to visit Japan – not China – as his first official visit to Asia in April 2022. In February 2023, Chancellor Scholz had embarked on a two-day visit to India. Mr. Scholz's visit has built on German Foreign Minister Annalena Baerbock's visit to India in December 2022 and on the 6<sup>th</sup> India-Germany Inter-governmental Consultations to expand cooperation in defence, trade, clean energy, migration, digital transformation, and the Indo-Pacific. The 2020 Indo-Pacific guidelines offer a good starting point from which to upgrade Germany's strategic partnership

with India. India and Germany share a common interest with regard to maintaining a free and open Indo-Pacific and multilateral order.

The EU's Indo-Pacific Strategy too emphasizes that the EU will reinforce its strategic focus, presence, and actions in that region. It stresses the need for a long-term perspective while retaining adequate flexibility, and highlights seven priority areas: sustainable and inclusive prosperity; green transitions; ocean governance; digital governance and partnerships; connectivity; security and defence; and human security. The strategy identifies Japan, India, and the ASEAN as "core Indo-Pacific partners".

Noting that the Indo-Pacific has become an important actor in the foreign policies of Germany, the EU and India, what are the areas where the three can work together to strengthen the India-Germany-EU cooperation in the Indo-Pacific? What are the potential areas that India and Germany alongside the EU can work together in to ensure a stable and rules-based order in the Indo-Pacific? How would they gain from this cooperative arrangement?

We identify two areas, where a lot of commonalities exist, but still there is room and scope to extend engagements, these are: 1) maritime security and 2) green energy.

### **1. Maritime Security Cooperation in the Indo-Pacific**

Maritime cooperation is gradually emerging as an important aspect of the India-Germany strategic partnership. An increasing convergence of interests in the Indian Ocean Region (IOR) and keenness on both sides offers scope for deepening bilateral maritime cooperation to secure the global commons, maintain stability and support economic prosperity in a cooperative manner. India and Germany share a close multifaceted relationship across diverse areas as important strategic partners. Both countries are now eager to expand their long standing strategic partnership to the maritime realm. India with its growing economic, maritime military capabilities and strategic ambitions in the wider Indo-Pacific region is keen to strengthen partnerships with countries across the region. Germany on the other hand, recognising ongoing geopolitical shifts has highlighted the IOR as a key strategic area at recent high level interactions between the two countries. Against this background, the first webinar on "**Potential and Opportunities for Maritime Cooperation in the Indo-Pacific between India, Germany and the EU**" addressed the following research questions: Although India and Germany possess the same political



mindset, there needs to be discussion if the two countries can come together for an operational collaboration and if both countries can come up with a sustainability agenda in the maritime domain especially in the Indian Ocean. What would be the potential areas in which India and Germany alongside the EU can work together to ensure a stable and rules-based order in the Indo-Pacific? How would they gain from this cooperative arrangement?

The two areas which presented the most potential were: a) Safeguarding the Marine Environment in the Indo-Pacific Region; b) Maritime Domain Awareness and Capacity Building in the Indo-Pacific.

**a) Safeguarding the Marine Environment in the Indo-Pacific Region**

Marine governance and safeguarding of marine resources have garnered a lot of attention in the recent past. When one discusses about maritime matters, the focus is not just on the navy and the military threats one faces at sea, but ocean governance, blue economy now has been accorded equal priority. Be it in the maritime strategies released by countries or even now in the Indo-Pacific policies, the maritime domain does find a mention, and under this category, the need to design efforts to enhance cooperation on ocean governance, including marine conservation and sustainable fishery partnerships, is underlined. For India, Germany and the EU too, this holds true. Despite a great share of talks are being held on the blue economy and preserving of marine resources, there is still a lack of resources, and investments as well as capacity constraints.

There needs to be a policy focused discussion and capacity building in marine governance, working together in the EEZs. We need to look at the transfer of technology in blue economy. India and Germany need to work together in combatting the climate induced challenges in the maritime domain. A comprehensive management framework for marine conservation is needed. Mechanisms are already in place like the Indo-Pacific Ministerial Meeting, the Maritime Security Dialogue, so platforms already exist, there is a need to use these channels optimally to address joint concerns and for coming up with plans as well as actions for implementation. There is a greater need to coordinate and enhance the information sharing. There is a need to bring in donors and private investors. The message that needs to go out is that blue economy can be made profitable for the industry. Another requirement is a funding commitment from India, the EU and Germany. Additionally, the need for accountability and law enforcement is very important as well. Even in the recent visit by German Chancellor

Scholz in February 2023, the need for Germany's cooperation in the Indo-Pacific Oceans Initiative (IPOI) as a key area of engagement was stressed upon. India and Germany can cooperate in areas of maritime security, maritime infrastructure financing and logistics.

**b) Maritime Domain Awareness and Capacity building in the Indo-Pacific**

India has been very active in capacity building and capability development, both in the Eastern and the Western Indian Ocean, and the EU has been active in this sphere too, although particularly in the Western Indian Ocean. In all the Indo-Pacific strategy documents that have been released by Germany, the EU has listed India as a priority partner and looks at the Indian Ocean as a gateway to the Indo-Pacific. As an export dependent economy, it is critical for Germany that sea-lanes across the IOR remain free and secure to maintain the supply chains. A large amount of Europe-Asia trade passes through the Ocean.

Given the limited capacity of all EU countries' naval forces (barring France), enhancing and sustaining a naval presence and deployments beyond the western Indian Ocean will be difficult. While France can be supported in increasing its basing and deployments in the region, visibility under the EU flag and command—much like the European Union Naval Operation Atlanta (EU-NAVFOR)—will be an uphill task. The EU's Indo-Pacific strategy is mostly dependent on the presence and resources deployed by France.

The Indian Navy has significantly contributed in anti-piracy activities especially in the Gulf of Aden, also provided EEZ surveillance in Seychelles, Mauritius and Maldives and in the Strait of Malacca. The German Navy has also, in the past, participated in the EU-NAVFOR 'Operation Atlanta' to combat piracy and protect merchant vessels transiting through the Gulf of Aden. The two countries therefore can collaborate to initiate joint efforts in capacity building against challenges like piracy; illegal fishing and other maritime crimes in the region.

As infrastructure and connectivity becomes the buzzword in the wider Indo-Pacific region, it opens opportunities for Germany and EU to invest in the region. India is constructing new ports and upgrading old ones under the 'Sagarmala' initiative (launched in 2016), focused on port-led development, creating demand for economic and technical cooperation. Siemens, a German multinational technological conglomerate has contributed in Centers of Excellence in Maritime and Ship Building (CEMS) set up in 2017 by the Indian Ministry of Shipping, under the flagship 'Sagarmala'. Germany can also assist India in the development of smart ports, like the one operating in Hamburg.

## **2) Green Energy Partnership in the Indo-Pacific**

Ensuring a rapid global transition to clean energy systems is the overriding priority of international climate action. Cross-border cooperation in this space is critical, yet it has proved exceedingly difficult at the all-inclusive UN-led level. The potential game-changer for Indo-Pacific clean energy cooperation is undoubtedly India. No other regional economy has the potential to play anywhere near the role that China has in areas such as large-scale technology manufacturing and provision of cross-border energy supplies. National officials are cognizant of this potential, as revealed by India's National Hydrogen Mission launched in 2021, which aims to transform the country into a global hub for fuel production and export. India has also taken tentative steps toward embracing the type of economic openness that will be necessary to fulfill its potential in the clean energy space. Additionally, India's G20 presidency in 2023 provides an ideal platform to mainstream the green transition in India's policy priorities, and to ensure that the climate-related needs of the developing world shape the agenda at the leading forum for global governance.

In the EU's Indo-Pacific Strategy, sustainable and inclusive prosperity and green transitions have been accorded a high priority. Partnerships with countries in the Indo-Pacific to combat climate change and environmental and biodiversity degradation have been highlighted as key objectives. This is likely to significantly enhance interactions at the levels of governments, the private sector, technology, and financial institutions. Against this backdrop, the second webinar, **“Enhancing the India-Germany and EU Green Energy Partnership in the Indo-Pacific”**, looks into the following issues: What are the potential areas of cooperation between India, Germany and the EU in the domain of green energy? How can Germany and the EU help India meeting its energy efficiency targets?

### **Scope of Partnership**

Currently, a lot of support and focus has been on sectors such as renewable energy, energy efficiency and green mobility for example with very little focus being extended to adaptation and resilience sectors which is what a lot of developing countries including India would need. Both the EU and India have embarked on a pathway to decarbonize and expand their electricity system to allow transport, building and light industry electrification. India has announced an ambitious target of setting up 450 GW of renewable energy by 2030 and is working on a roadmap to achieve this target. The EU led many of the early efforts to build

demand for wind and solar PV and experience from these can be instrumental for catering to India's needs for clean energy generation. The EU's experience from its Hydrogen Alliance will be instrumental for India. The two regions could collaborate on these and also work together on building open-source utility and system knowledge for how to build and operate highly variable renewables power systems, e.g., how to ensure firm clean power economically - through more transmission, demand management, batteries, hydrogen, etc. In addition, collaboration on energy-efficient appliances and in particular low-carbon cooling could contribute to reducing India's peak electricity demand.

In the context of India's ambition to set up 450 GW of renewable energy by 2030, both the EU and India have an opportunity to scale up the required investments through innovative measures. Instruments, policies and frameworks must be explored to identify means of reducing the cost for developing countries. Further, the need for an agreed definition of sustainable finance could be vital in encouraging the private sector to make more investments in sustainable finance.

The three technologies that we should focus on and have either a forum or a specific kind of hub for these discussions are green hydrogen, battery storage and second generation bio-fuels. Private sectors must be involved in these discussions and India is well placed to bring the private sector not just in India but also in EU and Indo-Pacific in general.