

Germany pushes for investment protection pact under India-EU free trade agreement

Calls for resuming talks that have been stalled since 2012

OUR BUREAU

New Delhi, September 20

Germany on Tuesday strongly batted for an investment protection agreement between India and European Union (EU) under the framework of the Bilateral Trade and Investment Agreement (BTIA) even as it urged "immediate" resumption of the negotiations.

"We want an investment protection agreement between the European Union (EU) and India... It is sensible to have an up-to-date agreement on investment protection. And this is supposed to be done within the FTA framework," said German Ambassador to India Martin Ney here at an event on Germany's contribution to "Make in India" and Indo-German economic relations.

Negotiations for the India-EU BTIA, also known as the



Martin Ney, German Ambassador

FTA, have been in stalemate since 2012 when the last round of talks took place.

The German Ambassador called for "immediate resumption" of the talks even as he highlighted that the FTA will be of strategic importance for both sides. He said the FTA is crucial from the aspect of protection of German investors investing in India.

Ney also referred to "protectionist reflex from the Indians" when it comes to resuming the stalled negotiations, which commenced in

2007. He said the world trade is integrated at the moment by way of regional and bilateral trade pacts.

"We should be able to set high standards and rules within these FTAs, otherwise someone else will write the rules for us," Ney said.

Challenges faced

On the issue of challenges being faced by the German investors in India, Reinhold Festge, President, German Engineering Federation (VDMA), said land reforms and high tariffs continue to act as stumbling blocks while doing business in India.

"India is the most important market for Germany after China and Korea. But volume is very important. We are hopeful that deliveries of machineries from Germany to India will increase once again and reach new highs with more demand from the Indian industry," Festge added.

He also said that the FTA will open the German markets further for India.