



# A drive for ambitious cooperation spanning sixty years

Source: ToutedEurope.eu



 **Elysée Treaty**  
22<sup>nd</sup> January 1963

-  Provides for enhanced cooperation for defence, foreign affairs, assistance to developing countries.
-  Strengthens the teaching of French and German in schools.
-  Develops scientific cooperation.

 **Aachen Treaty**  
22<sup>nd</sup> January 2019

-  **Diplomacy:** priority given to Germany's integration within the UN Security Council.
-  **Economy:** creation of a Franco-German Council of economic experts and related projects. A common space strategy.
-  **Culture:** creation of four Franco-German cultural institutes worldwide.

  **22<sup>nd</sup> January 2023**

-  Franco-German relations were disrupted by Russia's attack on Ukraine.
-  Political crisis receiving considerable media coverage in October 2022 following disagreements on energy and security issues and relations with China.
-  There is, however, a drive to work together. As early as November, Olaf Scholz visited Paris and Elisabeth Borne visited Berlin to sign a "mutual cooperation" energy agreement.

# Structural differences

1



Political model

FRANCE

GERMANY



A **centralised** semi-presidential regime.

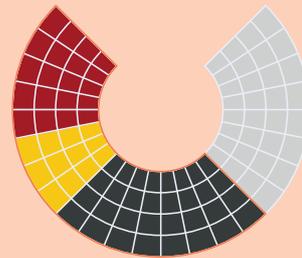


A **majority system:** relative majority at the National Assembly, minority at the Senate.



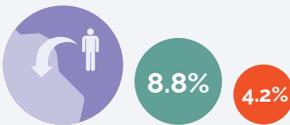
Population in 2022  
**67,842,582** inhabitants

A **federal** coalition parliamentary system.



Population in 2022  
**83,203,320** inhabitants

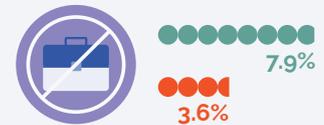
● France ● Germany



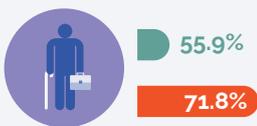
Immigrant population in 2020



Birth rate in 2021



Unemployment rate in 2021



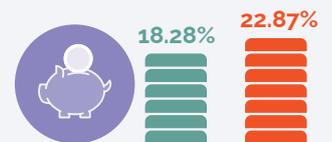
Employment rate for older workers (55-64 years) in 2021



Statutory retirement age



Average monthly salary in 2018



Savings rate in 2021

Source: Eurostat, 2023



GDP in 2021  
**2,500,870 EUR Million**

Debt in 2021  
**2,821,899 EUR Million**  
**112.8% of GDP**



2



**Economic situation**

Source: Eurostat, 2023



GDP in 2021  
**3,601,750 EUR Million**

Debt in 2021  
**2,471,628.2 EUR Million**  
**68.6% of GDP**



— Germany — France  
\* Forecasts

Source: Eurostat

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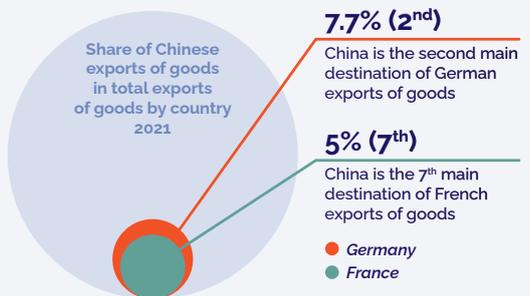
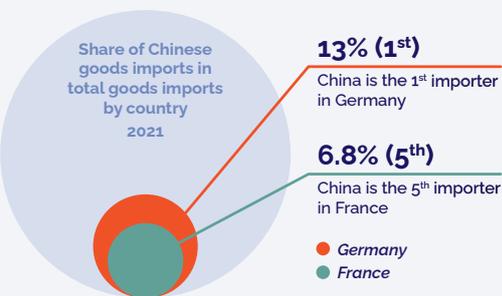


**Trade with China**

**Imports from China**

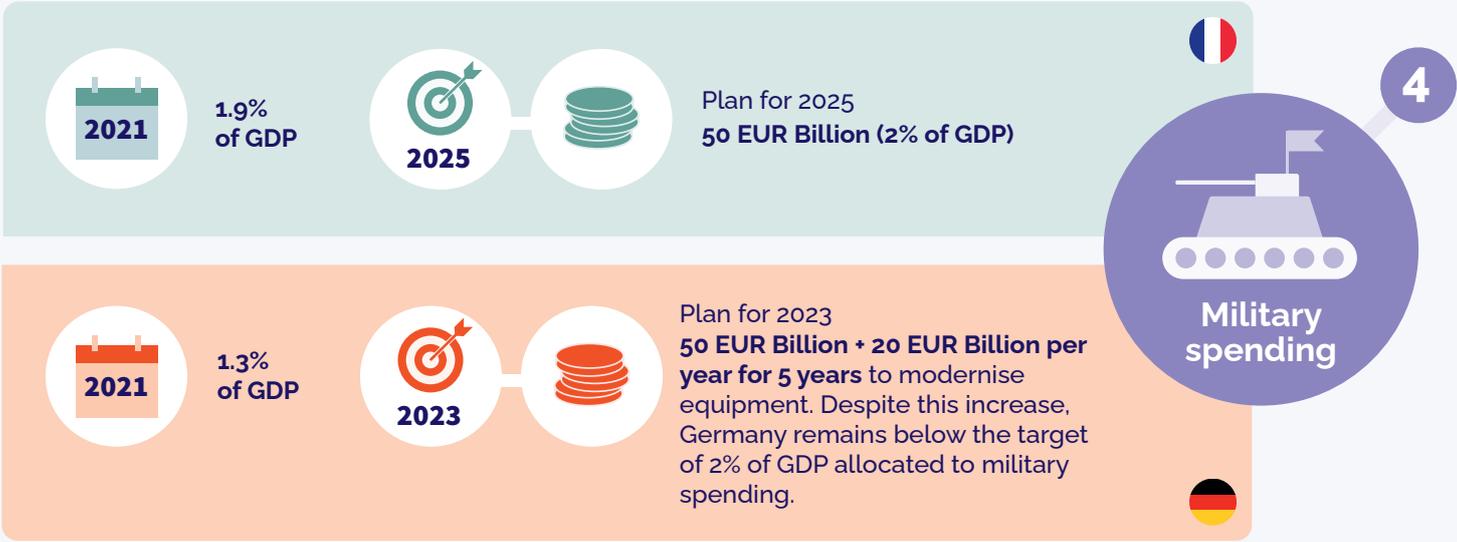


**Exports to China**

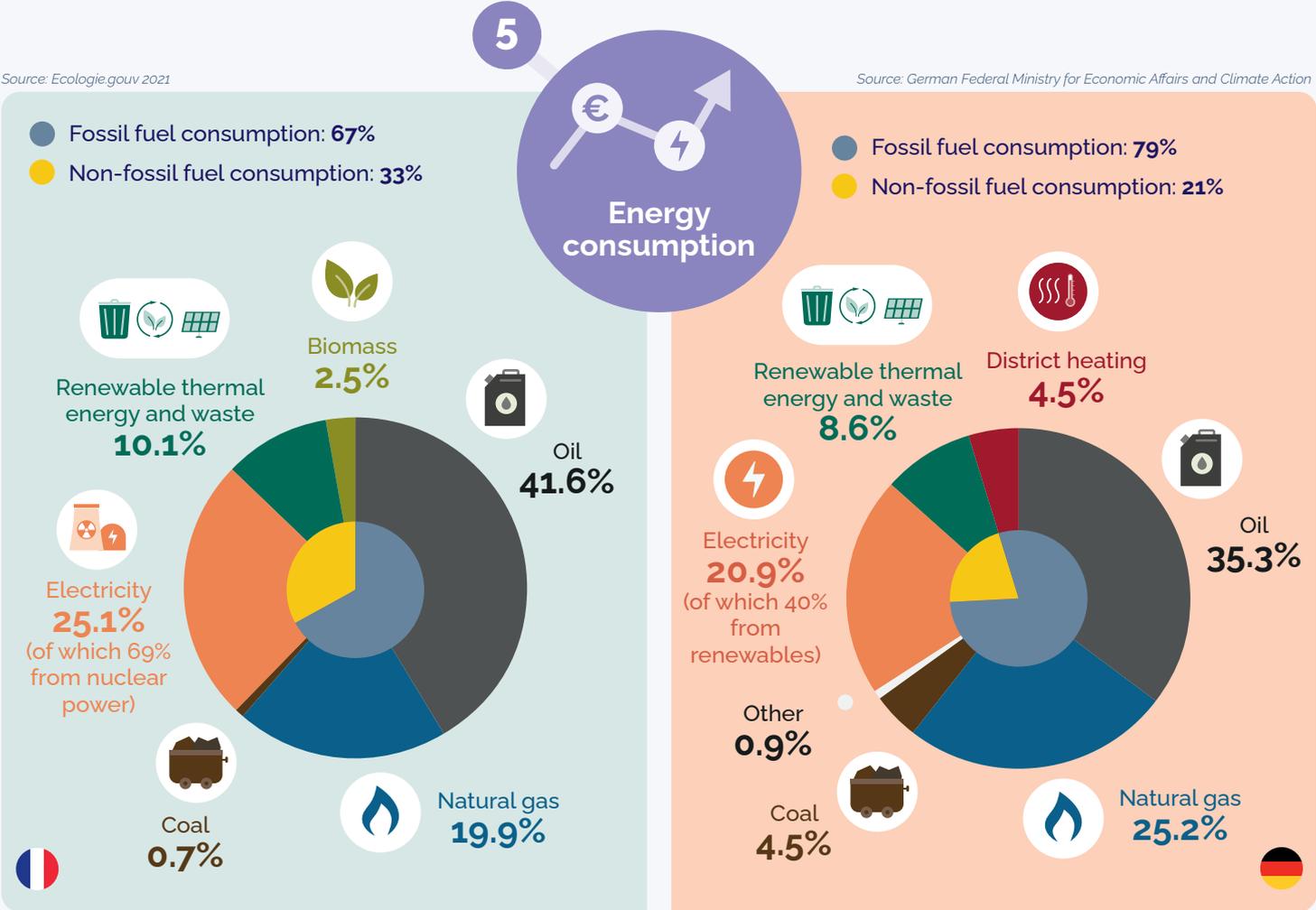


Source: Trading Economics

While important for France, trade with China is vital for Germany's economy. When the 2008 financial crisis hit European economies, China significantly increased its imports, which supported the German economy. In 2021, Germany increased its imports of Chinese goods to in turn support Chinese growth at a time when global demand was falling. This advanced economic integration between China and Germany explains Berlin's strong support for the CAI (Comprehensive Agreement on Investment) signed during the German presidency of the Council of the EU, and Olaf Scholz's visit to China in the autumn of 2022 to secure German investments.



In 2022, tensions between France and Germany focused specifically on the defence industry. The German "European Skyshield" initiative provides in particular for a European air and missile defence system that does not include Franco-Italian technologies. In addition, regarding two common defence projects underway: the "FCAS" future air combat system has been retained but the "MGCS" for ground combat is at a standstill. The two military budgets, which have been steadily increasing since 2017, are set to rise further following Russia's invasion of Ukraine.





Public debate, which is predominantly focused on nuclear power and natural gas, led to difficult negotiations between the two countries regarding the taxonomy or the "European green label", which ultimately recognised nuclear power and natural gas as "transitional energy sources".

However, contrary to popular thinking, fossil fuels are the majority energy source in both the French and German energy mixes. It is therefore in the interest of the two countries, as a priority, to reduce the share of fossil fuels in their energy mixes. Furthermore, there is a very high level of collaboration between the countries. They export electricity and natural gas to each other to guarantee their energy supply.

## Common objectives for Europe and the climate issue

### The fight against climate change

- Joint commitment via the creation of the **Franco-German Office for the Energy Transition**.

- Significant public climate investment.



**Germany : 50 EUR Billion per year**

**France : approx. 45 EUR Billion per year.** The French "National Low Carbon Strategy" (SNBC) plans to increase these investments by 15 to 18 EUR Billion per year.

- Joint support for the European Green Deal policy.
- Both countries driving forces in the COP27 negotiations.



### Reconstruction of Ukraine

- Joint statement from Emmanuel Macron and Olaf Scholz on 16<sup>th</sup> June 2022.
  - Acknowledgement of Ukraine's status as an EU candidate country.
  - Support for the nine sanctions packages against Russia voted by the Council of the European Union.
- Sending of weapons to Ukraine.
- Common position on European assistance for the reconstruction of Ukraine.
  - France-Ukraine conference on 13<sup>th</sup> December 2022 between ministries and private companies to finance the real economy and post-war economic modernisation.
  - Announcements by Olaf Scholz on 3<sup>rd</sup> January 2023 to seize Russian assets and finance the reconstruction of Ukrainian infrastructure.



### European integration

- Founding States of European construction, pillars of the Euro area.
- In favour of a strategic sovereignty agenda.
- Defence of European values.
  - Support for European measures against violations of the rule of law in Poland and Hungary.

