

Germany — France Differences and similarities

A drive for ambitious cooperation spanning sixty years

Source: Touteleurope.eu



Elysée Treaty 22nd 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 22nd 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.



22nd January 2023



Franco-German relations were disrupted by Russia's attack on Ukraine.

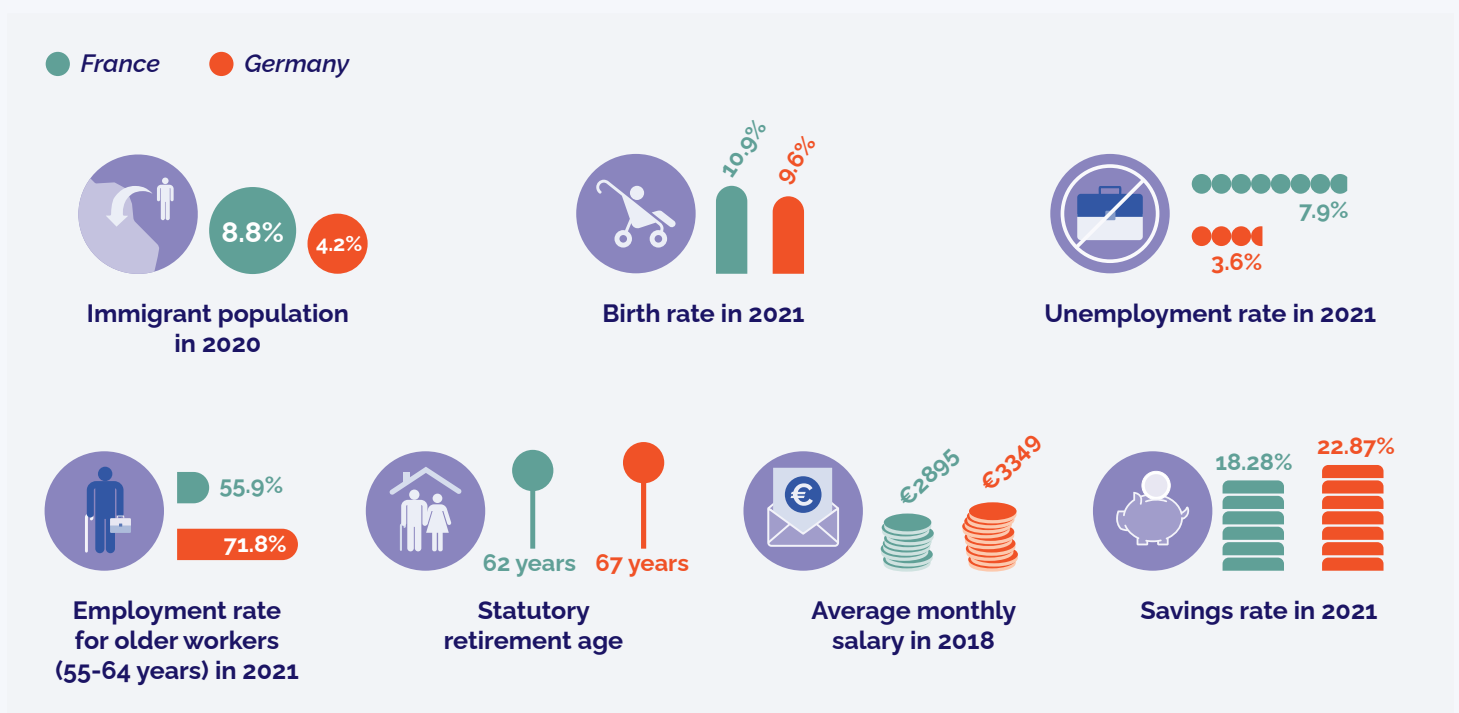
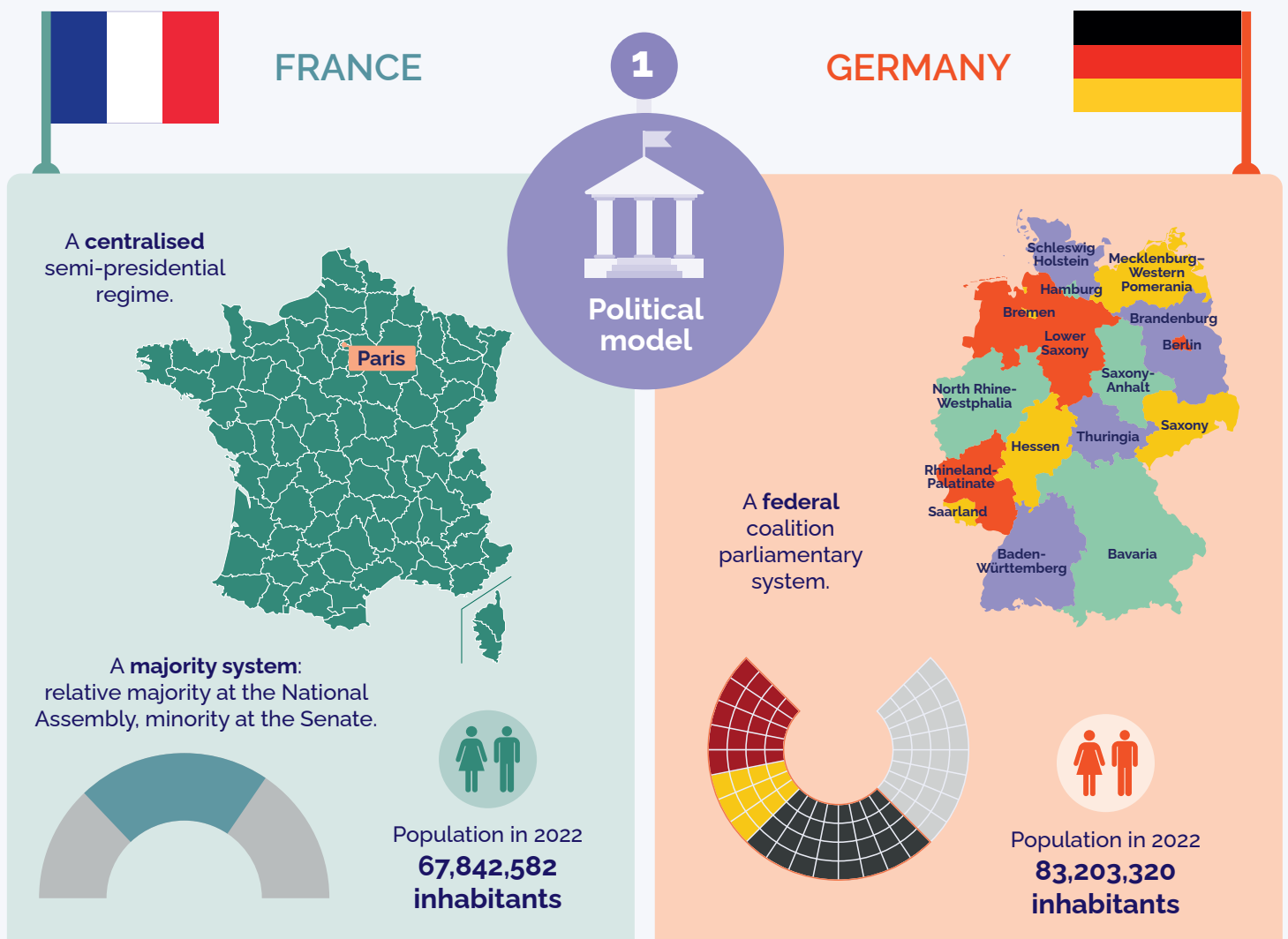


Political crisis receiving considerable media coverage in October 2022 following disagreements on energy and security issues and relations with China.



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



Source: Eurostat, 2023



GDP in 2021
2,500,870 EUR Million

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



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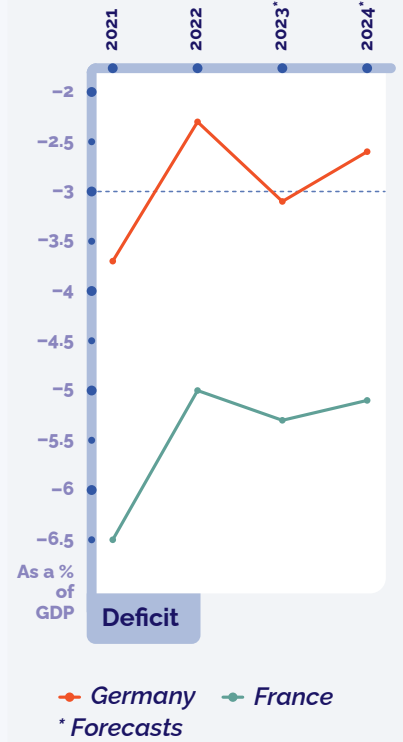
Economic situation

Source: Eurostat, 2023



GDP in 2021
3,601,750 EUR Million

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



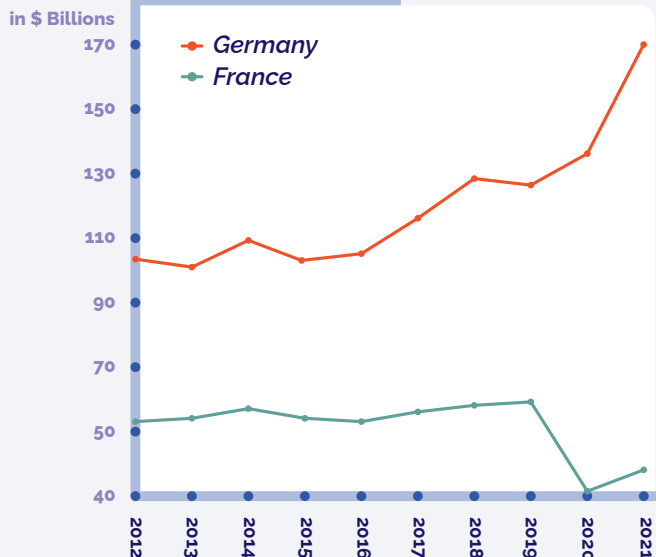
Source: Eurostat

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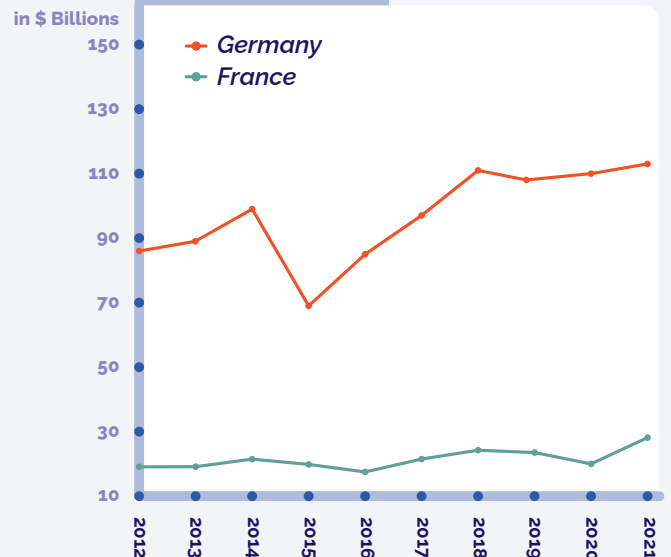


Trade with China

Imports from China



Exports to China



Source: Trading Economics

Share of Chinese goods imports in total goods imports by country 2021

13% (1st)

China is the 1st importer in Germany

6.8% (5th)

China is the 5th importer in France

— Germany — France

Share of Chinese exports of goods in total exports of goods by country 2021

7.7% (2nd)

China is the second main destination of German exports of goods

5% (7th)

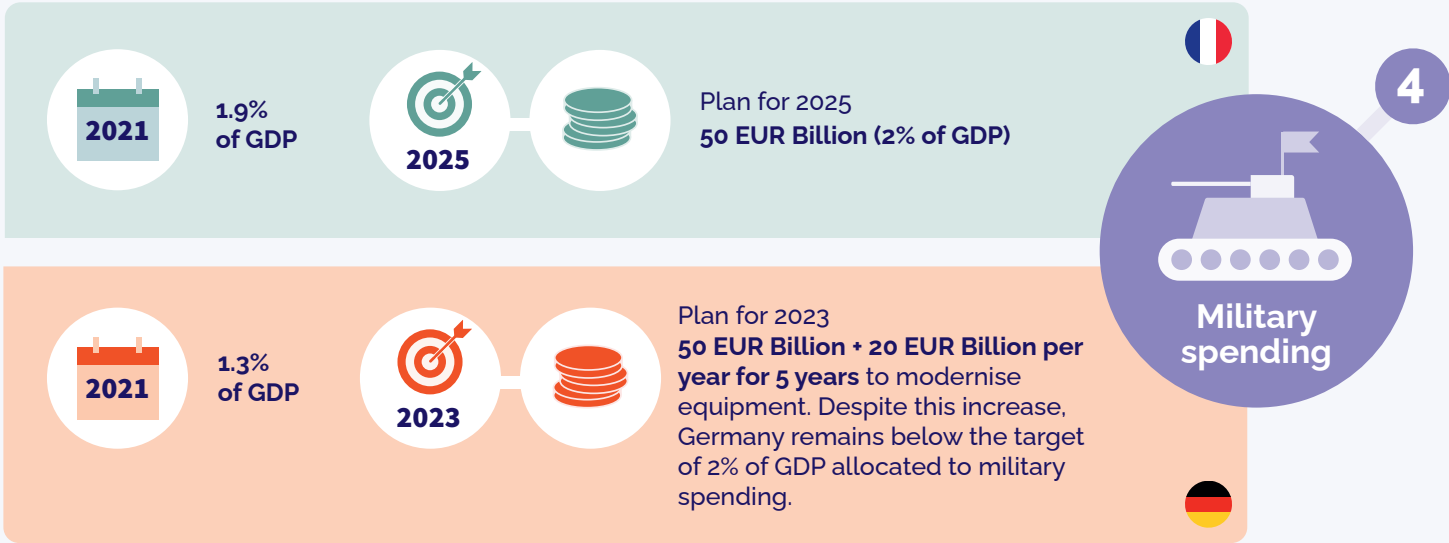
China is the 7th main destination of French exports of goods

— Germany — France



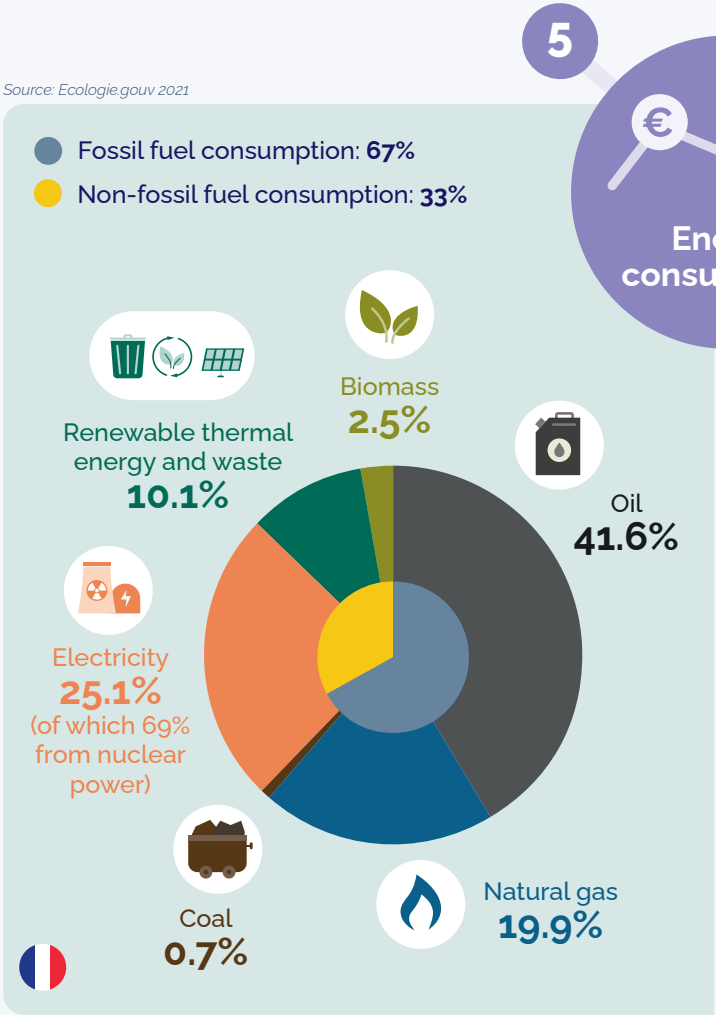
While important for France, trade with China is vital for Germany's economy. When the 2008 financial crisis hit European economies, China significantly increased its imports, which supported the German economy. In 2021, Germany increased its imports of Chinese goods to in turn support Chinese growth 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.

Source: Military Planning Law

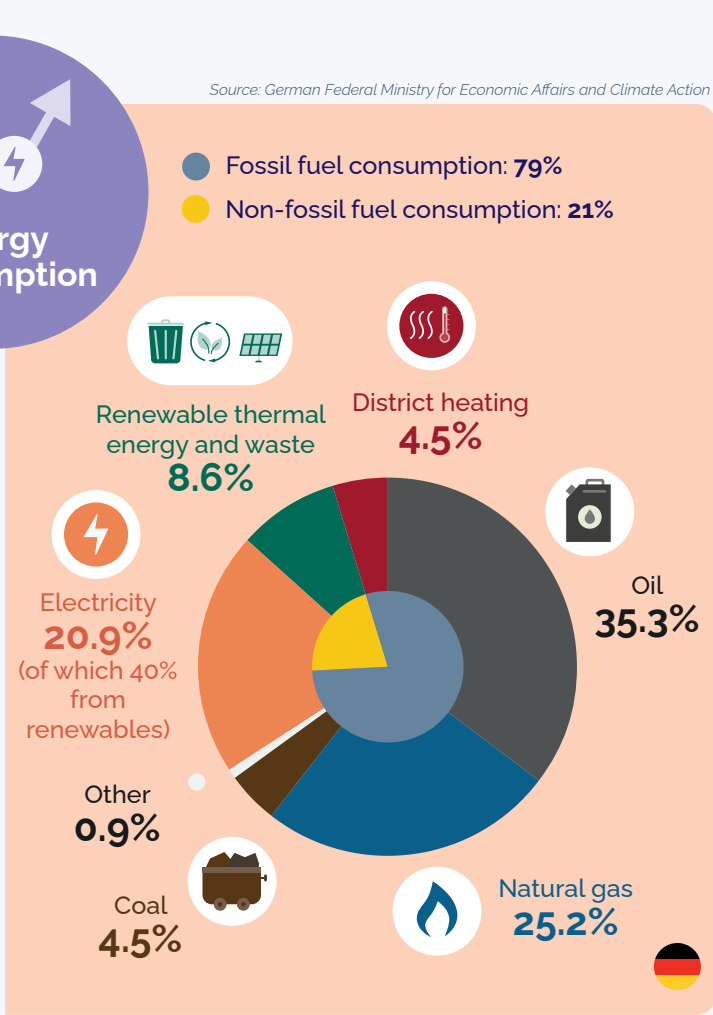


In 2022, tensions between France and Germany focused specifically on the defence industry. The German "European Skyshield" initiative provides in particular for a European air and missile defence system that does not include Franco-Italian technologies. In addition, regarding two common defence projects 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.

Source: Ecologie.gouv 2021



Source: German Federal Ministry for Economic Affairs and Climate Action





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 16th 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 13th December 2022 between ministries and private companies to finance the real economy and post-war economic modernisation.
 - Announcements by Olaf Scholz on 3rd 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.

