



Germany Increasing Engagement in Australia and Oceania

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Australia and the smaller South Pacific states are gaining increasing importance in German foreign policy. This development is largely due to Germany's desire to be involved in maintaining stability in this part of the world and to pursue common energy projects with Australia and New Zealand. German authorities are also counting on the political support of the island states of Oceania. Their votes in the UN General Assembly could help Germany in its future efforts to become a permanent member of the Security Council.

Germany's Engagement with Australia and Oceania.

Germany's relations with Australia and Oceania are playing an increasingly important role in the policies of Chancellor Olaf Scholz's government. German ambitions to play a major global role, both on its own and as part of the EU, are one of the reasons for its increased activity in the region. Increased political engagement in Australia and Oceania is an implementation of the [federal government's 2020 Indo-Pacific guidelines](#) and the [EU's 2021 strategy](#). These documents highlight the need to intensify contacts with Australia and smaller South Pacific states in order to strengthen their position vis-à-vis China and ensure stability in the region. Germany also recognises the security challenges in the region.

While Australia and Oceania in terms of its trade volume is of little importance for the German economy (according to the Federal Statistical Office, the region ranks last as a destination for German goods exports—only €14 billion in 2022), the region is important as a raw material base and a partner for energy projects. Australia and New Zealand in particular are important partners for Germany from this part in its plans to decarbonise the German economy.

The island states, on the other hand, are seen by Germany as potential allies in its efforts to gain non-permanent and, in the longer term, permanent membership of the UN Security Council. In order to gain these states' favour, Germany is offering them cooperation in combating the effects of climate change and is also trying to improve its image by symbolically settling accounts with its colonial past in this part of the world.

Cooperation with Australia and New Zealand. For Germany, the priority in cooperation with Australia and New Zealand is energy. The key is joint investment in research into technology for producing "green" hydrogen, specifically conducting hydrolysis using renewables. According to the plans, in 2030 this fuel produced in Germany will cover only 30% of demand, hence imports will be necessary. Australian hydrogen would be delivered to Germany by sea and become an important part of the energy mix. In January this year, the results of the joint German-Australian Hydrogen Innovation and Technology Incubator (HyGATE) research programme were announced, under which four projects related to the production and transportation of green hydrogen were selected. Germany's financial contribution to HyGATE will be more than €39 million and Australia's about €32 million. The largest German company involved in this work is Siemens.

Australia is also gaining importance for Germany because of its raw material resources—it is currently the world's largest exporter of lithium and one of the largest of nickel. These raw materials are used, among other things, in the production of batteries, which plays an important role from the point of view of the German automotive industry and plans for the development of electromobility.

Projects related to the production and storage of green hydrogen are also being carried out on a smaller scale in cooperation with New Zealand. As part of the €1.2 million Germany-New Zealand scientific projects, research is being conducted on the production of green hydrogen without the use of noble metals, as well as on the development of

a titanium-iron alloy that would enable easier storage of hydrogen. The projects involve the universities of Bayreuth and Auckland and Wellington, among others.

Apart from energy cooperation, Germany also aims to mark its military presence in Australia in a symbolic way. Last year, for the first time in history, Luftwaffe airplanes took part together in the *Pitch Black* and *Kakadu* exercises. In 2023, also for the first time, more than 200 land force troops took part in the Australian Talisman Sabre exercises. In addition to the Germans, soldiers from the U.S., Australia, New Zealand, the UK, France, and Japan, among others, took part in the aforementioned air and ground exercises.

Rapprochement with Island States. Last year, Foreign Minister Annalena Baerbock appointed Canberra-based Special Plenipotentiary for Relations with Pacific Island States, Beate Grzeski, to coordinate and develop Germany's relations with the 14 smaller countries of Oceania. In August this year, a German embassy was opened in the Fijian capital Suva. It is the first German diplomatic mission in this part of Oceania. The choice of such a location for the new post is due to the fact that it is one of the most populated countries in Oceania, with a resident population of almost 1 million. The capital of Fiji is also home to the headquarters of the Pacific Islands Forum, an organisation of 18 Oceania countries, of which Germany remains a "dialogue partner" (dialogue partner). The special plenipotentiary's activities came to an end on 1 September when she was designated as Germany's ambassador to Australia. A successor has not yet been named.

The platform of agreement and cooperation between Germany and the governments of the smaller South Pacific countries are efforts to combat the effects of climate change such as floodings and typhoons. These states are increasingly affected by [rising ocean levels](#), which in the long term threaten the existence of some of them, such as Tuvalu. Germany considers action to combat climate change as an important and constant part of its political agenda. Regardless of the domestic policy [challenges and controversies](#) over the costs of decarbonising the economy, Germany has more credibility with its governments on green issues than the U.S. (which, for example, during Donald Trump's presidency [backed away from previous climate commitments](#)) or China, which limits itself on climate issues [largely to declarations](#). The German and Fijian authorities cooperated in organizing the [COP 23](#) climate summit, held in Bonn in November 2017. Another example of cooperation with Fiji is the development with the support of the German Society for International Cooperation of guidelines for resettling residents of villages threatened by ocean flooding to higher ground. A list of 40 villages at risk of flooding has been compiled. In total, Germany spends more than €12 million annually [to combat the effects of climate change and in development aid](#) to Oceania's island states. The sum can be considered small in comparison to France, which allocates €60 million.

Also, Germany's ongoing debates over the legacy of colonialism are not insignificant for its relations with the countries of Oceania. In recent years, Germany has carried out

archaeological work in its former colony of Palau to study and preserve the "green pyramids" built around 500 BC. These projects mark symbolic compensation on Germany's part for the period of colonialism.

Germany's increased diplomatic activity should also be analysed in the context of its plans for the UN, particularly its aim to gain a permanent seat on the Security Council, which has remained a goal of German diplomacy since the Gerhard Schröder government. From Germany's perspective, a permanent seat on the UNSC would demonstrate its economic and political global role, while in the symbolic sphere it would be recognised as overcoming the legacy of World War II. In the short term, Germany is also seeking a seat as a non-permanent member of the UN Security Council for 2027-2028, and the German embassy in the Fijian capital will lobby Pacific Islands Forum countries on the issue. Greater emphasis on good relations with the countries of Oceania may make it easier for Germany to win their support during votes in the UN General Assembly.

Conclusions and Perspectives. By increasing its involvement in Oceania, Germany is clearly indicating its aspirations to play a greater role in the Indo-Pacific and globally. These activities are also part of the EU's approach, which acts as a platform for closer transatlantic cooperation. Both the EU and the U.S. recognise the link between Euro-Atlantic security and security in Asia. To reduce the risk of a crisis in the Indo-Pacific, closer cooperation between Europe and countries in the region is necessary. Although Germany's involvement in this part of the world is growing, it is mainly expected to continue to focus on political action and economic cooperation. Due to the limited capabilities of the Bundeswehr, in the event of an aggravation of the security situation in the Indo-Pacific, Germany will not become involved militarily, instead limiting its assistance to political support for its allies, including the U.S. and Australia.

It is expected that Germany will continue to build influence among the island states. Given the existing favour and willingness of the authorities of the region's states to cooperate with it, Germany can win over support with relatively low political and financial outlays for, among other things, its plans to win a non-permanent and, in the longer term, a permanent seat on the UNSC. German activity is also an attempt to signal that, in the face of Chinese expansion in the region, not only the U.S, but also Germany—as an important EU state—is interested in rapprochement with Fiji and the smaller countries of Oceania.

Another priority for Germany will be cooperation with Australia and New Zealand in the field of energy. The "green hydrogen" initiative corresponds to the [EU's hydrogen strategy](#) and will facilitate both the decarbonisation of the German and EU economies and independence from fossil fuel imports, but only in the perspective of the 2030-2040 decade. In the field of energy, German involvement can therefore positively influence the position of the entire EU in the region. In the political sphere, closer cooperation with Australia and Oceania may increase Germany's influence and importance in the region, and only indirectly and to a limited extent that of the EU as a whole.