ANALYSIS

Seeta Sharma & Brinda Khera

November 2025

Building Pathways

Addressing Challenges in the Germany–India Migration Corridor

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Foreword

The year 2025 marks twenty-five years of the Indo-German Strategic Partnership—an enduring relationship built on the pillars of Peace, Prosperity, People, and Planet. Over these decades, cooperation has expanded across economic, technological, and societal spheres, reflecting the shared values and long-term visions of both countries. Today, as global competition for talent intensifies and demographic transitions accelerate, skilled mobility has emerged as one of the most strategic components of this partnership.

In an interconnected and rapidly changing world, the movement of skilled professionals is no longer a by-product of globalization but a critical enabler of economic resilience, innovation, and cross-cultural exchange. For many Indian professionals, Germany represents an opportunity to contribute to a leading industrial economy while securing a high quality of life and long-term prospects. At the same time, the decision to relocate remains momentous and complex, shaped by questions of language, qualifications, administration, cultural adaptation, and the realities of life in a new society.

Germany's acute shortage of skilled workers—estimated at nearly 400,000 annually across sectors such as healthcare, engineering, skilled trades, and information technology—has made talent mobility a national priority. This shortage is rooted in structural demographic shifts, including an ageing population and low birth rates. India, by contrast, is home to a young and dynamic workforce of more than 900 million working-age individuals, many with strong technical expertise and adaptability. The complementarities are clear, and the signing of the Comprehensive Mobility and Migration Partnership in December 2022 underscores the shared ambition to shape a forward-looking, rules-based, and mutually beneficial mobility ecosystem.

Yet, despite aligned interests and a robust political framework, the potential of this partnership remains underutilized. Operational bottlenecks—ranging from lengthy administrative procedures and inconsistent recognition of qualifications to limited employer preparedness and linguistic barriers—continue to slow progress. Germany must also navigate domestic political sensitivities around migration, capacity constraints in local administrations, and a public debate that is increasingly shaped by concerns over integration and social cohesion. India, meanwhile, must strengthen skilling pathways, ensure ethical recruitment, and support workers through the transition abroad. Harnessing the full potential of skilled mobility therefore requires strategic policy alignment, pragmatic reforms, and a deep understanding of expectations on both sides.

It is in this context that the FES India Office has brought forward this policy brief. Its purpose is twofold: to provide Indian professionals with a realistic, balanced, and comprehensive guide to pursuing opportunities in Germany; and to offer German policymakers and stakeholders clear, evidence-based recommendations to make migration frameworks more effective, transparent, and responsive to labour market needs. The brief highlights opportunities arising from Germany's strong economy, social security architecture, and modernized immigration tools—such as the EU Blue Card and the Skilled Immigration Act—while also examining obstacles in recruitment, integration, and employer readiness. It consolidates good practices, identifies areas for policy refinement, and proposes actionable steps to better position Germany as a destination of choice for Indian talent.

Ultimately, skilled mobility between India and Germany is a story of shared aspirations and reciprocal benefit. If managed strategically, it can strengthen both countries' economic competitiveness, deepen societal linkages, and contribute to stability in an evolving multipolar world. We hope that this publication will support policymakers, employers, and aspiring migrants alike in shaping mobility pathways that are fair, effective, and future-ready—advancing not only a quarter-century of Indo-German partnership, but also the next horizon of cooperation.

We would like to extend our sincere thanks to Seeta Sharma and Brinda Khera for their work on this publication.

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List of Abbreviations

AfD	Alternative for Germany
AHK	Deutsche Auslandshandelskammern/ German Chambers of Commerce Abroad
AI	Artificial Intelligence
BA	Bundesagentur für Arbeit / Federal Employment Agency
BAMF	Bundesamt fur Migration und Fluctlinge/Federal Office for Migration and Refugees
BMBF	Bundesministerium für Bildung und Forschung / Federal Ministry of Education and Research
BMAS	Bundesministeriumfür Arbeit und Soziales / Federal Ministry of Labour and Social Affairs
BVMW	Bundesverband mittelständische Wirtschaft / German Association for Small and Medium-Sized Businesses
DAMA	Data Management Association Germany
DIHK	DeutscherIndustrie- und Handelskammertag / Association of German Chamber of Industry and Commerce
DW	Deutsche Welle
EU	European Union
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IAB	Institut für Arbeitsmarkt- und Berufsforschung / Institute for Employment Research
IGCC	Indo-German Chamber of Commerce
IHK	Industrie- und Handelskammer / Chamber of Industry and Commerce
IHK FOSA	IHK Foreign Skills Approval
MMPA	Migration and Mobility Partnership Agreement
MRA	Mutual Recognition Agreement
MSME	Micro, Small and Medium-sized Enterprise
NaDIRA	National Monitoring of Discrimination and Racism (Germany)
OECD	Organisation for Economic Co-operation and Development
OEO	Office for Equality and Opportunity (The United Kingdom)
ÖSD	ÖsterreichischesSprachdiplom Deutsch
SME	Small and Medium-sized Enterprise
SSC	Sector Skill Council (India)
SVR	Sachverständigenratfür Integration und Migration / Expert Council on Integration and Migration
TELC	The European Language Certificates
UN	United Nations
ZEW	Leibniz Centre for European Economic Research

1. Context

Germany faces a severe and persistent shortage of skilled workers, with over 700,000 current vacancies and a projected shortage of nearly 7 million workers by 2035. Labour shortages have contributed to a decline in economic growth potential around from two per cent in the 1980s to 0.7 per cent in 2024 (Yadav, 2024). It is estimated that Germany requires an annual net immigration of approximately 290,000 people by 2040 to maintain a stable workforce (Lommetz, 2025).

India with the world's largest youth population (15-29 years) of 371.4 million (GOI, 2022) has emerged as a strategic partner to fill this gap. As of 2024 December, 277,455 Indians were residing in Germany (Destatis, 2024). Within this group 137,000 Indians were employed in jobs subject to social security contributions, including 44,000 women (BMAS, 2024).

India and Germany share a strategic partnership from 2000. To expand mobility, India and Germany signed a series of agreements: The Migration and Mobility Partnership Agreement (MMPA) (2022) promoting fair and regular movement; the MoU on Skill Development and Vocational Education and Training (2024) focusing on workforce building and women's participation. In 2024, Germany launched the India Skilled Labour Strategy to accelerate recruitment from India.

Despite a favourable demographic alignment and strong governmental efforts, migration outcomes have fallen short of expectations on both sides. Gaining a clear understanding of the challenges faced by employers and migrants alike is crucial to accelerating progress and securing mutually beneficial results. This paper, commissioned by FES India, seeks to provide a comprehensive understanding of the challenges and put forward recommendations to address them.

2. Challenges Faced by Employers

2.1 Slow and sub-optimal policy response to labour market changes

Surveys from the Association of German Chamber of Industry and Commerce (DIHK) highlight persistent and growing skills shortages. As early as 2010, one in two companies surveyed identified skills shortage as a business risk (Zeit, 2010). 75 per cent of these companies expected serious consequences for their operations, and for larger companies (with 200+ employees) the figure was almost 90 per cent (Zeit, 2010). By summer 2024, a DIHK survey found that over 43 per cent of companies could not fill vacancies, estimating 1.5 million unfilled roles (Martinez, 2024). Industry noted a 16 per cent rise in business closures in 2024 including a dramatic 66 per cent increase in closures of larger firms (with 20 or more employees) since 2017 (Gottschalk, 2025).

This trend over the last 15 years has meant that the system was unable to adapt in a timely manner. A BVMW (German Association for Small and Medium-Sized Businesses) survey from August 2023 found that over 75 per cent of medium-sized companies in Germany reported feeling misunderstood and “not taken seriously” by political decision-makers, indicating a disconnect between German policy makers and medium-sized companies (BVMW, 2023). When asked whether policymakers understood their concerns and addressed them, the majority of entrepreneurs surveyed answered “no” (BVMW, 2023).The fact that the Skilled Immigration Act came into force in 2020 shows how long it took for German policy makers to understand and respond to the labour market situation (cedefop, n.d.).

Furthermore, the number of third-country nationals migrating to Germany for employment has only increased modestly, from 64,219 in 2019 Federal Office for Migration and Refugees (BAMF, 2020) to 72,400 in 2023 (BAMF, 2025). This slow increase, highlights a gap between labour demand and the effectiveness of current migration pathways (Müller, 2025). This is further reflected in Germany's drop in the OECD's "Indicators of Talent Attractiveness," where the country fell from 12th place in 2019 to 15th in 2023 (Knight, 2023).

2.2 Administrative hurdles

Bureaucratic complexity has been raised as a significant barrier to recruitment, ranked second only to language challenges (Schultz, 2024). Even with a revised structure now in place, there are overlapping responsibilities for recruitment that create a patchwork system and slow down the process. For example, the recognition of foreign qualifications is legally under the BMBF (Federal Ministry of Education and Research) but the BA (Federal Employment Agency) and BMAS (Federal Ministry of Labour and Social Affairs) are responsible for recruitment of foreign workers (Angenendt, et al., 2023). With so many authorities involved even the Fast Track Procedure (Fachkräfteverfahren) for skilled workers can take 3-4 months (Make-it-in-Germany, 2024).

German Federal Employment Agency reports that it takes up to 160 days on average to fill a vacancy with a qualified candidate (Nink, 2024). The additional administrative work required, such as handling contracts, health insurance, and registering with local authorities, is often overwhelming for Small and Medium Enterprises (SMEs) with no prior experience in international recruitment (Robin, 2025). Additionally, SMEs may need to appoint contact persons for onboarding migrants and assist with housing and social authorities, adding to the administrative load.

German consulates and immigration authorities have been criticized for their "defensive mentality" and restrictive visa-issuing practices (Migazin, 2022). In August 2022 a Südwestrundfunkpoll conducted revealed that 94 per cent Foreigners' Offices surveyed reported severe staffing shortages (Angenendt, et al., 2023), significantly slowing the decision-making process. As one employer from Bavaria shared, a visa for an Indian candidate took six months to be approved, forcing the company to keep the position vacant during that time (Robin, 2025). Delays in onboarding and unpredictable joining time make it difficult for industry to plan.

2.3 Lack of Information amongst Employers

According to the Manpower Group Global Talent Shortage 2025 report, 86 per cent of companies in Germany have difficulty finding suitable candidates for open positions (ManpowerGroup, 2025). Despite this situation, only 18 per cent of companies recruit workers from abroad (Schultz & Kober, 2024), even though a survey found that 72 per cent of employers support government agreements for recruiting foreign skilled workers and trainees (Schultz, 2024).

A key reason for this disconnect is that SMEs that often urgently need skilled workers lack international networks, dedicated staff, and knowledge of talent in third-country such as India, making active recruitment of foreign workers particularly difficult (Angenendt, et al., 2023). A recruiter noted that, lacking staff to manage migration, employers have to outsource the process,

2.4 Training and Assessment Gaps

An Indian qualification is never fully recognised in Germany. Language tests are not standardised and even B1/B2 pass candidates may not be at sufficient levels of fluency. The employer must bear a significant burden in bridging the gap including funding the adaptation training (Anpassungslehrgang), language training and exam fees, while also paying salaries during the training period. The process can delay productivity, as it maytake 6–18 months before the worker can perform their full range of duties, and in the meantime, they may be limited to certain tasks or require supervision. Also rosters of existing staff have to be managed and the adequate ratio of regular workers have to be employed, to mentor and support new migrants, leading at times, to resentment from local employees.

There is always the risk that the worker might fail to complete the recognition process or, once fully qualified, be recruited by another employer, making the initial investment a loss. In regulated sectors, such as healthcare the lack of full recognition can also limit legal responsibilities the worker can undertake, affecting service delivery and compliance. This combination of financial cost, time delays, administrative effort, and uncertainty makes bridging qualification gaps a demanding responsibility for employers.

2.5 Structure and Reliability of Recruitment Support

Several large German recruiters, supplying over 1000 clients with skilled workers have also not ventured into India, to discover talent. This hesitancy, lack of trust and information can be bridged by stronger governmental engagement from the Indian side, which could provide some assurances to the German entities of promoting fair recruitment practices.

Recruitment via state structures, while adhering to fair standards such as avoiding fees for workers, is often expensive for employers (Schwartz, 2025). This makes hiring through private recruitment actors more convenient for German employers. However, since not all agencies are bound by fair recruitment principles (Angenendt, et al., 2023) cases of financial exploitation occur, for example, a foreign worker paid €30,000 to secure a job (FAI-

NRW, 2025). Large upfront payments to non-state recruiters also makes some employers uncomfortable, creating the perception of "buying" workers.

The lack of a formal quality metric for the 1,988 (MEA, 2024) licensed Indian recruitment agencies also makes it challenging for foreign employers to choose a reliable partner. The outreach is also skewed large companies have many agencies approaching them whereas care home in rural areas do not have any.

2.6 Financial Cost of Bringing Migrants

The financial cost of hiring a new employee in Germany ranges from €6,000 to €25,000 depending on factors like the seniority, location, and industry (bq-portal, n.d.). Employers are expected to cover training costs and exam fees for the knowledge test (Kenntnisprüfung/Eignungsprüfung), health insurance and social security contributions etc; applicant-related costs before arrival, such as for language courses, qualification recognition, travel (BA, 2024). Employers may also be expected to provide housing or transport support to help migrants settle in. This is a huge investment for employers as they have no guarantee of the capability and adaptability of the candidate due to the distance.

2.7 Risk of hiring foreign workers

According to a Berlin-based research institute, Minor, most people who come to Germany for work leave after only three or four years (Knight, 2023). A 2025 study by the Institute for Employment Research (IAB) found that only 57 per cent of migrants intend to stay in Germany long-term. A key finding of the IAB research is that the migrants most likely to consider leaving are the better-educated and more economically successful individuals who came to Germany to work or study, and have a good command of the German language (Kosyakova, et al., 2025).

For Indian workers specifically, attrition is often driven by the pursuit of better-paying jobs or a desire to relocate to cities with larger diaspora networks and support systems. This is compounded by a disconnect in expectations, as a small tech company noted that some Indian candidates expected a decent salary from the start and were disappointed by the lower pay and demands of the training period, leading them to quit within six months (Robin, 2025). For employers, this is a major deterrent and the risk is especially high with the apprenticeships program (Ausbildung). Among the roughly 25 per cent of apprenticeship contracts that are terminated early, the majority—about 75 per cent involve those born abroad (BIBB, 2024). A mid-sized company in Baden-Württemberg highlighted the challenges as months-long waiting periods, substantial costs for language courses and administration, and the lack of certainty that a candidate will complete their apprenticeship or remain with the company for the long term (Robin, 2025).

Additionally, there are cultural differences that may be hard for small industry in particular, to work with. A craft workshop owner near Hamburg noted that Indian trainees sometimes struggled with punctuality and adapting to the informal communication style of the German workplace, often being hesitant to ask questions.

3. Challenges Faced by Migrants

3.1 Lack of Information and Exploitative Recruitment

While "Make it in Germany" is a valuable resource, awareness of the website is limited in India; blue-collared workers in particular lack guidance to resolve their queries. The recruitment process is thus dominated by recruitment agents; who themselves may also not be fully informed or may mislead potential migrants. One such recruiter had misled an engineer to enter into an apprenticeship program and charged approx. €7,000, placing him in debt. In 2025, the German Ambassador had to issue a warning in India about rising cases of fraud by agents offering complete packages for admission, visas, and job placements (Singh, 2025).

3.2 Administrative and Financial Hurdles

Bureaucratic hurdles present a major challenge for migrant workers, administrative processes are not fully digitalized, involve excessive paperwork in German language, and vary by region (Imran & Chimbelu, 2025). Even before migration, jobseekers face delays and much anxiety, for example the pre-recognition process in India alone can take 4–6 weeks for an initial assessment.

The entire process is complex and requires coordination with multiple German authorities to facilitate recognition, undertake training etc. There is no real time support to provide guidance on the recruitment or recognition process, or even language learning centres across the country. The cost of qualification recognition can range from €200 to €1,000 (ProRecognition, n.d.), with additional exams costing up to €2,000 (Imran & Chimbelu, 2025). The lack of a clear, centralized cost breakdown makes it difficult for job seekers to plan their finances effectively. As a result, workers increasingly become open to recruiters and can be exploited.

Language learning up to B1 level in India can cost around INR 80,000-100,000 (€ 781 – 977) and often requires full-time learning which could equal almost a year's wages (with work-days lost) for blue-collared workers, making it highly unattractive. A recruiter even reported that there was no clarity on the language level required as what the website states and what the local administration says do not match.

3.3 Qualification recognition and certification

Immigrants with a foreign university degree are 28 percentage points less likely to work in highly skilled jobs than those with a German degree. An Organisation for Economic Co-operation and Development (OECD) report found that only 38 per cent of non-EU immigrants with a higher education degree are employed in a job that matches their education level (OECD, 2024).

The process for recognizing foreign qualifications is a significant barrier as it is not straightforward. Of the roughly 800,000 who self-reported applying for recognition, only three-quarters had their qualifications partially recognized. Of the 1.5 million who had not applied, 15 per cent cited cost and complexity, and nine per cent limited awareness of process as barriers (OECD, 2024). There is also the possibility of Indian blue collared workers being very experienced but lacking formal qualification. In one curious case of AHK certified workers in India, entry was denied as they did not have Indian state recognition of their qualification.

Indian migrants choosing to migrate have limited support for the recognition process. There is one agency (Pro-recognition) and one AHK – the Indo-German Chamber of Commerce (IGCC) for all the

queries related to recognition. This is not efficient and significant delays have been reported. New recruiters are also entering the market and are not fully aware of the processes.

Many high-skilled migrants face a period of partial recognition in Germany, during which they cannot work at their full professional level. While completing adaptation training, language upgrades (e.g., B1 to B2), or equivalent exams, they are often employed in lower-level roles—nurses as assistants, engineers as technicians, teachers as aides. This stage of downgrading, which can last up to two years, brings lower pay, reduced responsibilities, and a risk of "de-skilling" as professionals lose touch with higher-level tasks and must rebuild their position even after full recognition (Nikolovade, et al., 2021). In cases where recognition is not achieved, the only option (for licensed professionals like nurses) is to return to India or work only as a care assistant.

3.4 Language Barrier

An OECD 2024 study confirmed that 44 per cent of potential migrants and 51 per cent of current migrants see a lack of German language skills as a key impediment to working in Germany, while 65 per cent of those already in the country consider it the biggest obstacle in daily life (OECD, 2024). Even in times when there is guaranteed employment, the language requirement is high and the time needed to learn long; discouraging many and leading to dropouts. This is compounded by a shortage of qualified German language teachers in India and very high costs of training. In the case of nurses for example, they have to often leave their job to be able to learn German as it takes eight to nine months of full-time training. There is a resultant loss of income for these nurses and loss of clinical practice during this period.

German language training in India is frequently provided through recruitment agents, where the emphasis tends to be on passing exams rather than building comprehensive proficiency, leading to concerns about training quality. In several cases, freshly passed B1 candidates are teaching A1 batches without any pedagogical or teaching experience. Learners are often pushed directly into B1/B2 exams without a proper progression through the earlier stages. If they fail on the first attempt, recruiters typically refuse to cover the costs, leaving candidates to return to work in order to save money for re-examination. This interruption not only delays the process but also leads to a decline in language proficiency.

Occupation-specific language training is also not normally provided. As a result, migrants often arrive with limited occupational specific language skills, making workplace integration and further training difficult.

While German language certifications of Goethe-Institute, ÖSD and TELC are recognised in Germany, not all German authorities may accept the same language certificates (ProRecognition, n.d.). This lack of standardization creates a hurdle for candidates and undermines the efforts of those who learn German before their job search and reduces their mobility, as a certificate accepted in one region may not be in another. At times, there is a variance in the level of German required by the local administration compared to what is on the websites creating confusion.

Also, a very critical issue in India is about getting slots for examinations. One learner complained that the entire focus of their last session was on getting slots for the examination. A recruiter has a team that captures slots and has to fly candidates across cities to ensure they have a chance to write the exam.

3.5 Limited Integration Support

Germany offers integration support in areas such as housing, healthcare, and employment to migrants.

The Government also funds integration courses including 600 hours of German language and 100 hours of orientation (but only allowed for those with B1 proficiency in special cases). Cities like Berlin and Frankfurt offer multilingual guidance on everything from visas and housing, to job search and qualification services. However, in smaller towns this service is not available.

Integration is very employer dependent in most cases and according to a recruiter, many new migrants get completely depressed if the work space is not supportive. As one recruiter stated, upon arrival, the first two days for a migrant are critical – it is a make or break from that point. If the person feels supported from the moment they arrive and the workplace is supportive initially, the chances the migration will be successful are high; on the contrary, a bad start means they will never really feel comfortable. The lack of focus by policymakers towards integration is therefore a critical gap.

The absence of dedicated human resource team or mentoring staff in many German companies further complicates integration, with challenges like the difficulty of integrating a spouse often leading to the primary employee's relocation to another country (Ranawana, 2024). Workers have complained that work environments are not friendly, particularly in manufacturing sector and co-workers view them as a threat and are constantly judging them.

Housing is a key challenge, particularly for Indian workers. Around 28 per cent of immigrants who arrived less than 10 years ago live in overcrowded housing. Immigrants also face challenges in home-ownership, with only 30 per cent owning a home, and many struggle to find suitable housing for their larger households, often having to settle for shared or poor-quality accommodation.

Non-EU immigrants are also under-represented in voluntary organizations, with only around 50 per cent being members compared to over 75 per cent of the native-born. The largest gap is in sports and recreational organizations (OECD, 2024).

3.6 Lack of Community

Only about five per cent of diaspora organisations in Germany are active as labour migration intermediaries, according to a survey by the Expert Council on Integration and Migration (SVR) (Angenendt, et al., 2023). This is compounded by the fact that many German businesses, are headquartered in small towns with limited or no established Indian diaspora communities (Sethu, 2024). This absence of social support is a significant deterrent for Indian job seekers who prefer community networks and cultural familiarity.

3.7 Political and Social Climate

According to Human Rights Watch, Germany has a serious problem with racism and xenophobia. In 2024, the country recorded 84,172 politically motivated crimes, a 40.2 per cent increase from the previous year, with a notable rise in attacks on migrants (Escritt, 2025). This follows a longer trend; since 2019 the number of xenophobic hate crime cases reported have more than tripled with 11,405 complains of racism in 2024 (Basay, 2025).

More than one in two racially marked people (54 per cent) experience discrimination at least once a month compared to 32 per cent of people who are not racially marked. Skin colour is the most common reason for discrimination for Black people (up to 84 per cent) and Asian people (up to 52 per cent). In addition, up to 55 per cent of Asian respondents and up to 51 per cent of Muslim respondents report being perceived as "not German" and being discriminated against (Fuchs, et al., 2025). As per the National Monitoring of

Discrimination and Racism (Germany) NaDIRA 2025 study, trust in the police and justice system is declining. An OECD 2024 survey revealed that Indians, in particular, are concerned about discrimination (Liebig & Carmen, 2024).

With the Alternative for Germany (AfD) party approaching the 25 per cent mark, the hard-right politics is felt in every social sphere across the country including government offices, schools, and interactions with civil servants (Ozkan & Madanoglu, 2025). Emigration considerations are noted to be particularly pronounced in the case of perceived discrimination in contact with the police (49 per cent), the public sphere (36 per cent), the workplace (35 per cent), the housing market (33 per cent) and public offices and educational institutions (31 per cent and 32 per cent each) (Kosyakova, et al., 2025). The (NaDiRa) 2025 study share that 23 per cent surveyed participants agree with the statement that minorities make too many demands for equal rights, and 22 per cent believe that they have benefited more economically than they deserve (Fuchs, et al., 2025).

The rise of hard-right politics in parts of Germany poses a significant challenge to attracting and retaining foreign workers was noted in a survey of over 900 German companies (Hindustan Times, 2024). For example, one company, CAC Engineering GmbH, lost 5 of its 40 foreign employees in a year due to discrimination (Steitz & Marsh, 2024).

A 2025 IAB research reports 26 per cent immigrants or 2.6 million people are thinking about leaving Germany, and three per cent or 312,000 people have concrete plans to emigrate with 44 per cent of those considering emigration doing so due to the political situation. Immigrants in East Germany more frequently mention experiences of discrimination as a reason for emigrating than those in West Germany (Kosyakova, et al., 2025). The intention of immigrants to leave the country was highest in the information and communication technology sector at 39 per cent, followed by the finance sector at 30 per cent and the health and social services sector at 28 per cent. With the manufacturing sector (27 per cent), trade, transport and warehousing (24 per cent) and building trade (22 per cent) following close behind (Kosyakova, et al., 2025).

4. Recommendations

4.1 Policy Development and Whole of Government Approach

While the 2022 Skilled Labour Strategy created a steering committee of state secretaries to draft a white paper, it was an ad hoc committee; the implementation of the strategy needs a regular inter-ministerial process and should include the special representative for migration partnership agreements. The committee should also have tripartite and other consultative processes bringing employers, specially representing MSMEs, unions and civil society including migrants' representative voices, into policy decision-making. The MMPA Labour Working Group should develop a joint action plan with clear milestones, agreed upon by both sides, to accelerate and monitor the implementation of the Agreement.

Though 340 new permanent and 800 temporary positions have been created in the federal office for migration (BMI, 2025), Germany would benefit from the alignment of foreign and development policy objectives and a permanent, well-resourced coordination mechanism (Angenendt, et al., 2023). Funding for think-tanks and researchers to provide analysis on the issue could be enhanced to ensure data-based policy decision-making and build staff capacity.

The Federal Employment Agency could have SME liaison offices at lander level to collect real-time feedback from small and medium enterprises, ensuring policies reflect their specific needs and to ensure that they receive the guidance and support required to recruit from overseas.

Given the criticality of pre-departure orientation and post arrival hand-holding, the German Government in India can work collaboratively to develop a module with the Indian Government, to strengthen the pre-departure orientation training and welcome centres' scope in Germany should be extended to support local host communities alongside migrants.

4.2 Digitalisation of administration and multilingual access

A 2025 OECD press release recommended that Germany alleviate administrative burdens on businesses by simplifying and harmonising existing regulations and administrative procedures across levels of government by adopting more digital tools in the public administration (OECD, 2025).

Germany's work permit, skill recognition, and visa processes should be consolidated into a single digitised platform accessible to agencies, employers, and applicants. The system should integrate automation to prioritise shortage-occupation applications, enable automated verification of requirements, and provide real-time tracking to migrants. A useful model is Canada's Express Entry system that screens applications with real-time labour market data and algorithm-based ranking to efficiently target skill shortages. Credential recognition and foreign work experience is integrated in the system based on the Canadian Occupational Classification. A similar link could be created in the German system to improve transparency for both employers and workers. This would be made easier with time, with Indian qualifications being mapped against International and European Skills' Classifications.

Also, services requiring migrants to fulfil administrative processes such as social security, tax, medical insurance must be made multilingual and online for ease of access and understanding by migrants.

4.3 Promote German Language

There is an urgent need to expand the German language ecosystem in India. More centres of learning and assessment are required and these may be established in partnership with State Governments, Universities or even private sector.

The shortage of teachers could be partially addressed by engaging students currently training to teach German in Germany, who could participate through an exchange program. A similar model exists with volunteer teachers from Japan, who assist Indian teachers in classrooms for a six-month period.

Harmonising examination standards between TELC, Goethe, and ÖSD, along with stringent monitoring of training providers, would help ensure consistent candidate quality. Reducing costs, specially where large groups may be learning could bring costs down, being both beneficial to employers and workers alike. Introducing occupation-specific language programs must be considered so that Indian workers are more job ready and competitive for employers to hire.

While the Quality seal is an ideal marker, full subsidy of costs for potential migrants increases the risk of non-completion language training (which already has a 75 per cent drop-out rate before reaching B2 level) and raises the likelihood of early return due to lack of adjustment and home-sickness. Language training should have at least a partial monetary commitment from the migrants; which could be reimbursable after arrival in Germany.

In a project where groups of migrants from a similar lingual background are employed, for example construction site, Germany could consider hiring supervisors who are proficient in both German and the migrants' native language. This approach could effectively lower the language barrier.

India is a linguistically diverse country and German language may be easier to learn through a regional language instead of English, especially for blue collared occupations. Mass training and exposure to German through linguistic teachers will create interest and may be promoted in schools, Industrial Training Institutes, Polytech institutions. This is being piloted by a diaspora group through the Mander project where linguistic teachers are training technical students to A1 level free of cost to 'give them a chance to dream'.

4.4 Recognize Indian Skills

Germany and India should accelerate and streamline the recognition of qualifications to facilitate smoother mobility. Countries like France already reached a Mutual Recognition agreement in 2018 (AmbaFrance, 2019) covering academic degrees from high school to doctoral level, allowing blanket equivalence for qualifications from government-recognized institutions. This allows Indian students to apply directly for further study or training in France without individual assessment—reducing bureaucracy and increasing participation. Germany could consider a similar bilateral framework for technical and vocational qualifications, especially in shortage sectors. It must also standardise the recognition across länders to provide greater transparency, consistency, and accessibility for both employers and applicants.

Indo-German Chambers of Commerce could collaborate with Indian Sector Skill Councils (SSCs) to develop equivalence matrices across job roles. These would guide recognition authorities at the Länder level and be accessible on Make-it-in-Germany, allowing applicants to digitally assess their eligibility. SSCs could also provide technical inputs, co-develop bridge modules to address skill gaps, and certify courses in India. For instance, preparatory training for the Kenntnisprüfung (German exam for foreign-trained nurses and doctors to assess the equivalence of their

professional qualifications to German standards) should be offered in India and integrated with language training to better prepare candidates for the German market.

To enhance efficiency in recognition, IHK FOSA (Foreign Skills Approval) or even large private service providers could establish liaison offices in India to advise candidates, pre-screen documents, and support recognition processes. In the longer term, a legal basis should be created to enable AHKs to take on the recognition of non-formal qualifications.

Germany could introduce trade tests, as practised in the Gulf, to assess experienced Indian blue-collar workers. A German working group should design and oversee the tests, set standards, and ensure quality control.

4.5 Employers Exposure to Indian Talent and Support for Recruitment

Germany and India can establish a structured, sector-focused engagement model connecting employers with Indian training institutions and state recruitment agencies. The Handwerkskammern, Chambers of Commerce and the Federal Employment Agency (BA) could be more closely involved in recruitment processes by facilitating exchanges, exposure visits, and showcasing curricula, certifications, and skills, virtually or in hybrid formats. Such measures would bring greater transparency in recruitment, help build employer confidence, widen the talent pool, and promote fair and safe migration. Such initiatives can also be supported by the Indian embassy in Germany.

Cost-efficiency could also be improved through demand aggregation by Handwerkskammern, allowing for group hiring and bundling services such as recruitment, housing arrangements, pre-departure orientation, and integration support. Opening State-level AHK offices in India could further institutionalize these efforts.

To address the financial and administrative burden of hiring from abroad, the German government could introduce targeted employer incentives. For instance, like the Australia Designated Area Migration Agreements, employers in rural or remote areas could be incentivised to hire skilled workers with flexibility in hiring practices, financial assistance and even training programs to support integration and workforce development.

While online sessions held by Make it in Germany offer information, outreach remains limited. Expanding outreach and attracting talent, particularly for blue-collar occupations is essential. The State governments could tie-up with Make it in Germany/IGCC/ BIBB to ensure there is wide publicity of these sessions and they are regularly shared across schools, colleges. Some videos may also be converted into local language for ease of understanding. Linking job listings from Make it in Germany with Indian Ministry of External Affairs' eMigrate portal would further broaden outreach and create a seamless platform for candidates.

The German website could also integrate with the eMigrate portal to help employers verify the licensing status of Indian recruiters, ensure there are no pending grievance cases against them, and encourage partnerships with larger, more established agencies.

Finally, partnerships between German and Indian recruiters and businesses should be encouraged. Companies like TERN and Borderplus, which have acquired German firms to strengthen recruitment

4.6 Adjust Financial Thresholds

The German government could consider reassessing the salary threshold for specific shortage occupations. Netherlands for example has a

reduced salary criteria of €2,989 monthly or €35,868 annually (ind.nl, 2025). Countries such as Bulgaria and Portugal and even Italy have a much lower threshold, at €15,700, €15,960 and €33,500 respectively.

Germany could consider adopting a system of higher wage adjustments, as practised in countries such as Russia and Australia. Under these systems workers' salaries are adjusted depending on the region, particularly in areas with harsh climates, remote territories or difficult living conditions to compensate for challenging conditions. This will encourage migrants to take up jobs in remote and distant locations.

4.7 Enhance integration efforts

One of the keys to successful integration is a successful start. The criticality of pre-orientation and post-arrival sessions, particularly company inductions and immediate post-arrival support such as being received at the airport, housing arrangement and guided familiarization with the local area should not be underestimated. To reduce attrition, Germany could also introduce mentorship and buddy systems like Canada, where migrants are paired with workplace or community mentors to ease integration and adaptation to German society (LCSS, n.d.).

Decentralising integration to the municipal level could strengthen outcomes by supporting migrants, employers, and host communities alike. Canada's Local Immigration Partnerships that brings multiple stakeholders together show how cross-sector collaboration can amplify both migrant support and local economic opportunities—a model Germany could adapt. UN experience further highlights that integration succeeds when host communities see tangible benefits, such as improved transport, schools, and clinics. Support for local businesse's collaborations between locals and migrant; access to funding and new cultural dialogue projects could be introduced to strengthen integration.

Indian diaspora could be encouraged to enter into civic engagement activities and incentives provided to explore and build businesses in partnership with locals. The Gulf region is a prime example of Indian businesses working alongside nationals resulting in wealth creation for the local economy.

4.8 Counter Anti-Immigrant Xenophobia

Countries with longer histories of immigration than Germany have introduced targeted measures to counter xenophobia. The Spanish Government has developed an AI driven monitoring system to detect hate speech across five major social media platforms and found that 56 per cent of hate speech cases identified involved content directly targeting migrants(Directorate-General, 2025). The UK has established an Office for Equality and Opportunity (gov.uk, 2023) with an ethnicity-based data framework to track disparities across jobs, housing, education, healthcare, and public services. Germany could draw on these models by monitoring hate speech, introducing a national ethnicity data framework, and creating advisory and support mechanisms for victims.

At the same time, positive narratives should be promoted by German employers to highlight the contributions of migrants, particularly Indians, in critical sectors such as healthcare, technology, and engineering. Intercultural training for both German staff and migrant workers should be institutionalised in induction processes, with oversight from unions and IHKs, especially in rural areas and smaller firms. Finland offers another example: its Advisory Board for Ethnic Relations fosters dialogue between migrants, minorities, and government, thereby strengthening social cohesion. Similar approaches could be adapted in Germany by supporting trade unions to include migrants more systematically. Lessons can also be drawn from the earlier Triple Win programme, where unions in the

Philippines and Germany worked together to provide pre-departure and post-arrival support. Funding such union-led initiatives would help build workplace solidarity and foster broader social integration.

5. Concluding Remarks

Germany and India stand at a pivotal juncture where the potential of skilled migration can translate into shared prosperity. India offers a large and growing pool of trained professionals ready to contribute to sectors where Germany faces acute shortages, from healthcare to technology. Yet, this potential remains under-realised due to barriers that range from structural issues—such as complex qualification recognition and lengthy administrative procedures—to more practical hurdles like limited multilingual digital services, fragmented information systems, and inadequate orientation support. Some of these challenges demand long-term policy reform, while others require only small but decisive adjustments. The distinction is crucial: streamlining visa procedures may take sustained political effort, but creating multilingual apps, standardising language requirements, or expanding pre-departure guidance are measures that can be implemented swiftly to ease pathways for both migrants and employers.

Ultimately, the success of skilled migration from India to Germany cannot rest on the shoulders of migrants alone, nor can it be resolved by government action in isolation. Employers, recruiters, training institutions, diaspora organisations, and local communities all hold a piece of the solution. The German constitution reminds us in Article 1 that human dignity is inviolable, a principle that provides a strong moral compass for building inclusive and humane pathways for migration.

When employers find the workers they need, migrants are able to build dignified lives, and communities grow more vibrant and resilient, the larger society benefits. The opportunity is clear: by working collectively, Germany and India can transform migration from a challenge into a shared success story that strengthens both economies and societies for the future.

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Building Pathways
Addressing Challenges in the
Germany–India Migration Corridor

Germany faces a severe and persistent shortage of skilled workers, with over 700,000 current vacancies and a projected shortage of nearly 7 million workers by 2035. Labour shortages have contributed to a decline in economic growth potential around from two per cent in the 1980s to 0.7 per cent in 2024 (Yadav, 2024). It is estimated that Germany requires an annual net immigration of approximately 290,000 people by 2040 to maintain a stable workforce (Lommetz, 2025).

India with the world's largest youth population (15-29 years) of 371.4 million (GOI, 2022) has emerged as a strategic partner to fill this gap. As of 2024 December, 277,455 Indians were residing in Germany (Destatis, 2024). Within this group 137,000 Indians were employed in jobs subject to social security contributions, including 44,000 women (BMAS, 2024).

India and Germany share a strategic partnership from 2000. To expand mobility, India and Germany signed a series of agreements: The Migration and Mobility Partnership Agreement (MMPA) (2022) promoting fair and regular movement; the MoU on Skill Development and Vocational Education and Training (2024) focusing on workforce building and women's participation. In 2024, Germany launched the India Skilled Labour Strategy to accelerate recruitment from India.

Despite a favourable demographic alignment and strong governmental efforts, migration outcomes have fallen short of expectations on both sides. Gaining a clear understanding of the challenges faced by employers and migrants alike is crucial to accelerating progress and securing mutually beneficial results. This paper, commissioned by FES India, seeks to provide a comprehensive understanding of the challenges and put forward recommendations to address them.

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