

Introduction

Germany is a country located in the heart of Western Europe. It is bordered by Denmark, Poland, Czech Republic, Austria, Switzerland, France, Luxembourg, Belgium, Netherlands, the North Sea, and the Baltic Sea. Germany has a strategic location on North European Plain and along the entrance to the Baltic Sea. The government system is a federal republic; the chief of state is the president, and the head of government is the chancellor. Germany has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation. Germany is a member of the European Union (EU).



Location: Western Europe

Capital City: Berlin (+1 GMT)

Chief of State: President Frank-Walter Steinmeier

Head of Govt.: Chancellor Angela Merkel

Currency: Euro (EUR)

Major Languages: German (official)

Primary Religions: Roman Catholic 29%, Protestant 27%, Muslim 4.4%, Orthodox Christian 1.9%, other 1.7%, none or members of unrecorded religious groups 36%

Calling Code: 49

Voltage: 230

Key Websites

Main Government Page: bundesregierung.de

Commerce Ministry: bmwi.de

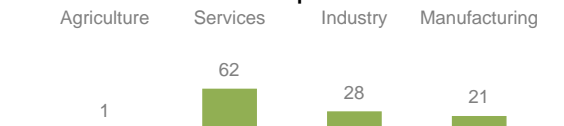
Export Promotion Agency: agaportal.de

Investment Promotion Agency: agaportal.de

Key Economic Facts

| | |
|--|---------------------------|
| Income Level (by per capita GNI): | High Income |
| Level of Development: | Developed |
| GDP, PPP (current international \$): | \$4,193.92 billion (2017) |
| GDP growth (annual %): | 2.22% (2017) |
| GDP per capita, PPP (current international \$): | \$50,715.55 (2017) |
| External debt stocks, total (DOD, current US\$): | \$466,463,000.00 (2011) |
| Manufacturing, value added (% of GDP): | 20.66% (2017) |
| Current account balance (BoP, current US\$): | \$297.12 billion (2017) |
| Inflation, consumer prices (annual %): | 0.48% (2016) |
| Labor force, total: | 43,473,204 (2017) |
| Unemployment, total (% of total labor force) (modeled ILO estimate): | 3.74% (2017) |
| Imports of goods and services (current US\$): | \$1,458.54 billion (2017) |
| Exports of goods and services (current US\$): | \$1,737.07 billion (2017) |

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

| Index | Rank |
|---|----------|
| Corruption Perceptions Index | 12 / 178 |
| EY Globalization Index | 11 / 60 |
| Global Competitiveness Index | 3 / 137 |
| Global Enabling Trade Index | 9 / 136 |
| Global Manufacturing Competitiveness Index (GMCI) | 3 / 40 |
| Global Services Location Index | 17 / 55 |
| Index of Economic Freedom | 24 / 180 |
| International Logistics Performance Index (LPI) | 1 / 160 |
| Inward FDI Potential Index | 6 / 139 |
| KOF Index of Globalization | 16 / 185 |
| Networked Readiness Index (NRI) | 15 / 139 |
| Open Budget Index | 17 / 115 |

Risk Assessment (Provided by Coface)

Country rating: A1 - The political and economic situation is very good. A quality business environment has a positive influence on corporate payment behavior. Corporate default probability is very low on average.

Business Climate rating: A1 - The business environment is very good. Corporate financial information is available and reliable. Debt collection is efficient. Institutional quality is very good. Intercompany transactions run smoothly in environments rated A1.

Strengths

- Solid industrial base (more than 20% of GDP)
- Low structural unemployment; well-developed apprenticeship system
- Geographic diversification of exports
- Strong competitiveness
- Importance of family-owned exporting SMEs (Mittelstand)
- Integration of Central and Eastern Europe in production process
- Importance of the ports of Hamburg, Bremerhaven and Kiel
- Institutional system promoting representativeness and consensus

Weaknesses

- Ageing infrastructure
- Demographic decline, partially offset by immigration
- Shortage of engineers and venture capital
- Highly dependent on world, especially European, markets
- Prominence of automotive and mechanical engineering industries
- Persistent but reducing backwardness in Eastern Länder
- Weak productivity of services
- Low start-up activity

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