

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

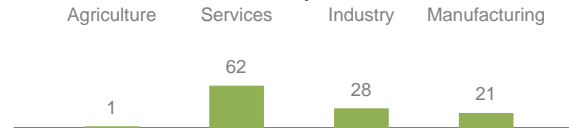
Export Promotion Agency: agaportal.de

Investment Promotion Agency: agaportal.de

Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developed
GDP, PPP (current international \$):	\$4,345.63 billion (2017)
GDP growth (annual %):	2.16% (2017)
GDP per capita, PPP (current international \$):	\$52,555.93 (2017)
External debt stocks, total (DOD, current US\$):	\$466,463,000.00 (2011)
Manufacturing, value added (% of GDP):	21.06% (2017)
Current account balance (BoP, current US\$):	\$295.41 billion (2017)
Inflation, consumer prices (annual %):	1.51% (2017)
Labor force, total:	43,507,468 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	3.42% (2018)
Imports of goods and services (current US\$):	\$1,458.32 billion (2017)
Exports of goods and services (current US\$):	\$1,737.55 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 / 139
Global Enabling Trade Index	9 / 136
Global Manufacturing Competitiveness Index (GMCI)	3 / 40
Global Services Location Index	17 / 55
Index of Economic Freedom	24 / 179
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

- Strong industrial base (more than 30% of GDP)
- Low structural unemployment; well-developed apprenticeship system
- Importance of family-owned exporting SMEs (Mittelstand)
- Integration of Central and Eastern Europe in the production process
- Importance of the ports of Hamburg, Bremerhaven and Kiel
- Institutional system promoting representativeness

Weaknesses

- Declining working population from 2020 onwards, despite immigration
- Early childhood care and post-primary school activities are still insufficient
- Low bank profitability
- Prominence of the automotive and mechanical industries, particularly in exports (48% of GDP)
- Eastern Länder still lagging behind, although the gap is closing
- Capacity constraints, insufficient investment and venture capital limit productivity gains

U.S. Embassy

U.S. Embassy Berlin
 Clayallee 170
 14191 Berlin
 Federal Republic of Germany
 Tel: +49-30-8305-0
<https://de.usembassy.gov/>