

‘Brexit effect’ reflected in Germany’s FDI figures

While US investments top the lists, the number of British companies investing in Germany spikes

Berlin (GTAI) - A potential ‘Brexit effect’ has made itself apparent in Germany’s 2017 foreign direct investment (FDI) figures, with the number of UK investment projects jumping by 21%, according to German economic development agency Germany Trade & Invest (GTAI). Currently, the large share of these projects involves service offices opening, but it will be interesting to see whether production facilities are subsequently set up. Also notable was that the UK was the largest source of merger, acquisition and shareholding investment. The volume of enquiries to GTAI from the UK has also risen sharply.

“We are convinced that this increase in British FDI activity is a direct consequence of the Brexit decision,” said Thomas Bozoyan, Manager of Research at GTAI. “It’s a part of a larger trend, which has seen British FDI across Europe increase by 33%. Financial services and ICT are the main recipient industries of the investments, but the shareholding acquisition of British companies and investors in German companies has also increased sharply, which adds to the impression that this is a strategy to deal with Brexit.”

Germany is, with 18% of all British FDI in Europe, the most popular investment destination. Altogether, 1,910 greenfield projects were set up in Germany in 2017, which are set to create around 29,000 jobs in Germany overall. As in years past, corporate and financial services are the main sectors for investment. They represent about 20% of all new projects, ahead of ICT & software with 16% and consumer goods industry at 10%. The USA topped the list of source countries with 276 projects. China registered 218, Switzerland 204, the UK 152, the Netherlands 124 and France 95.

The most important investment project source region for Germany remains the EU, from whose member states 41% of all investment projects originate, while China’s influence means that a shade under 25% of the investment projects come from Asia. The most popular activity remains the opening of sales and marketing offices (39%). Production and R&D represent 19% while business services account for 18% of all investment projects. A further 1,925 investments were made in Germany by means of mergers, acquisitions and shareholdings.

- [FDI Reporting 2017 \(Germany\)](#) ▶



Daniel Stephens | © GTAI

CONTACT US

Daniel Stephens

☎ +49 30 200 099 170

✉ [Submit your question](#)

All rights reserved. Any reproduction in whole or part only with express written permission. All efforts are made to ensure integrity of the content, however we are not liable for any mistakes that may occur.

© 2019 Germany Trade & Invest

Promoted by Federal Ministry for Economic Affairs and Energy in accordance with a German Parliament resolution.