

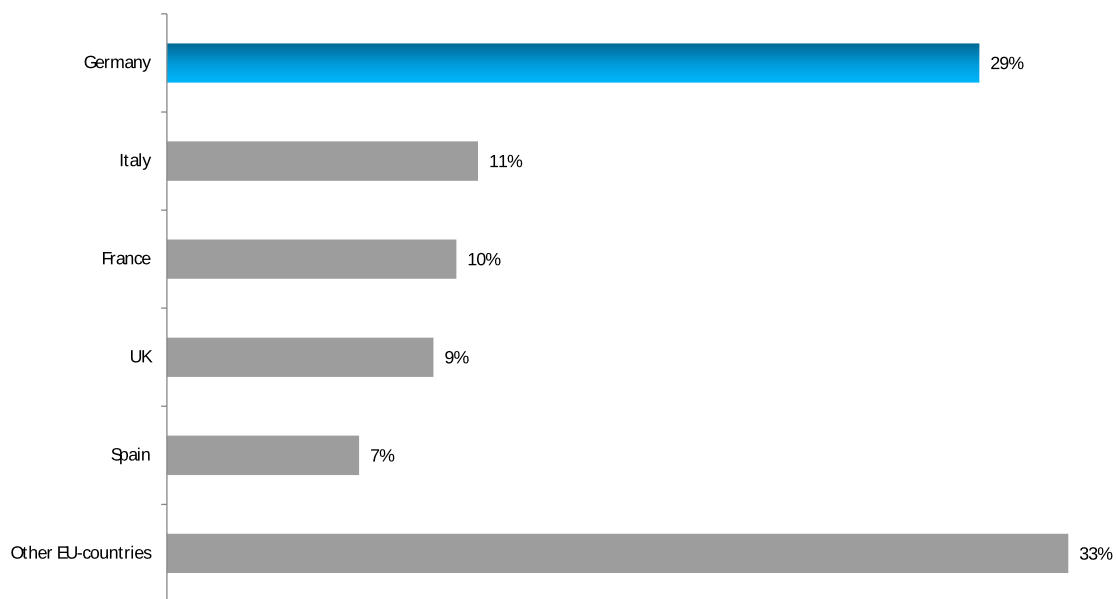
## Economic Structure

- ▶ Key Driver: The Manufacturing Industry
- ▶ Economic Backbone: Small and Medium-Sized Enterprises

### Key Driver: The Manufacturing Industry

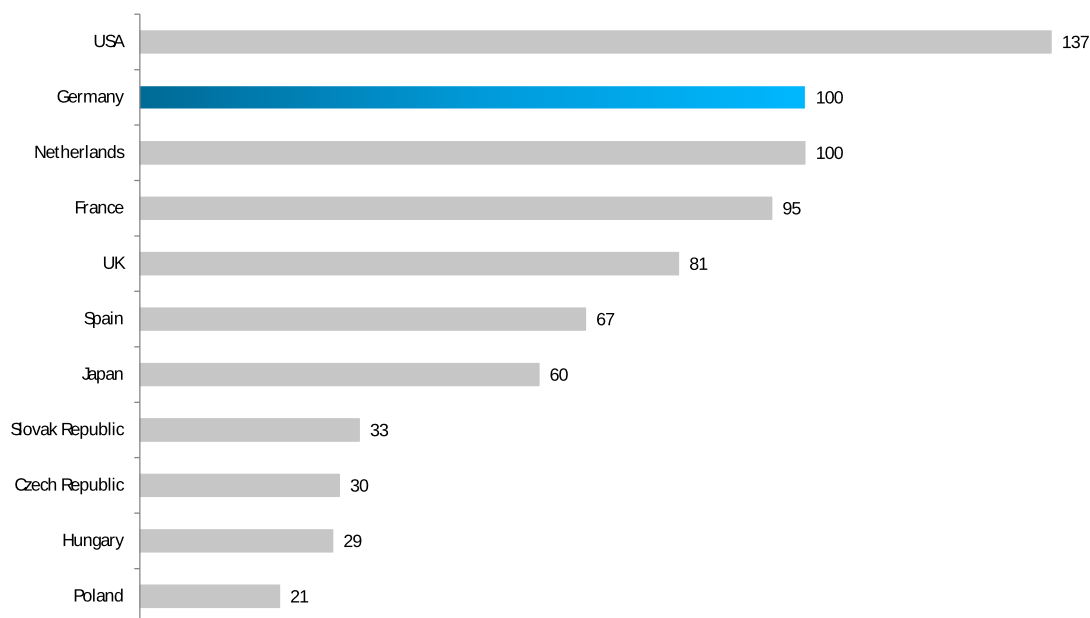
Almost 10 percent of Europe's manufacturing companies are German. They generate 30 percent of the EU's gross value added in manufacturing alone. In fact, they represent more than one fifth of all of Germany's value added – one of the highest shares in Europe. Increasingly more foreign companies are placing their faith in Germany as an essential location for production sites and are benefiting from the country's excellent business framework and superior productivity rates.

### Share of manufacturing industry of EU-28 gross value added (2016)



Source: Eurostat 2017  
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## Productivity of Manufacturing Industries (2015, PPP, Germany = 100)



Note: gross value added per hour at PPP; Source: IW Köln 2017

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Note: Data refers to year 2014 (Germany = 100, gross value added per hour at PPP).

Source: IW Köln (2015)

## Economic Backbone: Small and Medium-Sized Enterprises

Exports are driven by Germany's backbone of highly innovative small and medium-sized enterprises (SMEs). These constitute 99.6 percent of all companies that employ almost 60 percent of all employees in Germany. Many of these SMEs are world market leaders in their respective niche segments. Together with internationally leading companies - such as Bayer, BASF, Daimler, Volkswagen, and Siemens to name but a few - they make up Germany's manufacturing industrial base.

### COMPANY STRUCTURE IN GERMANY

	Total	SMEs	SME-Share
Number of Companies (2015)*	3.47 m	3.45 m	99.6%
Turnover of Companies (2015)	EUR 6,332 bn	EUR 2,217 bn	35%
Employed (2015)	28.82 m	16.85 m	58.5%

## ECONOMIC STRUCTURE

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Net Value-Added (2015)\*\*

54.9%

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*Note: Data refers to the industrial economy in industry classification codes WZ 2008 A-N and P-S. Exceptions are marked.*


*\* Estimation of IfM Bonn. Includes companies with a taxable turnover higher than EUR 17.500 per year or at least one employee that is subject to social insurance contributions. Industry classification codes WZ 2008 B-N and P-S are included. Original data from the Federal Statistical Office Business Register 2010. Identification of SMEs by number of employees and turnover.*

*\*\* Estimation of IfM Bonn. Original data from the Federal Statistical Office Turnover Tax Statistics. Identification of SMEs by number of employees and turnover.*

Source: IfM Bonn (2017)

## Contact Us

Thomas Bozoyan

 +49 30 200 099 502

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