

Press Release | FDI

Foreign Direct Investments Yield Increased German Jobs Tally

United States, UK and Switzerland among the top three foreign investors in Germany

Despite a decline in raw numbers, foreign firms that set up shop in Germany in 2019 created far greater employment.

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Berlin (GTAI) - The number of foreign companies that came to Germany last year declined by around ten percent from the 2018 record of 1851. But Germany profited more from their presence, significantly increasing jobs created from 24,000 (2018) to 42,000 (2019). That was the result of the annual FDI survey carried out by Germany Trade & Invest (GTAI) together with the economic promotion agencies of Germany's 16 regional states.

"Thanks to successes in attracting foreign investors like Tesla last year, we demonstrated that as a business location Germany is among the absolute world leaders and is able to persuade people internationally," said German Minister of Economic Affairs and Energy Peter Altmaier.

"The corona pandemic has sent the global economy into a deep recession," he added. "It is important now to enact structural reforms to create a framework to give employees and companies momentum as they make a new start, so that we can quickly reenter a phase of prosperity. This makes us attractive to foreign investments, which we warmly welcome to our country."

The greatest number of foreign investment projects in 2019, 302, came from the United States, followed by 185 from Britain, 184 from Switzerland and 154 from China. It was the first year that China wasn't among the top three green-field investors in Germany.

"The lower number of companies from China establishing businesses in Germany is an ongoing trend for four years," says GTAI CEO Robert Hermann. "In 2016, there were 281 such companies. That number has almost been halved. On the other hand, there's been an increase in investment from the United Kingdom. That can surely be attributed to Brexit."

Hermann also emphasized Germany's attractiveness as a production location. "It's very positive that the number of companies that intend to use Germany as a production or research location went up by two percent to 19 percent and that the number of planned jobs was almost doubled," he added.

The greatest number of investors came from the ICT (Information, Communications and Telecommunications) sector, followed by business and financial services and consumer goods. The amount of money invested rose from 4.8 billion euros in 2018 to 5.1 billion.

For 2020, GTAI expects a significant reduction of companies opening German subsidiaries due to the effects of the corona crisis.

For more information, the FDI Reporting 2019 can be downloaded here: [Link](#)

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