



# German business view on Russian economy

Aaron Röschke, Dec. 18, 2019

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## Is now the right time to invest in Russia?

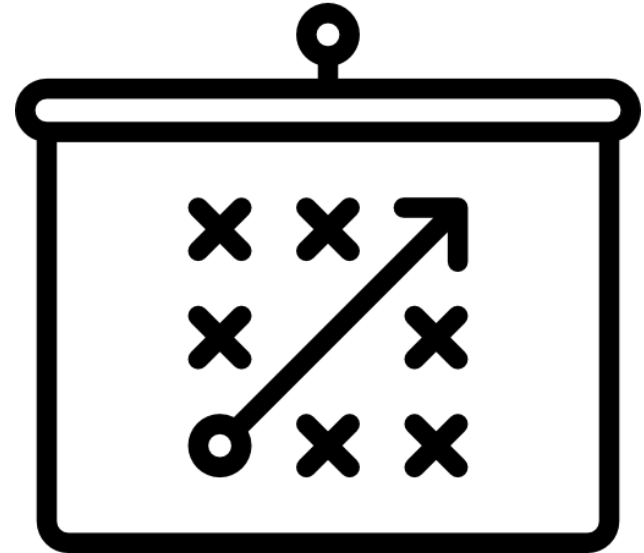
“There is never a  
right moment to  
invest in Russia”



German CEO in Russia, Dec. 2019

## Basic principles for investment decision in Russia

- long-term strategy
- no short-term profits
- more time for positive ROI
- know your industry
- know your customer



## Tiny differentiation

- German business in Russia

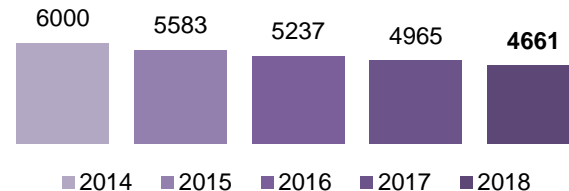
- German exporters



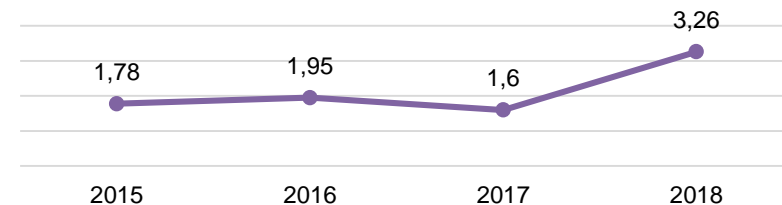
## German business in Russia

- Largest foreign (western) business community
- One of the largest foreign investor
- Largest investment project:  
North Stream 2
- Variety of investment projects in different regions and industries

Number of companies in Russia with German stock



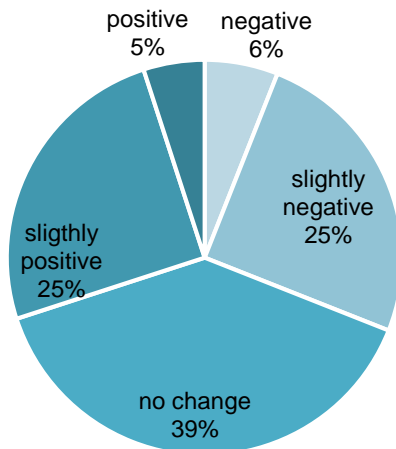
German FDI in Russia, in bn Euro



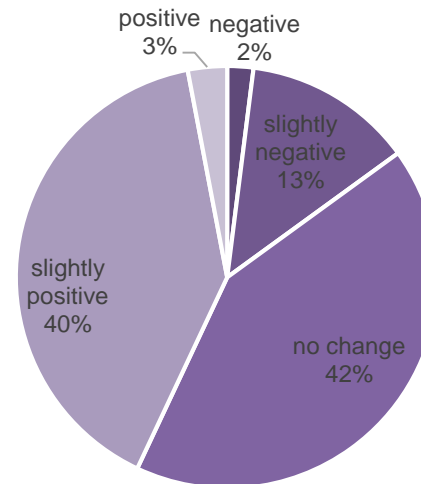
Source: AHK Russland, 2019

## German business in Russia

Development of business climate in Russia through 2019

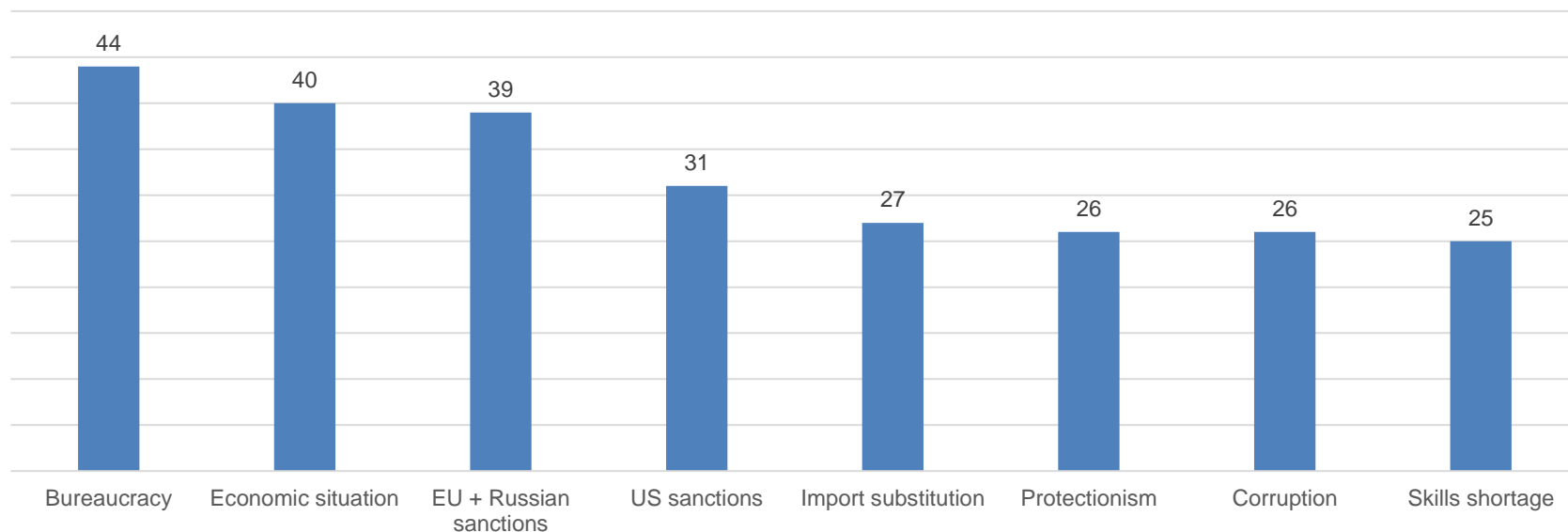


Development of Russian economy in 2020



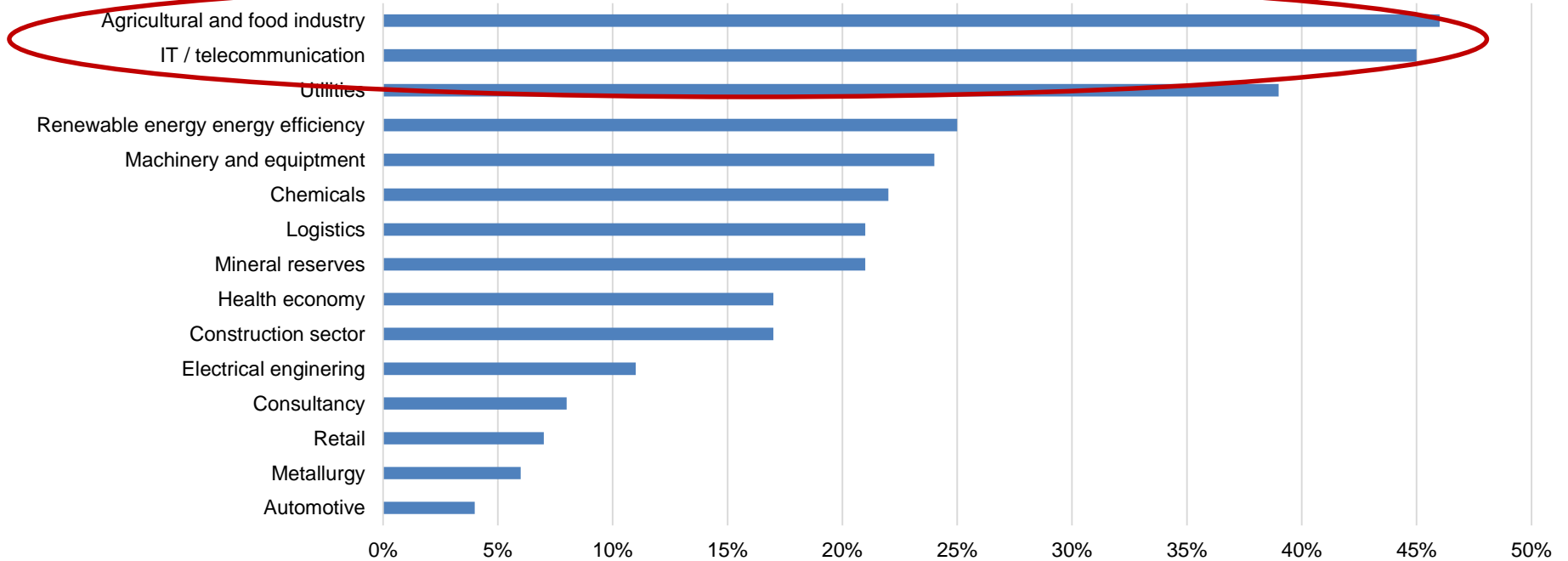
Source: Survey on business climate in Russia 2020, AHK Russland

## Most important barriers for German business in Russia (% of respondents)



Source: Survey on business climate in Russia 2020, AHK Russland

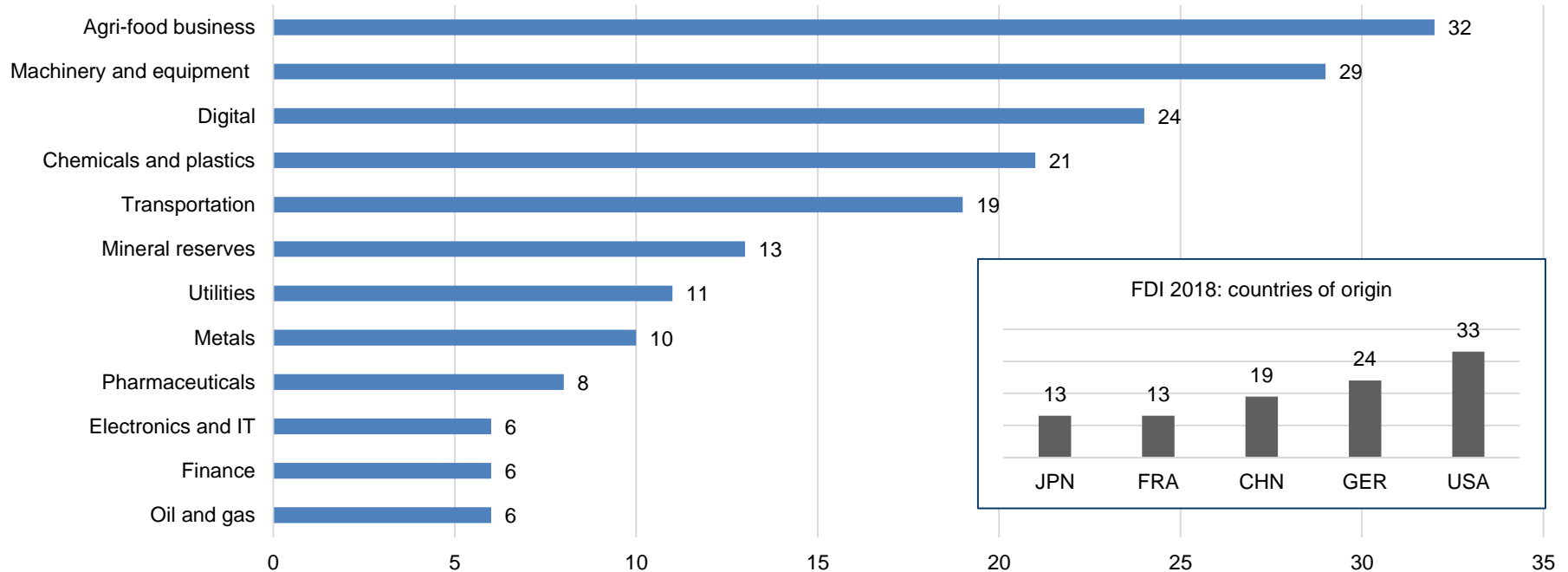
## Russian industry sectors with highest growth in the future (% of respondents)



Source: Survey on business climate in Russia 2020, AHK Russland



FDI-projects in Russia 2018 (number of projects)



Source: EY Attractiveness Survey Russia, June 2019

## Business environment for German EXPORTERS



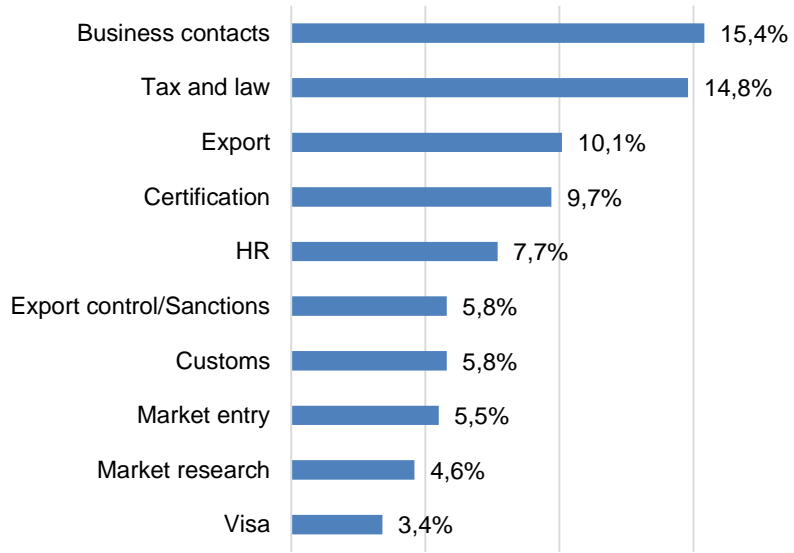
- Exchange rate EUR/RUB
- Local content
- Uncertain times: sanctions
- Trust?
- Market size?

## Business environment for German EXPORTERS

- Quality „Made in Germany“
- Consumer enthusiasm
- IT-affinity/acceptance
- Access to EAEU
- Market size!



## Questions of German EXPORTERS



- German companies are looking for business contacts with Russia
- Legal: contracts, employment
- Tax: registration, tax agent
- Export (control), sanctions
- Certification procedure
- Customs procedure

Source: Russland Kompetenzzentrum Düsseldorf, 2019



## Any questions?

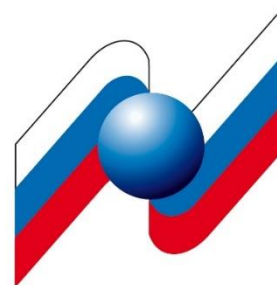
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„Wachstumsbranchen in herausfordernden Zeiten“  
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