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# “Business model Germany 2.0”

Key challenges and strategic imperatives  
for German decision-makers

A guide towards successful economic transformation  
May 2023



To succeed in a new geopolitical and macro-economic reality, Germany needs to fundamentally rethink its business model



Recent developments pose a fundamental threat to “Business Model Germany”



- Massive **geopolitical** and **macroeconomic** shifts
- Increasing and volatile fuel, energy and commodity **prices**
- Risky **import** and **export dependencies**
- **Supply chain** constraints and vulnerabilities



The new reality requires German firms and the economy as a whole to fundamentally rethink their business model



- Which **industries** and **products** will shape the future **German industry landscape**?
- What are our **key location factors** and **differentiating capabilities** – and how can we **strengthen** them?
- Where do we see **major dependencies and risks** – and how can we become **more resilient**?



Executives can address a number of strategic levers to lead their firm to a promising future



- Focus on **high-value products** with clear “right to win”
- Review and adjust global **sales market portfolio**
- Challenge **true cost-base**, with openness to technologies
- Re-design work model along differentiating capabilities
- Optimize global manufacturing **footprint**



Government and other decision-makers need to provide the framework conditions for “Business Model Germany 2.0”



- **Strengthen** existing **future-proof location factors** and create **new ones** to “make a difference” in the “new world”
- **Identify key supply vulnerabilities** and mitigate them
- Create **geopolitical foresight** and smart geostrategies
- **Cooperate** and ensure “**common voice**” with **partners and allies**
- **Support firms** navigating in an increasingly complex world

*The goal of this viewpoint is to discuss Germany’s major challenges and suggest strategies for key decision-makers to facilitate a smooth transition towards a prosperous and sustainable economic future*

# Over the past decade, the “Business Model Germany” delivered impressive growth – but the world has changed

## Major challenges for the “Business Model Germany”

### Recent key challenges



**Increasing geopolitical risks and instability**



**Governmental focus on geostrategy and protectionism** (subsidies for strategically important industries, technological de-coupling)



**Significant change in macroeconomic conditions** (end of zero-interest era, rising inflation, slowing growth, risk of recession, increasing fiscal spending and debt)



**Increasing and unpredictable fuel, energy and commodity prices**



**Persistent supply chain constraints and vulnerabilities**



**Major global environmental challenges** (climate, pandemics, food shortage)

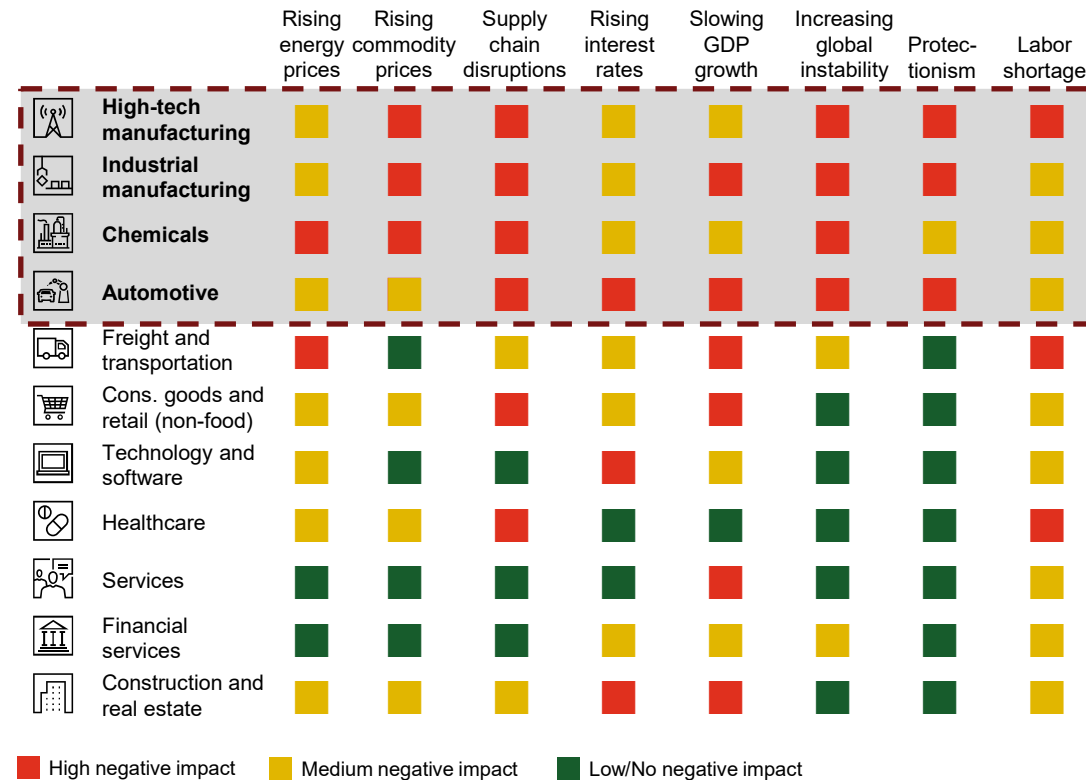


**Demographic and workforce challenges** (ageing population, labor market constraints)

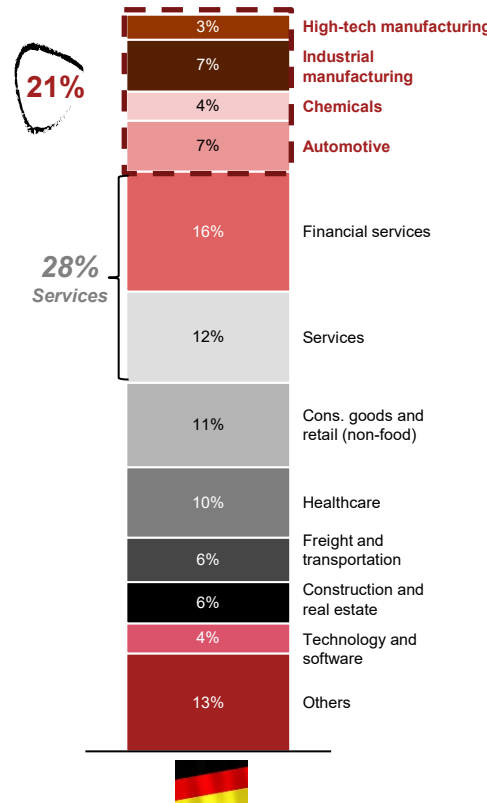
# The German economy is particularly exposed to the recent macroeconomic and geopolitical challenges

## German economy: Exposure to the recent challenges

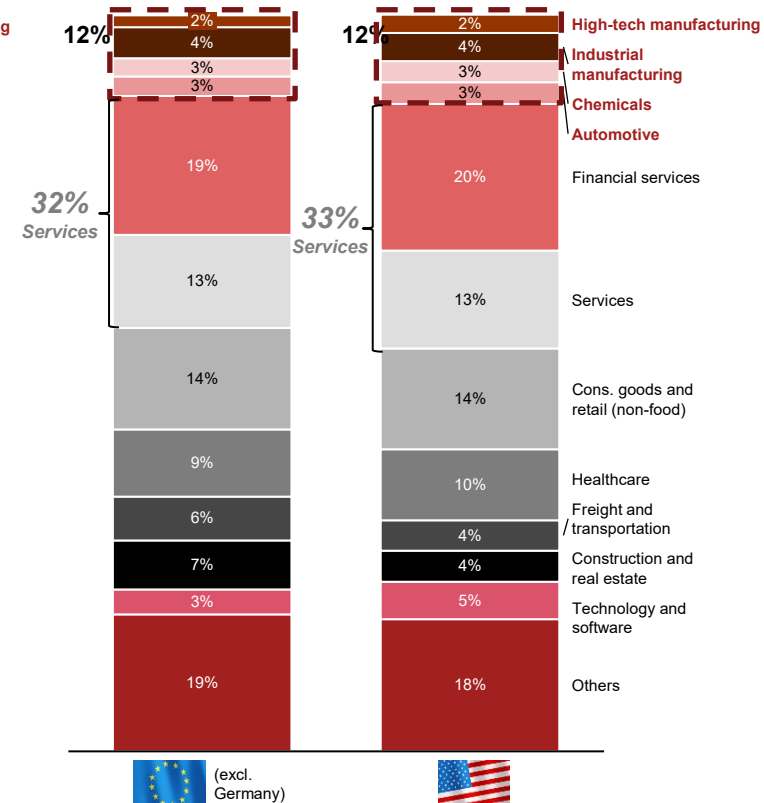
Estimated severity of impact by industry sector<sup>1</sup>



Sector contribution to GER Gross Value-Added<sup>2</sup>






Direct peers<sup>2</sup>



1) Qualitative impact assessment based on industry forecasts and expert inputs 2) GVA contribution in % of total GVA. Others includes industries with less than 3% share (e.g., Utilities, Entertainment and media, Pass. transp., Travel and hospitality, Consumer goods and retail (food), Telecommunications, Pharma and life sciences, Aerospace and defense, Agriculture)  
 Source: IHS Market Kit; Industry experts, Strategy& analysis

# Companies across a wide spectrum of German flagship industries are affected

## German flagship industries under severe pressure

	Automotive	Chemicals	Industrial & high-tech manufacturing
Leading players			
Contribution to GER GVA <sup>1</sup>	7%	4%	10%
<b>21% of German GVA</b>			
Current key challenges	High sales and supply dependencies from China (e.g., China-based raw material or component suppliers)	Cut-off from Russian gas as cheap energy source (share raised from 40% to 55% between 2012 and January 2022) Sales and supply dependencies from China	High and volatile energy and commodity prices; Supply constraints for key raw materials and components
Examples	German OEMs and their key EMEA suppliers import significant amounts of raw materials, car parts and components from China	BASF's cost for natural gas for the first three quarters 2022 increased by €2.2bn compared to 2021	Industrial manufacturing firms strongly linked to CN-based commodities and production capacities – e.g., >13% of global sales by Siemens in China <sup>2</sup>

- Firms in Germany's flagship industries (Automotive, Chemicals and Industrial & high-tech manufacturing) are experiencing pressure across the entire value chain: R&D, global supply chains, manufacturing, warehousing and distribution as well as sales are affected

- For many companies, financial health is at risk as they face lower revenues, increasing costs and narrower margins. In addition, adjusting to the new situation often requires significant CAPEX

"Natural gas can't be replaced in chemical production as raw material or energy source. If BASF receives less than 50% of the required gas, we must stop operations in Ludwigshafen."



**Martin Bruder Müller**  
CEO BASF

"We also have to face the awkward question of how to deal with China. Reducing this dependency will require a change no less fundamental than decoupling from Russian energy."



**Christian Sewing**  
CEO Deutsche Bank

"27% of German CEOs believe that their company needs to change its course."



PwC Global  
CEO Survey  
2023

"Business model Germany 2.0"  
Strategy&

1) Estimated industry contribution to total German Gross Value Added (GVA)

2) In addition, 6% of global sales by Siemens Energy in China

Source: IHS Market Kit, Financial Times, Press releases, PwC Global CEO Survey 2023, Strategy& analysis

# The new reality requires Germany to fundamentally rethink its business model

**Geopolitics, macro-economics, demographics,** and other global trends **increasingly challenge “Business Model Germany”** – companies across the country’s core industries are affected



The **impact** can be felt **across the entire spectrum of German industries**, threatening the country’s **resilience, economic and social prosperity and future prospects**



In order to ensure long-term success, Germany needs to **fundamentally transform** its economy and business model, **rethink its industry portfolio** and improve its attractiveness as a future-proof location for businesses



**Geopolitical risks** have risen on the **CEO agenda: 31% of German CEOs are worried about geopolitical conflicts (vs. 25% globally)**

- PwC Global CEO Survey 2023

*“To keep Germany the way it is, a **free, prosperous country**, we have to change a lot of things”*

- Christian Lindner (Federal Minister of Finance)

*“Before us is nothing less than the **greatest transformation** of our economy since the dawn of industrialization”*

- Olaf Scholz (Chancellor of Germany)



*Companies across Germany need to proactively pull all available levers to effectively lead their firm to a promising and financially sustainable future*



*How can the German government and other key decision-makers facilitate a successful transformation of the economy towards “Business Model Germany 2.0”?*

To secure its place in the future, the German economy needs to face up to the new reality through fundamental transformation

# Government and other decision-makers can apply a set of transformation levers to enable “Business Model Germany 2.0”

## Main macro transformation levers to achieve “Business Model Germany 2.0”

### Key questions

- 1 Industry portfolio**
  - Which industries can create most value for stakeholders and Germany in the future?
- 2 Location factors and differentiators**
  - What are our differentiating capabilities and location factors? How can we strengthen them?
  - Which new core capabilities will be required?
  - How can we build them in the most effective way?
- 3 Dependencies and resilience**
  - Which key inputs are needed to run the “Business Model Germany 2.0” (energy, know-how, raw materials, other goods/ services etc.)?
  - Where do we see major dependencies and risks?
  - How can we become resilient to long-term changes in global conditions and unexpected shocks?
- 4 Global footprint and geo-strategy**
  - What is our global footprint and how do we assert our interest on the world stage?
  - How shall we deal with critical countries?
  - Where do we need cooperation and trade agreements?
  - How can we support firms in dealing with an increasingly complex world?

### Levers

Define the **portfolio of industries** which will build the foundation of “Business Model Germany 2.0”.

Identify Germany’s **key strengths** and find ways to sharpen these core capabilities in the future.

Identify the **major dependencies** of Germany’s future economy and define strategies to mitigate related risks.

Evaluate the **global footprint** of “Business Model Germany 2.0” and associated political, geo-strategic and diplomatic requirements.

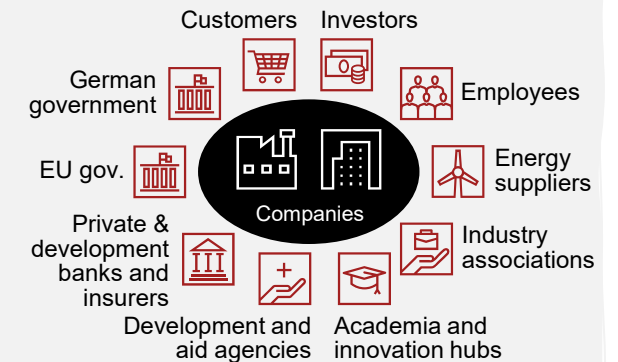
### Key strategic imperatives

- Shape the **future industry landscape** around sectors with **strong growth prospects** and a clear German **“right to win”**. Transform, right-size or exit less promising sectors.
- **Strengthen future-proof location factors and capabilities.**
- Enable creation of **new capabilities** which will **“make a difference”** in the “new world”.
- Actively **promote Germany’s location advantages** to attract global industry leaders.
- Gain **end-to-end transparency** on Germany’s **supply chain** for critical goods and services and identify **key dependencies and risks.**
- **Mitigate risks** with measures such as diversification, build-up of domestic production, re-location or “friend-shoring”.
- Create **geopolitical foresight** and smart geostrategies.
- **Strengthen cooperation** and alignment with partners and allies (“common voice”).
- **Advise and support** firms in navigating in an increasingly complex world.

**Each framework condition** should be provided by the institution with the best **capabilities to do so effectively**

**Market mechanisms**, such as “price”, **should not be suppressed.** Rather, they should play a role in setting efficient incentives and ensure competitiveness of the economy

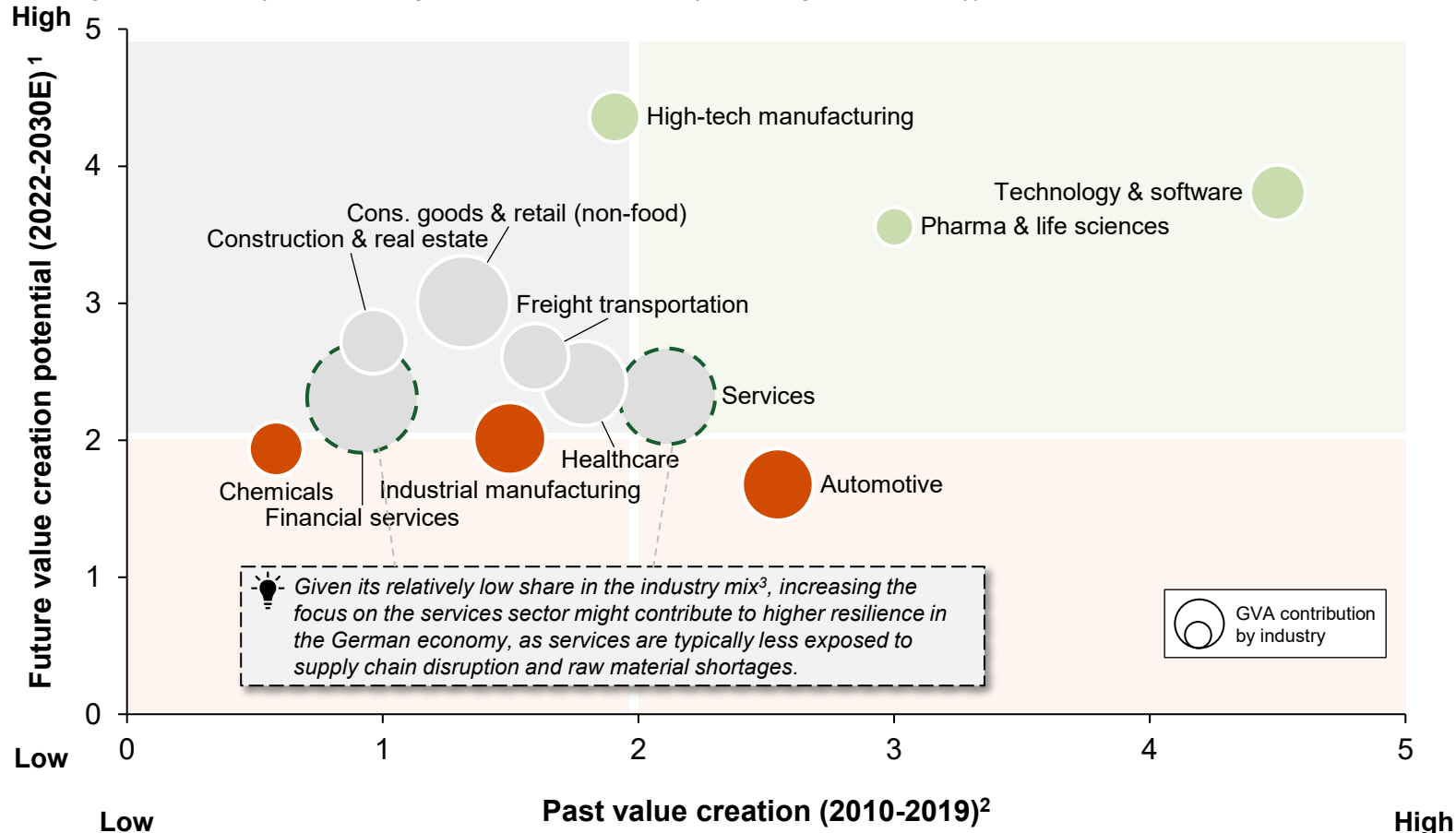
### Key stakeholders in the German economy



# Sharpening focus on the sectors that drive the greatest value helps to shape a future-proof industry landscape

## “Business Model Germany 2.0” – Industry Portfolio

Industries with the highest past and future value creation potential  
 (by historic growth rates, expected future growth rates and German positioning within industry)



### Industry-strategic imperatives

- “Future value drivers” should take a leading role in Germany’s industry mix
  - These sectors are characterized by:
    - **Strong future growth prospects** at the regional and global level
    - A **German “right to win”** based on existing or emerging differentiating capabilities
  - Germany has to offer framework conditions that enable **firms** in these sectors to **grow & strengthen** their **capabilities**. **Location factors** should also be sufficiently differentiating to attract **foreign industry champions**

- “German flagship industries under heavy transformational pressure” should be addressed with a tailored and forward-looking strategy:
  - **Support** firms in their transformation,
  - “**Right-size**” exposure, or
  - Incentivize **exit**

● “Basic” industries with expected steady development

1) Based on expected global industry CAGR 2022-2030 and German positioning within industries (“right to win”); 2) Based on German industry CAGR 2010-2019; 3) Relatively low (28% of GVA) compared to US and EU (32% and 33% respectively)  
 Source: HIS, Strategy& analysis

# To remain attractive, Germany needs to strengthen its truly differentiating location factors and build new capabilities

## “Business Model Germany 2.0” – Location factors and differentiators

Location factors	Dimensions/ indicators (examples)						Key priorities for Germany
<b>Labor market</b>	<ul style="list-style-type: none"> <li>Labor cost, availability of skilled labor, productivity</li> </ul>						<ul style="list-style-type: none"> <li>Increase labor force across skill levels</li> <li>Push automation and robotics</li> </ul>
<b>Unique expertise (hard to replicate)</b>	<ul style="list-style-type: none"> <li>Country-specific expertise (e.g., German engineering)</li> </ul>						<ul style="list-style-type: none"> <li>Facilitate deepening and broadening of German expertise</li> <li>Incentivize firms to stay in GER</li> </ul>
<b>Non-labor inputs</b>	<ul style="list-style-type: none"> <li>Energy/ commodity costs</li> <li>Land and real estate prices</li> </ul>						<ul style="list-style-type: none"> <li>Reduce energy-intensity of domestic industry</li> <li>Incentivize renewables</li> </ul>
<b>Business environment</b>	<ul style="list-style-type: none"> <li>Tax and bureaucracy</li> <li>Capital access</li> <li>Physical/digital infrastructure</li> </ul>						<ul style="list-style-type: none"> <li>Invest in digital/physical infrastructure</li> <li>Improve bureaucratic/tax environment</li> <li>Ease access to growth capital</li> </ul>
<b>Political system and stability and law</b>	<ul style="list-style-type: none"> <li>Political stability, IP rights</li> <li>Corruption, crime, security</li> </ul>						<ul style="list-style-type: none"> <li>Avoid undermining of political system</li> <li>Address security dependencies</li> </ul>
<b>ESG factors</b>	<ul style="list-style-type: none"> <li>Capacity of renewables</li> <li>Human freedom</li> </ul>						<ul style="list-style-type: none"> <li>Push renewable transformation in alignment with EU partners</li> </ul>
<b>Resilience and transformation readiness</b>	<ul style="list-style-type: none"> <li>Foresight and resilience</li> <li>External dependencies</li> <li>Responsiveness to change</li> </ul>						<ul style="list-style-type: none"> <li>Create foresight and scenario planning</li> <li>Lower (import) dependencies</li> <li>Improve flexibility of the economy</li> </ul>
<b>Innovation ecosystem</b>	<ul style="list-style-type: none"> <li>Collaboration between businesses and academia</li> <li>R&amp;D/innovation incentives</li> </ul>						<ul style="list-style-type: none"> <li>Enable collaboration between corporates and key innovators</li> <li>Strengthen industry clusters</li> </ul>

⚡ Artificially low energy costs no longer a “differentiator” for GER

### Location factor imperatives

- Many **traditional** German **differentiators**<sup>1</sup> are **no longer valid**
- To remain attractive, the country needs to offer a compelling set of **differentiating location factors**
- **Existing, future-proof capabilities**, such as Germany’s engineering expertise, need to be **strengthened**
- **New capabilities will be required**, such as:
  - A strong **innovation ecosystem** and access to venture capital
  - High degree of **resilience** across the entire ecosystem
  - High **readiness for transformation**
  - **Geopolitical foresight**
- **Fast and effective build-up of these capabilities** needs to be ensured by government and other stakeholders

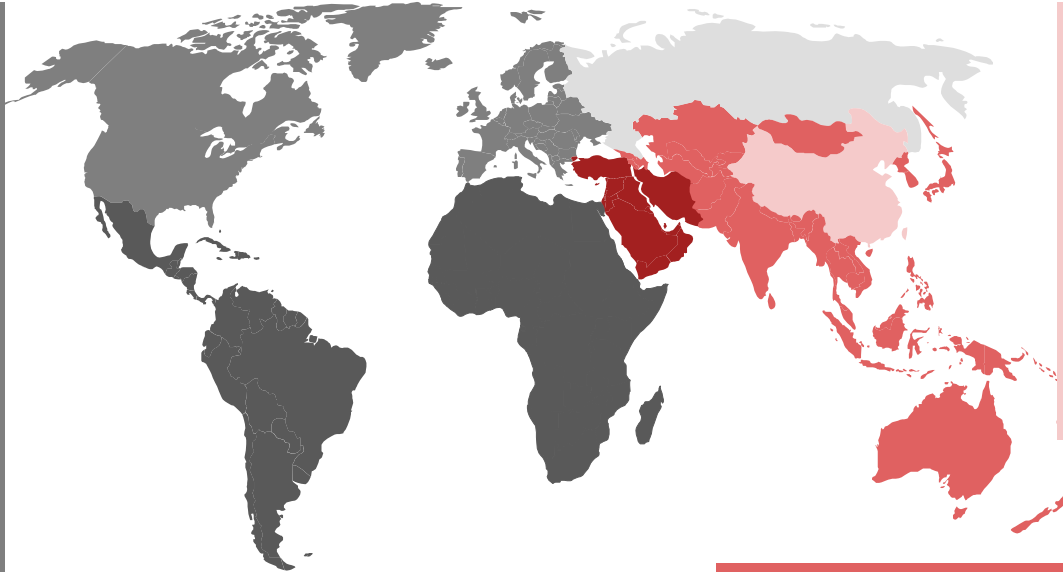
● / ⊖ Strong / Weak positioning with regards to location factor

# A clear geostrategy, a “common voice” with allies, and multilateral cooperation will be key to secure Germany’s global footprint

## “Business Model Germany 2.0” – Global footprint and geostrategy

### Western partners and allies

- Seek close alignment on geopolitical, economic and environmental topics with common goals (“common voice” on the world stage)
- Ensure level playing field whilst avoiding a race for subsidy packages
- Enable economic cooperation (e.g., pan-European infrastructure development, “friend-shoring”)



### Latin America and Africa

- Sharpen Europe’s geopolitical positioning in the respective region
- Strengthen relations with key countries through partnerships and joint projects/ventures<sup>3</sup>

### Middle East

- Sharpen Europe’s geopolitical positioning in the region
- Strengthen and broaden existing relations through complementary capabilities<sup>1</sup>
- Partner with GCC countries seeking to diversify away from fossil fuels

### China

- Have a clear and comprehensive China strategy, closely aligned with geostrategic partners
- Regularly assess geopolitical and economic exposure and related risks
- Address conflict of goals between economic and political interests
- Prepare for the scenario of a potential escalation of the China-Taiwan conflict

### South and South East Asia

- Sharpen Europe’s geopolitical positioning
- Strengthen/institutionalize relations with regional bodies and alliances<sup>2</sup>
- Cooperate with key countries through partnerships and joint projects/ventures<sup>3</sup>
- Support German firms intending to invest in the region (advice, diplomatic support)
- Develop a strategic perspective on the future importance of the Indian market for the German economy

### Geostrategic imperatives

- Create **geopolitical foresight** based on scenario analysis and intelligence sharing
- Have a **clear and comprehensive geostrategy** for key regions and countries
- Ensure “**common voice**” with geostrategic partners
- Collaborate with other EU states to **sharpen Europe’s geopolitical positioning** in key regions
- **Advise and support** German firms seeking to expand internationally

1) E.g., German manufacturing expertise combined with local renewables potential

2) E.g., ASEAN, AUKUS

3) E.g., build-up of manufacturing ecosystems to help resource-rich countries “move up” the value chain

# Geostrategy also plays a role when firms re-design their global manufacturing footprint

## Re-location of energy-intensive manufacturing processes to Spain or UAE

Re-location of energy-intensive processes to places with more favourable renewables conditions such as Spain or the UAE

### Location attractiveness index scores\*

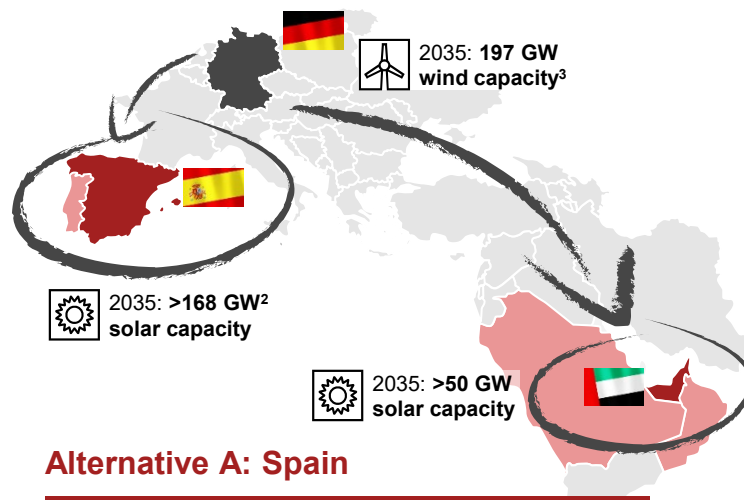
#### Spain



#### United Arab Emirates



Score 0 = low attractiveness; score 5 = high attractiveness



### Alternative A: Spain

Ø €12/h    €0.097/kWh    ~€0.04/kWh

- **Relatively low costs** for renewable energy
- **Governmental push to expand green energy production:** >168 GW projected solar capacity by 2035<sup>2</sup> (74% of total energy mix)
- **Proximity** to LNG hubs to cover potential renewable capacity gaps
- **Relatively low labor costs**, high availability of labor
- **Geopolitical benefits and security:** EU members, political alignment, low risk

### Current location: Germany

Ø €21/h    €0.257/kWh    ~€0.08/kWh

- Relatively high labor costs, low availability of labor
- High and volatile energy cost threatening financial health of energy-intensive industries
- Geopolitical benefits and security: EU member, political alignment, low risk
- Governmental push for green energies: 197 GW projected wind capacity in GER by 2035 – yet significant challenges around green transition remain

### Alternative B: United Arab Emirates

Ø €6.3/h<sup>1</sup>    €0.092/kWh<sup>1</sup>    ~€0.012/kWh<sup>1</sup>

- **Lowest costs** for renewable energy
- Access to **international trade and shipping routes**
- **Access to low-cost labor** (incl. immigrants from e.g., South Asia): GER companies as potential standard-setters for working conditions
- **Existing key energy partnerships:** e.g., with UAE, Qatar
- **Potential geopolitical, legal & reputational risks**
- **Strong push for green energies:** >50 GW projected solar capacity in UAE by 2035

### Geostrategic considerations

- German government and companies should **jointly assess** geopolitical impact of nearshoring considerations
- In the context of a **broader partnership** with the target country, Germany could offer **support beyond industry expertise** in areas such as:
  - Talent and labour market development
  - Anti corruption initiatives
  - Strengthening of the institutional and legal framework
- Potential economic/ political **dependencies and risks need to be evaluated** and constantly **monitored**

\* ) The Strategy & location attractiveness index measures a country's location attractiveness along key macro-/microeconomic, geopolitical, legal, demographic and ESG-related dimensions and allows for objective cross-country comparison

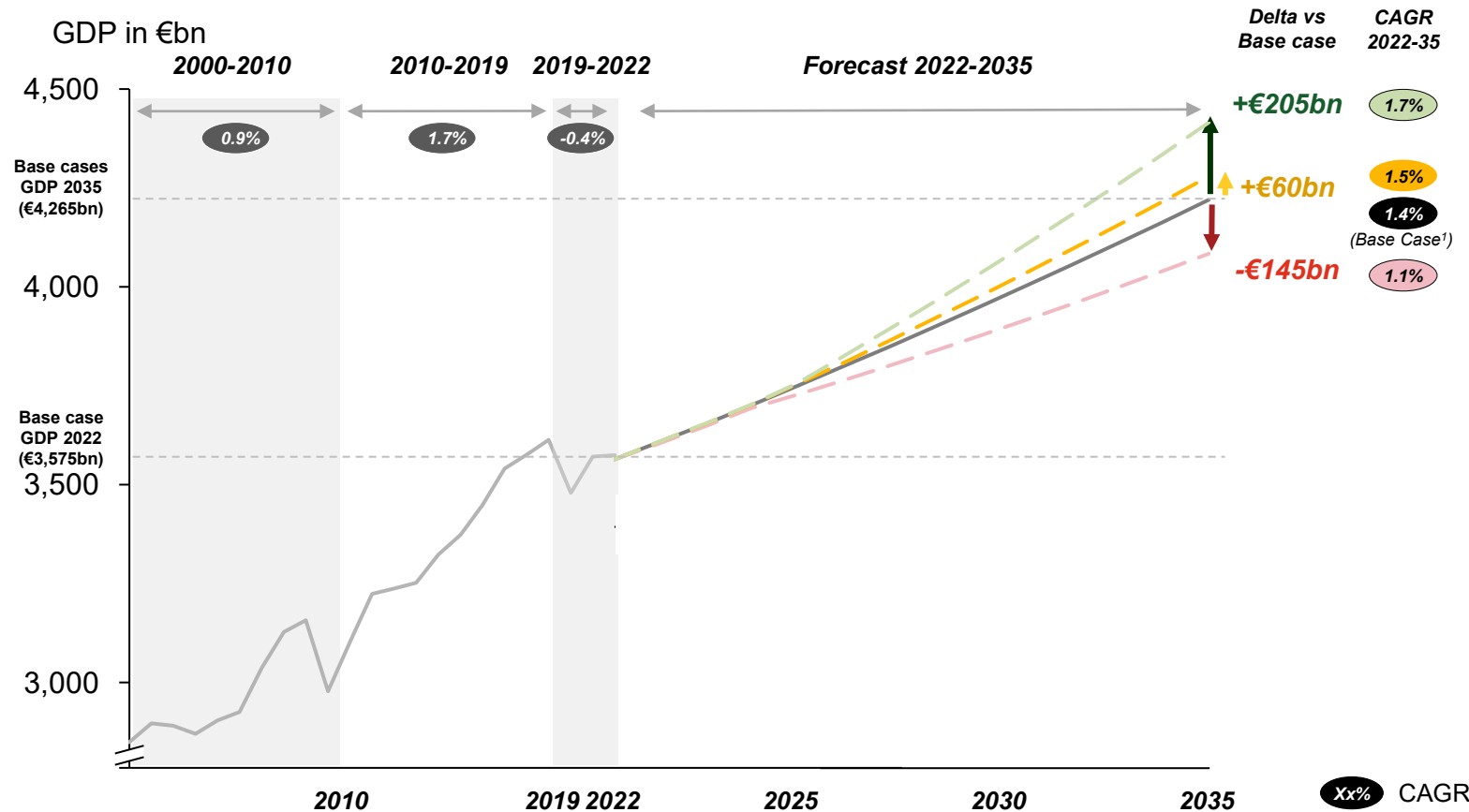
1) FX Rate: US\$1.085/€ (as of 01/18/2023), AED3.97/€ (as of 01/18/2023); 2) Based on Government target for 2030 and extrapolation;

3) Capacity targets set by respective government

Source: Bloomberg, Deutscher Bundestag, DW, Ember, Fintonic, Global Petrol Prices, Handelsblatt, Intersolar, NZZ, PV-Magazine, Rapid Transition Alliance, Real Instituto Elcano, Salary Explorer, Solarfeeds, Trading Economics, XE, Strategy & analysis

# If GER successfully transforms its business model, it could unlock additional GDP of ~€205bn vs. current projections

**Estimated GDP impact of a successful transformation to “Germany 2.0” (illustrative scenario)**



## Scenarios and underlying assumptions

### Successful transformation of flagship industries and improvement of location attractiveness

- Successful transformation of German flagship industries (Automotive, Chemicals, Industrial Manufacturing)
- In addition, Germany strengthens its capabilities and increases location attractiveness for domestic and global “future value drivers” (e.g. High-tech manufacturing, Life sciences, IT)
- Increasing share of high-value industries with strong global growth prospects further boosts German GDP outlook

### Successful transformation of flagship industries, no further action

- Transformation of flagship industries so that they remain stable and grow in line with global projections for the respective industry
- No further action to increase location attractiveness for future value drivers (High-tech manufacturing, IT and software, etc.)

### Base case

- German GDP growth forecast by World Economic Forum

### “No action”

- Growth below base case driven by flattened growth in flagship industries as they lose their competitive edge
- Basic industries growing in line with industry expectations

# Yet, transformation does not come for free: We estimate additional annual funding needs of ~€170bn – who will pay?

## Estimated transformation costs, financing options and underlying conditions

Estimated transformation costs<sup>1</sup> of ~€170bn p.a.

Private and public financing options

Major challenges and impact on financing capacities

Incentives and framework conditions required to ensure capital availability

~1.5% of GDP 2022

~€60bn p.a.

Attraction of “future value driver” industries

- **Energy transition:** Path towards 100% renewables
- **Digital infrastructure:** Investments in infrastructure priorities (e.g. 5G)
- **Innovation ecosystem:** Public-private research collaboration
- **Financial incentives:** e.g. more favorable tax environment
- **Administration:** Investments in straight-forward, digital administrative processes

Some areas already addressed by existing government programs, esp. energy transition, digital infrastructure

~3% of GDP 2022

~€110bn p.a.

Flagship industry transformation

- **Chemicals** shifting to hydrogen infrastructure and aiming for breakthrough technologies
- **Automotive** shifting to EVs and requiring significant supply chain / diversification investments
- **Industrials** pushing for decarbonization, digital factories and cost-optimized global footprint

Financing options	Major challenges and impact on financing capacities					Overall financing capacity	Comment
	Slowing growth	Higher rates	Lacking access / infrastructure	Current debt levels			
Private	Available capital (Liquidity, planned CAPEX)	High	Medium	Low	High	Medium	Limited liquid assets
	Current equity and debt holders	Medium	Medium	Low	Medium	Medium	Limited willingness to inject further capital
	Bank Loans	Medium	Medium	Low	Medium	Medium	Limited capital availability/ allocation to lower risk debt
	Debt capital markets <i>EU Capital Markets Union as a potential facilitator / accelerator</i>	Medium	High	Low	Medium	High	Seeking alternatives with better risk-return profile
	Equity capital markets (for listed corporates)	Medium	High	Low	Medium	High	Seeking alternatives with better risk-return profile
Private equity / venture capital (esp. SMEs, start-ups)	High	High	High	Medium	High	Lack of attractive PE/ VC ecosystem and incentives	
Public	German government	Medium	High	Low	High	High	High public debt levels narrow room for spending
	EU and transnational (e.g. IMF) funding schemes	Medium	Medium	Low	Medium	Medium	Pot. option (e.g., transformation finance schemes)
	Development banks	Medium	Medium	Low	Medium	Medium	Pot. partner for risk capital if environment is attractive

Private investors will not be able or willing to foot the entire transformation bill unless better framework conditions boost attractiveness of private debt, mezzanine and venture capital investments

- Dedicated “**Transformation financing structures**” with competitive risk-return profiles for institutional investors
- Targeted **financial and tax incentives**
- Investor **insurance schemes** and **state guarantees**
- Strengthening of **debt / equity capital markets** (e.g. EU Capital Markets Union)
- More **attractive investment environment** for private debt, mezzanine and venture capital (e.g. stronger innovation-ecosystem, platforms for SMEs and investors to connect)
- **Innovative fund raising models** for SMEs (e.g. peer-to-peer lending platforms)
- Better **EU-wide coordination** of economic stimuli and „revitalization programs“
- **Financial, political and diplomatic support** for firms exploring options to reduce transformation cost

As effective implementation of incentives and framework conditions will likely take some time, **Development banks may need to be engaged to “fill the gap”**

# Going forward, geopolitical tensions and other challenges will intensify – with major economic consequences

## Outlook on key trends expected to shape the upcoming decade



### Economic downturn intensifies

- **Drastic cut in GDP forecasts** on global scale since 2020
- **Restrictive trade**, geopolitical uncertainties and commodity prices as major factors



### Interest rates remain high

- **High interest rate environment** likely persists as central banks intend to **curb inflation** – with potential broader **impact on financial system**



### Stagflation threat looming

- **Reduced macroeconomic growth** with surging inflation
- **Stagflation as threat** for years to come as possible scenario



### Energy shortages proliferate

- **Energy independence** takes center stage in global geopolitics
- **Impact on ESG** and path to net zero in terms of energy mix



### Public debt levels rising

- **Public debt** rising to historic levels in order to finance the state budget
- **Proliferation of already-enhanced uplift** in corporate leverage



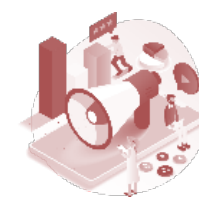
### EU inequality enhanced

- **Further increase** of ECB's balance sheet likely
- **Targeted bond purchases** for southern European countries



### Deglobalization accelerates further

- **Global trade as share of GDP** started to shrink during 2020
- **Rising geopolitical tensions** fuel further localization in trade



### Emerging markets stressed

- **Looming food crisis** as population and commodity prices rise
- **Migration/immigration challenges** ahead due to flows of people

# Decision-makers need to keep this in mind as they lead the German economy into a successful future

## Strategic imperatives for government and other decision-makers

### Understand strengths and weaknesses of the current German Business Model

- Review the **current sector portfolio** and each industry's potential for future value creation
- Systematically identify **vulnerabilities** and **risk exposures** which could threaten Germany's business models, financial stability and overall economic and social wealth
- Get a good picture of the **German economy's global footprint** (e.g., supply and import/ sales and export)
- Review existing **industrial policies** and **geopolitical agendas** and assess how they enable (or hamper) a thriving economic ecosystem

### Address the key enablers of “Business Model Germany 2.0”

- Shape the **future industry landscape around sectors with strong growth prospects** and in which Germany has a clear “right to win” – simultaneously exit, right-size or transform less promising sectors
- Strengthen **existing future-proof location factors and capabilities** – enable creation of new capabilities which will “make a difference” in the “new world”
- **Identify key dependencies and vulnerabilities** along Germany's end-to-end supply chain and define strategies to mitigate related risks

### Align and cooperate with key stakeholders

- **Strengthen cooperation and alignment** with partners and allies (“common voice”)
- Advise and **support firms in navigating** in an increasingly complex world
- Actively promote **Germany's location advantages to attract international industry leaders**
- **Create geopolitical foresight and smart geo-strategies** for key regions/ countries
- **Apply a technology and innovation radar** and identify opportunities to strengthen Germany's future value proposition



*Constantly observe geopolitics, macroeconomics, demographics and environmental developments and their impact on the economy – today and tomorrow*

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# Thank you

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