

# AHK ANNUAL REPORT

2017



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**Dr Eric Schweitzer**  
*President of the  
 Association of German  
 Chambers of Commerce  
 and Industry (DIHK)*

The key strength of the German Chambers of Commerce Abroad (AHK) lies in their enormous network. Their contacts with business representatives in Germany and the host countries as well as with politicians, institutions, associations, and other opinion leaders enable the AHK network to connect the right people at the right time. The AHKs provide contacts to potential business partners, represent the interests of companies vis-à-vis decision makers in politics and public administration, and position German companies on the global market at the early stage of new trends and developments.

A survey carried out among AHK customers, members, board members, and employees shows that these benefits are appreciated by entrepreneurs. The trust that companies place in the AHKs is an honor and a great incentive at the same time. AHK 2025 represents an important strategy process, which I am convinced will once again lead to an improved performance and will create important foundations for the digital transformation.

Thanks are also due to approximately 2,000 AHK employees at 140 locations in 92 countries throughout the world, whose dedication makes the success of the AHK network possible. This annual report shows what they achieved again in 2017 in supporting our companies.



**Peter Altmaier**  
*Federal Minister for  
 Economic Affairs  
 and Energy*

In times like these, you can't repeat the message often enough: free and open markets benefit everyone involved. Through their products and investments, Germany's companies make a particularly great contribution to growth and prosperity all around the world. To do this, they need strong partners.

So it is good that German firms can rely on the support available from Germany's chambers of commerce abroad, delegates' offices and representative offices around the world. I am delighted that, thanks to a decision by the German Bundestag, we will be able to give even better backing to the work done by our network of chambers. In 2017 alone, the Federal Ministry for Economic Affairs and Energy spent a record sum of more than €43 million on the AHK system.

I want to work with the Association of German Chambers of Commerce and Industry to further strengthen the network during the course of this legislative term. The Coalition Agreement contains a clear commitment to expanding this key pillar of our external economic policy. The focus will be on new markets and on Africa. I am sure that this will enable us to boost the role played by German companies in these regions.



### ASIA PACIFIC REGIONAL CONFERENCE IN AUSTRALIA

At the beginning of November 2017, the AHK Australia organised the Asia Pacific Regional Conference together with the DIHK and the Australian government. More than 1,000 decision makers from politics and business took part in this business conference in Perth, Western Australia. President of the Federal Republic of Germany, Dr Frank-Walter Steinmeier and Australia's Prime Minister, Malcolm Turnbull both praised the benefits of open global trade in their speeches. The managing directors of the AHKs from 15 countries with 32 offices in Asia Pacific gave the keen audience a detailed summary of the opportunities and challenges facing German companies in these countries. The conference was also used by President Steinmeier to exchange ideas with the AHK representatives.

# HIGHLIGHTS



### 100<sup>th</sup> ANNIVERSARY OF THE AHK SPAIN

The AHK Spain celebrated its 100<sup>th</sup> anniversary in May with a gala event in Madrid, which was deeply honored by the presence of the Spanish King, Felipe VI. The royal congratulations on the AHK's 100 years of work were reiterated in addresses by the DIHK President, Dr Eric Schweitzer, the Spanish Minister for Energy, Tourism and Digital Affairs, Álvaro Nadal, and the Parliamentary State Secretary of the German Ministry for Economic Affairs and Energy, Iris Gleicke. The speakers acknowledged the dedication of the AHK to promoting German-Spanish relations, to supporting companies in their business activities in both countries, and especially to strengthening vocational education and training in Spain. The professional qualification of young people is a valuable contribution to the positive economic development in Germany, Spain and Europe.



### THE CORE VALUE OF THE AHKS

The AHK network must face new global challenges and continually adapt its services to meet companies' needs. To set the course for the future, a survey was carried out worldwide in spring 2017 among AHK employees, board members, member companies and customers. Over 4,000 responses were received and the result is impressive: AHKs provide an important source of support for commerce and industry, and they are highly professional. The network they provide is seen as a core strength.



### SUCCESSFUL START OF THE 'SKILLS EXPERTS' PROGRAM

The 'Skills Experts' programme of the German Ministry for Economic Affairs and Energy helps German companies abroad to provide needs-based practical training modelled on the German dual vocational education and training system. The 'skills experts' collaborate closely with the DIHK to guarantee comparable quality-controlled standards of vocational education and training around the world and to certify training according to the German system. This is of particular benefit to small and medium-sized German businesses, but also to the partner countries and their youth. 'Skills experts' can already be found at seven AHKs or delegations of German industry and commerce in Bosnia and Herzegovina, Indonesia, Kenya, Croatia, Malaysia, Macedonia, and Vietnam.

### EXPANSION AND REINFORCEMENT OF THE AHK NETWORK

The AHK network was further expanded and reinforced in 2017. Since August, the Delegation of German Industry and Commerce in Cuba has been advising German companies interested in the Cuban market. AHK presence was also strengthened in Africa: a regional coordinator was appointed at the AHK Southern Africa to coordinate activities in Namibia and Zambia, among others. At the Delegation of German Industry and Commerce in Kenya, a post for a corresponding regional manager for East Africa was created, to cover Ethiopia, Rwanda and Uganda, among other countries.

In spring 2017 the first competence centre for trade policy was opened at the AHK Singapore to intensify advocacy on behalf of German business on global trade issues. The center's monitoring of the free trade negotiations in the region, its preparatory work for relevant issues of trade policy, and its monitoring of political and legislative initiatives help German companies make use of the agreements in the region.

In addition to the area of trade policy, further support was offered concerning financing: The German Desks for Financial Support and Solutions of the German development finance institution (DEG) began working at four locations in collaboration with the AHK network in Indonesia, Kenya, Nigeria, and Peru.

### FOCUS ON AFRICA

The AHK network in sub-Saharan Africa, with its ten locations in eight countries, is an important point of contact for German companies. The network's expertise was in great demand at events and discussions, and for position papers in connection with the German government's G20 focus on Africa. Between 8 and 10 February, the Delegation of German Industry and Commerce in Kenya organised the second German-African Business Summit (GABS) of the sub-Saharan Africa Initiative of German Business (SAFRI) in Nairobi with 500 participants. The presence of the German Minister for Economic Affairs and Energy, Brigitte Zypries, the German Minister for Economic Cooperation and Development, Dr Gerd Müller, along with delegations from 14 African countries confirmed the increased importance of economic relations between Germany and Africa.

In South Africa, the AHK celebrated its 65<sup>th</sup> anniversary in May. During this event, the German Minister for Economic Affairs and Energy, Brigitte Zypries, the DIHK President, Dr Eric Schweitzer, and the managing director of the AHK Southern Africa, Matthias Boddenberg, made the case for providing instruments to ease financing and protect against risk, in order to encourage German companies to increase their investments.



FOR  
A  
P



»The AHK Southern African represents the interests of German commerce and industry locally. As a member, I can participate effectively in economic policy discussions. The results are communicated to politicians by the AHK, which is the largest bilateral association here. We also benefit from the network that the AHK makes available to us, including other members, potential business partners and public authorities. This is a significant benefit and explains why we have been a member of the AHK in Johannesburg for the past 56 years.«

**Dr Sven Baumgarten** *Managing Director of KSB Pumps and Valves (Pty) Ltd.*

51,000  
**51,000 MEMBERS**

## MEMBERSHIP

AHK membership numbers have been steadily rising in recent years. In 2017, the global network counted a total of 51,000 members.

The AHK network comprises a large number of reliable and competent contacts, not only in business but also in politics, institutions and associations in Germany and the host countries. As AHK members, companies benefit greatly from this network which facilitates connections that can be decisive for their business success. Exclusive member events allow members to stay informed about current developments, challenges and trends, and to discuss these with experts. Emphasis is also placed on personal interaction. Members have the chance to meet with other AHK members and partners to get to know each other and identify synergies or opportunities for collaboration.

Of central importance for the members is the chance to voice their business interests. For them, the AHK is a strong and reliable partner that represents these interests in Germany and in the host country. These efforts are based on comprehensive member surveys carried out regularly on a global basis.



- 1 **39,600 members in host countries**
- 2 **10,600 members in Germany**
- 3 **700 other members**



»These are impressive figures: 4,700 branches, investments amounting to almost \$ 300 billion, and 670,000 jobs. German companies are especially well represented in the United States, and they are also well represented by the dense network of the German Chambers of Commerce Abroad. The AHKs provide competent advice and advocate with great determination on behalf of business interests. This would not be possible without dedicated employees and the honorary work of AHK board members.«

*Klaus Zellmer Chairman of the Board of Directors, German American Chamber of Commerce of the Southern US, Inc., President and CEO of Porsche Cars North America, Inc.*

# 1,800 BOARD AND COMMITTEE MEMBERS

## HONORARY WORK

Honorary work is an important pillar of the AHK network. Board and committee members play an active role in the AHKs to provide advice and concrete help.

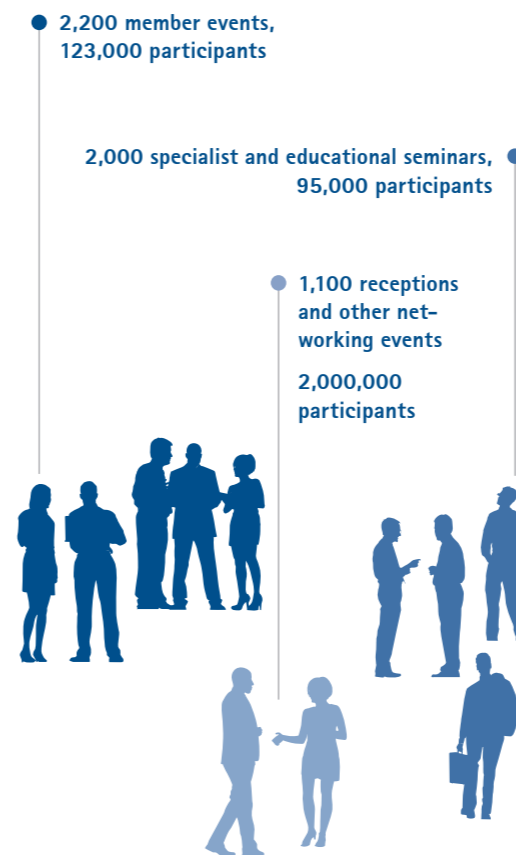
Members' knowledge of the daily needs of businesses helps the AHKs to quickly identify and react to current developments and challenges. This enables the AHKs to design appropriate support and consulting services, and to advocate together with the honorary board and committee members in the interest of businesses.

Committee work is another area where AHKs benefit from the active engagement of their honorary board and committee members; through the expertise they bring, business representatives help design initial and continuing vocational education and training abroad.

There is a total of 1,800 active honorary board and committee members in the AHKs throughout the world.



# 5,300 EVENTS



## AHK EVENTS

The AHK network organises numerous events in the host countries and in Germany, usually in collaboration with the German Chambers of Commerce and Industry (IHKs). These events provide ideal opportunities to form contacts within the AHK network. The widerange of events includes specialised information events for experts to discuss new trends and topics, member events, receptions with high-ranking guests and lively networking events.

At these events, the AHKs offer business representatives the chance to discuss current developments with competent experts, and participants benefit from the extensive network of contacts in Germany and the host countries. They have the opportunity to turn valuable new contacts into potential business partners and strengthen their relationship with existing contacts.

In 2017, the AHK network brought together around 2.2 million participants through 5,300 events.

# 2.2 MILLION PARTICIPANTS



# 129 M

## 129 MILLION EUROS IN REVENUE FROM SERVICES

### REVENUE FROM SERVICES

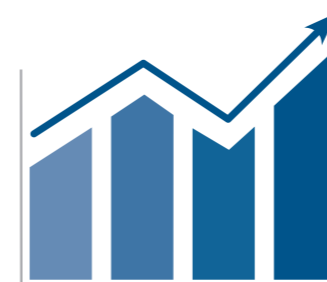
The AHKs are often the first point of contact when a company is considering to enter a new foreign market. DEinternational is the global service and consulting brand of the AHKs, providing professional consultation and support services to companies looking to expand their business activities abroad.

The AHK network forms a bridge between markets and cultures. AHK employees are always multilingual and familiar with the opportunities and risks associated with their respective host country.

The AHKs provide services tailor-made to companies' individual needs, including everything from address research to target market analysis.

The AHKs can help companies operate effectively in unfamiliar environments and help make new business ideas a success.

In 2017, AHK services achieved a worldwide turnover of €129 million.



2016:  
**€ 126 MILLION**

2017:  
**€ 129 MILLION**

### FOCUS ON STARTUPS

An increasing number of AHKs also cater specifically to local startups. They put young entrepreneurs in contact with companies of the 'old economy' as well as venture capitalists. They open doors to startup accelerators worldwide and organise trips to the world's startup hubs in the United States, Israel and Finland. German companies also benefit from this; they gain access to relevant startup ecosystems, get the opportunity to establish partnerships

with young startup founders and enter into global technology partnerships. A highlight from 2017 was 'Start.Up! Germany' – a roadshow in Germany with startups from abroad organised by AHKs and local German Chambers of Commerce and Industry for the first time. A total of 40 startups from 15 countries took part in this and visited Berlin, Hamburg and the Ruhr area.

# 275,000

## 275,000 ENQUIRIES ANSWERED



### Enquiries

AHK employees receive numerous enquiries every day on many different aspects of bilateral business relations. These include questions about business potential in a new market and subsequent entry into the market, or about the expansion of business activities. There are also questions about changing conditions in the host countries and requests for concrete help.

A total of 275,000 enquiries were answered in 2017 by around 2,000 AHK employees throughout the world. Around 75% of these enquiries came from small and medium-sized businesses.

# 115,000

## 115,000 COMPLIMENTARY INITIAL CONSULTATIONS



### COMPLIMENTARY INITIAL CONSULTATIONS

The AHK network offers complementary initial consultations to businesses everywhere in the world. These consultations provide general information on a specific market as well as an AHK expert's first assessment. These initial consultations can help businesses to evaluate a country's potential and make an informed decision on whether to undertake a detailed analysis of the market.

The complimentary initial service offers crucial support especially to small and middle-sized businesses in identifying and evaluating new target markets.

In 2017, the AHKs helped approximately 115,000 businesses through a complimentary initial consultation.

# 1,270

## 1,270 ADVISORY EVENTS

### ADVISORY EVENTS IN GERMANY

Before deciding to enter a new market, companies are well advised to conduct their due diligence by informing themselves about opportunities, possible challenges and the local conditions.

The AHKs regularly assist in these efforts not only in the host countries but also with advisory events in Germany. Companies can speak directly with AHK experts and get initial briefings at country-specific consultation days organised by the German Chambers of Commerce and Industry (IHKs) and at events organised by trade and country associations. These events are an important first step for companies to decide whether to enter a specific market and to better gauge what additional assistance they require from the AHK or other service providers.

In 2017, AHK employees advised companies at a total of 1,270 advisory events in Germany.



## 30 BUSINESS SECTORS

### BUSINESS SECTOR EXPERTISE

Beside basic information on markets and general conditions in the host country, the opportunities and demands in a particular market can often vary from one business sector to another. Therefore, the AHK network has increased its expertise in many business sectors over the past years. The AHKs have focused on strengthening their industry expertise in high growth and focus industries in Germany and their host countries.

Internationally this translates to approximately 30 business sectors in which the AHKs now offer specialised support. The areas of expertise that experienced the strongest development in 2017 were renewable energy, energy efficiency and vocational education and training. At least 88% of the AHKs offer support in the renewable energy sector, approximately 84% in the energy efficiency sector and 75% of the AHKs offer support in the area of vocational education and training.



# 610 TRIPS

## AHK DELEGATION TRIPS

Delegation trips provide important support to companies wishing to enter a market. They give companies the opportunity to inform themselves about business opportunities and the general conditions in the country of interest. Such trips also enable companies to forge valuable contacts with potential business partners and key contact persons. They can also familiarise with the political, cultural and economic environment of the target country. This is important for establishing long-lasting and successful businesses. The AHK provides support in advance, organises the programme, and provides advice and practical support at meetings.

The services offered range from preliminary market explorations to finding specific business partners. A number of delegation trips are sponsored by public programmes, such as the German Ministry for Economic Affairs and Energy market development programme for SMEs. The AHKs also organise trips to Germany for entrepreneurs from all over the world during which they can inform themselves about business opportunities in Germany and develop useful contacts. The AHKs receive a great deal of support from the German Chambers of Commerce and Industry (IHKs), trade associations, and trade and investment promoters in Germany.

In 2017, the AHKs organised more than 600 delegation trips and thereby helped over 8,000 participants take their first steps into new markets.



# 8,600 PARTICIPANTS

# 8.3 MILLION WEBSITE PAGE VIEWS

## WEBSITE

The website [www.ahk.de](http://www.ahk.de) gives interested companies an overview of the global AHK network, and its services and activities.

The website also provides access to the websites of the different AHK locations around the world. They offer an overview of the local market and explain what the local AHK has to offer. In addition, there is information about events, special projects and financial support programmes in the host country. Most importantly, companies can access the list of contacts of the AHK employees, who can provide more information.

In 2017, the pages of the AHK websites were visited more than 8.3 million times.



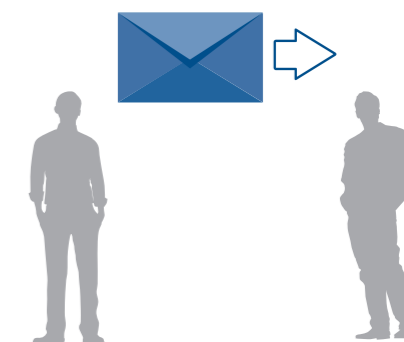
# 580 INVESTOR LEADS

## POTENTIAL INVESTMENT IN GERMANY

Important tasks of the AHKs include promoting Germany to investors and market it as a business location, which is done in collaboration with Germany Trade and Invest (GTAI).

As bilateral membership organisations, the AHKs are well connected, not only with German companies, but also with companies in the host countries. By looking after their member and customer needs every day, the AHKs gain access to potential investor groups. The focus here is on attracting foreign high-tech companies.

In 2017 the AHKs were very successful at generating investor leads and they passed more than 500 foreign companies' investment plans on to GTAI and the investment promotion agencies of the German states. In this way, they contributed towards attracting new investors and creating new jobs in Germany.



# 170,000 VISITORS

**170,000 VISITORS**

## TRADE FAIR VISITORS AND EXHIBITORS

The importance of the AHK network for the German trade fair industry is evidenced by the numerous official trade fair representations the AHKs undertake.

The close connections of the AHKs with companies in the host countries, often AHK members, make the AHKs crucial partners of German trade fairs in their efforts to attract more exhibitors and visitors from abroad. The success of this collaboration can be seen by the steadily rising number of foreign exhibitors and visitors at German trade fairs. There are now more than 10,000 foreign exhibitors at German trade fairs and the number of foreign visitors amounted to 170,000.

Indeed, not only the trade fairs benefit from this collaboration. According to the Association of the German Trade Fair Industry, the total economic impact of the German trade fair industry is more than €20 billion. So the success of the AHKs in increasing the number of visitors and exhibitors significantly increases the total revenues of the German economy.



# 10,000 EXHIBITORS

**10,000 EXHIBITORS**



»For the past 14 years, the AHK business trip programme developed together with the Association of German Chambers of Commerce and Industry (DIHK) has been an important pillar of the Energy Export Initiative of the German Ministry for Economic Affairs and Energy (BMWi). The AHKs provide committed, professional, and successful support to SMEs with climate-friendly energy technologies wishing to enter foreign markets. The AHKs are reliable partners for both the SMEs and the Energy Export Initiative.«

**Christina Wittek** *Director of the Energy Export Initiative of the German Ministry for Economic Affairs and Energy*

## 3,400 CONTACTS ESTABLISHED

### ENERGY EXPORT INITIATIVE

The Energy Export Initiative of the BMWi supports German energy sector SMEs in their efforts to enter foreign markets. This is part of the ministry's goal to help German climate-friendly energy technologies spread worldwide in the interest of climate change mitigation. The initiative's measures range from providing market information to supporting initial business contacts all the way to securing markets.

The AHK network is predestined to carry out this global approach. As part of the export initiative, the AHKs organise tailor-made business contacts and concrete business leads. They also prepare and support the companies individually for their business meetings. The profound market knowledge of the AHKs guarantees the success of the AHK business trip programme. This is why they are an irreplaceable partner for the Energy Export Initiative.

In 2017, the AHKs organised 80 business trips and supported nearly 500 company representatives with their foreign business activities. This included arranging 3,400 individual business appointments. 97% of participants were very satisfied with the business trips and would recommend the programme to others. "Just perfect," the participants concluded.





»The AHKs are ideally suited for giving advice in their host countries on recognition of professional qualifications in Germany: they know the needs of the German economy, have a stable network, and are trusted by their members and customers. This project now makes it possible to evaluate someone's job prospects in Germany from their home country. The official local representative of German businesses can evaluate their chances of having their qualification recognised and can assess their career possibilities in Germany. The German Ministry of Education and Research is very happy to support the pilot project at the AHKs, who are performing real pioneer work in this area.«

**Dr Andrea Ruyter-Petznek** *Department for the Recognition of Foreign Professional Qualifications, German Ministry of Education and Research*

## 1,600 CONSULTATIONS ON THE RECOGNITION OF QUALIFICATIONS

### PRORECOGNITION – PROFESSIONAL AND VOCATIONAL QUALIFICATIONS FOR GERMANY

As part of the pilot project 'ProRecognition – Professional and Vocational Qualifications for Germany', last year AHK employees at eight locations gave 1,600 consultations to people interested in having their foreign professional qualifications recognised in Germany.

In fact, the AHKs in Egypt, India, Iran, Italy, Morocco and Poland and the delegations of German Industry and Commerce in Shanghai and Vietnam were able to count 1,100 more consultations than in the previous year. They provide individual and personal advice in the host countries on all issues concerning the recognition of professional training, vocational degrees in crafts and academic education.

These consultations also touch on topics related to immigration and questions about living and working in Germany. The goal is to evaluate as precisely as possible, for a specific person in their particular situation, to recognise their professional qualification and help them find their place in the German labour market.

So far, 43 procedures for recognition of qualifications or certificates have been completed, and 44 are underway. Last year's trend is continuing: young people between 25 and 34 years of age are coming to Germany, often with an academic degree.



## MAKING USE OF THE STRENGTH OF OUR UNIQUE NETWORK



**Markus Weinbrenner**  
*CEO of the Chamber of Commerce and Industry in Offenbach am Main*

The international departments of the German Chambers of Commerce and Industry are at the disposal of their members as a first point of contact for engaging in business abroad. In addition to issuing foreign trade and investment documents and giving advice on customs and legal aspects of foreign trade and investment, we offer a wide selection of support services for international market development. These include providing information on markets and business sectors, strategic consultation on market entry, and organising delegation trips and trade fair participation.

Our close collaboration with the network of the AHKs gives us a crucial competitive advantage. Only together can we offer our member companies such a unique range of services for starting and expanding their export business.

The strength of our network can, however, only come into play if we start choosing our employees carefully and assuring their professional development. At the IHK Offenbach am Main, several colleagues have already gained wide working experience in the AHK network, and to the others we offer internships at our partner AHKs. Interested colleagues can spend some time at an AHK and observe the work there. We also regularly welcome AHK colleagues to our offices and show them how we operate. I am convinced that personal contact leads to greater mutual understanding, to more awareness of differences, and thereby also to better service for our member companies.

The AHKs are our partners in the host countries; not only do they provide us with expert consultation on foreign trade and find suitable business partners for us, we can also rely on the knowledge of our colleagues abroad to give us a competitive edge when representing the interests of our member companies and advocate on international issues. In turn, we support the AHKs through our direct connection with companies in Germany. A current example is the development of the relations between Germany and Turkey, which time and again raises questions among our members too. A quick poll of our members' business expectations in Turkey enabled us to contribute valuable input to our joint work and helped us to create a framework for an exchange of ideas between the managing director of the AHK Turkey and our board members. Currently we are also in close contact with the colleagues of the AHK Great Britain so that we can always keep businesses up to date on Brexit.

**»ONLY TOGETHER CAN WE OFFER OUR MEMBER COMPANIES SUCH A UNIQUE RANGE OF SERVICES FOR STARTING AND EXPANDING THEIR EXPORT BUSINESS.«**

What I am especially proud of is the close dovetailing and collaboration between the IHK and the AHK in the field of vocational education and training and further education. We regularly receive foreign delegations to brief them on the German dual vocational education and training system and education system. We have also repeatedly sent our experts to AHKs to support them in the host countries with specialised knowledge. A current example is the participation of one of our colleagues from the innovation and environment sector as a mentor during the implementation of the programme Young Energy Europe of the AHK Hungary.



»The AHK World Business Outlook is a flagship of the AHK network. No other organisation can do a better job of presenting the global prospects and challenges for internationally active companies. With our member survey, we can recount the success of German companies abroad and simultaneously point out challenges, such as trade barriers or new political developments. This not only arouses interest among politicians in Berlin; the results are also used in the countries where we work to support the interests of German businesses abroad.«

Dr. Volker Treier Deputy CEO of the Association of German Chambers of Commerce and Industry (DIHK)

# 7,000

## 7,000 RESPONSES

### Medium-term business expectations of companies worldwide



- 1 34 % better
- 2 53 % stable
- 3 13 % worse

The AHK World Business Outlook shows that the dynamic world economy of 2017 resulted in business being good for German companies abroad. Thanks to the survey by the AHKs, more than 7,000 responses from German companies, branch offices and subsidiaries, as well as companies closely connected with Germany, were available for analysis. Dr Eric Schweitzer, the President of the Association of German Chambers of Commerce and Industry (DIHK), summarised the results of the survey by saying that "world economic growth and world trade have recently picked up momentum again."

"But all is not rosy," the DIHK President warned. Based on the report, the DIHK sees "quite a few risks approaching." German companies continue to be extremely successful in many parts of the world, especially in China and Europe, but trade barriers, protectionism, and current political developments, such as Brexit, limit their business more and more. According to the AHK World Business Outlook, one in two companies now sees a risk for its international business development due to prevailing economic and political conditions.



## 92,500 LOCAL CONTACTS

### CONTACTS IN THE HOST COUNTRIES

The AHK network has an extensive, expert, and reliable network of contacts at its disposal in the host countries and in Germany. In addition to numerous business representatives, this network also includes high-ranking contacts and decision makers from politics and administration, foreign trade and investment institutions, as well as chambers of commerce and industry, associations, educational establishments and trade fairs.

This network enables the AHKs to connect their customers and members with suitable contacts and thereby actively support their business ventures. Such local contacts are of vital importance when entering a foreign market and when expanding business there.

With their excellent connections, the AHKs know about new developments and projects at an early stage and can inform and position German companies well. This guarantees a successful representation of the interests of companies vis-à-vis decision makers in politics and public administration, both in the host countries and in Germany, through close collaboration with the Association of German Chambers of Commerce and Industry (DIHK).

The extensive network of the AHKs has made them a crucial and essential place to go to for bilateral business relations in Germany and throughout the world. The network is appreciated by both entrepreneurs and politicians alike, and it is valued as a fountain of information.

### NETWORKING AT THE HIGHEST LEVEL

The AHK network is appreciated as an important partner in the host countries. Testament to this is the existence of numerous agreements between the AHKs and governments, individual ministries, and important local institutions. For example, in 2017 the AHK Korea signed an agreement on vocational education and training with the Korean Ministry of Education. Together with some of its member companies, the AHK started a training programme in Korea

for automotive mechatronics engineers to train urgently needed specialists. And the AHK Bulgaria signed an agreement with the Bulgarian government on cooperation during the Bulgarian presidency of the Council of the EU. As part of the cooperation, the AHK will support the Bulgarian government in the preparation and implementation of various initiatives, for example in healthcare and safeguarding competition.

## 490 DELEGATIONS FROM GERMANY

### DELEGATIONS FROM GERMANY

The AHK network has been renowned for several decades as an important facilitator of bilateral relations between Germany and the host countries of the AHKs. The numerous AHK locations are often consulted by delegations from Germany who wish to be informed about local economic policy and business issues. These delegations consist in particular of German politicians, including federal and state ministers and MPs, who often visit foreign markets accompanied by business representatives wanting to find out about business opportunities. On the whole, the AHKs work closely with the German foreign missions, deliver briefings on business topics, for example, and connect the delegation members with local business representatives.



The delegation participants receive important background information from the local AHK for subsequent meetings with political representatives of the host country. For the AHK, this is a chance to make politicians aware of the needs of commerce and industry and to recruit political support. In 2017, approximately 490 delegations with a total of around 5,500 participants were hosted by AHKs throughout the world.

## 5,500 PARTICIPANTS

# IMPACT AND SATISFACTION



**2,8 BILLION IN INCREASED TURNOVER**

### AHK SERVICES BENEFIT BUSINESSES

The AHK network supports companies from Germany and the host countries in many and diverse ways. As a platform, the AHKs help to connect potential business partners. As the official representative of German business abroad, the AHKs advocate on behalf of company interests and address challenges in order to improve the general conditions for businesses. The AHKs thereby contribute to growing trade figures and increasing investments. In addition, the AHK services provide companies with advice and practical help.

The precise effect of all these activities of the AHK network on German companies is difficult to estimate. However, the AHK market entry services were taken as an example and analysed in greater detail. According to a survey carried out among customers in 2017, the effect of the market entry services on the business of these companies was determined, as well as the effect which is expected within a time-frame of five years. The result shows that companies attributed €2.8 billion in increased global turnover to services rendered by the AHKs. The AHK customers reported that 23,000 jobs were created or secured in Germany due to the help received from AHKs.

**23,000 JOBS IN GERMANY**

90%  
**90% VERY SATISFIED**

### CUSTOMER SATISFACTION

The customer is king. The AHKs take this saying to heart and regularly ask their customers about their satisfaction with the services of the AHK network. AHK services are the most significant source of income for the AHKs, and they are continually improved and adapted to the changing needs of companies. Customer satisfaction surveys are an important tool for finding out what customers think about the services offered.



This is why the AHKs asked their service customers of 2017 about their level of satisfaction. The feedback received was positive: 90% of customers were very satisfied with the services in general. About 88% feel that the AHK support on the ground is important. Almost 92% would recommend them to others. The result shows that the AHK network and its range of services meet the needs of the customers. Nevertheless, the services must be continuously developed further and adapted to changing conditions. Customer feedback, both individual and collected through surveys, is an important measure of satisfaction that helps the AHKs keep their services optimally aligned with the needs of companies.

**RECOMMENDED BY 92%**

92%

# INTERVIEW



Bernhard Steinrücke  
Spokesperson of the  
German Chambers of  
Commerce Abroad

The significance of the AHK network can also be seen in its constant expansion and by the esteem and commitment accorded to it by politicians and entrepreneurs.

The AHK network was founded by private companies to help themselves. Its success was, and still is, mostly determined by companies, and the AHKs in fact finance about 80% of their budget themselves. The constant growth of the network is thus clear proof of its success. Eleven new locations were opened in the last ten years alone.

Furthermore, around 1,800 company representatives are active in honorary positions in the AHK network. Such commitment and dedication are proof of their confidence in our work.

The success of the work carried out by the AHKs can also be seen in the appreciation shown by politicians. Not only was the federal government's financing raised to almost €44 million in 2017; the network's achievements were also honoured by visits from high-ranking politicians.

**»[THE AHK NETWORK'S SUCCESS WAS AND STILL IS MOSTLY DETERMINED BY COMPANIES ... «**

#### What is special about the work of the AHK network?

The AHKs are not only membership organisations and service providers for companies, but also the mouthpiece of German businesses abroad. Around 2,000 AHK employees represent us on five continents – in 92 countries and at 140 locations – and constitute a unique, performance-driven and locally experienced service network. The network of the German Chambers of Commerce Abroad is the largest of its kind in the world, and thus it is unique. It is no surprise that according to the Global Connectedness Index, Germany continues to be one of the world's most interconnected countries and world export champion.

However, we are not only a world export champion, but also create jobs in the host countries. The largest German companies employ around 1.5 million people on fixed contracts in both Asia and the United States, to name just two regions, and about the same number is employed indirectly.

In addition, we trained or gave further education to around 20,000 skilled workers and managers in 2016. We thereby promoted not just trade but also employment and education. The abbreviation AHK could thus also stand for Arbeit, Handel, and Kompetenz, the German words for jobs, trade, and competence.

#### How can we gauge the success of the AHK network?

The success of the AHK network can first of all be gauged based on the rate of satisfaction of the companies and their turnover. German companies have never done better than they are doing now. This is a very significant achievement of the AHKs. Every one in every two euros earned in Germany comes from foreign business, and nearly 25% of all jobs and 50% of industrial jobs depend on exports.

In May 2017 the 65<sup>th</sup> anniversary of the AHK Southern Africa was attended by the former German Minister for Economic Affairs and Energy, Brigitte Zypries, and the 100<sup>th</sup> anniversary of the AHK Spain was commemorated with the Spanish King, Felipe VI.

During the Asia Pacific Regional Conference and the celebration of the 40th anniversary of the AHK Australia, not only was the Australian Prime Minister, Malcolm Turnbull, and almost the entire Australian cabinet present, but also the German President, Dr Frank-Walter Steinmeier.

These visits underline the importance of the work of the AHK network. In 2019, the network will celebrate its 125th anniversary – that is 125 years of helping companies abroad! This impressive figure speaks for itself.

## OUTLOOK 2018

- ▶ Planned expansion and reinforcement of the AHK network:
  - San Francisco
  - Sri Lanka
  - Tanzania
- ▶ Presentation and start of the implementation of the AHK Core Value and the Strategy AHK 2025
- ▶ The AHK World Conference from 14 to 16 May and AHK Board Members' Day on 17 May in Berlin, Germany
- ▶ AsiaPacific Conference of German Business (APK) from 1 to 3 November in Jakarta, Indonesia



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### Methodology used for determining impact and satisfaction

In order to determine impact and satisfaction, a survey was conducted at selected AHKs among the customers who had made use of market entry services in 2017. The 350 replies that were received were evaluated and extrapolated onto the total number.



The German Chambers of Commerce Abroad (AHKs) advise, support, and represent German companies worldwide that want to start or expand their business abroad. The AHKs provide their services to German and foreign companies under the service mark DEinternational.