

Press Release

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Berlin Partner für Wirtschaft und Technologie: Annual Figures for 2019

Berlin's success continues apace

For the sixth year in a row, the growth of Berlin's economy outpaced the national average. After growing by 3.1% in 2018, the two per cent growth in 2019 is likely to be significantly higher than the expected nationwide figure of just 0.5%.¹ This positive development is also reflected in the results achieved by Berlin Partner für Wirtschaft und Technologie GmbH. **8,936 new jobs** have been created in the **280 projects** the Berlin economic development agency successfully supported and completed in 2019. The companies will be investing some **€825.2 million** in Berlin as a business location.

Ramona Pop, Berlin Senator for Economics, Energy, and Public Enterprises: "The outstanding figures in Berlin Partner's annual report show how attractive Berlin has become as a business location for those who need to know: the companies that are settling or continuing to invest in the capital. This is the result of a lot of work by our economic development agency, which has supported these projects with detailed information about doing business in Berlin, helping companies source public financing options, and promoting connections between business and science. For many years, we had experienced the decline of entire industries and the loss of jobs in Berlin. Now the success of Berlin is attracting talented professionals, companies, and investors from Germany, from Europe, and from all over the world. The influx of companies and people means new tasks ahead for policymakers and society alike. But we can't let that scare us. Instead, we need to rise up to the challenge."

The success of Berlin is attracting talent, entrepreneurs, and investors from Germany, Europe, and around the world. Start-ups in the German capital received €3.69 billion in funding in 262 rounds of financing last year², making Berlin once again Germany's start-up capital. This means that in 2019 almost three out of five euros Germany invested in start-ups were invested in Berlin.

Dr. Stefan Franzke, Managing Director, Berlin Partner: "The figures show that the capital region continues to be a future location, both in national and international comparison. Especially the high willingness to invest suggests that numerous companies see their future here in Berlin-Brandenburg, thanks to the good infrastructure, the extensive networking opportunities, and the excellent living conditions. At Berlin Partner, we are pleased to be able to provide reliable support and actively participate in this development and help companies decide to settle here, find a location for their enterprise, and research suitable funding options. All

¹ Source: Berlin Konjunktur, Investitionsbank Berlin

² Source: EY Start-up-Barometer Deutschland, January 2019

of this can't be done on our own, of course; it is only possible with our partners in politics, government, and business and with the help of our neighbors. In the future we will be working even more closely with Brandenburg. The capital region has been playing in the champions league of business locations in Germany since at least last year."

But it is not just the resettlement of companies that is the focus of the agency's economic development work. A comparison of the annual figures from 2016 to today shows a stable and good development of the job and investment figures in Berlin Partner projects. Seven out of ten projects last year took place in existing enterprises. More than half (56%) of the new jobs are created here; 65% of the investment volume, i.e. €533 million, is coming from existing clients.

The projects supported by Berlin Partner also provide important economic stimulus for the entire Berlin economy: According to the calculations of the economists at Investitionsbank Berlin (IBB), almost 3.3% of the total private investment in Berlin can be attributed to investments by companies advised by Berlin Partner. In addition, the primary investment and employment effects create further indirect, but equally relevant macroeconomic effects. Using a regional economic model, the IBB economists have examined how the additional investment and employment effects as well as the third-party funds raised in Berlin Partner projects will impact the overall performance of the Berlin economy in the medium term.

They estimate that the gross domestic product will increase by a total of €1.9 billion between 2019 and 2021; it has already posted growth of €840 million in the first year of investment. In conjunction with the investments of companies advised by Berlin Partner, the newly created 8,936 jobs will in turn create further employment effects in both upstream and downstream industries. For example, the construction and real estate industries are benefiting considerably, especially because new companies need commercial space and many of the newly created jobs are drawing people to move to Berlin, increasing demand on the housing market. In addition, additional jobs are being created, above all in personnel-intensive, company-related service sectors, in the manufacturing sector, but also in retail and public facilities. In this way, another 3,500 additional jobs will be created or secured within three years.

Further **information and graphics** about the results delivered by Berlin Partner in 2019 can be found at:

www.berlin-partner.de/presse

Berlin Partner für Wirtschaft und Technologie – Working for innovation and growth in Berlin!

Berlin Partner für Wirtschaft und Technologie is Berlin's economic development agency promoting the city's growth and innovation. Berlin Partner provides services to businesses and investors interested in coming to Berlin and with subsequent development at their new location. The experts at Berlin Partner furnish information on sources of funding, advice on searching for a suitable location or qualified personnel and network with partners working in the sciences. As a unique public-private partnership, Berlin Partner für Wirtschaft und Technologie receives backing from both the State of Berlin and more than 270 companies committed to the city's growth. Berlin Partner is also responsible for marketing the German capital to the world, for example with the successful "be Berlin" campaign.