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Assistance for and promotion of foreign trade  
in the Federal Republic of Germany:

The Federal Office of Foreign Trade Information  
(BfAI)

by

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(BfAI)

The German government considers it vital to keep German companies informed about developments on the world's markets.

This includes assistance on establishing business contacts, the provision of information on issues of relevance to foreign trade, and support for companies with regard to information acquisition and market research.

All German companies have the right to receive such support. However, as larger companies frequently have their own information services and export departments, the focus is on helping small and medium-sized companies to have similar access to information about foreign markets.

In Germany, a large number of institutions, authorities, associations and organisations in Germany exist to provide information and advice for domestic and foreign companies and business partners.

The "three pillars" of foreign-trade support are:

- the Federal Office of Foreign Trade Information (BfAI), with its network of correspondents abroad,
- the German diplomatic or consular missions and trade promotion bodies,
- and the private-sector German chambers of commerce abroad.

In addition to this, a major role in disseminating information is played by chambers of commerce, trade associations and banks. They are potential multipliers for the information supplied about foreign trade particularly by the BfAI.

I should now like to tell you about the BfAI, which is an agency of the Federal Ministry of Economics, and about

some of the services and information it offers.

According to the decree establishing it, the Federal Office of Foreign Trade Information (BfAI) is an instrument of the Federal Government to promote foreign trade.

It is charged with supporting German companies and official bodies with comprehensive information about all major areas of foreign trade, from exports and imports to potential cooperation and investment opportunities.

It may be of particular interest to the foreign business partner to hear that this includes assistance on initiating contacts with German firms.

Consideration should also be given to the fact that the BfAI issues information for potential foreign investors, trading partners and companies seeking cooperation, with the intention of making the German market more transparent and access easier.

In a temporary programme (currently running until the end of 1995) to promote the integration of east German companies into the world economy, the BfAI also provides interested parties abroad with additional information about economic trends in the east of Germany

Its more than 40 years of providing reliable and practical information has made the BfAI into an interesting partner for the large number of companies

- getting into foreign trade,
- or wishing to continue
- or expand it.

It is ready with its information in all phases of foreign business, in initiation and implementation.

But let me emphasise once again:

The central function of the Federal Office of Foreign Trade Information is to act as one of the three pillars of German support for foreign trade: providing information in Germany. In other words, the BfAI does not provide any services abroad. It does not advise anyone abroad, and does not represent German business abroad in any form. The BfAI is solely concerned with informing companies in Germany.

This inevitably leads to the question of the BfAI's sources of information.

As the BfAI's information is aimed at a wide-ranging audience, frequently with very different foreign-trade interests, but also at the internationalisation of the economy, it is necessary to gather specific information throughout the world.

The BfAI works together with tried and trusted partners on this. It maintains close contacts with the German foreign ministry and with the German missions abroad; it also coordinates closely with the other German and foreign authorities, institutions, chambers of commerce, chambers of crafts, and trade associations involved in foreign trade and trade promotion; the same goes for international organisations and financial institutions.

With a worldwide network of 45 foreign correspondents, the BfAI itself has an excellent means of keeping business up to date with exclusive information about foreign markets. The BfAI correspondents report from virtually all major countries and economic regions in the world. The BfAI is represented by 15 correspondents in Europe, and is currently present at 14 locations in the Asia-Pacific region, some of which have more than one correspondent. Seven BfAI correspondents are active on the American continent and six in Africa.

Apart from this first-hand information, the BfAI also researches, analyses and stores data from the relevant national and international economic press and from publications of national and international organisations.

An important element in the basic concept of the BfAI is information and economic reports, mainly supplied by German missions abroad and of course also by the German chambers of commerce abroad. Such details form the basis of a large number of individual publications and of the BfAI's much used services.

I shall mention just two examples here: foreign invitations to tender and enquiries from abroad.

These are two types of information which can be of particular interest for foreign business partners as well, and which I shall look at in more detail later.

You may wonder how we present our information, which media we use, and who our customers are.

Each year, the BfAI issues over 1000 publications about foreign trade. The information we can supply from the last three years is available in a summarised form in our list of publications called *Erfolg im Ausland* (Success abroad). This appears twice a year and helps our clientele to find and use information about foreign trade.

This overview is supplemented by monthly lists of new publications which are also announced in our latest printed material.

In addition, we offer country-related and sector-based information packages, which supplement a survey of the literature with the most important general publications on a certain country or sector.

In other words, we try to give our customers an optimal picture of all the information available from the BfAI.

Our users are of course primarily German companies active in foreign trade. But the number of firms from abroad who export to Germany or cooperate with German companies and who take advantage of our services is continually growing.

The facts and figures of foreign trade thus go directly or via so-called multipliers - such as chambers, trade associations, country-related associations, banks or the economic media - to the customer, i.e. the company.

So that efficient use can be made of the broad spectrum of BfAI information, we offer our information in the following forms:

- printed media
- databases
- profile services
- direct replies.

At present, industry is still primarily interested in publications and information. The BfAI's databases, however, are becoming more and more important.

I should like to point out the following examples from the broad range of information offered by the BfAI:

- Together with the Vereinigte Wirtschaftsdienste (VWD - Associated Economic Services) the BfAI publishes the paper *Nachrichten für Außenhandel* (NfA - News for Foreign Trade), which appears on trading days. The NfA can be purchased only by subscription. It reports from all over the world on general economic trends, products, marketing, investment, cooperation, sales and purchasing opportunities, customs, legal and procedural matters, fairs and exhibitions, foreign invitations to tender, enquiries from abroad, German foreign-trade issues and

the single European market.

- The weekly *Märkte der Welt* (Markets of the World) aims primarily at providing export-oriented companies in eastern Germany with practical information about important foreign markets.
- The following publications appear periodically:
  - publications containing current economic data about more than 140 countries,
  - reports on the economic situation of 70 to 80 countries, published every six months,
  - short descriptions of individual sectors in the series *Der Markt in Kürze* (The Market in Brief) with information on interesting market segments in more than 50 countries,
  - notes on about 130 states containing practical advice for business,
  - foreign trade and customs stipulations,
  - legal texts on foreign economic and tax legislation.

The BfAI's service *Auslandsanfragen* (Enquiries from Abroad) and *Projekte* (Projects), available as weekly supplements to the NfA or separately, is likely to be of special interest for foreign exporters and firms.

In the *Auslandsanfragen*, foreign producers, exporters, importers etc. have the possibility of informing interested German companies free of charge about their need for goods and requests for representation, and in particular about their export offers and desires for cooperation.



The respective texts can be sent to the BfAI for publication. The texts must contain a brief, concrete description of the export offer (or desires to import/cooperate etc.).

In addition, specific data and information should be given about the respective company to help interested parties in Germany to decide whether to take up contact. This includes phone and fax numbers, banking connections, and trade references, if possible. The description of goods offered together with information about quantity and quality, the type of packaging, production capacities, terms of payment etc. should be illustrated by brochures, if possible. Data on the desired German trading partner (e.g. producer, exporter, importer, representative, wholesale trader) are also useful.

Early information about projects and invitations to tender, especially in developing countries does, in some cases, result in bilateral cooperation in various fields.

Apart from the above-mentioned periodicals, the BfAI publishes a great number of single issues.

One of the BfAI's tasks is, as described above, to make doing business in Germany more transparent in order to facilitate foreign companies' access to the market. We regard it as a priority to support the export and cooperation efforts of developing countries.

Against this background, the BfAI has published the brochure *Die Bundesrepublik Deutschland als Wirtschaftspartner* (The Federal Republic of Germany as Trading Partner).

This brochure is at present being revised and will soon be available in an extended version. It takes special account of the changed market situation due to German unification. On the basis of the description of the overall economic, structural and foreign-trade situation, we give detailed practical advice for business regarding sales and the foun-

dation and operation of companies in Germany. Attention is also drawn to the possibilities of public support measures which may also be used by foreign investors and firms. A comprehensive list of authorities, trade associations, chambers, representations etc. aims at facilitating contacts in Germany and abroad.

The publication *BfAI Branchenreport* (BfAI Sector Report) presents selected industrial sectors in eastern Germany.

These studies on the capacities of and the goods and services offered by companies in eastern Germany aim at presenting opportunities for cooperation and investment in the region, especially for foreign companies. The reports provide concise but comprehensive information illustrated by tables and graphs on trends in major branches of the manufacturing industry in eastern Germany. They are available to foreign partners free of charge, both in German and English.

So far, 20 sector reports have been published, including:

- machine tool making
- agricultural equipment industry
- clothing industry
- food industry
- extraction technology
- medical technology
- printing machine industry
- building materials industry
- construction and building materials equipment
- information and communications technology
- footwear and leather goods industry
- textile machinery industry
- basic chemicals industry
- construction industry
- electrical engineering
- furniture industry
- food processing machinery

- textile industry
- precision mechanics, optics
- pharmaceutical industry

Another 16 sector reports are planned to be published in the course of this year.

That completes my remarks about our publications.

In addition, the BfAI offers the provision of data on foreign countries via the four economic databases:

- markets abroad
- enquiries from abroad
- projects
- foreign invitations to tender.

The databases comprise more than 100,000 documents. The contents of all BfAI periodicals are also available via the databases.

At the same time, companies have the possibility of subscribing to BfAI company letters containing daily print-outs of the latest information in the BfAI database. These data can be ordered for individual countries, sectors, products or fields, depending on the individual company's needs.

To guarantee online retrieval of BfAI information for research at any time, BfAI data can be retrieved from database hosts. You can retrieve data yourself or have information retrieved at the following institutions:

- FIZ Technik (Fachinformationszentrum Technik e.V.),  
Frankfurt/Main
- Genios - Wirtschaftsdatenbanken, Düsseldorf

- GBI (Gesellschaft für Betriebswirtschaftliche Informationen GmbH), Munich.

The individual databases comprise the following information:

**Database**

**Markets abroad:**

Economic data, country reports, sector reports, brief market analyses as well as legal, customs and procedural information from more than 150 countries (complete texts).

**Database**

**Enquiries from abroad:**

Requests of foreign companies to take up business contacts as well as goods available or goods needed, requests for representation, offers of representation, investment and joint ventures.

**Database**

**Foreign invitations to tender:**

Data on public invitations to tender, especially outside Europe, in the fields of goods and services, including consulting, as well as projects financed by international financial institutions.

**Database**

**Projects:**

News on plans, projects and investment plans abroad, in particular within the framework of bilateral and multilateral development aid.

Apart from publications and databases, the BfAI offers information and services for the individual company. These comprise:

- the arrangement of business contacts with foreign companies and institutions ("enquires from abroad")
- information about projects and invitations to tender within the framework of bilateral and international financial and technological cooperation
- early information about further foreign projects, plans and investment projects, including information about how to get involved
- data on individual countries and sectors
- addresses of foreign institutions
- information about trade fairs abroad
- analyses of investment conditions in individual countries
- information about matters relating to international contract law, company law, and legal procedures abroad
- individual data on foreign sales and supply markets as well as on foreign trade and customs stipulations.

I should like to conclude with some words about future prospects:

After a slowdown in the last few years, recent forecasts for 1994 expect about 5 % growth in world trade.

The volume of world trade is likely to increase to about US\$ 3,700 billion. Imports will rise in industrialised countries (+ 4 %) and very sharply in non-oil-exporting developing countries (+ 9 %). Economic growth and the import boom will especially continue in the NICs in South-East Asia.

The successful conclusion of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT), which is planned to be replaced by the Multilateral Trade Organisation, has given a major impetus to the development of world trade in the coming years.

Apart from the removal of market barriers, a general significant reduction of import duties for goods and the reduction of numerous trade barriers have been agreed.

Although the impact on world trade will be felt only gradually, the global preconditions for a positive development, not least of German exports, have improved. German exports will presumably start to rise again sharply in 1994.

Regardless of this optimistic assessment, industry's expectations with regard to the quantity and quality of information provided by the BfAI will not fall, but rise.

The BfAI is aware of this and is facing this challenge by means of

- access to and use of new, high-quality information sources such as international data banks;
- more effective organisation and coordination of information processing in the BfAI head office in coordination with correspondents;
- the provision of new, user-friendly and inexpensive information services.

In the next few days, the BfAI will for the first time offer its foreign-trade information service to German industry in a CD-ROM version.

Apart from user-friendly retrieval software, the compact disk comprises about 85,000 current data on all fields of foreign trade and payments, which corresponds to the total

BfAI output of approximately one and a half years. An updated version of the CD-ROM on foreign trade will appear monthly; it offers the following advantages to companies:

- The use of the disk requires only limited technical equipment (PC and CD drive are sufficient).
- The user at any time has direct access to a comprehensive electronic information service without needing an outside line or passwords for outside hosts etc.
- The costs are transparent. Neither the retrieval frequency and length nor the number of found and used documents have an impact on the fees.
- Collating and archiving BfAI foreign-trade information in each individual company, which used to be quite expensive, is no longer necessary.

The CD-ROM is the BfAI's most sophisticated technological product and has only been possible because the BfAI has been expanding its computing capacities for some years.

Ladies and Gentlemen,

The BfAI is, of course, happy to give you information by phone, in writing or in person at any time about all matters concerning foreign trade and about questions on the above-mentioned services.

Please feel welcome to contact our head office in Cologne or our Berlin office.