

Results of the **BUSINESS SURVEY** **2022**

Situation and expectations of companies with German participation in the Baltic States in
2022

Since 2006, the German Chambers of Commerce, delegations and representative offices of German business in the region of Central and Eastern Europe (CEE) have been conducting a coordinated business survey - initially in 14, in 2022 in 16 countries.

The "AHK Business Survey CEE" primarily examines

- » the assessment of the economic situation and the economic outlook, as well as
- » the assessment of the quality of the location by the AHK members operating there. In recent years, however, investors from other countries have increasingly been included in the survey in several countries.

Note:

The sample size in the three Baltic states (EE, LT, LV) and Slovenia (SI) was significantly smaller than in other countries, so the results from these countries are subject to greater uncertainty and should be interpreted accordingly.

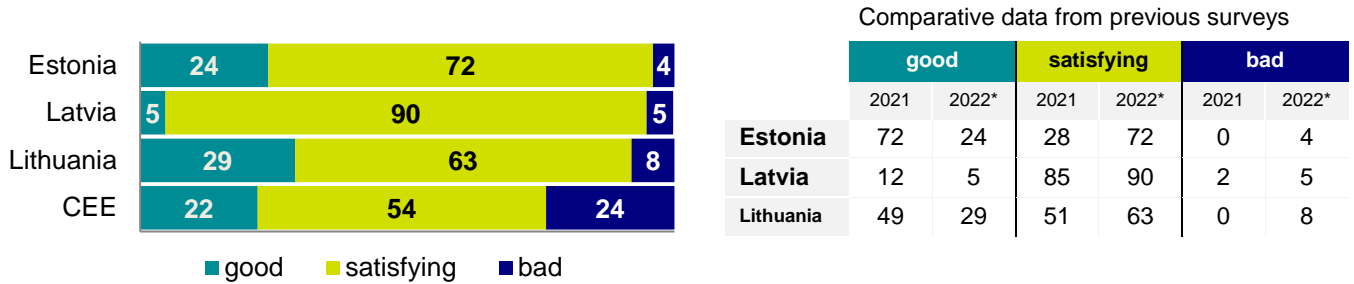
*Results from 2021 are also marked with an *, as the survey was not publicly analysed for representative reasons in the wake of the Covid-19 pandemic.*

Statistical information can be found in the appendix

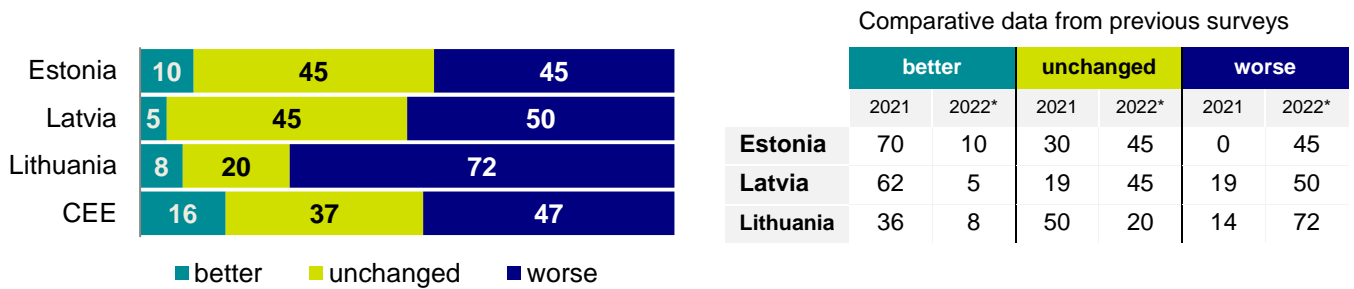
PART A: BUSINESS CLIMATE

1. Situation and expectations

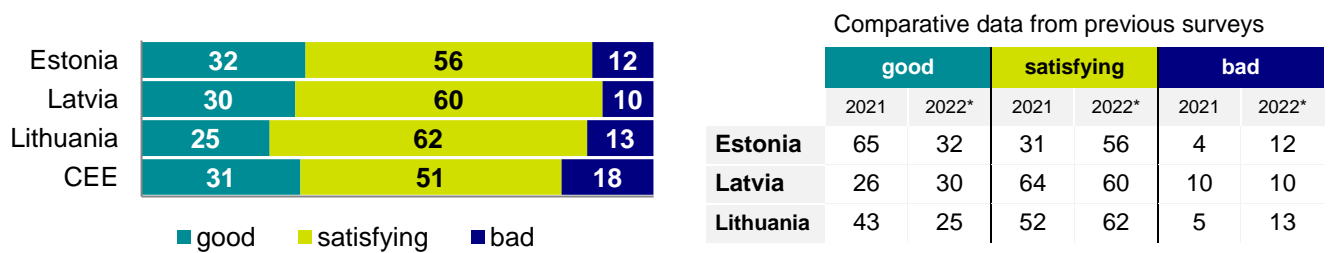
1.1 Assessment of the current economic situation (in %)



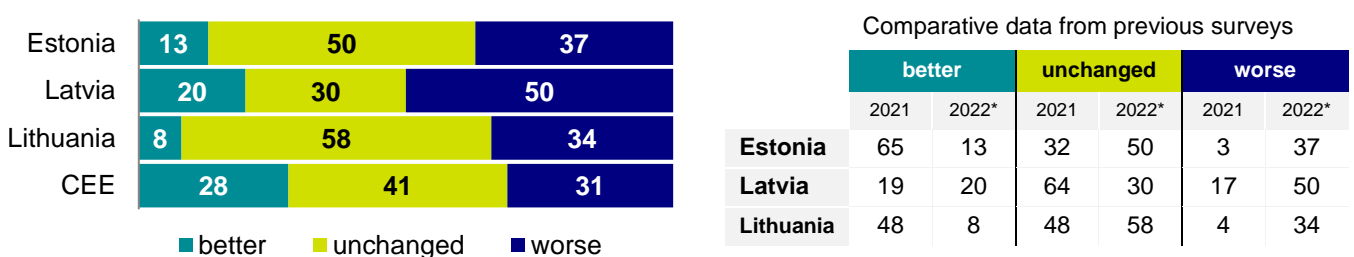
1.2 Assessment of the economic outlook in the current year compared to the previous year (in %)



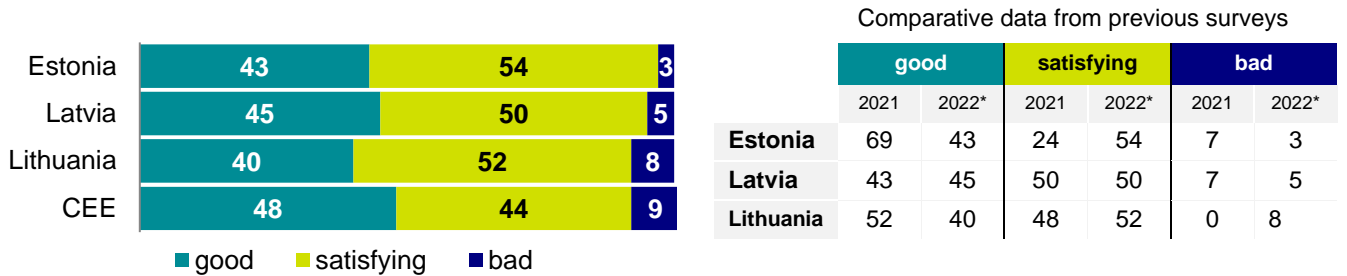
1.3 Assessment of the current situation in one's own industry (in %)



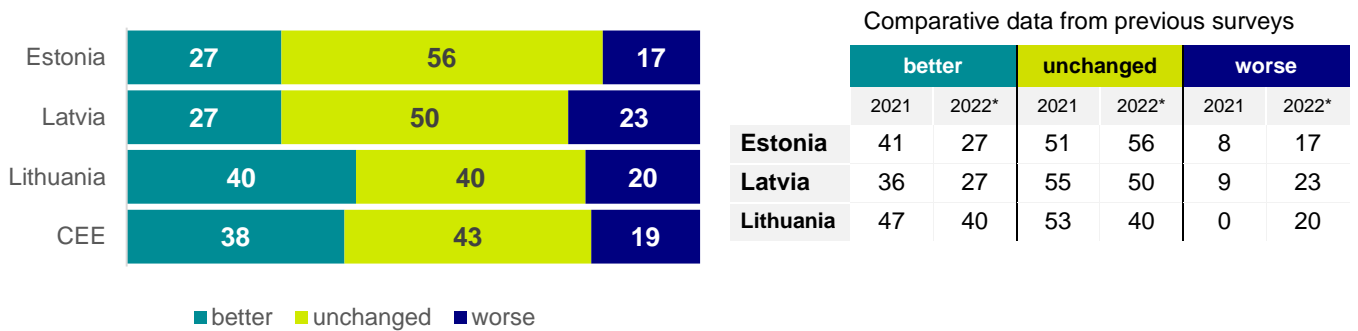
1.4 Expected further development in own industry in the current year (in %)



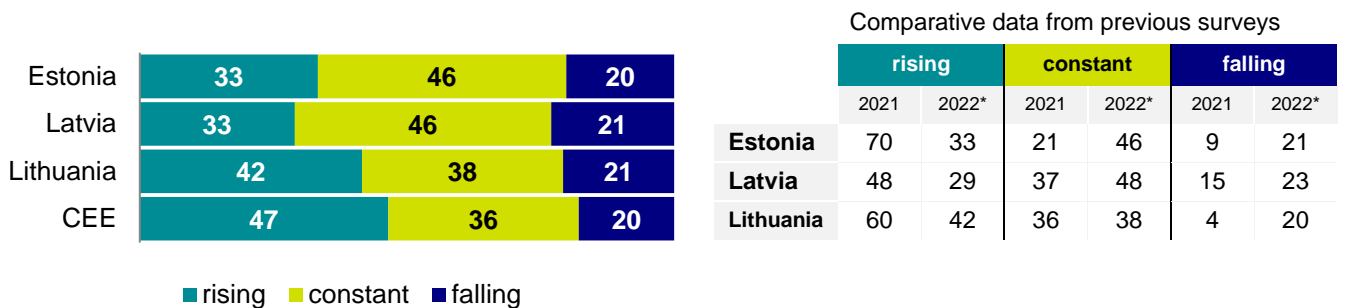
1.5 Assessment of the current business situation of the own company (in %)



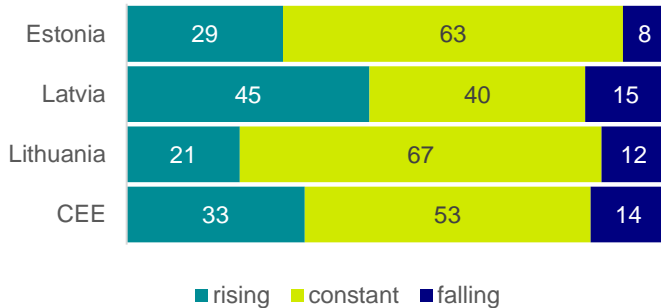
1.6 Expected development of the business situation of the own company in the current year (in %)



1.7 Expected development of turnover in the current year (in %)



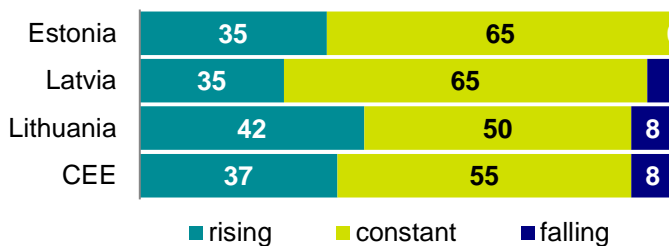
1.8 Expected change in export activity in the current year (in %)



Comparative data from previous surveys

	rising		constant		falling	
	2021	2022*	2021	2022*	2021	2022*
Estonia	66	29	30	63	4	8
Latvia	26	45	57	40	17	15
Lithuania	40	21	53	67	7	12

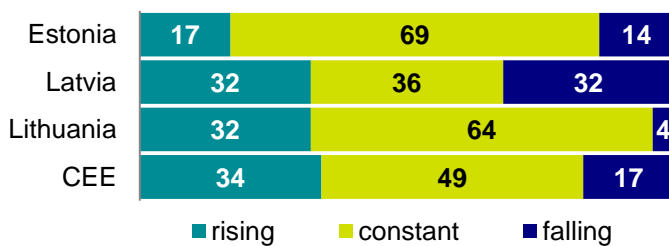
1.9 Expected change in the number of employees in the current year (in %)



Comparative data from previous surveys

	rising		constant		falling	
	2021	2022*	2021	2022*	2021	2022*
Estonia	40	35	50	66	10	0
Latvia	27	27	56	68	17	5
Lithuania	43	42	57	50	0	8

1.10 Current propensity to invest (in %)



Comparative data from previous surveys

	rising		constant		falling	
	2021	2022*	2021	2022*	2021	2022*
Estonia	56	17	38	69	6	14
Latvia	36	32	50	36	14	32
Lithuania	47	32	51	64	2	4

Expected change in labour costs compared to other costs in the current year (in %)

Comparative data from previous surveys

	Ø 2022
Estonia	+17,8%
Latvia	+7,6%
Lithuania	+8,7%

	Ø in 2021	Ø in 2022
Estonia	+7,8%	+17,8%
Latvia	+5,3%	+7,6%
Lithuania	+4,3%	+8,7%

PART B: INVESTMENT CONDITIONS

3. Evaluation of location criteria

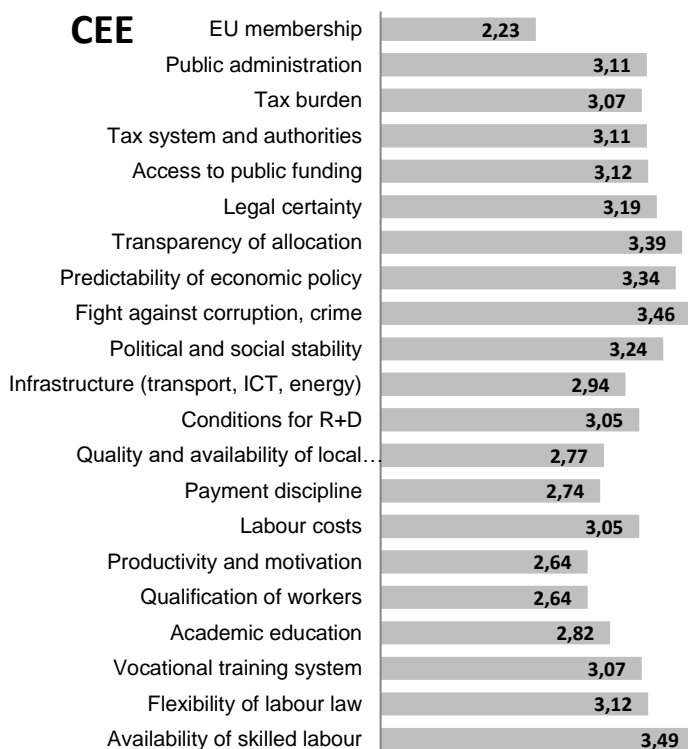
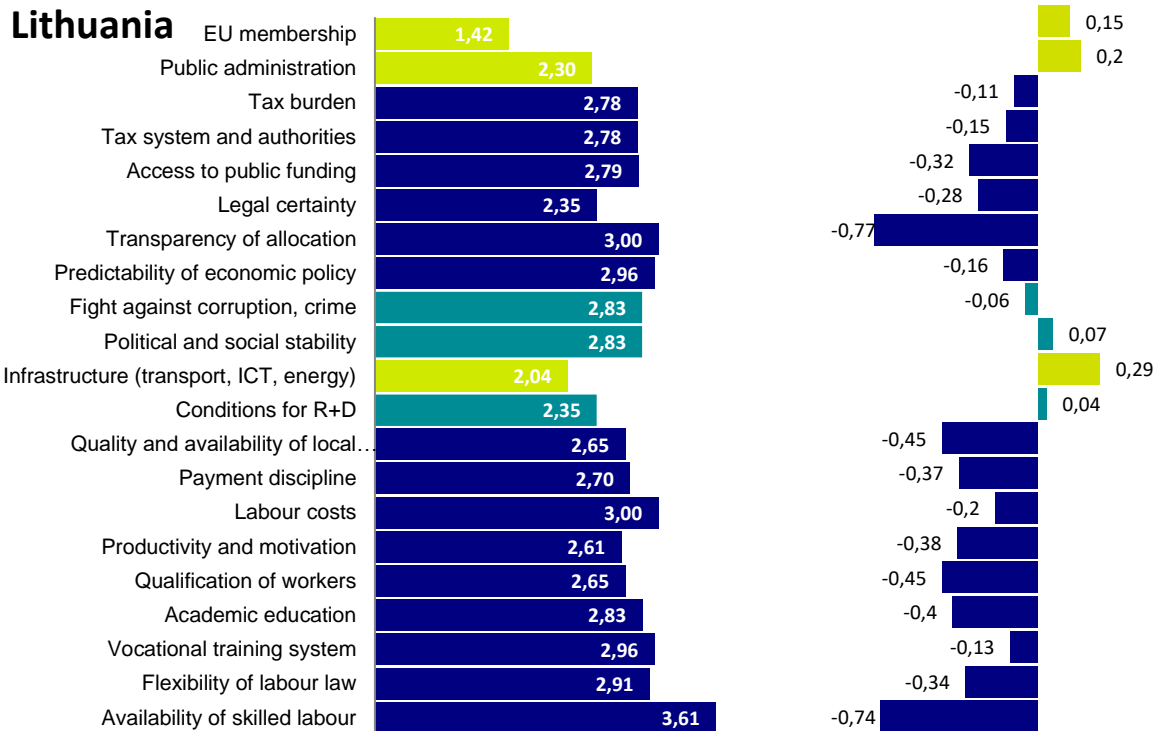
Rating scale: Satisfaction with location criteria: 1= very good to 5 = poor.

Compared to the previous year (>0.1):

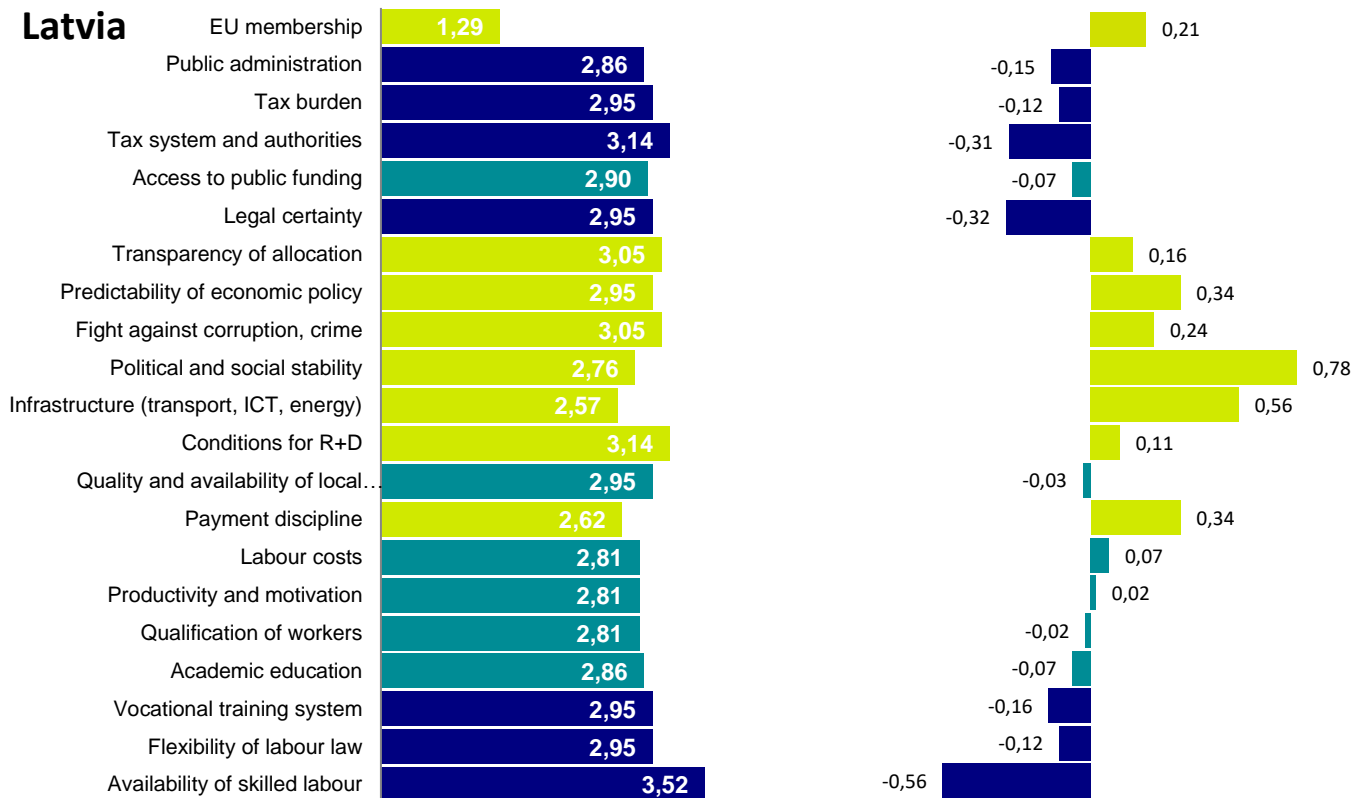
improved

unchanged

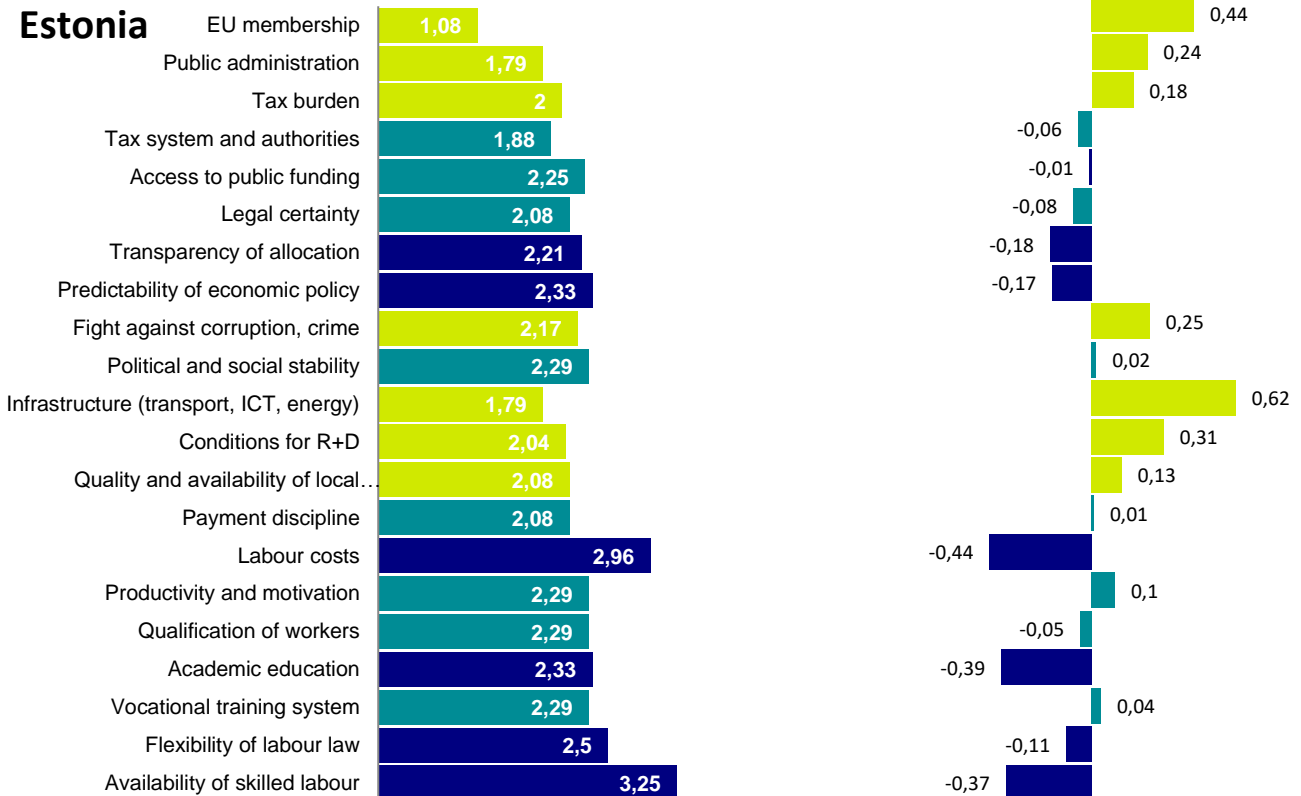
worsened



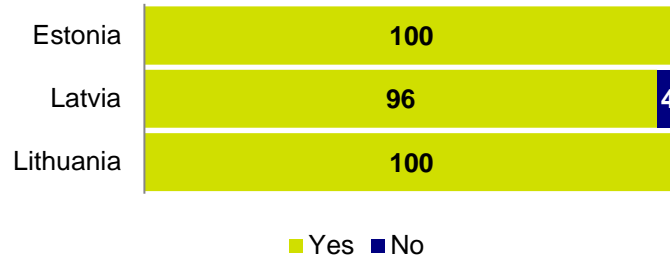
Latvia



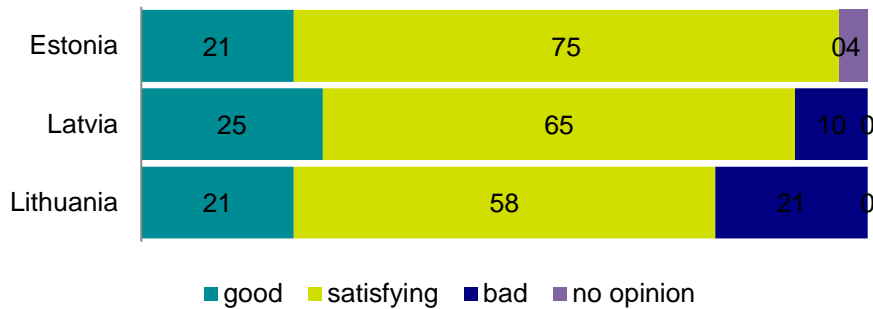
Estonia



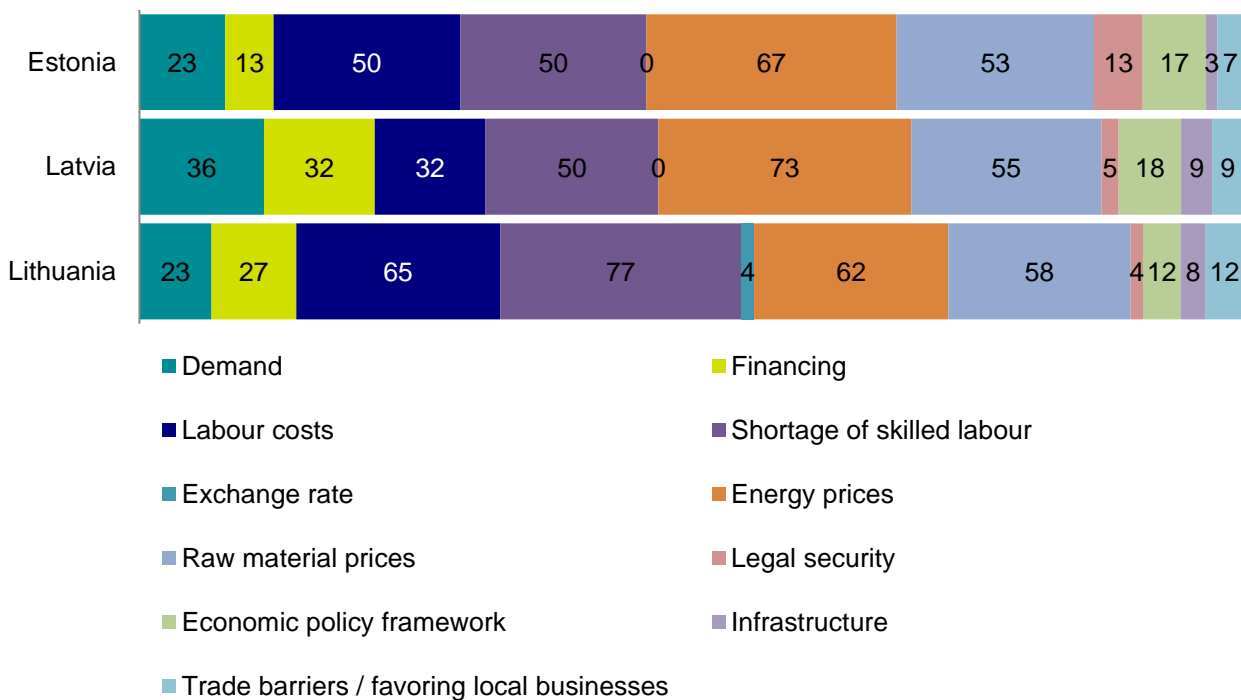
Would you choose your current country as an investment location again today? (in %)



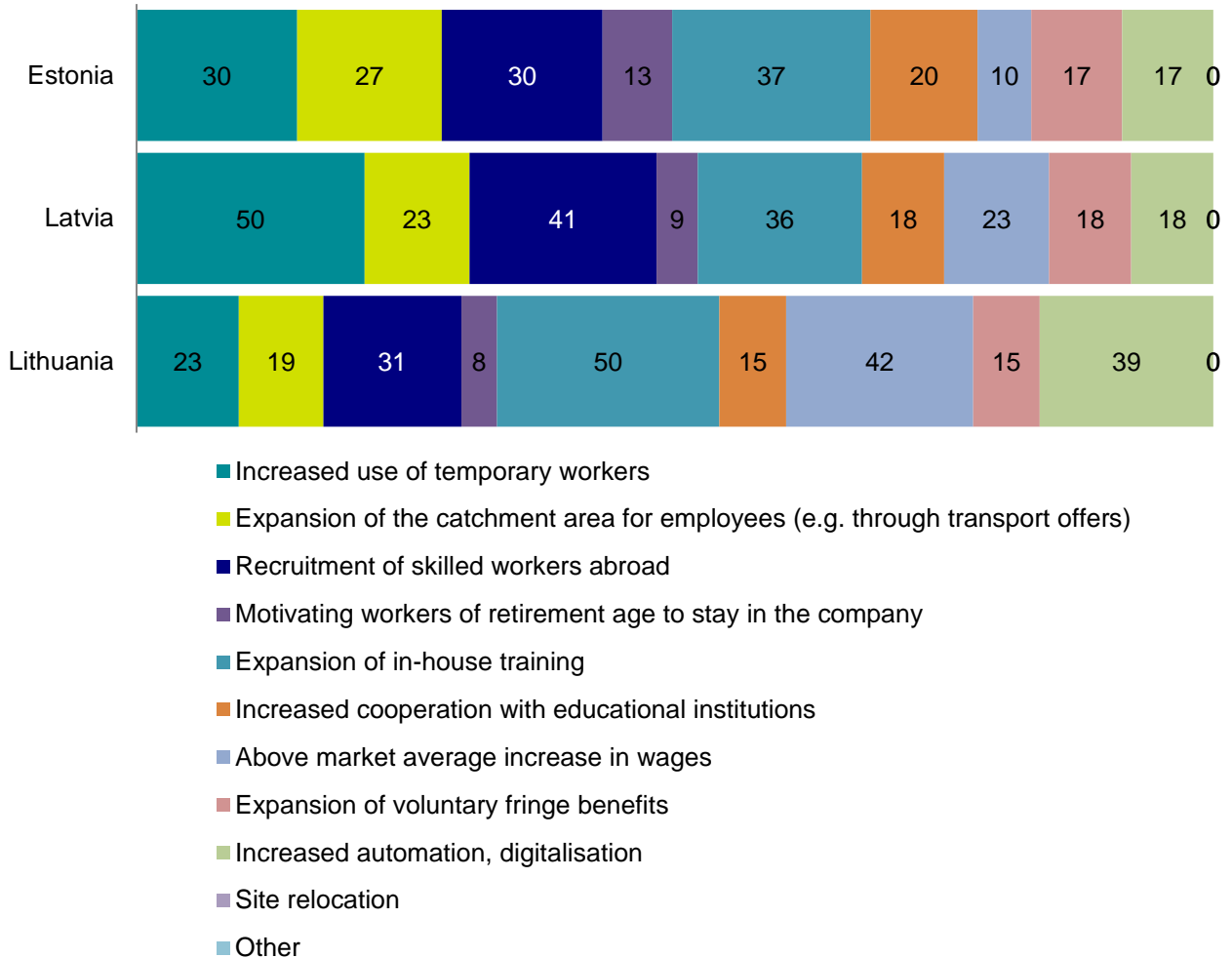
Overall, how would you rate the work of the current government? (in %)



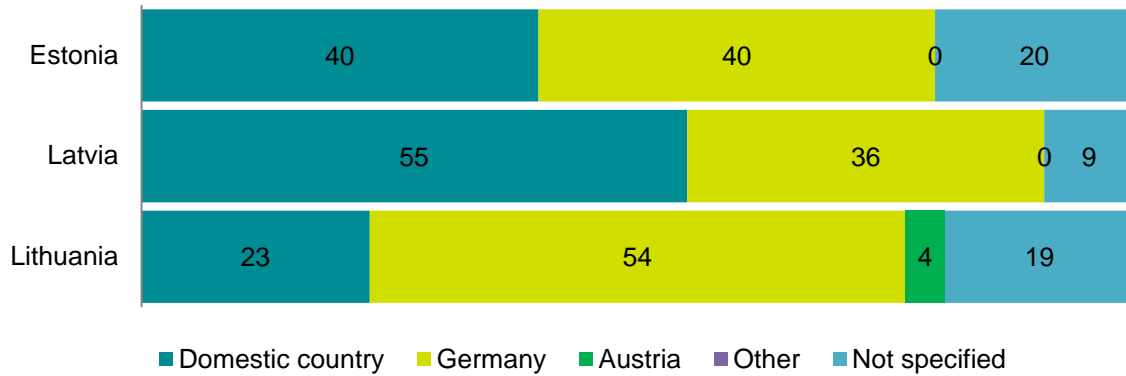
Where do you see the greatest risks for the economic development of your company in the next twelve months? (in %)



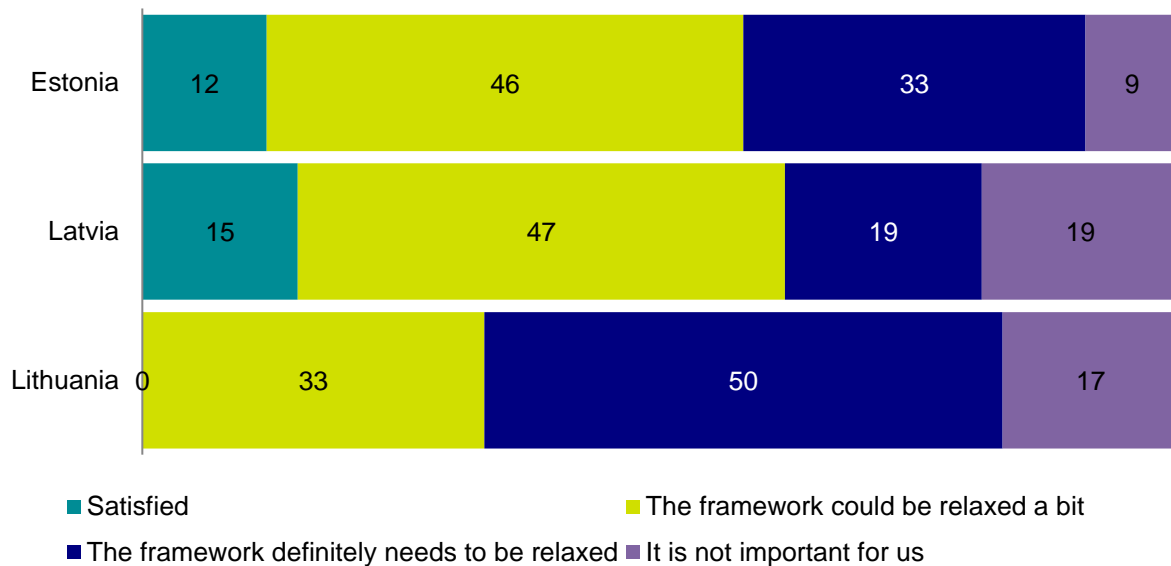
What measures have you taken or do you plan to take soon to mitigate the consequences of the shortage of skilled workers?



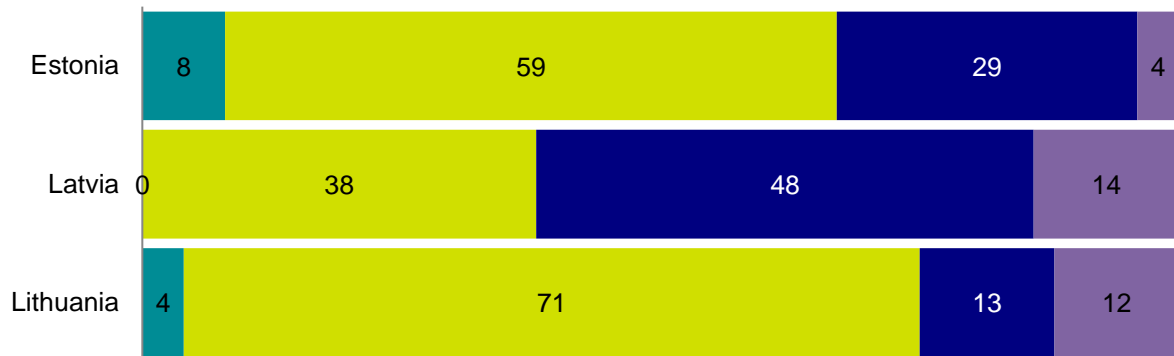
In which country is the headquarter of the majority owner of your company / group located?



Are you satisfied with the governmental framework for labor procurement from third countries?

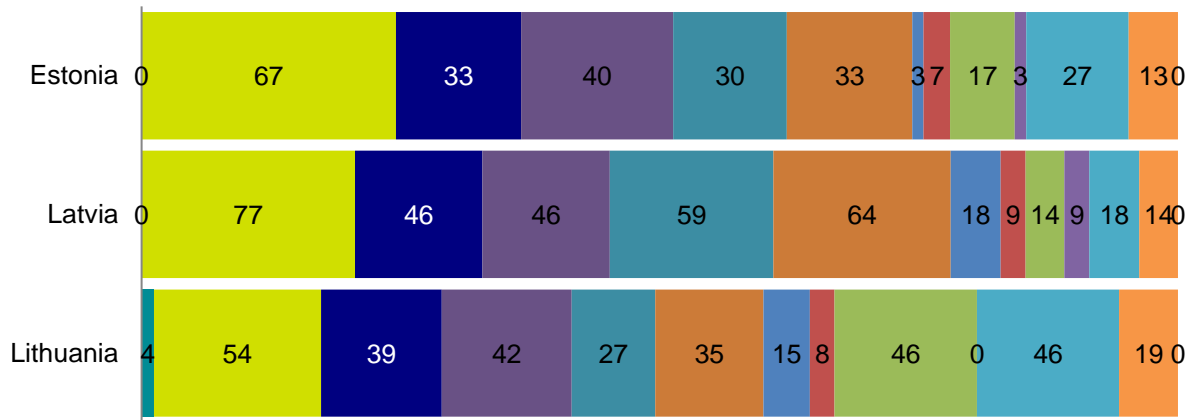


How big is the problem of increasing labor costs in your company?



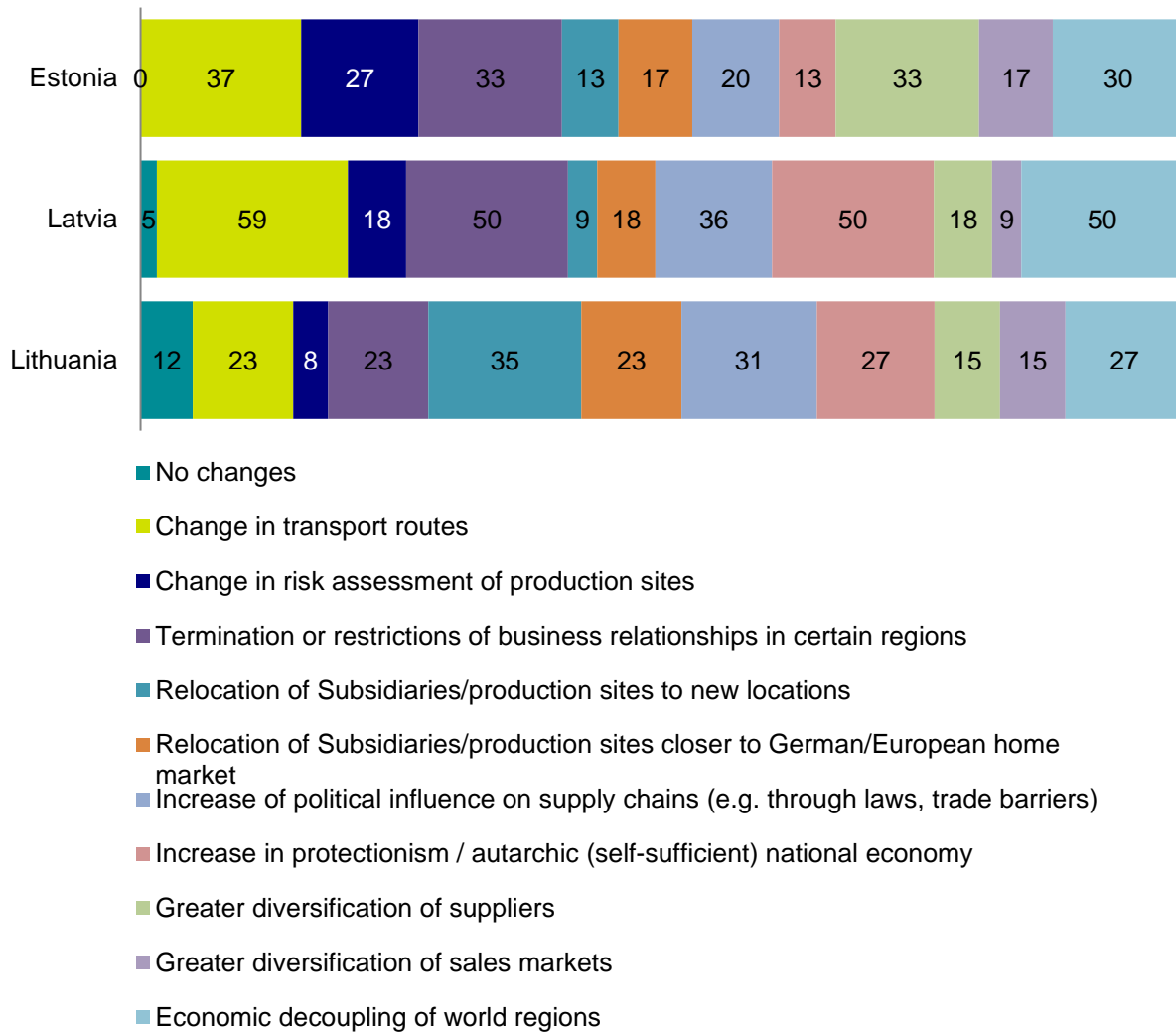
- It is a very big problem, which makes us consider relocation
- It is a problem, but we can still balance it
- It is a growing problem that we will have to deal with in the near future
- It is not a problem for us at the moment

What short-term economic consequences of the Russian invasion of Ukraine do you experience or expect for your company? (Multiple answers possible)



- No consequences
- Higher costs for energy, raw materials and inputs
- Lack of raw materials and inputs
- Supply chain and logistics disruptions
- Increasing trade barriers
- Increasing legal uncertainty
- Stop or reduction of production
- Increase of production
- Decrease in incoming orders
- Increase in incoming orders
- Loss of business partners, break-up of business relationships
- Obstacles in payment transactions
- Other

What long-term changes in the international division of labour do you expect? (Multiple answers possible)



Survey details

Survey period

- 30 March - 22 April 2022

Survey format:

- Online via common platform of all 16 countries.
-

Participants

Participating countries and number of participants 2022:

AL	Albania	33
BA	Bosnia-Herzegovina	47
BG	Bulgaria	38
CZ	Czech Republic	0
EE	Estonia	25
HR	Croatia	103
HU	Hungary	163
KS	Kosovo	74
LT	Lithuania	25
LV	Latvia	21
MK	North Macedonia	29
PL	Poland	67
RO	Romania	0
RS	Serbia	104
SI	Slovenia	30
SK	Slovakia	74
CEE	in total	833

Statistical references

Average of the region / CEE

- » "CEE region" refers to the 16 countries participating in the survey (see above).
- » Unless otherwise stated, "regional average" or "CEE average" means the arithmetic mean of the total results for the participating countries.
- » For some questions, the number of countries included in the CEE average is less than 16, unless the question in question was asked in all countries.