



Press-release  
May 22, 2018

**AEB and GfK Survey: 86 % of European Companies Consider Sanctions against Russia Harmful for their Business**

In 2018 the Complex Index of the AEB-GfK that reflects the sentiments of European business in Russia has decreased by 3 points as compared to 2017 and amounted to 138 out of 200 possible points.

According to the survey results, the long-term (6–10 years) and middle-term (3–5 years) economic prospects remain at a high level. As for the short-term prospects (1–2 years), most companies expect the Russian economy to either stagnate or grow.

**What has the largest impact on business?**

In the opinion of the study participants, the sanctions against Russia and the results of the US elections had the most negative impact on the business of European companies in Russia (86 % and 70 % of respondents accordingly). As compared to 2017, the share of respondents who negatively assess the impact of these factors on company operations and the Russian economy has increased.

The impact of the economic policy of the Russian Government on company operations is estimated neutrally or positively by 61 % of respondents and negatively by 34 % of respondents. Most AEB member companies note that they do not expect any change in the current economic policy of Russia after the elections in 2018.

**Investment Expectations of Business**

In connection with negative external factors, the share of respondents who expect a reduction in investments in Russia as a whole increased from 11 % in 2017 to 36 % in 2018. However, most companies expect that the investments in their kinds of business will remain without changes.

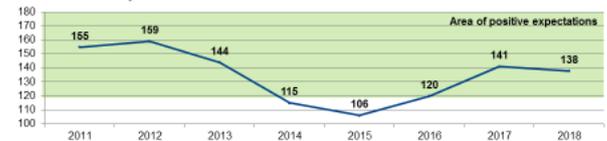
"Most European companies were satisfied both with the results at year-end 2017 and the beginning of Q1' 2018. But the weak growth of the Russian economy is adding an air of uncertainty. One of the most destabilizing factors is the risk of sanctions, which spoils the positive business climate for European companies in Russia as a whole," said Frank Schauff, CEO of the Association of European Businesses.

"European companies in Russia continue to believe in the Russian market. In 2018 almost two-thirds of companies are counting on a profit growth, whereas in 2017 there was a slim majority of such companies," said Aleksandr Demidov, General Director of GfK Rus.

AEB-GfK Barometer: Business Confidence in Russia



AEB-GfK Index Dynamics



Комплексный индекс



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## About the Survey

The study "Strategies and Prospects of European Companies in Russia" is being carried out by the International Institute of Marketing and Social Studies GfK Rus at the request of the Association of European Businesses. This year's study was carried out for the eleventh time in March-April of 2018 by way of online surveys and personal interviews with top managers of the AEB member companies working in Russia.

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## Association of European Businesses

The Association of European Businesses (AEB) is the main representation of foreign investors in Russia. Founded in 1995, the AEB is an active community of more than 500 members from the member states of the EU, the European Free Trade Association (EFTA) and other countries, which have business activities with and in the Russian Federation. The AEB members are multinational corporations and small and medium-sized enterprises. They all share a commitment to boosting cooperation with Russia, as well as the desire to improve the investment climate of the Russian Federation.

The AEB includes 65 committees, subcommittees and working groups that are engaged in lobbying on a wide range of issues in various business areas including energy, transport and customs, agriculture, air travel, passenger cars and commercial vehicles production, legislation, taxation, banking, real estate, crop protection products and many others. These committees work closely with the European and Russian authorities, and provide comments to the current and draft laws.

The AEB provides information support for its members through its website, social networks, printed publications, open events, and distributes reviews and releases about the current events in the legal and business fields.

For more information, please visit the AEB official website at [www.aebrus.ru](http://www.aebrus.ru)

## International Institute of Marketing and Social Research GfK Rus

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