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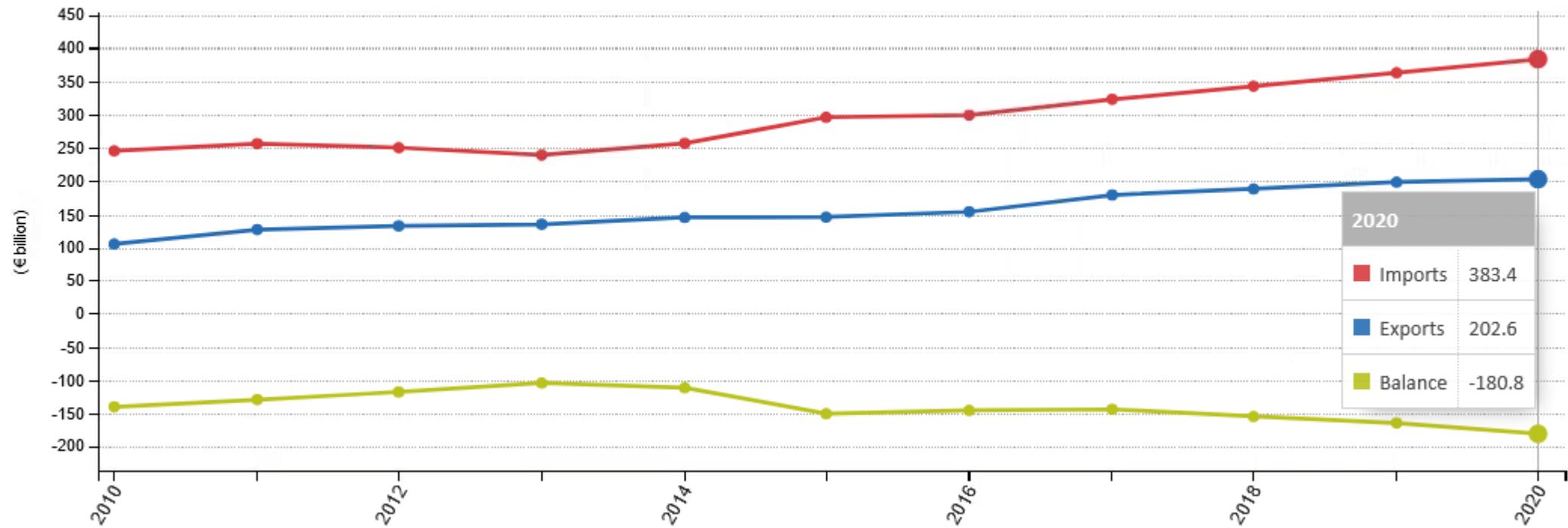
A German Perspective on Belt and Road Initiative

Florian Wolff

26 August 2021 – Frankfurt am Main

I. China as an Important Trading Partner

EU trade in goods with China, 2010-2020





eurostat

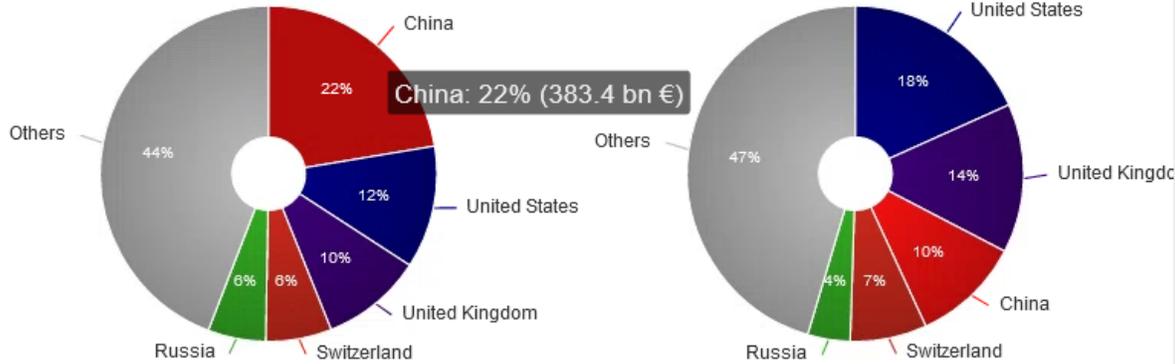
Trade in goods by top 5 partners, European Union, 2020

(in %)



Imports

Exports

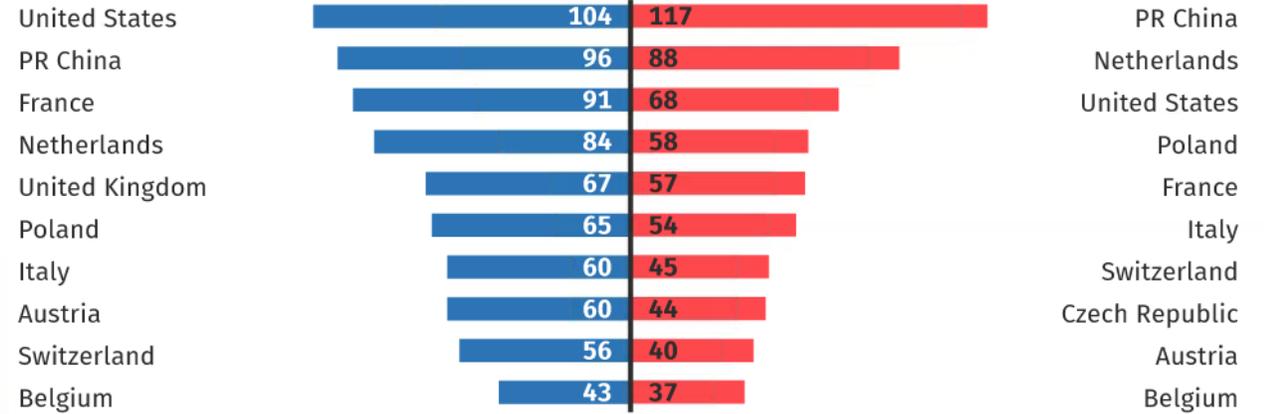


Germany's major trading partners, 2020

Euro billions

Export

Import



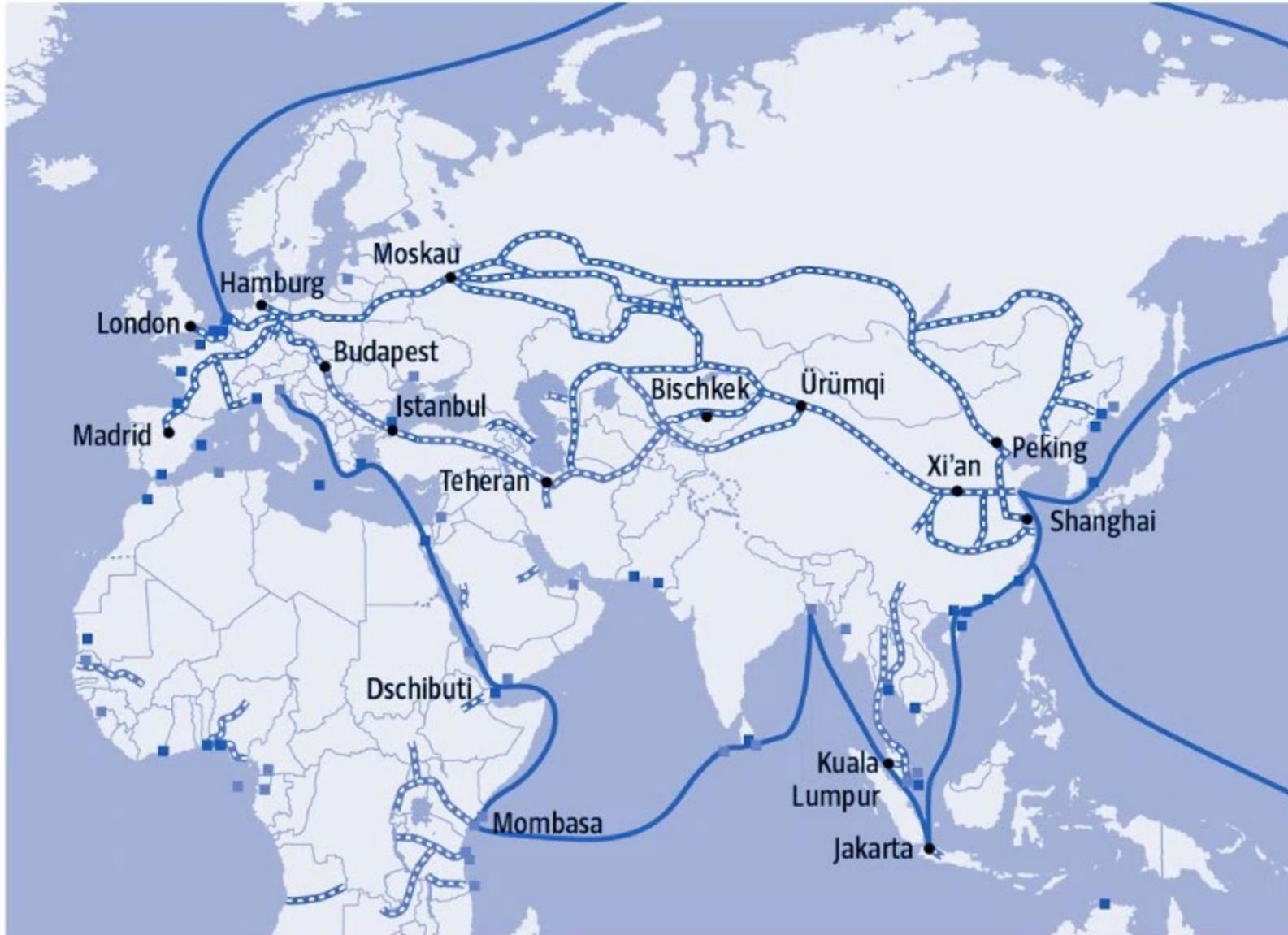
Preliminary Result

© Statistisches Bundesamt (Destatis), 2021

II. Belts and Roads to Western Europe

Die neue Seidenstraße

Bahnstrecken  vorhanden  geplant **Häfen**  vorhanden  geplant **Seeweg** 



Quelle: Mercator Institute for China Studies, SZ vom 26.04.2019, S. 9.

Roads

- Ports

- Wilhelmshaven
- Hamburg
- Duisburg

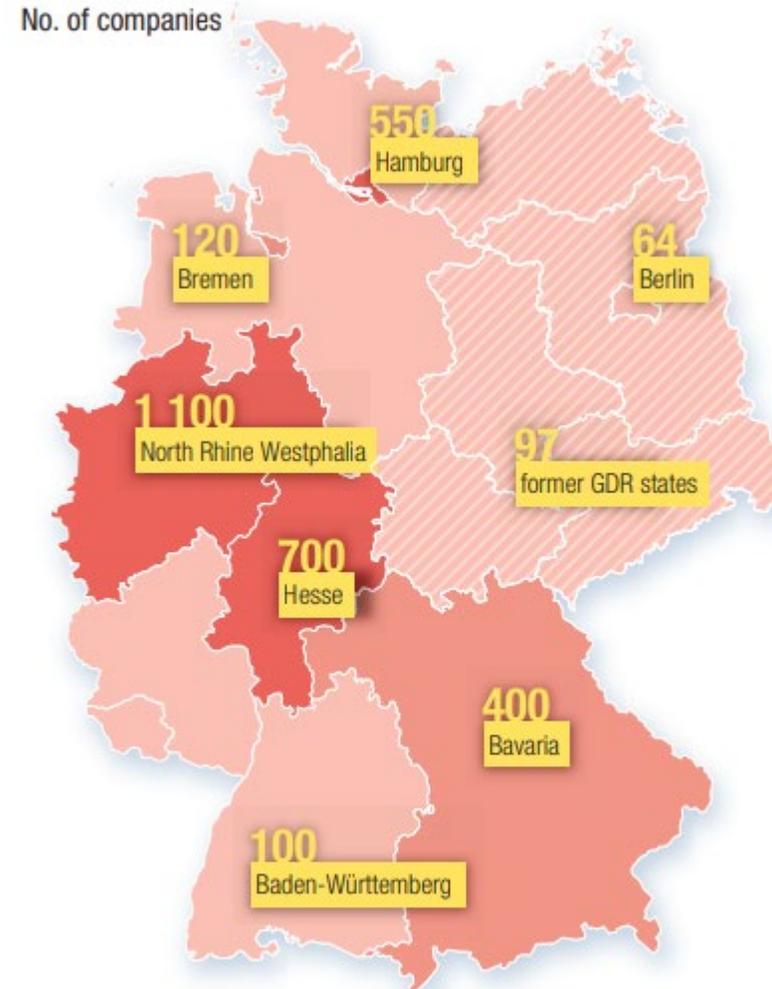
- Railway operations

- | | | |
|------------|---|-----------|
| • Duisburg | – | Chongqing |
| | – | Gansu |
| • Hamburg | – | Zhengzhou |
| | – | Harbin |
| • Leipzig | – | Shenyang |
| • Nürnberg | – | Chengdu |

Belts

March 2019, the Federal Association of the German Silk Road Initiative (BVDSI) was founded in Bremen

Distribution of Chinese subsidiaries across German states



Source: Chinesische Handelskammer in Deutschland e.V.,
based on information from regional economic
development organisations © Hamburg Chamber of Commerce 2018

III. Concerns

Concerns

- Level playing field for all sides and countries involved ?
- Lack of transparent public procurement of the infrastructure projects
- Debt-trap diplomacy?
- Ecological Concerns

- **Angela Merkel:** “We, as Europeans, want to play an active part and that must lead to certain reciprocity and we are still wrangling over that a bit,” Merkel said, as quoted by Reuters. (March 2019)
- **Peter Bollhagen, state chairman of the Association of Self-Employed Entrepreneurs:** Germany's small and medium-sized enterprises (SMEs) should have the courage to actively participate in the construction of the new Silk Roads. This is an opportunity that should be seized.
- **Prof. Dr. Rainer Lindner, CEO for Central & Eastern Europe and Middle East & Africa at the Schaeffler Group:** Germany and its export-orientated companies can benefit from the new trade routes and traffic routes. In addition to the expansion of transport routes, the many projects along the Silk Road 4.0 are of particular interest to German and European companies: automobile factories, raw material deposits, power plants, and infrastructure projects.
- **German Commercial Bank (Commerzbank):** Germany is likely to benefit even more from the BRI in the operating phase than it currently does in the development phase. The development of transportation will open up great opportunities for Germany's expert-strong economy. On the other hand, Commerzbank believes that BRI is giving Chinese companies the opportunity to show the world they no longer deserve a reputation as technology and asset hunters, but instead offer high-value services.
- **Former Minister for Foreign Affairs of Germany Sigmar Gabriel:** If we fail to develop our own strategy with a view to China, then China will succeed in dividing Europe.
- **Analena Baerbaum, candidate for chancellorship of the Green Party:** „We must insist on common standards when there is dumping and excessive state subsidies abroad. For example by charging companies that are being unfairly subsidized on the Chinese market or that do not adhere to ecological standards.“ (August 2021)

IV. A Glimpse into the Legal Implications for Chinese Investors

Two pillars – Foreign trade laws and Cartel laws

Foreign Trade and
Payments Act (AWG)
and the Foreign Trade
Ordinance (AWV)

Act against Restraints of
Competition
(Competition Act –
GWB) /merger control
laws

GÖRG – China Expertise

What we do for our Chinese clients

Corporate Projects:

- Merger and Acquisition Transactions, including Foreign Direct Investment Rules and Merger Control
- Joint Ventures
- Corporate Work for foreign shareholders of German subsidiaries

Commercial

- International supply and distribution agreements
- Market entry of new products from China on the European Market
- Foreign trade and customs law; antidumping cases
- Commercial litigation
- Employment law

Immigration

- Laws governing foreign nationals, including immigration, settling in Germany, work permits etc.



Florian Wolff

A German lawyer and partner at GÖRG where he is head of the firm's China-related business. Florian works almost exclusively on international matters, primarily for clients from English-speaking countries, Eastern Europe and China.

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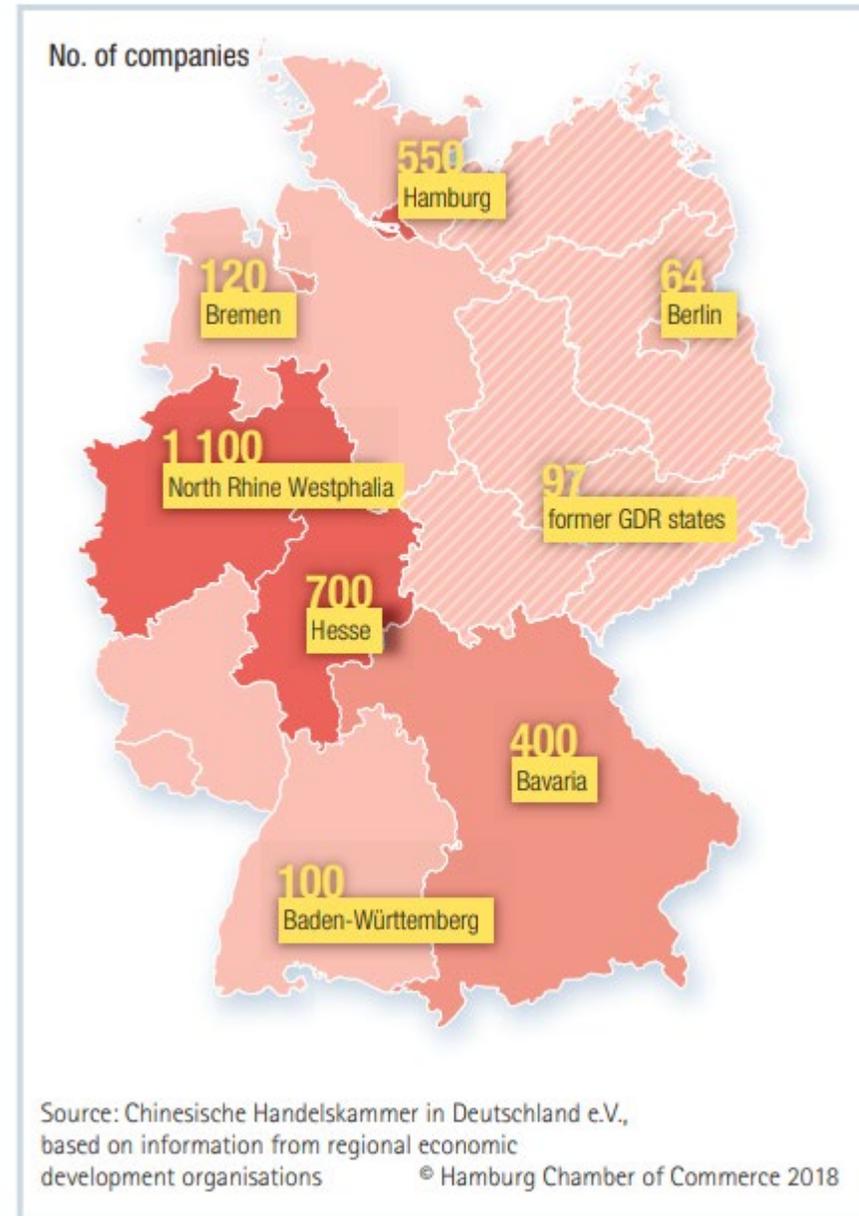
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Distribution of Chinese subsidiaries across German states



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