

THE GERMAN CONNECTION



■ MW 7 Series on location around North Wales. Picture by Mark Fagelson Photography. Inset: Aldi is a major employer in North Wales

The crucial links between the economies of Wales and Germany. Owen Hughes reports

THE huge importance of Germany on the Welsh economy has been highlighted by German industry UK. The body, which is based in Triclieth in Gwynedd, is the voice of German business in the UK. With continuing uncertainty over the UK's future trading relationship with the European Union, its chairman and chief executive, **Dr Bernd Atenstaedt**, has spelt out the impact of Germany on exports and jobs in Wales. He also talks about why a deal Brexit could harm his, although he did insist trade would continue between

the nations. The total value of Welsh exports, goods and services worldwide, is now

£17.2bn per annum and 61% of Welsh exports of goods and services go to the EU.

Of the Welsh exports to the EU, 18% go to Germany - making it the top export destination for Wales.

The Welsh Government is determined this will continue - whatever happens with Brexit. Minister for International Relations Eluned Morgan said: "Wales' relations with Germany are vital. Germany is our most important economic partner in Europe, and we will not let whatever happens with Brexit change that."

"In September, I'll be visiting Germany, and I'll be going with a clear message - our ties are strong and Wales is a prime

destination for tourism, study and investments."

The six main Welsh exports in goods to Germany are (in this order) transport equipment, road vehicles, electric machinery, iron and steel, medicinal and pharmaceutical products, power generating machinery and equipment.

Meanwhile inside Wales there are now some 70 German-owned companies, employing more than 12,000 people.

They include:
• Supermarkets Aldi and Lidl, both with up to 2,000 employees and head offices in Cardiff.

- Prepared food manufacturer Rowan Foods (Oscar Mayer) with 950 in Wrexham.
- Bus company Arriva with 600, with a head office in Bangor.
- Diagnostic solutions company Siemens Healthcare, with 500 in Llanberis.
- Wind farm developer Innogy, who employ 100 at Mynydd, working on sites off North Wales like Gwynt-y-Mor.

In addition to these jobs there is also another major, but only partly owned German company in Airbus, with 6,000 employees.

When it comes to tourism Germans make up 12% of the million foreign tourists who visit Wales every

year, behind only those from the Republic of Ireland and the USA.

Germany is therefore important for Welsh tourism. The issue that is fast approaching is Brexit and how this could impact a relationship that brings benefits to both nations.

Dr Bernd Atenstaedt said: "The trouble is that Wales voted to come out of the EU in June 2016 which did not go down too well in Germany. We wanted Wales to remain."

"Here Scotland has a great advantage over Wales as the Scots voted to remain which was very welcome in Germany. As it is, investment of the 70 German companies in Wales is now

on hold waiting for the outcome of the Brexit negotiations.

"If it comes to a no-deal on 31 October with border controls, tariffs etc, I expect investment from German companies in Wales will decline somewhat."

"However, I am confident established German business with Wales will continue more or less as before."

"That will probably go for established Welsh exports to Germany also and of course for tourism."

"The relationship between Wales and Germany has always been strong and should continue. Many town twinnings, like Cardiff

and Stuttgart, and partnerships between Welsh and German universities will keep the Welsh-German relationship going and of course the 130,000 or so Germans living and working in Wales, who will have settled status, are another stabilising factor.

"The Welsh Government has recently opened two new offices in Germany, in Berlin and Dusseldorf, to underline the Welsh Government's determination to maintain, and even further strengthen, the relationship between the two countries after Brexit."

"Brexit should not dampen the partnership with Germany. This is very welcome. Hopefully, there will be enough government funding for this initiative to have an impact in Germany."

