

The full extent of the special relationship between Wales and Germany – and how it could be damaged

We sell more exports to Germany than any other country and fears are high that Brexit could disrupt a very special partnership



Relationships between countries are rarely as special as the links that unite Germany and Wales.

Wales' top export destination is not the United States or China but the home of BMW.

Germany accounts for around a fifth of all Welsh exports – but this is not the only way this country of nearly 83m people enriches Wales.

Around 13,500 people are employed by German-owned companies across this nation. Industrial giants such as Siemens have operations here and the merger of Tata Steel and Thyssenkrupp only underscores the importance of our relationship with the world's fourth biggest economy.

With Britain's departure from the EU looming on March 29 next year a priority for the Welsh Government is ensuring that Brexit does nothing to damage this partnership.

This is why the Welsh Government has just opened two new offices in Germany – one in Berlin and another in Dusseldorf.

Welsh exports to Germany were worth £3.3bn in the 12 months to June and the goal will be to ensure that trade between the two countries becomes an even greater source of wealth.

There is deep anxiety about how a so-called hard Brexit could disrupt Welsh trade with the EU, the destination of nearly 60% of our exports.

The chairman of the trade body German Industry UK lives on a sheep farm in Snowdonia and is fully aware of the importance of his home country to Wales' economy.

Dr Bernd Atenstaedt, 76, was born in Leipzig and married the daughter of a former RAF group captain he met when he came to Criccieth to stay with an exchange family at the age of 18.

He makes no secret of the fact that he wants Wales and the UK to stay in the EU.

“We want the UK to remain,” he said. “We respect the will of the people, obviously, but [if] they were to remain still that would be in our interest as business.

“This is not a political statement; it is just a business statement.”

Having made his life in the UK and put down deep roots in Wales, he is rueful about the prospect of Brexit, saying: “I feel as comfortable, as at home here as I do in Germany. I hope very much [that] they won't kick me out because I'm still a German citizen.”

Dr Atenstaedt is frank about the effect of Brexit uncertainty and the need for clarity, warning of a reluctance to invest. The possibility of added costs and customs checks is also a major concern.

“We don't want that,” he said. “None of us want that.”

German Industry UK welcomed the so-called Chequers plans for a future trading relationship with the EU put forward by Theresa May but these have come under fierce attack from Conservative eurosceptics.

“We are very keen on this economic partnership but heaven knows what's happening now,” he said.

It is not just Brexit which is a concern. Dr Atenstaedt wants to see an improvement in skills training in Wales, where children have consistently underperformed UK and international counterparts in the rankings for science, reading and maths.

He said: “We have to invest a lot of our money as companies to bring people or apprentices up to standard. We get applications for apprenticeships from people who can't even put two and two together.”

Manufacturing, he argues, should not be seen as a “dirty business” and teachers should encourage students to “go into industry, in particular into engineering.”