Rödl & Partner

CONNECTING COUNTRIES

Belt and Road Initiative
“China – the Middle Kingdom – doesn’t only stand out on account of the local market investment opportunities for German and European companies. The Belt and Road Initiative offers excellent opportunities to see the big picture in China. Our experts located along the planned route are intimately familiar with their local markets and can advise you in detail regarding legal, tax and commercial issues, helping you to make the right investment decisions.”

Rödl & Partner
PAST MEETS PRESENT AND ALL ROADS LEAD TO THE FUTURE

The history of the Silk Road is inextricably linked with the trading activities developed between the most powerful dynasties of ancient times. This network of caravan tracks originated in the 1st century BC and for centuries it was the major trade artery linking the Roman Empire, the Parthian and Kushan Empires and China. This interwoven network of routes together formed an uninterrupted connection between East Asia through Central Asia all the way to the Mediterranean. This not only enabled China to develop the silk trade, which gave the route its name, but went further, promoting the cultural and political development in the countries and regions along the Silk Road. China played a key role at the peak of the Silk Road’s activity: through their monopoly over the silk trade, the Imperial dynasty was able to maintain political stability which later became known as “silk diplomacy”.

The global Belt and Road Initiative undertaken by the Chinese government to revive the ancient trade route has a similar goal in mind: to forge partnerships and to boost economic progress through stronger trade ties. The slogan Belt and Road is intended to promote economic, political and also cultural collaboration along two parallel routes: the overland route – the Silk Road Economic Belt – linking China with Europe via central Asia, and the maritime route – the 21st Century Maritime Silk Road – designed to join up Southeast Asia, Africa and Europe.

These initiatives will generate significant opportunities for German and European companies, for example the chance to participate in a number of infrastructure projects such as the China-Kazakhstan rail link, or the opening of the Bangladesh-China-India-Myanmar economic corridor. Potential beneficiaries of the heightened demand for know-how are likely to be construction and civil engineering firms, transport and logistics, machinery and equipment manufacturers, the energy and the environment sectors. Further opportunities will also be available in the primary sector of the economy.
The two economic corridors, one overland, the other maritime, enable China to link three continents with each other. The overland route starts off in Xi’an then follows a route through Central Asia and parts of the Middle East before arriving in the metropolis of Istanbul, which has from time immemorial been seen as the gateway between Asia and Europe. Leaving Istanbul, the route continues, traversing Central, Eastern and Western Europe before arriving at its destination, the Dutch city of Rotterdam and the most westerly point of the route. The overland route thus links the world’s largest with its second-smallest continent.

The maritime route follows the east coast of China in a southerly direction, and then continues along the coastlines of Southeast Asia and the Near East before heading towards the world’s largest continent. Passing East Africa and the Arabian Peninsula, the route goes through the Suez Canal to the Mediterranean, then past Greece and the Balkan Peninsula before reaching its destination, the port cities of Italy.

COUNTRIES ALONG THE SILK ROAD ECONOMIC BELT

China, Kazakhstan, Mongolia, Russia, Kirgizstan, Uzbekistan, Afghanistan, Tajikistan, Turkmenistan, Ukraine, Belarus, Moldavia, Iran, Georgia, Azerbaijan, Turkey, Bulgaria, Romania, Poland, Germany, Netherlands

COUNTRIES ALONG THE 21ST CENTURY MARITIME SILK ROAD

China, Hong Kong, Vietnam, Malaysia, Singapore, Indonesia, India, Bangladesh, Myanmar, Sri Lanka, Pakistan, Kenya, Egypt, Greece, Italy
## Goals of the Belt and Road Initiative

<table>
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<tr>
<th>Security</th>
<th>Stability</th>
<th>Multipolar global order</th>
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</table>
| - Security of energy supply  
- Minimise dependences  
- China-centered production networks | - Political influence | - Encouragement of Chinese overseas investment  
- Opening up of growth markets |

### Infrastructure development

- Planned infrastructure projects
  - Development of (Deep-water) ports  
  - Development of transportation networks  
  - Development of pipeline networks

### Financing opportunities
- AIIB – Asia Infrastructure Investment Bank  
- Silk Road Fund  
  Investment capital: USD 40bn

### Overall goal
- Economic growth
Multifaceted Cooperation Opportunities

The Belt and Road Initiative opens up a wide range of projects which are not only attractive propositions for German or European companies. Opportunities abound along the entire length of the economic corridors for a multitude of potential cross-border or cross-industry business ventures or partnerships with Chinese or other local entities. The advantages of such partnerships or cooperations include a lowering of the barriers to market entry plus the possibility of opening up hitherto unknown markets.
Multifaceted Investment Opportunities

Investment opportunities are available in virtually every industry and sector: that includes agriculture, more or less the entire industrial sector and also in financial or IT services. Rödl & Partner has specialists in place with comprehensive sector knowledge and expertise, who are intimately familiar with the ins and outs of the respective local markets and who can competently advise and guide you through your local or cross-border investment projects.

<table>
<thead>
<tr>
<th>Construction and civil engineering projects</th>
<th>Agricultural machinery and equipment</th>
<th>Healthcare and Medical Engineering</th>
<th>Biotech and Pharma</th>
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<tbody>
<tr>
<td>Transportation, shipping, maritime and logistics</td>
<td>Ocean technology and desalination plants</td>
<td>Renewable energy</td>
<td>Conventional energy supply</td>
</tr>
<tr>
<td>Environmental</td>
<td>Tourism projects</td>
<td>Agriculture, fisheries and forestry</td>
<td>Textiles</td>
</tr>
<tr>
<td>Coal and steel</td>
<td>Engineering services</td>
<td>IT services and projects</td>
<td>Consultancy and financial services</td>
</tr>
</tbody>
</table>
Our offices along the Belt and Road

We have a network of our own local offices located at the key strategic hubs along the length of the Belt and Road and can provide a full range of in-house consultancy services and answers to any questions regarding any legal, tax or commercial issues.

- Rödl & Partner in Belarus
  Minsk
  www.roedl.com/belarus

- Rödl & Partner in Bulgaria
  Plovdiv | Sofia
  www.roedl.com/bulgaria

- Rödl & Partner in China
  Beijing | Guangzhou | Hongkong (S.A.R.) | Shanghai | Taicang
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- Rödl & Partner in Egypt*
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  www.roedl.com/egypt

- Rödl & Partner in Germany
  25 Offices
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  www.roedl.com/greece

- Rödl & Partner in India
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  www.roedl.com/kazakhstan

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  www.roedl.com/kenya

- Rödl & Partner in Malaysia
  Kuala Lumpur | Penang
  www.roedl.com/malaysia

- Rödl & Partner in Myanmar
  Yangon
  www.roedl.com/myanmar

- Rödl & Partner in the Netherlands*
  Amsterdam
  www.roedl.com/netherlands

- Rödl & Partner in the Philippines
  Manila
  www.roedl.com/philippines

Reference
- 21st Century Maritime Silk Road
- Silk Road Economic Belt

* Rödl & Partner is represented through experienced partner firms in these locations.
Rödl & Partner in Poland
Cracow | Gdansk | Gliwice | Poznan | Warsaw
www.roedl.com/poland

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www.roedl.com/uzbekistan

Rödl & Partner in Vietnam
Hanoi | Ho Chi Minh City
www.roedl.com/vietnam
As attorneys, tax advisers, management and IT consultants and auditors, we are present with 109 own offices in 49 countries. Worldwide, our clients trust our 5,120 colleagues.

The history of Rödl & Partner goes back to its foundation as a solo practice in 1977 in Nuremberg. Our aspiration to be on hand wherever our internationally-active clients are led to the establishment of our first, own offices, commencing with Central and Eastern Europe in 1991. Alongside market entry in Asia in 1994, the opening of offices in further strategic locations followed, in Western and Northern Europe in 1998, USA in 2000, South America in 2005 and Africa in 2008.

Our success has always been based on the success of our German clients: Rödl & Partner is always there where its clients see the potential for their business engagement. Rather than create an artificial network of franchises or affiliates, we have chosen to set up our own offices and rely on close, multidisciplinary and cross-border collaboration among our colleagues. As a result, Rödl & Partner stands for international expertise from a single source.

Our conviction is driven by our entrepreneurial spirit that we share with many, but especially German family-owned companies. They appreciate personal service and value an advisor they see eye to eye with.

Our ‘one face to the client’ approach sets us apart from the rest. Our clients have a designated contact person who ensures that the complete range of Rödl & Partner services is optimally employed to the client’s benefit. The ‘caretaker’ is always close at hand; they identify the client’s needs and points to be resolved. The ‘caretaker’ is naturally also the main contact person in critical situations.
We also stand out through our corporate philosophy and client care, which is based on mutual trust and long-term orientation. We rely on renowned specialists who think in an interdisciplinary manner, since the needs and projects of our clients cannot be separated into individual professional disciplines. Our one-stop-shop concept is based on a balance of expertise across the individual service lines, combining them seamlessly in multidisciplinary teams.

WHAT SETS US APART

Rödl & Partner is not a collection of accountants, auditors, attorneys, management and tax consultants working in parallel. We work together, closely interlinked across all service lines. We think from a market perspective, from a client’s perspective, where a project team possesses all the capabilities to be successful and to realise the client’s goals.

Our interdisciplinary approach is not unique, nor is our global reach or our particularly strong presence among family businesses. It is the combination that cannot be found anywhere else – a firm that is devoted to comprehensively supporting German businesses, wherever in the world they might be.
Our Services

PROJECT-RELATED SERVICES

In addition to our comprehensive portfolio of advisory services, Rödl & Partner local offices also provide project-related consultancy services covering the full spectrum of the Belt and Road Initiative. In doing so, our teams collaborate together across sectors and borders, assisting you with each individual phase of your project. We advise you on matters relating to procurement, customs and logistics law and can also notify you of opportunities that may open up for you to participate in Chinese and German government tenders. In addition, our services include assistance with risk analysis and risk avoidance strategies, advice on liability issues, investment and subsidy options and last but not least, we can assist you with market entry in many countries along the Belt and Road.

LEGAL SERVICES

- Corporate law
- International Procurement law
- Incorporation of subsidiaries and representative offices
- Joint ventures, M&A
- Due Diligence
- Mercantile, Distribution and Customs law
- Maritime, Transportation and Shipping law
- Investment protection
- Strategic sectors, Foreign Investment law and Currency law
- Local Employment law
- Assistance with arbitration proceedings

TAX ADVISORY SERVICES

- Tax structuring
- Tax Due Diligence
- Tax planning for international group financing, M&A
- Transfer pricing
- Taxation of business premises locations
- Tax advice regarding the set-up of distribution structures and production operations
AUDIT

- Statutory and voluntary audits of annual financial statements for companies or groups of companies of all legal forms
- Statutory or voluntary special audits
- Financial due diligence
- Company valuations

BUSINESS PROCESS OUTSOURCING

- On-going financial and payroll accounting
- Preparation of annual financial statements and reporting requirements, in compliance with national and international accounting standards
- Budget planning and audit, financial analysis
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